

Sigel Gas LLC

**SIGEL GAS LLC**

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RATES AND RULES

CONCERNING THE

FURNISHING

OF NATURAL GAS SERVICE

IN THE TOWNSHIPS OF

BARNETT, CLOVER, ROSE, UNION, and ELDRED

JEFFERSON COUNTY

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ISSUED: October 2, 2020

EFFECTIVE: November 1, 2020

By: Scott P. Gourley, President  
1990 Packing Road  
New Bethlehem, PA 16242

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**NOTICE**

This Tariff Gas - Pa. P.U.C. No. 3 Supplement No. 25 makes changes in existing rates, rules, and regulations:

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Sigel Gas LLC  
New Bethlehem, PA 16242

Tariff Gas - Pa. P.U.C. No. 3  
Supplement No. 25

**TARIFF GAS - PA. P.U.C. NO. 3  
SUPPLEMENT NO. 25**

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Issued: October 2, 2020

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Sigel Gas LLC  
New Bethlehem, PA 16242

Tariff Gas - Pa. P.U.C. No. 3  
Supplement No. 25

## LIST OF CHANGES MADE BY THIS SUPPLEMENT

### Changes

This supplement makes the following changes:

1. The Gas Cost Rate is being decreased to \$.4821 per ccf from \$.50220 per ccf

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### **CURTAILMENT OR LIMITATION OF SERVICE (continued)**

The Company will compute the reimbursement credit for each eligible customer to the nearest one cent. If the total amount credited to the eligible customer's gas account, as calculated above, is more or less than the total amount to be redistributed, the difference shall be retained as a debit or credit in the excess consumption penalty account, and shall be subtracted from or added to the next ensuing excess consumption penalty redistribution amount.

### **GAS COST RATE**

#### Provision for Gas Cost Rate

The gas cost rate of \$0.4821 per CCF shall be applied to each Ccf (100 cubic feet) of gas supplied under Rate Schedules of this Tariff. (D)

#### Computation and Application of Gas Cost Rate

The gas cost rate shall be computed to the nearest one-hundredth cent (0.01 cent) in accordance with the formula set forth below:

$$\text{GCR} = \frac{\text{C} - \text{E}}{\text{S}}$$

Each gas cost rate so computed shall be applied to customer's bills for a one (1) year period during the billing periods of November through October, provided, however, that such rate may be revised on an interim basis subject to approval of the Pennsylvania Public Utility Commission upon determination that the effective rate will result in material over or under collections if not revised. Such interim change shall become effective ten (10) days from the date of filing unless otherwise denied or modified by the Commission.

#### Definitions

"GCR" - gas cost rate determined to the nearest one-hundredth cent (0.01 cent) to be applied to each Ccf of gas supplied.

"C" - a number of dollars, determined as follows: (a) for all types of purchased gas, project the cost for each purchase (adjust for net current gas stored) for the computation year plus (b) the arithmetic sum of (1) the projected book value of noncurrent gas at the beginning of the computation year minus (2) the projected book value of noncurrent gas at the end of the computation year.

(D) – Decrease

## **Rate RS - Residential Service**

### **APPLICABILITY**

Throughout the territory served by this Tariff.

### **AVAILABILITY**

Available at one location for the requirements of any residential customer. Residential usage is defined in the Curtailment of Limitation of Service section of this Tariff.

### **RATES**

Basic Service Charge	\$ 12.000 per month
Delivery Charge	\$ .35000 per CCF

### **MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be \$12.00.

### **PENALTY**

A 1.5 % per month late payment will be charged on the overdue portion of the bill. Payments are deemed overdue if not paid within 20 days from the date bill was mailed.

### **SURCHARGES**

The above rates are subject to the Gas Cost Rate, State Tax Adjustment Surcharge, Take or Pay Recovery Surcharge.

### **RULES AND REGULATIONS**

The Company's Rules and Regulations in effect from time to time, when not inconsistent with any specific provision hereof, are a part of this schedule.

(C) – Change

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Issued: October 2, 2020

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### **Rate CS - Commercial Service**

#### **APPLICABILITY**

Throughout the territory served by this Tariff.

