

INTERRUPTIBLE GAS-FIRED ELECTRIC GENERATION SERVICE – GAS SCHEDULE EG

1. Availability:

- 1.1 Where the combined connected capacity of all Customer gas-fired generation equipment at the Customer’s premise is 2,500 therms per hour or greater;
- 1.2 Where the Customer must comply with the Operational Availability and Communication requirements of Section 3.4 of this Schedule and the Distribution System Interruption Requirements of Section 3.5 of this Schedule;
- 1.3 Where the Customer must interrupt their use of gas immediately or within the timeframe indicated by the Company following receipt of notice by the Company at any time of the day, and during any time of the year, and
- 1.4 Where “interrupt their use of gas” means that the Customer must reduce gas consumption to zero or contracted Optional Firm Delivery Service (OFDS) levels, if any.

2. Rate Table

	Rate Year 1 Effective January 1, 2021	Rate Year 2 Effective January 1, 2022	Rate Year 3 Effective January 1, 2023
Customer Charge (per Month)	\$3,000.00	\$3,000.00	\$3,000.00
Demand Price (\$/therm)	\$0.3546	\$0.3546	\$0.3546
Delivery Price (\$/therm)	\$0.0843	\$0.0843	\$0.0843
Distribution Interruption Penalty Price (\$/therm)	\$0.4949	\$0.5855	\$0.6078
Excessive Use Distribution Interruption Penalty Price (\$/therm)	\$0.6598	\$0.7806	\$0.8104
Optional Firm Delivery Service ...OFDS Hourly Volume x 24 hours x Number of Days in Month x Optional Firm Delivery Price. The following rates will apply to OFDS volumes:			
OFDS – First 10,000 (\$/therm)	\$0.3299	\$0.3903	\$0.4052
OFDS – Over 10,000 (\$/therm)	\$0.1062	\$0.1337	\$0.1407

AMR Required.....Estimated Installed Cost
 Information Fee.....\$65 per month

Comprehensive Balancing Option\$0.0006 per therm

Self-Balancing Option: The following Imbalance Prices apply:

Percent of Imbalance	Imbalance Price
0 to 3%	No Charge
Greater than 3% to 6%	\$0.00365 per therm
Greater than 6% to 10%	\$0.00486 per therm
Greater than 10% to 15%	\$0.00972 per therm
Greater than 15%	\$0.01944 per therm

3. Delivery Service: Interruptible Service transportation of gas through the Company’s distribution system for all Customers served under this Schedule.

3.1 Billing Demand: The Customer’s Billing Demand is the maximum winter day measured demand during the latest 12-month period adjusted to the nearest whole Dth. Measured demand is the Customer’s total metered use of gas during the Gas Day

Schedule EG continued

beginning at 10:00 a.m. Eastern Prevailing Time. The winter period is the 5 months of November through March, inclusive.

3.2 Demand Free Day: For a Customer taking service hereunder, the Company may at its option designate any Gas Day as “Demand Free.” The designation, if any, will be made no later than 2 p.m., Eastern Prevailing Time, of the day immediately preceding the Demand Free day. Any gas used during a Demand Free day will not be considered when determining a Customer’s Billing Demand.

3.3 Optional Firm Delivery Service

3.3.1 The Customer may contract for Optional Firm Delivery Service through meters served under this Schedule. This option allows the Customer to contract for a specific amount of firm distribution service available to interruptible gas-fired electric generation customers throughout the year and during a distribution system interruption. The Company will not maintain interstate gas pipeline capacity to supply the Customer’s OFDS requirements. The Customer must contract for a specific volume of OFDS on an hourly basis. The Company reserves the right to decline a request, whether new or a requested increase to existing OFDS, should the Company determine capacity is not available on the gas distribution system. However, the Customer may request a distribution system upgrade under the terms of Part 2, Section 8 to receive OFDS.

The OFDS rates are incremental to all existing EG tariff rates. The OFDS rates represent the effective difference between the existing EG rates and the Schedule C delivery prices.

