

PG Energy

Communications Protocol

For Natural Gas Suppliers Serving Customers under Rate Schedules RTS and GTS

PG Energy's Communications Protocol with Natural Gas Suppliers ("NGS") utilizes several platforms: an internet website for NGS capacity and supply requirements information and customer/billing information, electronic mail for miscellaneous communication, and in-person or telephonic meetings.

Communications between PG Energy and NGS's will occur on a regular basis. Twice annually, before and after the heating season, PG Energy/NGS forums will be held to discuss operational and administrative issues. Agendas for such forums will be the responsibility of both PG Energy and NGS's.

In addition, operational conference calls between PG Energy and NGS's may be established on a periodic basis to discuss capacity and supply issues.

Capacity and Supply Requirements

PG Energy has established a website. Upon proper licensing by the Pennsylvania Public Utility Commission and qualification by PG Energy, PG Energy will provide NGS's with individual password access to the website.

Contact Information

Within the private partition of the website, PG Energy and each NGS is required to identify a contact available 24 hours a day 7 days a week. Contact information includes: name, telephone number, fax number and pager number. Such contact person(s) will be responsible for interacting with PG Energy concerning changes in nominations, delivery obligations, operational flow orders, etc. To the extent that there are changes in personnel or responsibilities, it is the responsibility of PG Energy and each NGS to update their respective contact information.

Delivery Requirements

Following analysis of each NGS's then current RTS/GTS Pool(s), PG Energy will post the average and maximum daily delivery requirements and delivery points for each Pool for the upcoming month on the appropriate private partition of the bulletin board. Such information will be posted no later than 7 business days prior to the month of the scheduled deliveries. Any operational changes in a Pool known by the NGS which impacts the Pool's gas usage must be communicated to the Company for consideration in adjusting delivery requirements. NGS's must confirm the quantity to be delivered through PG Energy's Nomination Form no later than 2 business days prior to the month of the scheduled deliveries.

Operational Flow Orders

If events occur that could develop into system emergencies or lead to a threatening of system integrity, PG Energy may issue an Operational Flow Order requesting and/or requiring NGS's or Customers to take certain actions to protect, maintain or reestablish the safe operation of PG Energy's distribution system.

In the event that PG Energy determines that an adjustment in daily delivery requirements or the issuance of an Operational Flow Order is necessary, such notice will be posted to the website and reinforced with phone calls, faxes and emails as needed.

At least annually, PG Energy will initiate an Operational Flow Order simulation in order to test NGS contacts and responses. Subsequent to the simulation, PG Energy and the NGS's will informally discuss and evaluate the NGS's responses to the Operational Flow Order simulation.

Customer/Billing Information

PG Energy has established a NGS communication area on its web site at www.pgenenergy.com. Upon proper licensing by the Pennsylvania Public Utility Commission and qualification by PG Energy, PG Energy will provide NGS's with individual password access to the site.

Information will be transferred via ASCII flat file format. All inbound and outbound files will contain a header identifying the originator of the file and will contain appropriate processing control information.

PG Energy will post outbound data file(s) for each NGS each business day at approximately 8 a.m. Eastern Time. Such files will contain transactions processed by PG Energy over the prior day. A separate file will be posted daily. Outbound files will remain accessible for a period of at least 30 days.

Inbound NGS files must be posted to the site by 6 p.m. Eastern Time on a business day in order for the transactions to be processed by PG Energy by the next business day. Only one inbound file is retrieved daily. If the NGS must transmit an additional data file on the same business day, it must contain cumulative data for the entire business day since the second inbound file replaces the first transmitted inbound file.