#### **AVAILABILITY**

Available at one location for the requirements of any commercial customer. Commercial usage is defined in the Curtailment of the Limitation of Service section of this Tariff.

#### **RATES**

Basic Service Charge	\$ 12.00 per month
Delivery Charge	\$ .35000 per CCF

(C)

#### **MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be \$12.00.

#### **PENALTY**

A 1.5% per month late payment will be charged on the overdue portion of the bill. Payments are deemed overdue if not paid within 20 days from the date bill was mailed.

#### **SURCHARGES**

The above rates are subject to the Gas Cost Rate, State Tax Adjustment Surcharge, Take or Pay Recovery Surcharge.

#### **RULES AND REGULATIONS**

The Company's Rules and Regulations in effect from time to time, when not inconsistent with any specific provision hereof, are a part of this rate schedule.

(C) – Change

## **RULES AND REGULATIONS**

1. Gas service will be metered. In the case of a defective meter immediate notice thereof must be given to the Company. Should a defective meter result in an incorrect gas flow registration, the quantity consumed will be determined on the basis of consumption during the previous or corresponding period, or by comparison with the average consumption of a similar installation during a corresponding period, whichever is applicable.
2. Customers intending to discontinue gas service are required to give 7 days notice thereof at the office of the Company. In the absence of such notice, the customer will be held liable for all gas supplied through the affected meter(s) until the meter has been turned off.
3. Payment of Bills: The due date for the payment of utility bills shall be no more than twenty (20) days from the date of transmittal, that is, the date of mailing or physical delivery to the customer.
  - (a) Extension of due date to next business day: If the last day for payment should fall on a Saturday, Sunday, bank holiday, or any day when the offices of the Company are not open to the general public, the due date shall be extended to the next business day.
  - (b) Date of payment by mail: For a remittance by mail payment, the date of the postmark shall be deemed the date of payment.
  - (c) Bills rendered to the Commonwealth of Pennsylvania or other government agency, shall not be subject to the late payment penalty if such bills are paid within 30 days from the date bills are mailed.
  - (d) All bills rendered, except those exempted by 3(c) above, are subject to a late payment penalty charge after 20 days and are considered delinquent after 30 days from date of mailing.



**RULES AND REGULATIONS (continued)**

- (e) Bills related to the initial establishment of gas service are payable at the office of the Company upon presentation. Gas service will not be instituted until such bills have been paid in full. All other bills not expressly provided for in this Tariff are payable in full at the office of the Company upon presentation.
4. Company personnel shall, at any reasonable time, have the right of free access to those premises receiving gas service to: (a) insure that the conditions of service meet the safety and other pertinent service requirements of the Company or Public Utility Commission; (b) ascertain the quantity of gas consumed; and (c) halt the supply of gas if the Company or Public Utility Commission Rules and Regulations are not being complied with.
5. In the event of gas supply failure, for any reason except an emergency or planned shut-off by the Company (in the latter instance the customer will be duly notified), the customer shall: (a) give immediate notice thereof at the office of the Company; (b) shut off all gas connections throughout the premises (other than inlet side of the meter) ; (c) follow implicitly such instructions as the Company employee may issue; and (d) refrain from turning on any gas connections throughout the premises.

The Company shall not be liable for any damages by reason of such gas failure, regardless of cause, within the premises of the customer. Nor shall the Company be liable for damages to person or property, arising, occurring, or resulting from the use of gas.

6. The Company strictly forbids the use of appliances, materials, piping or equipment that does not meet the standards of the Pennsylvania Public Utility Commission or other applicable governmental agency. The Company will not knowingly supply gas service where such circumstances exist and further the Company will immediately discontinue such service if it discovers forbidden installations or usage. Further, be it known, any customer violating this rule does so at his or her own personal risk of fire, explosion, property damage or personal injury.

**RULES AND REGULATIONS (continued)**

7. The Company reserves the right to demand a cash deposit from an applicant for gas service, whether such applicant is a new customer or a customer seeking reconnection. The Company also reserves the right to increase, decrease, or require a cash deposit from an existing customer when circumstances change and the existing deposit is inadequate, too high, or the customer becomes delinquent. The amount of such deposits and the conditions for imposing the deposit requirements will be in accordance with the Pennsylvania Public Utility Commission's standards and rules.
  