3.3.2 An existing Schedule EG Customer desiring OFDS volumes must contract for a specific hourly amount, at a specified meter, with the Company, and revise their request no later than July 31 to be effective November 1 through October 31. The initial term of contract for OFDS is 2 years. During the first year of the initial term, and before July 31, the Customer may revise their OFDS contract volume to no less than 50% of the original contract amount, or as high as needed, providing sufficient distribution capacity is available, to be effective November 1. Upon completion of the initial 2-year contract period, the contract will continue to automatically renew for 1 year unless notified by the Customer by July 31. Following the first initial enrollment period, subsequent enrollment periods will have no limitations on the OFDS volumes, provided there is available distribution system capacity.

3.3.3 A new Customer to Schedule EG may contract for OFDS upon commencement of interruptible gas-fired electric generation service or at the next Enrollment Period. The 2 year initial contract timeframe will be determined in a manner such that the Customer is placed on the November 1 to October 31 contract schedule after the end of the initial 2 year contract timeframe.

3.3.4 A Customer who fails two physical interruption tests may contract for OFDS as described in Section 3.6.

3.3.5 Schedule EG remains the controlling Schedule when a Customer contracts for OFDS.

Schedule EG continued

3.4 Operational Availability and Communication Requirements

3.4.1 The ability of a Customer to use gas at any time is dependent on operating conditions and system constraints. If a Customer's metered usage exceeds 20,000 therms per gas day or 2,500 therms in any given hour, the Customer is subject to comply with the Operational Availability and Communication Requirements outlined in this section.

3.4.2 Approval to operate electric generation equipment means that the Customer has conditional approval to use capacity in the Company's distribution system. The use of gas is subject to the Provisions in Section 4.2 of this Schedule. The Company may, at any time, rescind approval for the Customer to use gas.

The Customer must receive explicit approval from the Company before using gas. The lack of response from the Company is not an approval under any of the requests outlined in this section.

3.4.3 Operational Availability and Communication requirements are established on a seasonal basis. The winter period is November through March and the non-winter period is April through October.

3.4.4 Winter Period Requirements

3.4.4.1 Morning Day-Ahead Request - During the winter period, the Customer is required to submit an email request by 8:00 AM Eastern Prevailing Time to run for the following calendar day. The Company will provide a response by email to the Customer as soon as practical following reception of the request that confirms the receipt of the request. In addition, the Company will provide a substantive response by email to the Customer by 9:30 AM Eastern Prevailing Time and shall either conditionally approve the request to operate or deny the request to operate. Conditional approval may be in the form of approval of the original request, approval to use a reduced amount for the same or a reduced duration or approval to use the requested amount at a reduced duration, and may require delivery on a specified city gate/pipeline.

The Customer shall provide the following information in the email requesting approval to operate:

- (a) Gas-fired electric generating unit(s) that will run,
- (b) Start time,
- (c) Run time (duration),
- (d) Usage by hour,
- (e) Total gas usage,
- (f) Interstate gas pipeline of gas delivery to the Company, and
- (g) Any other information requested by the Company to evaluate the Customer's request for approval in order to maintain gas distribution system safety and reliability.

Schedule EG continued

3.4.4.2 Afternoon Day-Ahead Confirmation – During the winter period, the Customer is also required to provide, to a Company prescribed email address by 3:00 PM Eastern Prevailing Time, an email confirming the original approved request or indicating requested changes to operate the following calendar day. The submission of an Afternoon Day-Ahead Confirmation that differs from the Morning Day-Ahead Request that will not be subject to penalty. The Company will provide a response by email to the Customer as soon as practical following reception of the request that confirms the receipt of the request. In addition, the Company will provide a substantive response by email to the Customer by 4:00 PM Eastern Prevailing Time and shall either conditionally confirm the original request, conditionally approve the modified request or deny the request to operate. Conditional approval may be in the form of approval of the original request, approval to use a reduced amount for the same or a reduced duration or approval to use the requested amount at a reduced duration, and may require delivery on a specified city gate/pipeline.

