

**THE SOUTHERN CONNECTICUT GAS COMPANY
GAS TARIFF**

RULES AND REGULATIONS

The following Terms and Conditions apply to all gas rates, to the supply of gas service and to all contracts for gas service. A copy of these Rules and Regulations is on file with the Public Utilities Regulatory Authority (the "Authority") of the State of Connecticut and is open to inspection at the offices of the Company.

APPLICATION FOR METER AND SUPPLY OF GAS

1. The Company may require a prospective customer to make a written application for service and it reserves the right to reject an application of a former customer, or a spouse, who is indebted to the Company. The Company will not hold anyone other than the customer of record, or a spouse, responsible for paying the bill. Subject to the applicant's providing identification, the Company will not deny service to a new applicant at premises where service had been previously shut off for nonpayment.
2. Any Customer starting the use of gas without sufficient notification to enable the Company to read the meter will be held responsible for any amount due for gas used from the time of the last reading of meter.
3. Application for gas service in a new location will be accepted when all bills for the same class of service to a Customer at any other location have been paid. Receipt of service shall deem the receiver of such service a Customer of the Company subject to its Rules and Regulations whether service is based upon contract, agreement, signed application or otherwise. Application for gas service in a new location will be subject to the Conditions of Service appended to these Rules and Regulations as Appendix B.
4. An applicant for service shall be the owner, tenant, or authorized representative (of the owner) of the premises to be served. Upon request of the Company, an applicant for service shall supply proof of such ownership, tenancy, or representation.

PIPING AND EQUIPMENT ON CUSTOMER'S PREMISES

5. In the interest of public service and safety, the Company reserves to itself the right to place in position all mains, service pipes and connections from the street main, up to and including the meter, and such mains, service pipes and connections shall be maintained by and remain the property of the Company. The Customer shall not block access to such mains, service pipes, connections and meters.
6. If in the sole judgment of the Company, an easement is needed in order to supply gas to the Customer, the Customer at Customer's sole expense shall obtain such easement in favor of the Company, before the Company supplies such service.
7. The installation of mains, service pipes and connections from the property line to the meter may be furnished at no cost, when in the judgment of the Company, the expected revenues from a new customer will result in a return of the Company's initial investment plus its allowed rate of return. If the expected revenues are too low, the Company may require a contribution in aid of construction (CIAC).

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8. The Company reserves the right to determine the location of Company owned mains, service pipes and meters and such location of such mains, service pipes and meters shall conform to the Conditions of Service appended to these Rules and Regulations as Appendix B. When mains, service pipes and meters are installed any subsequent change in the location of these facilities requested by the Customer shall be made by the Company at the expense of the Customer. The Company may from time to time find it necessary to relocate or replace mains, service pipes and connections in the interest of public service and safety. The Company may enter onto the Customer's property for this purpose without the express permission of the Customer. Any change in the use of the property which may endanger the safety and integrity of the Company's facilities shall be governed by the aforementioned Conditions of Service.

9. The Company will furnish, or cause to be furnished, install, or cause to be installed, maintain and own any meter, attachments to meters, service regulators or appliances on lease required in the supply of service. All meters, piping and other equipment, including equipment on lease, furnished by the Company, shall remain its exclusive property. The Company shall have the right to remove all its property from the premises of the Customer at any time after termination of service, regardless of the reason for such termination.

10. All piping and equipment on the premises of the customer shall conform to the requirements and regulations of the applicable ordinances and laws and the regulations of the Company as a condition to the supply of gas service.

11. When it becomes necessary for the company to relocate the gas service and/or meter during the process of natural gas delivery system modernization the following will apply: When a gas service and/or meter is replaced the company will maintain the section of gas piping required to reconnect the existing customer owned piping, as jurisdictional piping, for a period of 364 days from the date of installation. On the 365th day after the installation, the piping will no longer be jurisdictional and will become customer owned piping.