8. The Company will terminate gas service to any dwelling, or commercial establishment for one or more of the following reasons:
  - (a) Non payment of an undisputed delinquent account.
  - (b) Failure to post a deposit, provide a guarantee or establish credit.
  - (c) Unreasonable refusal to permit access to meters, service connections and other property of the utility for the purpose of meter reading, repair, or maintenance.
  - (d) Unauthorized interference with or the diversion of use of the utility service delivered on or about the affected premises.
  - (e) Failure to comply with the terms of a settlement or amortization agreement.
  - (f) Fraud or misrepresentation of identity for the purpose of obtaining utility service.
  - (g) Tampering with meters or other utility property.
  - (h) Violating any Tariff provisions so as to endanger the safety of any person or the integrity of the gas delivery system of the Company.

**RULES AND REGULATIONS (continued)**

In the event of termination for any of the above reasons, the Company will comply with any/all applicable rules and regulations of the Pennsylvania Public Utility Commission.

9. The Company will not own, operate nor maintain service lines on customer property; however, the Company does reserve the right to free access to the service line.
10. The Company will extend its mains for a specified fee in order to serve a new heating customer. This customer will be responsible for paying the cost of extending the mains regardless of his annual gas consumption. The annual use of a gas range will be estimated at 120 CCF, a gas water heater at 360 CCF, a gas dryer at 70 CCF, and space heating at .72 CCF per square foot of heated space.
11. In the event of the non-availability of sufficient gas supply to meet the total requirements of its customers on a daily basis, it will be the Company's curtailment policy to give preference for the continued delivery of supply in accordance with the following sequence:
  - (a) Residential customers, including private dwellings, boarding and rooming houses, apartment buildings, hotels, motels, hospitals, and sanitariums.
  - (b) Commercial customers using gas for space heating.
  - (c) Other commercial customers.
  - (d) Industrial customers.
12. For new connections, the Company will set its meter in the service line provided in accordance with Rule 9.
13. The Company does not provide standby utility service and therefore will not install nor maintain meters at locations where gas service is not continuous.

**RULES AND REGULATIONS (continued)**

14. Should the Company be compelled to make temporary disconnection of the customer's service at the stop-cock for any of the reasons enumerated in 52 Pa. Code 56.81, a reconnection charge of one-hundred dollars (\$100.00) will be made.
15. Should the Company discontinue service at the request of a customer and subsequently be requested to resume service to such customer, within a twelve month period at the same address, Company will not reconnect service until it has received a reconnection fee of twenty-five dollars (\$25.00) and payment of the minimum bill for each month of the intervening period, not to exceed two (2) monthly minimum charges for residential service.
16. Should a meter be removed by the Company for any of the reasons enumerated in Pa. Code 56.81, the Company shall make a charge of one-hundred dollars (\$100.00) for resetting the meter in the same location for the same consumer.
17. Conditions for Service not covered by these Rules and Regulations will be in accordance with the latest approved regulations of the Commission at 52 Pa. Code, Chapter 56.
18. Taxes On Deposits For Construction & Customer Advances  
Any deposit, advance or other like amounts received from the applicant which shall constitute taxable income as defined by the Internal Revenue Service will have the income taxes segregated in a deferred account for inclusion in rate base in a future rate case proceedings. Such income taxes associated with a deposit or advance will not be charged to the specific depositor of the capital.

## **CURTAILMENT OR LIMITATION OF SERVICE**

### **Section 1: Priority of Service**

The available gas supplies to the Company shall be allocated among customers in accordance with the priorities of use listed below. Customers in a higher priority will not be curtailed until all customers falling into the lower classifications have been completely curtailed; where only partial curtailment of any one classification is required, implementation shall be pro rata, that is, weighted in accordance with the base allotments of the customers within that classification. The following are the priority categories listed in descending order:

1. Residential and firm critical commercial essential human needs.
2. Firm small commercial requirements, excluding critical essential human needs requirements in Category 1.