3.4.4.3 During the winter period, on the current gas or calendar day the Customer may submit a request to operate, via an email to the Company prescribed email address, even if conditional approval was not requested the prior day. The Customer shall provide as much notice as possible when making “day of” requests, but no less than thirty minutes prior to their planned start. The Customer shall provide in the email the same information required under Section 3.4.4.1 above. Within 15 minutes of the Customer’s request, the Company will respond to the Customer approving, denying or stating that the Company requires additional time to evaluate the request and provide a time estimate thereof. Conditional approval may be in the form of approval of the original request, approval to use a reduced amount for the same or a reduced duration or approval to use the requested amount at a reduced duration.

3.4.4.4 During the winter period, Customers who received conditional “day ahead” approval to operate shall make a confirming telephone call to the Company at least thirty minutes before and no more than two hours before beginning to use gas. When conditional approval is granted on the same day, and conditional approval is more than two hours in advance of beginning operations, the Customer shall make a confirming telephone call to the Company at least thirty minutes before beginning to use gas.

3.4.5 Non-Winter Period Requirements: During the non-winter period, the Customer shall provide, via email, a request to operate, with as much notice as possible, prior to starting to use gas and shall provide the same information as required under Section 3.4.4.1 when requesting approval to use gas, except that a Customer may request a range of usage by hour. The Company will respond by email within 15 minutes of the Customer’s request approving, denying, or stating that the Company requires additional time to evaluate and provide a time estimate thereof. When conditional approval is granted more than two hours in advance, the

Schedule EG continued

Customer shall make a confirming telephone call to the Company at least thirty minutes before and no more than two hours before beginning to use gas.

- 3.4.6** For “day ahead” requests, if the Company determines there is not enough distribution system capacity available to approve every Customer request to operate under this Schedule, the Company will determine conditional approval based on gas system conditions and the Customer’s position on the Daily priority list. The Daily priority list will be set by October 1st of each year by the Company. Capacity availability may be determined on a system-wide basis or specific to certain parts of the gas system. The Daily priority list will set the Customer’s position for each day of the upcoming Winter season. The Daily priority list is only used to determine priority when there is not enough distribution system capacity available to serve all requests and does not imply approval to operate on any day. Conditional approval will be granted as described in paragraph 3.4.4.1.

“Day of” requests will be handled on a “first-come, first-served” basis when two or more customers request usage and all requests cannot be approved by the Company. “Day-of” requests will be made independent of the Daily priority list.

- 3.4.7** If there is a change that exceeds 2,500 therms per hour of the original approved usage in any given hour, the Customer is required to notify the Company first by phone followed by a confirming email. This excludes any changes during ramp up to full load at start-up or ramp down to shut-down within the times originally conditionally approved by the Company.

If a Customer’s unit has ceased operation part-way through the original run time, the Customer shall immediately inform the Company by phone of the status of the gas-fired electric generating unit. If the Customer’s unit plans to re-start outside the originally approved operating time frame, extend beyond the originally approved time frame, or there are changes to any of the other conditions approved by the Company, then the Customer shall email the information required under Section 3.4.4.1 and the request shall be treated as a new request to operate.

- 3.4.8** Failure to comply with the Operational Availability and Communication requirements of Section 3.4 will result in a penalty to the Customer (incremental to any penalty assessed under Section 3.4.9). Instances of non-compliance within a rolling 24-month period will result in the following penalties being assessed:

First instance	\$25,000 penalty
Second instance	\$50,000 penalty,
Three or more instances	\$100,000 penalty per instance.

With the third instance of non-compliance within a rolling 36-month period, the Company reserves the right to terminate service under this Schedule. Prior to termination of service to the Customer under this Schedule becoming effective, BGE shall provide at least thirty (30) calendar days written notice to both the Customer and the Public Service Commission. In addition, the Company has the right to deny the Customer’s request for interruptible service under any other schedule. All revenue collected from the application of this penalty shall be applied as a credit in the determination of the Rider 8 Monthly Rate Adjustment.