RESPONSIBILITY FOR EQUIPMENT AND INSTALLATION

12. The installation of new gas burning equipment and related facilities shall be in accordance with the terms and conditions specified in Conditions of Service appended to these Rules and Regulations as Appendix B. The Customer shall be responsible for the protection of Company-owned equipment installed on his premises and shall reimburse the Company for any damage or loss to said equipment caused by negligence or wrongful act of the Customer, his agents or employees. If the use of the property changes after the Company has installed its facilities for rendering service and such new use may endanger the gas facilities or be in violation of any applicable statute, regulation or other governmental orders, it shall be the responsibility of the customer to bear the cost of all relocations and/or repairs.

13. The Company assumes no responsibility for any damage done by or resulting from any defect in the pipes, fixtures or appliances of the customer. In the event that any accident or injury to person or property is caused by or results from negligence or wrongful act of the customer, his agents or employees, any resulting liability shall be assumed by the customer.

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ACCESS TO PREMISES

14. Authorized agents or employees of the Company, carrying a Company identification card, shall have access into the premises where gas is supplied to the Customer, for the purpose of inspecting, removing or repairing its property, ascertaining the quantity of gas furnished, discontinuing the supply or for any other proper purpose. Refusal of access may result in the termination of gas service. When the Customer fails to provide access at reasonable times, the Company at its discretion may remove and relocate the meter to the outside of the premises. The complete costs of any such relocation shall be paid by the Customer before the service is reconnected. The Customer shall be responsible for any and all piping or fixtures required to be installed beyond the relocated meter.

15. Only authorized representatives of the Company or its agents have the right to turn on, turn off, connect or disconnect, a meter or service pipe; or repair, maintain or disconnect other property owned by the Company.

16. The Company's employees are strictly forbidden to request or accept any personal compensation for service rendered by them while working for the Company.

LIABILITY

17. Gas is delivered to the Customer at that portion of the outlet coupling which is secured to the meter and to which the pipe on the Customer's side of the meter is connected and the Company shall not be liable for damages of any kind, whether resulting from injuries to persons or property or otherwise, arising out of or that may be traceable to trouble or defects in the piping or equipment or to any other cause, occurring beyond the point where gas is delivered, and liability, if any, for such damages shall be that of the Customer.

18. The Company assumes no responsibility from any damage resulting from Customer's failure to comply with the Conditions of Service appended to these Rules and Regulations as Appendix B and any damages resulting from an accident or injury to person or property caused by non-compliance by Customer, his agents or employees with the Conditions of Service shall be paid for by Customer. The Company assumes no responsibility for any damage done by or resulting from any leaks from pipes, fixtures or appliances of the Customer. In the event that any loss or damage to the property of the Company, or any accident or injury to person or property is caused by or results from negligence or wrongful act of the Customer, his agents or employees, all damages shall be paid by the Customer and any liability not otherwise resulting shall be assumed by the Customer.

MAINTENANCE OF GAS SUPPLY BY COMPANY

19. The Company endeavors to provide a regular and uninterrupted supply of gas or firm delivery service, but does not guaranty continuous service. Whenever it becomes necessary for the Company to curtail gas to its customers because of an insufficient supply to meet total customer requirements, such curtailment shall be made in accordance with the Load Curtailment Plan approved by the Public Utilities Regulatory Authority (the "Authority") and

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these Rules and Regulations. The Company cannot be and is not responsible in contract, tort or otherwise for any loss or damage (direct, indirect or consequential) to any persons or property resulting in any way from any interruption of service or any change in characteristics of service, including but not limited to low or inadequate pressure, regardless of the cause of such interruption or change, unless such loss or damage is the result of willful misconduct or gross negligence on the part of the Company.

USE OF GAS BY CUSTOMER

20. Gas Service is sold upon the express condition that it shall be supplied exclusively by the Company and that the Customer shall not directly or indirectly sell, sublet, assign or otherwise dispose of the gas or any part thereof without the written consent of the Company.