### **Section 2: Definitions Applicable**

The definitions for terms used in the priority of service categories are as follows:

1. Residential Use: Gas usage in a residential dwelling or unit for space heating, air conditioning, cooking, water heating or other domestic purposes.
2. Commercial Use: Gas usage by customers engaged primarily in the sale of goods or services including, but not limited to, consumption of office buildings, institutions and governmental agencies.
3. Essential Human Needs Use: Gas usage by customers for service to any buildings where persons normally dwell including, but not limited to, apartment house, dormitories, hotels, hospitals, and nursing homes, as well as the use of natural gas by sewage plants.
4. Firm Service: Service pursuant to schedules or contracts under which the Company is expressly or impliedly obligated to deliver specific volumes within a given time period or which anticipate no interruptions, but which may permit unexpected interruptions in case service to higher priority customers is threatened. The Company shall be deemed to be impliedly obligated to deliver specific volumes where such utility has by any means previously or presently established periodic allocations for its customers.

**CURTAILMENT OR LIMITATION OF SERVICE (continued)**

Base Period

The Base Period for each commercial customer will be the 12 consecutive months in which the highest usage was recorded during the billing periods.

The Monthly Base Period Volumes for each customer are those volumes recorded in the Company's records in accordance with its current accounting and billing practices.

When, in the Company's judgment, its supply of gas is insufficient to meet the base period volume requirements for all customers on a continuing basis, deliveries will be curtailed in accordance with the priorities of service outlined above.

Penalties will be assessed on overrun volumes in excess of 103% of the authorized entitlement for monthly periods as described below::

ACTUAL USAGE AS PERCENTAGE OF  
TOTAL MONTHLY AUTHORIZED  
ENTITLEMENTS

PENALTY FOR EXCESS TAKEN

Greater than 103% but not in  
excess of 110%

\$1.00/Ccf

Greater than 110% but not in  
excess of 125%

\$2.00/Ccf

Greater than 125%

\$5.00/Ccf

Emergency Curtailment

When the Company is unable to fulfill the daily requirements of all its customers because of reasons unrelated to long range supplies, the Company may require each customer to reduce its consumption of gas. The reduction required shall be determined by the Company without regard to priorities of use; however, the authorized volume shall not be lower than the minimum volume necessary for the prevention of damage to plant equipment.

**CURTAILMENT OR LIMITATION OF SERVICE (continued)**

The Company shall specify in the notice of the emergency curtailment the authorized consumption for a specified period or until further notice. An emergency curtailment may be made after oral notice to the customer, effective when so given, but such oral notice must be confirmed in writing within 48 hours. The Commission is to be notified immediately of the declaration of an emergency situation.

There shall be excluded from the volume subject to penalty under this provision, volumes for which the buyer has previously been penalized pursuant to over-runs of emergency curtailment.

If a customer exceeds its authorized consumption during a period of emergency curtailment, then a customer shall pay a penalty on the excess of 103% according to the following schedule:

ACTUAL USAGE AS PERCENTAGE OF  
EMERGENCY AUTHORIZED  
CONSUMPTION

PENALTY FOR EXCESS TAKEN

Greater than 103% but not in  
excess of 110%

\$1.00/Ccf

Greater than 110%

\$2.00/Ccf

**Disposition of Penalties**

As of December 31 of each year, the Company shall subtract, the total of all over-run penalties paid that year by the Company to its suppliers from penalties collected that year from customers. The Company will then distribute among its curtailed customers who did not incur over-runs, all penalties collected in excess of those paid by the Company to its suppliers.

The amount of reimbursement due a customer shall be determined by dividing the total amount to be redistributed by the total volume of sales during the 12 month period to all customers eligible for reimbursement. This quotient shall represent the factor, which when multiplied by an eligible customer's total purchase volume during the 12 month period will equal the amount to be credited to that customer's gas account. However, no reimbursement shall be made to customers who have terminated service during the year.

**GAS COST RATE (continued)**

"E" - experienced net over collection or under collection of the cost of purchased gas as of the end of the twelve (12) month period ending with the August billing period, including interest.