Schedule EG continued

- 3.4.9** If the Customer uses gas outside of a distribution system interruption in a manner that is not approved by the Company, the Excessive Use Distribution Interruption Penalty Price will be applied to all non-compliant gas used in addition to the Accumulated Imbalance Corrective Measures in Section 4.2.3.4. Additionally, BGE may employ any actions necessary to address a failure to comply with the provisions of this schedule to ensure the continued reliability of the distribution system. The monthly penalty will begin billing immediately for a total of 3 months. Each instance of noncompliance will be evaluated individually. All revenue collected from the application of this penalty shall be applied as a credit in the determination of the Rider 8 Monthly Adjustment. This penalty is also eligible for the waiver provisions outlined in Section 3.5.2 below. If such usage occurs during a distribution system interruption, the Excessive Use Distribution Penalty Price provisions described in Section 3.5.1 shall be applied once per event.
- 3.4.10** In addition to the certification requirement outlined in Section 3.6 below, the Customer's Authorized Facility Manager shall annually certify in writing that the Customer is familiar with all operational requirements for Schedule EG as described herein and all penalties associated with non-compliance. The Facility Manager shall also certify that each of their facilities/plants have procedures and policies in place to meet all requirements of this Schedule.

3.5 Use of Gas During an Interruption:

- 3.5.1** If a Customer does not contract for OFDS, the Customer must reduce their gas usage to zero during a distribution system interruption. OFDS, subject to Section 3.3 of this Schedule, is available during an interruption for distribution system reasons. Except as described below, if a Customer fails to reduce to zero usage or to OFDS levels during an interruption for distribution system reasons, the monthly Distribution Interruption Penalty will be assessed as follows: the average of the hourly non-compliant therms x 24 hours x number of days in the month x Distribution Interruption Penalty Price. The monthly Distribution Interruption Penalty will begin billing in May for a total of 12 months.

Customer's non-compliant usage is considered Excessive Use if, during any hour of a distribution system interruption, non-compliant usage exceeds 575 therms. The monthly Excessive Use Distribution Interruption Penalty will be assessed as follows: all non-compliant therms for that event x the number of days in the month x the Excessive Use Distribution Interruption Penalty Price. However, in the event a distribution system interruption is less than 24 hours, and the Customer's non-compliant usage is Excessive Use, the monthly Excessive Use Distribution Interruption Penalty will be calculated as the higher of:

(The average hourly non-compliant therms) x (24 hours) x (the number of days in the month) x (the Excessive Use Distribution Interruption Penalty Price)

Or

(All non-compliant therms) x (the number of days in the month) x (the Excessive Use Distribution Interruption Penalty Price).

The monthly Excessive Use Interruption Penalty will begin billing in May for a total of 12 months. Each interruption will be evaluated individually.

Schedule EG continued

When multiple distribution interruptions occur during the 12-month period from May to April, the average hourly non-compliant therms from each interruption are billed cumulatively over the 12 months beginning in May. All revenue collected from the application of the Distribution Interruption Penalty Price and Excessive Use Distribution Interruption Penalty Price will be applied as a credit in the determination of the Rider 8 Monthly Rate Adjustment.

