

**ECONOMIC DEVELOPMENT RIDER**

**Applicability and Character of Service**

Natural gas service under this rider may be made available, at the Company’s discretion, to any Customer that (1) locates a new plant or facility or expands an existing plant or facility within the Company’s franchised territory in the State of South Carolina, (2) qualifies for the purchase or transportation of gas under Rate Schedules 203, 204, 213, or 214, and (3) contracts for natural gas consumption of not less than 50,000 Mcf per year of new or expanded load, at a single delivery address, for a minimum term of five years. Service under this schedule is interruptible and the Company has the right to discontinue such service on one hour’s notice.

To qualify for service under this rider a written application shall be made to, and must be approved by, the Company. The application shall, at a minimum, include the following information: (a) a description of the gas-using facility, including its location and the nature of the business(es) to be conducted at such location; (b) an affirmation that the availability of this rider was a significant factor in the Customer’s decision to locate the new or expanded load on the Company’s system; (c) the number of full time employees to be employed at the facilities at the end of the first, second, and third years of operation; (d) the new capital to be invested at the facility; and (e) a description of the natural gas equipment, including the usage characteristics of the new or expanded gas load, to be installed at the facility. This rider will apply only to the amount of separately metered additional load added in the case of a facility expansion. Customers participating in this rider must also execute a written contract with the Company evidencing their agreement to the terms of this rider.

**Exclusions**

This rider is not available to or for (1) existing facilities that temporarily shut down and reopen; (2) gas loads moved from another site in the State; or (3) an existing facility that became a new Customer solely because of a change in ownership. Notwithstanding the foregoing, any such facilities may, upon application and approval, become eligible for the credits provided by the rider with respect to an expanded load at such facilities.

**Rate**

The monthly discount, which will be applied to only the portion of the bill calculated for the new or expanded load, shall be computed based upon a declining, three-year percentage reduction in the non-gas margin portion of the applicable rate schedule (203, 204, 213, 214). This discount will commence on the Customer’s first month billing and continue for a period of three years.

The percentage reductions are as follows:	First Year	-----	45% Reduction
	Second Year	-----	25% Reduction
	Third Year	-----	15% Reduction

The Customer may still negotiate with the Company under the provisions of Rate Schedule 208 while being served on this rate.

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### **Termination/Penalties**

The Company may terminate service under this rider when:

1. During any consecutive 12 month period within the five year term of the contract the Customer fails to consume at least 50,000 Mcf of natural gas through the new or expanded facilities to which this rider is applicable; or
2. Discontinuance of service to Customer would be authorized under the Company's general tariff provisions.

In the event service under this rider is terminated by the Company or Customer defaults in its obligations hereunder, Customer will be required to reimburse to the Company, upon demand, an amount equal to all reductions received by Customer under this rider plus applicable interest from the date of such reduction at the rate paid by the Company for service deposits pursuant to Commission Rule R103-443 and R103-436.

### **Payment of Bills**

Bills are net and due upon receipt. Bills become past due 15 days after bill date.

### **Late Payment Charge**

A late payment charge of 1% per month will be applied to all balances not paid prior to the next month's billing date.

### **Service Interruption and Curtailment**

Gas service under this Rate Schedule is subject to the provisions contained within Rate Schedule 206, "Schedule for Limiting and Curtailing Service".

### **Applicable Documents Defining Obligations of the Company and Its Customers**

Service under this rate schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina ("Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of *force majeure* and operating conditions. A copy of the Commission's Rules may be obtained from the Public Service Commission of South Carolina, 101 Executive Center Dr., Columbia, SC 29210, upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web Site at [www.piedmontng.com](http://www.piedmontng.com).