



A PHI Company

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## Important Rate Information for Commercial & Industrial Natural Gas Customers

The Gas Cost Rate (GCR) component used in the calculation of your bill is increasing, effective with your usage on and after November 1, 2005, due to higher gas commodity costs. Effects of the increase will vary with your usage. Please see the rate chart inside for more details.

The GCR is a straight pass-through of wholesale costs of the gas used by our customers - the company does not make a profit from this portion of the bill. Wholesale costs for natural gas are volatile and have increased significantly over the past year. In addition, long-term forecast prices shifted dramatically as a result of Hurricanes Katrina and Rita, which damaged natural gas and oil production facilities in the Gulf Coast.

Also in effect with November 1 usage will be a change in the Environmental Surcharge, which will increase from \$0.000830 to \$0.001380 per centi-cubic feet (CCF) of gas used. This surcharge applies to all rate classes except interruptible commercial and industrial customers.

The proposed rates will go into effect on November 1; however, they may be subject to change after Public Service Commission review. You will be notified by bill insert of any change made to your rates.

### Commercial & Industrial Gas Service

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<b>General Gas Service (GG)</b>	<b>Previous Rates</b>	<b>New Rates</b>
Customer Charge	\$19.00 per mo.	\$19.00 per mo.
First 750 CCF	\$0.323200/CCF	\$0.323200/CCF
Over 750 CCF	\$0.234700/CCF	\$0.234700/CCF
Gas Cost Rate	\$0.85917/CCF	\$1.18384/CCF
Environmental Surcharge	\$0.000830/CCF	\$0.001380/CCF

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**Medium Volume Gas Service (MVG)**

Customer Charge	\$315.00 per mo.	\$315.00 per mo.
Monthly Demand Charge	\$10.210000 per MCF or Billing MDQ	\$10.210000 per MCF or Billing MDQ
Delivery Charge	\$0.45599/MCF	\$0.45599/MCF
Gas Cost Rate (GCR)		
Monthly Demand Charge	\$8.36 per MCF or Billing MDQ	\$6.20 per MCF or Billing MDQ
Commodity Charge	\$7.52780/MCF	\$11.0279/MCF
Environmental Surcharge	\$0.00827/MCF	\$0.01377/MCF

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**Large Volume Gas Service (LVG)**

Customer Charge	\$500.00 per mo.	\$500.00 per mo.
Monthly Demand Charge	\$7.040000 per MCF or Billing MDQ	\$7.040000 per MCF or Billing MDQ
Delivery Charge	\$0.12959/MCF	\$0.12959/MCF
Gas Cost Rate (GCR)		
Monthly Demand Charge	\$8.36 per MCF or Billing MDQ	\$6.20 per MCF or Billing MDQ
Commodity Charge	Varies Monthly	Varies Monthly
Environmental Surcharge	\$0.00827/MCF	\$0.01377/MCF

Note: CCF = 100 cubic feet; MCF = 1,000 cubic feet; MDQ = Maximum Daily Quantity

The information contained in this bill insert has been prepared as a general guideline for our customers. The company's tariff, as filed and approved by the Public Service Commission, is the official document regarding all rates and rules and regulations affecting service. For further information and details, copies of the tariff are available by contacting Delmarva Power Customer Care or by visiting [www.delmarva.com](http://www.delmarva.com).