- 3.5.2** The Public Service Commission, upon the request of BGE or a Customer served under this Schedule, may choose to reduce or waive entirely the duration of the Distribution Interruption Penalty or the Excessive Use Distribution Interruption Penalty in Section 3.5 for a Customer who demonstrates that a good faith effort was made to interrupt its gas usage as required under this Schedule and substantially reduced its usage during an interruption. The demonstration of a good faith effort shall include (1) efforts made prior to the interruption to be fully compliant; (2) the reason why full compliance was not attained, such as sudden failure of alternative fuel equipment; (3) efforts to correct non-compliance during the interruption; and (4) customer actions after the interruption to be fully compliant in the future. Usage above hourly OFDS levels during an interruption of more than 5% of the Customer's billing demand, for the specified meter, effective during the month of the interruption shall be prima facie evidence that the Customer did not make a good faith effort to comply with the interruption. However, any waiver or reduction of the Distribution Interruption Penalty or the Excessive Use Distribution Interruption Penalty shall consider the Customer's good faith efforts to interrupt its gas usage and may not be based solely on the extent to which the Customer actually reduced its gas usage. Any credits granted to Customers through the waiver process will also result in similar debits to Rider 8 Monthly Rate Adjustment.
- 3.5.3** All OFDS gas used by the Customer during an interruption for distribution system reasons, without a Gas Production Day, except the Customer's Transportation Gas, is billed at the higher of the Gas Commodity Price, or 110% of the highest Transco Zone 6 (non-New York) price for the current month. All OFDS gas used by the Customer during an interruption for distribution system reasons and a Gas Production Day, except the Customer's Transportation Gas, a \$0.50 per therm penalty is added to the higher of the Gas Commodity Price, or 110% of the highest Transco Zone 6 (non-New York) price for the current month. Any penalty revenue will be treated as gas commodity revenue. For all gas used by the Customer, during an interruption, in excess of the OFDS volumes, even if the Customer's Transportation Gas arrives at BGE's City Gate, a \$1.50 per therm penalty is added to the higher of the Gas Commodity Price or 110% of the highest Transco Zone 6 (non-New York) price for the current month. This penalty revenue will be allocated as follows: One-third of the penalty revenue will be treated as gas commodity revenue while the remaining two-thirds of the penalty will be applied as a credit in the determination of the Rider 8 – Monthly Rate Adjustment.

Schedule EG continued

3.5.4 If a Customer fails to interrupt its use of gas, and the Customer is unable to demonstrate items (1)-(4) as described in Section 3.5.2, the Company, at its discretion, may take actions to ensure the future reliability of its distribution system.

However, the Company may also take such actions if a Customer fails to interrupt its use of gas during two or more interruption events which are initiated within a period of 36 months. Such actions may include, but are not limited to, the termination of service to the Customer under this Schedule. Prior to the termination of service to the Customer under this Schedule becoming effective, BGE shall provide at least thirty (30) calendar days written notice to both the Customer and the Commission. In addition, the Company has the right to deny the Customer's request for interruptible service under any other schedule. This provision is not applicable during an actual gas interruption event during which a Customer has failed to interrupt as required under this Schedule. BGE may employ any actions necessary to address such failure to interrupt to ensure the continued reliability of the distribution system (see Section 3.5.5).

3.5.5 Failure to interrupt may result in the immediate discontinuance of service without notice, under Part 2, Section 2.4 (k). If the Customer is disconnected from the distribution system, reconnection will be made when the cause for the interruption no longer exists subject to the Customer satisfying all requirements of the Gas Service Tariff.

3.5.6 In the event that a curtailment of supply is implemented under Part 2, Section 2.3, all gas used will be billed in accordance with Appendix A – Natural Gas Curtailment Plan, even if the Customer's Transportation Gas arrives at BGE's City Gate.

3.6 Interruption Capability Verification Program: BGE will test the Customer's ability to interrupt. The test will consist of two parts. Part one will test the Customer's communication systems. BGE will perform this portion of the test annually. Part two will test the ability of the Customer to interrupt with at least six hours notice for at least four hours. The Customer can satisfy this portion of the test by either 1) enlisting the services of a licensed Professional Engineer to certify that the equipment and/or procedures are in place to reduce gas usage to zero, or to contracted hourly OFDS volumes; or 2) actively participate in a physical test interruption. The Physical Interruption Test and/or Professional Engineer certification will be required every year. Should BGE call a Distribution System Interruption, any customer that complies with the interruption will not be required to participate in the Physical Interruption Test or provide a Professional Engineer certification for the next 12 months from the date of the interruption. Customers must instead provide certification from the Authorized Facility Manager indicating that no material changes and/or additions have been made to the equipment or production process, and that the Customer would comply with the requirements of an interruption. A Customer who fails to provide an annual Authorized Facility Manager Certificate will be required to complete a Physical Interruption Test early in the next winter heating season. If a Customer fails to reduce to zero usage or to contracted OFDS amounts during an interruption for distribution reasons, the Customer will be required to participate in a Physical Interruption Test.