Customer Lists

In the timeframe prescribed by the PPUC, PG Energy will make available to qualified licensed NGS's a list of all customers who have not restricted release of all or a portion of their private customer information. The list will include:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- Historical Data (If not separately restricted)
Historical data to include monthly consumption and amount billed up to 12 months
- Historical Data Restricted Indicator

Customer Sign-up (Transaction Code 100)

Following selection by a customer, the NGS must submit a Sign-up Transaction containing the following:

- Name
- PG Energy Rate Code

- PG Energy Account Number
- Billing Address
- Service Address
- One Bill / Two Bill Indicator
- NGS Rate Code (one bill)

Upon receipt of the sign-up transaction, PG Energy will verify that the account information is valid, and the account is active and not an FTS customer,(i.e. eligible). If the account is not valid, active or eligible, PG Energy will echo the transaction back to the NGS with the addition of an error code (See Reason Code Listing below).

NGS must submit rate codes at least 15 days in advance of assigning the rate code to a customer through a Customer Sign-up (100) Transaction. See Miscellaneous Section below.

Customer Confirmation (Transaction Code 110)

If the account is valid, active and eligible, PG Energy will send a transaction to the NGS confirming the assignment. The transaction will include the following information:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- Heating Indicator
- NGS Rate Code (one bill)
- Budget Bill Indicator (one bill)
- One Bill / Two Bill Indicator
- Scheduled Start Date
- Meter Route
- Residential Indicator

On the next business day following processing of a valid customer sign-up, PG Energy will mail a confirmation letter informing the customer that PG Energy received notification that the customer has selected an NGS as their supplier, the scheduled start date, and whether the customer has chosen the one or two bill option. The letter will include the PG Energy Customer Information Center phone number and mailing address with a statement that the customer must contact PG Energy within 10 calendar days if they DO NOT want to switch. Otherwise, the NGS will begin supplying the customer on the indicated effective date.

PG Energy will continue to offer its budget payment plan to customers for all charges that PG Energy is billing. Under the existing budget plan, a customer with an arrears balance is not eligible for the budget plan. While a customer is on a budget plan, PG Energy will pay the NGS the full amount of the NGS' supply charges as long as the customer makes budget payments as scheduled. If a customer is removed from the budget plan, payments for unpaid NGS charges already remitted to the NGS will be reversed.

PG Energy will post its meter reading schedule on its web site. NGS's can cross reference the meter route with the meter reading schedule to determine the meter read dates for their customers. Monthly transactions will also contain the current meter route to assist NGS's monitor any changes in the account's assigned meter route.

Request Account Consumption History (Transaction Code 150)

The NGS may issue a transaction requesting consumption history. The transaction must include the following:

- Name
- PG Energy Account Number
- Billing Address
- Service Address

- PG Energy Rate Code

Based upon receipt of a Transaction Code 150, PG Energy will verify that the account is valid and is assigned to the requesting NGS. If the account is not assigned to the requesting NGS, PG Energy will echo the transaction back to the NGS with the addition of an error code (See Reason Code Listing below).

Account Consumption History (Transaction Code 155)

If the Transaction Code 150 and the account are valid, PG Energy will return the following:

- | | |
|----------------------------|--|
| • Name | • PG Energy Rate Code |
| • PG Energy Account Number | • Up to 12 months of service from/to dates |
| • Billing Address | • Corresponding consumptions |
| • Service Address | • Corresponding bill amounts |

Billing Summary (One Bill) (Transaction Code 200)

At the time an account is billed according to PG Energy’s meter reading/billing schedule, the NGS charges will be calculated using the current NGS rate code assigned to the account. The NGS charges will be itemized separately on the bill per the Commission’s guidelines. Sales tax is applied based on the taxability of the account as determined by PG Energy. A bill summary transaction will be sent to the NGS including the following:

- | | |
|----------------------------|---|
| • Name | • Billed Consumption |
| • PG Energy Account Number | • Budget Bill Indicator |
| • Billing Address | • NGS Billed Amount |
| • Service Address | • NGS Billed Sales Tax |
| • PG Energy Rate Code | • NGS Net Special Charges (late payment, etc) |
| • NGS Rate Code | • Bill Date |
| • Service From Date | • Bill Due Date |
| • Service To Date | • Meter Route |

Billing Detail (One Bill) (Transaction Code 205)

Accompanying the billing summary will be a billing detail showing the individual charge component(s) of the billing transaction as follows:

- | | |
|----------------------------|---------------------------|
| • PG Energy Account Number | • Charge Code |
| • Bill Date | • Charge Amount |
| | • Charge Reference Number |

Each charge will be assigned a reference number to cross-reference subsequent adjustments, payment and remittance transactions.