Interest shall be computed monthly at the appropriate rate as provided for in Section 53.66(d) of the Public Utility Law from the month the over or under collection occurs to the effective month such over collection is refunded or such under collection is recouped. (C)

Additionally, supplier refunds received prior to the end of August billing period will be included in the calculation of "E" with interest added at the annual rate of six percentum (6%) calculated in accordance with the foregoing procedure, beginning with the month such refund is received by the Company.

"S" - projected ccf of gas to be billed to customers during the computation year.

(C)

"Purchased Gas" - the volume of gas purchased by the Company that is delivered to the Company's customers, plus such portion of the Company used and unaccounted-for gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas, liquefied propane, and naphtha.

"Computation Year" - the fiscal year from November through October.

(C) – indicates change



### **GAS COST RATE (continued)**

#### Adjustment to Base Rates

Whenever a change is made in the level of the base cost, a corresponding adjustment shall be made to the base rates of applicable rate schedules.

#### Filing with Pennsylvania Public Utility Commission; Audit; Rectification

The preliminary filing of the Company's annual gas cost rate effective during the billing periods of November through October shall be submitted to the Commission by September 2. A final filing, based upon actual data together with revisions to data in the preliminary filing shall be made October 2. Notice to customers shall be made at the time of preliminary filing.

The application of the gas cost rate shall be subject to continuous review and to audit by the Commission at such intervals as the Commission shall determine. The Commission shall continuously review the reasonableness and lawfulness of the amounts of the charges produced by the gas cost rate and the charges included herein.

If from such audit it shall be determined, by final order entered after notice and hearing, that this clause has been erroneously or improperly utilized, the Company will rectify such error or impropriety, and in accordance with the terms of the order apply credits against future gas cost rates for such revenues as shall have been erroneously or improperly collected. The Commission's order shall be subject to the Right of Appeal.

(C)

#### Exclusion from Other Charges

Amounts billed for the gas cost rate shall not be subject to the State Tax Adjustment Surcharges set forth elsewhere in this Tariff.

Sigel Gas LLC  
New Bethlehem, PA 16242

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Supplement No. 15  
First Revised Page No. 15  
Canceling Original Page No. 15

### **RIDER STA - STATE TAX ADJUSTMENT SURCHARGE**

In addition to the charges provided in this Tariff, a surcharge of 0.00% will apply to all retail service to reimburse the Company for increases or new taxes imposed by the Pennsylvania General Assembly. The surcharge will be applied to bills on a service rendered basis.

The Company will recompute the surcharge whenever any of the tax rates upon which the surcharge is computed are changed, in which case the recomputation shall take into account the changed tax rates. Every recomputation made pursuant to the above paragraph shall be submitted to the Commission within ten (10) days after the occurrence of the event or date which occasioned such recomputation; and if the recomputed surcharge is less than the one then in effect the Company will, and if the recomputed surcharge is more than the one then in effect the Company may, accompany such recomputation with a Tariff or Supplement to reflect such recomputed surcharge -- the effective date of which shall be ten (10) days after filing.

### **TAKE-OR-PAY RECOVERY SURCHARGE**

This surcharge provides for the recovery, under Section 1307 (a) of the Public Utility Code, of take-or-pay charges. The surcharge calculated hereunder shall be applied to all sales volumes delivered under any of the Company's approved tariff schedules.

Take-or-pay costs shall include actual and projected take-or-pay costs billed to the Company by its suppliers.

The surcharge is designed with the intent of recovering 90% of the total take-or-pay costs incurred from January 1990, through December 1993. The Company shall absorb 10% of all take-or-pay charges.

Take-or-pay costs shall be recovered from taxpayers over four (4) twelve month application periods. If at the end of the Fifth application period there remains any unrecovered or over recovery of take-or-pay costs, they will be recovered over a Ninth application period.

Each year, at least sixty (60) days prior to the end of the application period, the Company shall recompute the surcharge to reflect updated estimates of the total take-or-pay costs and volumes. To obtain the revised surcharge, the revised costs, net of sums to be absorbed by the Company and less over/under recovery in prior periods, shall be divided by the estimated volumes for the remaining application periods.