Schedule EG continued

A new Customer will be required to complete a Physical Interruption Test early in the next winter heating season. In addition, a new Customer will also be required to complete Part one of the Interruption Capability Verification Program.

Penalties associated with the Use of Gas During an Interruption provisions of this rate schedule will be waived the first time the Customer fails the Physical Interruption Test. If the Customer fails the Physical Interruption Test a second time, all penalties under Section 3.5 of this Schedule will apply until such time that the Customer becomes compliant. A Customer who fails a second Physical Interruption Test has the option of immediately contracting for 2 years of OFDS, if available, effective November 1 of the current heating season. 12 months of penalty billing for a second failed Physical Interruption Test will commence immediately unless the Customer contracts for OFDS. In addition, the Customer will be subject to disconnection from the gas distribution system under Section 2.4(k), and may be reconnected after they have demonstrated, to BGE's satisfaction, that they have made the necessary improvements and can complete the Physical Interruption Test.

3.7 Extension Provision:

- 3.7.1** The Customer pays the Company in advance, or at the completion of installation upon credit approval, the estimated installed cost of additional Main and Service Line facilities required to provide service under this Schedule.
- 3.7.2** Upon request by the Customer, the contribution required from the Customer will be determined under the provisions of Part 2, Sec 8.

4. Gas Commodity Service

- 4.1 BGE Gas Commodity Service:** The Company does not offer Gas Commodity Service under this Schedule. However, gas may be provided from month-to-month on a best efforts basis provided the Customer makes a request for such gas prior to the first day of the delivery month. This gas is priced at the Gas Commodity Price (Riders 2 and 12).

Even if the Company approves the Customer's request for gas supply, the Gas Commodity Price is not applicable for any gas used during a Gas Production Day, a Distribution System Interruption or a curtailment under Appendix A. During a Gas Production Day, a Distribution System Interruption or a curtailment under Appendix A, the pricing provisions governing those situations will apply.

- 4.2 Supplier Gas Commodity Service:** The Customer must obtain Gas Commodity Service from a third party gas supplier subject to the following Terms and Conditions

4.2.1 Terms and Conditions

- 4.2.1.1** the Customer must arrange for the transport and delivery of gas into the Company's distribution system at its interstate pipeline gate station(s); and
- 4.2.1.2** the Customer may only contract with a gas supplier that has separately contracted with the Company under the provisions of the Gas Supplier Tariff. In the event that the Customer's gas supplier becomes disqualified under the Gas Supplier Tariff, the Customer

Schedule EG continued

must obtain Gas Commodity Service from another qualified gas supplier. The Customer shall select only one gas supplier for any period; and

4.2.1.3 the Customer takes title to the gas at or before the Company's City Gate; and

4.2.1.4 the transported gas must be for the Customer's burner tip use and shall not be resold except as an Accumulated Imbalance Corrective Measure as provided for in this Schedule; and

4.2.1.5 the Customer shall be responsible for the payment of any tax or assessment levied by any jurisdiction related to the acquisition, transportation or use of Transportation Gas.

4.2.2 Failure of the Customer's Transportation Gas to arrive at the City Gate:

Where all or part of the Customer's Transportation Gas fails to arrive at the Company's City Gate the Customer is subject to Section 4.2.3.4 - Accumulated Imbalance Corrective Measures of this Schedule.

4.2.3 City Gate Balancing Service: The Company balances daily gas deliveries at the City Gate with unaccounted-for gas adjusted, burner tip use. The Customer must select one of the Balancing Service Options. The prices for the components of Balancing Service are in addition to the monthly rates for Delivery Service and apply to the Customer's metered use.