21. The restriction on resale of gas shall not apply to gas volumes purchased for sale and use as a vehicle fuel.

BILLING AND PAYMENT

22. Billing shall be in accordance with rates on file with the Authority. All changes duly made in the filed rates or terms and conditions for service shall apply on and after the date that such changes become effective.

23. The schedules of rates are based upon the supply of service to one customer at one address. They contemplate that each separate supply for different point of consumption or different classifications shall be billed as a separate customer.

24. Any applicant for service and any customer to whom service is being supplied may be required to deposit a sum equal to the estimated charges for gas. Residential customers may be required to pay an amount equal to one quarter (1/4) of a year's estimated billing; commercial customers may be required to pay an amount equal to the estimated maximum bill for forty-five (45) days. Deposits shall be returned, (1) upon termination of service, less any amount then due, together with accrued interest, (2) when residential customers and commercial customers have made 12 monthly payments on time. Simple interest at the deposit index rate established annually in accordance with Public Act 93-242, will be allowed on all deposits from date of deposit.

25. The Company reserves the right to discontinue a Customer's supply if the required deposit is not made within thirteen (13) days after it has been requested in writing, by mailing such request to the last known address of the Customer.

26. Deposits for residential customers shall be in accordance with Section 16-3-200 of the Regulations of the Authority.

27. Meters will be read in monthly, bi-monthly, or quarterly periods as filed with and approved by the Authority. When a meter reader is unable on any regular reading date to read the meter, an estimated bill will be due and payable in the usual manner as if figured on actual monthly readings.

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28. Bills are due and payable upon presentation which is defined as the mailing date or date of delivery by the Company. Accounts remaining unpaid 30 days after receipt (as defined in Section 16-3-100, Regulations of Connecticut State Agencies) may result in collection action as may be necessary including discontinuance of service.

29. The Customer shall be liable for service taken after notice of termination has been received by the Company until such time as the meter is read and disconnected, which shall be done by the Company as promptly as possible. If it becomes necessary to institute collection action on an account which is unpaid, the Customer shall pay all costs of such collection action including reasonable attorney's fees and court costs to the extent permitted by law.

30. In the case of a multi-family dwelling served by a master meter, service shall not be terminated by the Company at the request of the Customer or landlord, except upon compliance with all statutes and regulations pertaining to landlords and tenants, including General Statutes, Section 19a-109. The Customer or landlord shall remain financially responsible for any such master metered account until lawfully terminated or until an account is established for a new Customer whose application for service has been accepted by the Company.

31. Bills less than 28 days or more than 34 days will be prorated.

32. As authorized by law, for residential accounts, the Company will supply payment information to credit rating agencies regardless of delinquency.

33. A new Customer may select the Third-Party Supplier Option or Company Supply Service Option anytime within the first three months of establishing service. However, a new Customer may not switch services during the period beginning November 1, and ending March 31, inclusive. Once the new Customer's three month window, in which the Customer may switch services expire, the Customer must continue service under the selected service for 12 months.

34. Service at two or more separate premises shall not be combined for billing purposes. Service at two or more locations on the same premises may be combined for billing purposes, provided the Customer shall pay the cost of all additional service connections required.

"The same premises" as used herein includes the following:

1. A group of buildings used for industrial or commercial purposes, billed on either commercial or industrial rates, all part of the same facility and operated under the same ownership.
2. A multiple unit housing project built at the same time and at the same location, where is furnished to the tenants as an incident of tenancy and the cost included as an integral part of the rent, and where the service is delivered to the project's privately

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owned and maintained underground distribution system with the necessary equipment, facilities, and meter locations to be determined by the Company

35. In no instance shall service to buildings distinctly separated by intervening property owned and/or occupied by another person be combined for billing purposes.