Billing (Two Bill) (Transaction Code 220)

At the time a two-bill account is billed according to PG Energy’s meter reading/billing schedule, PG Energy will send a transaction to the NGS that includes the following information:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- Service From Date
- Service To Date
- Billed Consumption
- Meter Route

A message will appear on the bill that the NGS is responsible for billing the supply portion.

Payment (One Bill) (Transaction Code 300)

Within two business days of receipt of a payment, PG Energy will issue a payment transaction containing the following:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- Total Payment Amount
- Payment Effective Date
- Payment Reference Number
-

This payment transaction will be issued even if the amount applied to NGS charges is zero. However, the corresponding remittance transaction will only be issued for payments applied to NGS charges.

Remittance (One Bill) (Transaction Code 305)

When a NGS charge is credited with a payment or credit that results in payment to the NGS, a remittance transaction is created showing each individual credit as applied to the related charge as follows:

- Name
- PG Energy Rate Code
- PG Energy Account Number
- Charge Reference Number
- Billing Address
- Service Address
- Amount Applied
- Credit Reference Number

Partial payments will be applied in accordance with Commission rules and regulations.

A Fuel Grant (LIHEAP or Crisis) will be applied like any other partial payment as described above. If the grant results in a credit on the customer's account, the credit will be allocated to future charges as they are billed. PG Energy will keep any credit balance until future charges are billed.

Customer Assistance Program (CAP) customers will continue to make their scheduled payments. PG Energy will pay to the NGS each month the full amount of the NGS' supply charges as long as the customer makes their scheduled CAP payments. If the customer is removed from CAP, payments for unpaid charges already remitted to the NGS will be reversed.

Late payment charges will be calculated based on PG Energy charges only. If a NGS wishes to add a late payment penalty or other special charge, such charge must be communicated via the NGS adjustment transaction discussed below.

If a credit is reversed, the amount applied on the remittance transaction is negative. If a charge is paid to make the NGS whole for a budget payment plan or CAP customer but no actual payment has been received to cover the credit, the remittance transaction will contain zero in the Credit Reference Number field. When a subsequent payment is received, a remittance transaction to reverse the amount paid is sent with zero in the Credit Reference field and a remittance transaction with the actual Credit Reference Number is sent to show the payment that actually credited the charge. Net cash flow is zero in this situation, since the NGS charge has already been paid.

If an account is removed from the budget payment plan or CAP, prepaid charges will be reversed with the remittance transaction showing zero in the Credit Reference Number field. In this situation, negative cash flow is created.

Consumption Adjustments (One Bill) (Transaction Code 400)

Consumption adjustments due to sales corrections will be allocated to each month affected by the consumption adjustment by PG Energy. Each affected month will be rebilled using the adjusted consumption. If an NGS charge is included in an affected month, the NGS amount billed will be recalculated using the adjusted consumption and reported to the NGS via a PG Energy Financial Adjustment (550) Transaction. The net amount of each recalculated NGS amount billed will be posted to the customer account. For each prior charge affected by a consumption adjustment, a consumption adjustment transaction will be sent to the NGS that includes the following information:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
-
-
- Service From Date (adjusted bill)
- Service To Date (adjusted bill)
- Original Consumption Billed
- Amount of Consumption Adjustment
- NGS Amount Billed Adjustment
- NGS Sales Tax Adjustment

Consumption Adjustments (Two Bill) (Transaction Code 420)