4.2.3.1 Balancing Service Options:

(a) **Comprehensive Balancing Service:** Balancing of the gas delivered to the Company's City Gate on behalf of the Customer with the Customer's use of gas on a daily basis is performed by the Company. A Comprehensive Balancing Service Price is applied to all therms of gas used by the Customer adjusted to the Company's City Gate. The Customer also pays a pro rata share of any interstate gas pipeline penalties incurred based on the Customer's Daily Imbalance in the same direction as the Imbalance for which the penalty was incurred, unless the Customer is part of a Selective Group, and that Group is in balance.

At any time that the Customer's accumulated imbalance exceeds 2 times the Customer's average daily nomination for the 5 highest of the preceding 7 days nominations or 1,000 Dth, whichever is smaller, the Accumulated Imbalance Corrective Measures of Section 4.2.3.4 may be required.

(b) **Self Balancing Option:** Balancing of gas delivered to the Company's City Gate on behalf of the Customer with the Customer's use of gas on a daily basis is the responsibility of the Customer. An Imbalance Price based on the percentage of the Daily Imbalance to the Customer's average daily nomination is applied to the Daily Imbalance. The Customer also pays a pro rata share of any interstate gas pipeline penalties incurred based on the Customer's Daily Imbalance in the same direction as the

Schedule EG continued

Imbalance for which the penalty was incurred, unless the Customer is part of a Selective Group, and that Group is in balance.

The Imbalance Prices are determined as a percentage of the weighted average cost for the Company to correct an imbalance. The resultant Imbalance Prices are revised when the calculated weighted average cost of correcting an imbalance changes by more than 5 percent from the currently effective cost of correcting an imbalance. Details of the calculation of the weighted average cost of correcting an imbalance and the resultant Imbalance Prices are filed with the Public Service Commission.

At any time that the Customer's accumulated imbalance exceeds 20 percent of the Customer's average daily nomination for the 5 highest of the preceding 7 days nominations, the Accumulated Imbalance Corrective Measures of Section 4.2.3.4 may be required.

4.2.3.2 Selective Grouping: Under either the Comprehensive Balancing Service or the Self Balancing Option, the Customer may join other customers in forming a Group for Daily Balancing purposes only. Where the Customer participates in a Group under the Self Balancing Option, a Group Administrator is required. The Group Administrator shall separately contract with the Company under the Gas Supplier Tariff and shall be responsible for payment of all Imbalance Prices and penalties. A Group Administrator is permitted for Groups under the Comprehensive Balancing Service. The Customer may revise their selection of Group membership on a monthly basis.

4.2.3.3 Daily Balancing Revenue: The revenue collected through the application of the Comprehensive Balancing Service Price and the Imbalance Price is recorded as Gas Commodity Price revenue.

4.2.3.4 Accumulated Imbalance Corrective Measures:

- (a) **Over-Tendered Accumulated Imbalance:** When the Customer's accumulated imbalance exceeds the applicable limit, the Company will purchase the total accumulated over-tendered imbalance at the lower of the Gas Commodity Price, or 90% of the lowest Transcontinental Gas Pipeline Corporation (Transco) Zone 6 (non-New York) price for the current month. On Gas Production Days, Balancing Service provisions are suspended. When Gas Production Days cease, the Company will provide a period of time for the Customer to reduce the amount of any over-tendered imbalance.

Schedule EG continued

- (b) At the conclusion of this time period, if the accumulated imbalance exceeds the applicable limit, the Company will purchase the total accumulated imbalance at the above stated price.
- (c) **Under-Tendered Accumulated Imbalance:** When the Customer's accumulated imbalance exceeds the applicable limit, the Customer will purchase all gas used in excess of delivered Transportation Gas at the following rates:
 - (i) During periods other than an interruption for system distribution reasons or Gas Production Days, all gas used will be billed at the higher of the Gas Commodity Price or 110% of the highest Transco Zone 6 (non-New York) price for the current month.
 - (ii) On Gas Production Days, Balancing Service provisions are suspended. A tolerance of 3% is permitted on under-deliveries. When the 3% tolerance is exceeded, the following corrective measures become effective. For all gas used in excess of the Customer's Transportation Gas arriving at the Company's City Gate, including the 3% tolerance, a \$0.50 per therm penalty will be added to the higher of the Gas Commodity Price or 110% of the highest Transco Zone 6 (Non-New York) price for the current month. Any penalty revenue will be treated as gas commodity revenue.
 - (iii) During periods of an interruption for system distribution reasons, the Use of Gas During an Interruption provisions of this Schedule apply.