36. In circumstances under which customers' bills fall outside the standard monthly billing period window of 28 to 34 days, including situations such as new turn-ons and turn-offs, a missed meter reading, an incorrect reading followed by a verification, a number of estimated reads followed by an actual read, and a meter not registering and being replaced by another meter, the Company shall match the billing period consumption with the rates then in effect, and prorate billing components on customers' bills based on the actual days of service.

37. Sales and Motor Vehicle Tax:

- a) Sales tax will be levied at the statutory rate, if applicable.
- b) Customers purchasing gas for sale and use as a vehicle fuel will be billed a fuels tax at the statutory rate unless they are exempt.
- c) Both charges will be displayed as separate charges on the customer's bill and will not be included in the Company's revenue requirements as they represent pass-through billing on behalf of the Connecticut Department of Revenue Services.

38. Bill for service rendered up to the date of the last meter reading is due and payable immediately upon presentation.

BAD CHECK CHARGE

39. In the event the Customer pays for gas service with a check that is returned by the bank to the Company unpaid, such Customer shall be liable to the Company for a bad check charge in the amount of \$27.00 for each check so returned. The bad check charge shall be included in the Customer's next monthly bill. Southern shall notify the Customer that his/her/its check has been returned unpaid by the bank. The Customer shall make good for each such check within 30 days of its notification by the Company. Should the Customer fail to make good for such as herein provided, the Company shall have the right to pursue all legal remedies available to it including but not limited to criminal prosecution. If a Customer makes payment on an account with two (2) consecutive bad checks in a rolling twelve (12) month period or pays with a check and subsequently stops payment on the check, the Customer will not avoid a shut off. If proper notice has been given prior to the receipt of such consecutive bad checks or a stop payment on a check, Southern shall have the right to terminate service without giving such Customer an additional notice period.

TERM OF SERVICE

40. A choice-eligible customer that selects a Third-Party Supplier must remain on Third-Party supply for an initial period of twelve months, unless returned to the Company Sales Service Option by Customer's Third-Party Supplier upon receipt of a valid Payment Default Supplier

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Drop Form. Anytime thereafter, a customer may discontinue this service only upon not less than one month's prior written notice to the Company.

41. If a Customer requests to switch from an interruptible to a firm rate for service, that Customer, once such switch has been made, will not be allowed to switch rates again unless such Customer has remained on the firm rate for a minimum of twelve (12) consecutive months or the Company, in its sole judgment, grants an exception to this rule. If the Company grants an exception, only one such switch would be allowed in any twelve (12) month period.

42. Customers under Rate IS may elect to switch between the Third-Party Supplier Service Option and the Company Supply Service Option on a monthly basis. Switches between these options must comply with the terms and conditions of Rate TRS. If the Customer elects firm service and the Company accommodates such request pursuant to Section 13 in Rate IS, the Customer must receive service under the applicable firm rate for a minimum term of twelve (12) months.

ADJUSTMENT OF METER ERROR

43. The meter installed by the Company is the accepted measuring device. Before being installed, all meters are tested and in correct adjustment. The registration of the meter shall be prima facie evidence of the quantity of gas passing through a meter but is subject to verification by testing in case of dispute. If a meter fails to register correctly, or does not register, the Company will render an adjusted bill, greater or less as the case may be. Such adjustment may be calculated on the meter test, on past usage, on usage subsequent to meter change or repair, or such other basis as best reflects a reasonable estimate of actual usage.

44. The Company, at its expense, will make periodic tests and inspections of its meters in order to maintain them at a high standard of accuracy. Upon written request of the customer, which if so desired by the customer will be in the presence of the customer or customer's authorized representatives, the Company will make a test of the accuracy of the meter in question; provided, first, that the meter has not been verified by the Company or by the Authority of the State of Connecticut, within the period of one year previous to such request, the second that the customer will agree to abide by the results of such test as the basis for the adjustment of such charges. A written report of the results of the test will be furnished to the customer by the Company.

45. Whenever the test of a meter reveals it to be fast by more than four percent, the Company will refund any overpayment in accordance with the regulations set forth by the Authority.