Consumption adjustments due to sales corrections will be allocated to each month affected by the consumption adjustment by PG Energy. If an NGS provided supply in an affected month, a consumption adjustment transaction will be sent to the NGS with the following information:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- Service From Date
- Service To Date
- Original Consumption Billed
- Amount of Consumption Adjustment

NGS Customer Information Change (Transaction Code 500)

If an NGS desires to change a customer's rate code or billing option, the NGS will send a change transaction to PG Energy that contains the following:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- One/Two Bill Indicator
- If One Bill – NGS Rate Code

PG Energy will verify that the account is active and assigned to the NGS. If the account is not a valid PG Energy account or is not assigned to the NGS, PG Energy will echo the transaction back to the NGS with the addition of an Error Reason Code. If the change transaction is processed successfully, a Customer Confirmation Transaction Code 110 will be returned to the NGS. If the billing option has changed, PG Energy will also mail a confirmation letter to the customer per the Transaction 110 process. Prior to assigning a new rate code to a customer, the NGS must define the rate code as discussed below.

Any changes will be effective with the first bill after the transaction is processed.

NGS Financial Adjustment (Transaction Code 520)

When an NGS desires to adjust the amount billed by PG Energy for the NGS, or add a special charge (such as a late penalty) or credit (such as a billing adjustment), the NGS must send an adjustment transaction (maximum of three (3) per bill) to PG Energy with the following information:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- NGS Special Adjustment Amount
- NGS Adjustment Code

PG Energy will verify that the account is active and assigned to the NGS. If the account is not a valid PG Energy account or is not assigned to the NGS, PG Energy will echo the transaction back to the NGS with the addition of an Error Reason Code.

The Adjustment Reason Code can be used by the NGS to print a specific line item description on the bill for the adjustment. See Reason Codes below.

PG Energy will print a line item in the NGS section of the customer's next bill reflecting the amount of the adjustment and will change the balance due to the NGS from the customer by the amount of the adjustment.

NGS Financial Adjustment Application (Transaction Code 530)

When a NGS credit is applied to a NGS charge, no remittance is due to the NGS. PG Energy sends the NGS a Financial Adjustment Application (530) Transaction to show that the credit has been applied to the charge

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- Credit Reference Number
- Charge Reference Number
- Amount

Financial Adjustment (Transaction Code 550)

PG Energy will issue a Financial Adjustment transaction in the following situations:

- To confirm the processing of an NGS Financial Adjustment (520) transaction

- When PG Energy generates a new NGS charge that is not a billing charge (such as a consumption adjustment)
- When PG Energy processes a credit that is not a payment regardless of whether the credit is applied to an NGS charge

The transaction will contain the following:

- | | |
|----------------------------|-----------------------------|
| • Name | • PG Energy Rate Code |
| • PG Energy Account Number | • PG Energy Adjustment Code |
| • Billing Address | • Adjustment Amount |
| • Service Address | • Charge Reference Number |
| | • Credit Reference Number |

Charges will contain a Charge Reference Number only and credits will contain a Credit Reference Number only. When a credit is applied to a NGS charge, a Remittance (305) Transaction is sent to the NGS.

Discontinued Account - PG Energy Initiated (Transaction Code 600)

When natural gas service is terminated or temporarily suspended for an account that is receiving supply from an NGS, or an account is assigned to another NGS or returns to PG Energy, PG Energy will send a discontinued account transaction to the current NGS with the following information:

- | | |
|----------------------------|----------------------------|
| • Name | • PG Energy Rate Code |
| • PG Energy Account Number | • Service Termination Date |
| • Billing Address | • |
| • Service Address | |

The Discontinuance Reason Code indicates whether the customer moved out, selected another NGS, was suspended, or selected PG Energy supply. See Reason Codes below.

If the account is assigned to a new NGS or returns to PG Energy, the process for Customer Confirmation (Transaction Code 110) (i.e., confirmation letter) will be performed.