4.2.3.5 Interruption of Transportation Gas for Distribution System Reasons: Where the Company interrupts the Customer's Transportation Gas for Distribution System reasons, the Imbalance Fees will not apply during the period of the interruption.

Schedule EG continued

5. General Terms:

5.1 Minimum Charge: Customer Charge

5.2 Late Payment Charge: Standard (Part 2, Sec 7.5)

5.3 Payment Terms: Standard (Part 2, Sec 7.5)

5.4 Term of Contract with BGE: The initial term of contract is 1 year or as required for allowance under the Extension Provisions above. The contract continues thereafter from year to year until terminated at the expiration of any such term by at least 30 days notice from either party to the other.

5.5 General

5.5.1 The supply of both interruptible service under this Schedule and firm service under Schedule C is permitted upon separation of facilities by the Customer.

5.5.2 The supply of interruptible service to a Customer under this Schedule for the Customer's requirements at two or more locations on property comprising single or contiguous land parcels, as defined in Part 2, Sec. 2.2, may be combined in billing on a single application of this Schedule where the Customer installs, operates and maintains at the Customer's expense, all additional Service Line installations required for supply at other than the initial location, provided the capacity of specific gas-fired equipment connected thereto is not less than 50 therms per hour at any such location. Additional metering installations used for less than 1 year are subject to charges for installation and removal, less salvage, upon removal by the Company.

5.6 Definitions

5.6.1 Connected capacity: As used in this Schedule is the therms estimated to be used when the gas-fired equipment is operated for 1 hour under optimum load conditions.

5.6.2 Transportation Gas: All gas to which the Customer takes title at or before the Company's City Gate.

5.6.3 Daily Imbalance: The difference between the Customer's daily use and daily delivery of Gas to the Company's City Gate.

5.6.4 AMR: An automated meter reading device suitable for daily interface between a Customer and the Company's data collection and processing system.

Schedule EG continued

- 5.6.5** Gas Production Day: A Gas Day when the Company anticipates engaging in peak shaving activities. The Company will endeavor to notify the Customer of expected peak shaving activity.
- 5.6.6** Gas Day: A 24-hour period beginning at 10:00 a.m. Eastern Prevailing Time.
- 5.6.7** Non-Compliant Therms: Gas usage above contracted hourly OFDS volumes, if any, or all gas usage during a distribution system interruption if no contracted OFDS or any unapproved gas usage.
- 5.6.8** Enrollment Period: The timeframe when a Customer may request an hourly volume for OFDS or cancel existing OFDS, which always ends on July 31.

5.7 Metering Equipment: An AMR owned and maintained by the Company suitable for daily interface with the Company's data collection and processing system is required. The Customer pays the estimated installed cost of the AMR, plus any additional facilities necessary, under the provisions of Part 2, Sec. 8.5. Sixty (60) days notice is required for installation of the AMR. Service under this Option will commence upon installation of the AMR

5.8 Information Fee All Customers served under this Schedule shall pay a monthly Information Fee of \$65.

6. Riders Applicable: This schedule is subject to Riders applicable as listed below:

- 9. Demonstration and Trial Installations
- 10. Billing in Event of Service Interruption
- 11. Unaccounted - For Gas Factor
- 14. Economic Development
- 15. Multi-Year Plan ("MYP") Adjustment Rider
- 16. STRIDE (Strategic Infrastructure Development and Enhancement) Surcharge