

RATE SCHEDULE 201
RESIDENTIAL SERVICE-VALUE RATE

Applicability

Gas service under this Rate Schedule is available in the area served by the Company in the State of South Carolina to a residential unit, which is individually metered, and to governmental housing projects. Rate Schedule 201 applies to all residential customers whose base load usage in either of the cycle billing months of July and August is equal to or greater than 15 therms. Base load usage will be based upon Customer's usage in the Company's most recent residential base load period adjusted for cycle length. Availability of this Rate Schedule for new Customers will be based on reasonably anticipated base load usage. Reclassification of customers between rate schedules will be based upon procedures set forth in the Company's Service Regulations as approved by the Public Service Commission of South Carolina (the "Commission").

Rates and Charges

The rates to be charged for gas service pursuant to this Rate Schedule are set forth on the Company's "Rates and Charges" tariff sheet and may be viewed at the Company's Web Site at www.piedmontng.com. A copy of the "Rates and Charges" tariff sheet is also on file with the Commission and at each of the district offices of the Company. Rates are subject to adjustment from time to time with the approval of the Commission. The rates on file with the Commission shall prevail in the event of conflict with those rates viewed on the Company's Web Site.

Payment of Bills

Bills are net and due upon receipt. Bills become past due 25 days after bill date.

Late Payment Charge

A late payment charge of 1½% 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 with 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.

Issued by Ware F. Schiefer, Chief Executive Officer

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