RESTORATION OF SERVICE

46. Meters may be removed or service discontinued because of nonpayment of bill, violation of Company's Rules and Regulations or for abuse, fraud or tampering with meter and connections, in which case restoration of service will be made only on payment in advance of one hundred and twenty five dollars (\$125.00) except where it has been necessary to disconnect the service pipe or connection to effect a termination of service. In such cases,

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service will be restored only on payment to the Company of the actual cost of discontinuance and restoration. Restoration of service after relocation of the meter pursuant to Section 12 of these Rules and Regulations will require full payment of the costs of such relocation by the Customer and reconnection of all housing piping by the Customer as described in Section 12. In those instances where more than one household or apartment is served from a single meter, there will be an additional charge of ten dollars (\$10.00) per household or apartment for restoration of service.

47. In the event service is discontinued at the customer's request and then resumed within twelve months at the same address for the same customer, a reconnection charge of seventy five (\$75.00) will be made, in addition to the cost of the Company's field visit, billed under the current General Maintenance and Repair service rates in effect at the time of service restoration. All foregone charges related to gas service including but not limited to the monthly customer charge, daily demand meter charge, monthly demand charge, and the monthly demand SSC or TSC on-site demand charge shall be reinstated and billed on the first monthly bill following service reconnection.

GENERAL MAINTENANCE AND REPAIR SERVICE

48. The charge for maintenance and repair service shall be in accordance with the rates on file with the Authority. All changes duly made in the filed rates or terms or conditions for general maintenance and repair service shall apply on and after the date that such changes become effective.

49. Billing and payment of such charges shall be in accordance with of these Rules and Regulations.

TURN ONS AND DISCONTINUANCES OF SERVICE BY CUSTOMER

50. A Customer requesting to have a meter turned on shall give notice of at least one (1) working day before the request date and, if newly installed internal gas piping is involved, Customer shall comply with the Conditions of Service appended to these Rules and Regulations as Appendix B.

51. A Customer must give notice of at least three (3) working days to discontinue service and shall be liable for the gas consumed during that time until the meter shall have been shut off. The final bill for gas consumed is immediately due and payable on presentation.

STATEMENT BY AGENTS

52. No representative of the Company has authority to modify any rule, provision or rate contained in a schedule or rates, or to bind the Company for any promise or representation contrary hereto.

53. The Company reserves the right to alter and revise these regulations and will file them with the Authority, and customers shall be bound thereby.

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CLASS OF SERVICE DEFINITIONS

54. Residential service: “gas service to Customers for domestic purposes (single or multi-family, mobile homes, etc.). Residential premises used regularly for business purposes are excluded from residential service where half or more of the total gas volume is used for business purposes.”

55. Commercial service: “gas service to Customers engaged in wholesale or retail trade, agriculture, communications, finance, fisheries, forestry, government, insurance, real estate, transportation, etc., and Customers not directly involved in other classifications of service. Dormitories, hotels, motels, religious and eleemosynary institutions (such as orphan homes), boarding and rooming houses, camps, etc., are considered commercial Customers.”

56. Industrial service: “gas service to Customers engaged primarily in a process which either involves the extraction of raw materials from the earth, or is involved in a change of raw or unfinished materials into another form or product, including the generation of electric power. If a particular load to a mining or manufacturing plant is used for equipment within the cafeteria of the plant, or represents a heating load, with or without any process load, whether or not separately metered, the service is classified as industrial. Also, if a sales office is part of a manufacturing plant, it should be classified as industrial service.”

CONSERVATION PROGRAMS

57. The Company offers various conservation programs to Customers. These programs are revised from time to time and subject to Authority approval. These programs are available through the Company.

AGREEMENT – REVISIONS

58. The Customer agrees to be bound by these Rules and Regulations and any and all hereafter adopted. The Company reserves the right to revise these Rules and Regulations at any time and, in the event a revision is made, the Company will give its Customer a copy of such revision upon request.