Discontinued Account - NGS Initiated (Transaction Code 620)

When an NGS desires to discontinue supply to an account, the NGS must send a discontinued account transaction to PG Energy with the following information:

- | | |
|----------------------------|------------------------------|
| • Name | • Billing Address |
| • PG Energy Account Number | • Service Address |
| • PG Energy Rate Code | • Discontinuance Reason Code |

PG Energy will verify that the account is active and assigned to the NGS. If the account is not a valid PG Energy account or is not assigned to the NGS, PG Energy will echo the transaction back to the NGS with the addition of an Error Reason Code.

NGS discontinuance of supply will be effective with the first meter reading following the 15-day process period from the date of the Discontinued Account Transaction

Discontinued Account- NGS Initiated Confirmation (Transaction Code 625)

Based upon receipt of a valid Transaction Code 620, PG Energy will return the following:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- Scheduled Termination Date

Reactivated Account (Transaction Code 650)

When a suspended account that had been receiving supply from an NGS is reactivated, PG Energy will send a reactivated service transaction to the NGS with the following information:

- Name
- PG Energy Account Number
- Billing Address
- Service Address
- PG Energy Rate Code
- One Bill / Two Bill Indicator
- NGS Rate Code (one bill)
- Effective Date

Reason Codes

Error

- E1 Customer Account Not Found
- E2 Customer Account Valid But Not Active
- E3 Customer Account Ineligible
- E4 Missing Information
- E5 Requested Rate Not Defined
- E6 Account Not Assigned to Requesting NGS
- E7 Rate Code Does Not Match
- E8 One Bill/Two Bill Indicator Invalid
- E9 Invalid Adjustment Code
- E10 Adjustment Amount Sign Invalid

PG Energy Adjustment

- 4A Supplier Credit

NGS Adjustment Explanation to Appear on Bill

- A1 Late Payment Penalty
- A2 Supplier Billing Adjustment Credit
- A3 Supplier Billing Adjustment Charge

Charges

- 7ARV Supply
- 7ATX Sales Tax
- 7ACC Customer Charge

Discontinuance

- D1 Suspended for Non-Payment
- D2 Suspended per Customer Request
- D3 Account Discontinued
- D4 Customer Selected Another NGS
- D5 Customer Returned to PG Energy
- D6 Customer Rejected Signup

Remittance

On a daily (business day) basis, PG Energy will issue to the NGS an ACH credit or debit representing the net of the remittance transactions processed during the prior day.

Miscellaneous

Contact Information

PG Energy and each NGS are required to identify and post on the website a contact to handle customer/billing information outside of the above-specified transactions. Contact information includes: name, email address, telephone number, and fax number. Such contact person will be responsible for interacting with PG Energy concerning customer inquiries, complaints, rate code additions, bill messages etc. To the extent that there are changes in personnel or responsibilities, it is the responsibility of PG Energy and each NGS to update their respective contact information.

Communications outside the above-specified transactions will be conducted through email to ensure a proper audit trail.

Rates

PG Energy provides for a 'rate ready' billing system. If PG Energy is billing for an NGS, PG Energy will require the NGS to define the rate codes that are available for the NGS. At signup, the customer must be assigned a previously defined, valid NGS rate code.

PG Energy will provide an electronic form for the NGS to specify the rate codes. Following submission of the rates, PG Energy will perform a test of the rates that will be returned for verification and approval by the NGS.

NGS rate codes must specify billing determinants using any combination of the following:

- Flat amount per day of service, such as a customer charge.
- Cents per CCF of consumption. Can be specified in up to six consumption steps. Maximum of four decimal positions.

The NGS can specify a reasonable number of rate codes for assignment to their customers, however each customer can only be assigned to a single rate code at any one time. Each rate code can have date sensitive rates and proration will be supported at the option of the NGS. The meter read dates would be used to determine the rate(s) applied at the time of billing. Any rate changes must be received at least fifteen (15) calendar days prior to their effective date.

Billing Messages

NGS's are permitted to provide a message on the bill up to 150 characters. Any bill messages must be received via email at least fifteen (15) calendar days prior to their effective date.