

Explanation of Supplier Bill

The following is an explanation of all of the fields and charges that appear on the Supplier Bill.

Previous Balance – The amount owed by the supplier for any unpaid charges including any late payment charges.

Payments Received - Payments credited since the last bill was generated.

BGE Outstanding Balance - remaining balance after payment(s) applied to previous balance

Charges/Adjustments This Period - The Charges This Period consists of the Total Charges billed for the current billing period

Total Charges This Period – Total Charges This Period is the summation of the Total Charges this Period and any late charges for the current billing period.

Total Amount Due By – The Total Amount Due is the summation of all charges due for the billing month. This is the total amount the supplier must pay to BGE by the due date.

Late Charges – BGE currently charges a 1.5% late payment charge for any outstanding balances remaining after the respective due date.

Reference Number - Invoice identification number

Total Assigned Capacity – The amount of pool capacity assigned to supplier based on the number of customers the marketer has enrolled for the month. This amount is split between the East and West pools-82% and 18%, respectively.

Information Fee – The monthly information fee is for access to the Delivery Service Website (DSWeb).

Reservation Charges

East & West Pool Capacity - Fee for maintaining capacity. Supplier must pay for capacity all year, regardless of how much inventory exists.

East & West Pool Deliverability - Fee for max daily volume that can be withdrawn out of the pool in a single day.

East & West Pool Transportation Deliverability - Fee for max daily volume that can be transported from the pool location to the city gate.

Service Charges

Service Charges are based on Net Withdrawals versus Injections.

It is expected that suppliers will typically withdraw from their pool accounts during the winter months of November through March and inject into their pool accounts during the Summer months of April through October.

Withdrawals

East & West Pool (Commodity) – Transaction fee for net withdrawals from Pool accounts

East & West Pool Transportation –Transportation fee for net withdrawals from Pool accounts

Injections

East & West Pool – Transaction fee for net injections into Pool accounts

Peakshaving Commodity Charges – Charge for gas made up by BGE’s peak shaving assets used primarily on days where temperatures are below 20 deg F.

Inventory Adjustment Due to Customer Movement – Gain or loss of inventory for next Bill Month based on the supplier’s gain or loss of customers. Gas is purchased or credited at the monthly Pool WACOG rate¹.

Inventory Adjustment Due to Over Max Inventory - This penalty is incurred if the supplier’s pool inventory is over the maximum inventory envelop. If this penalty is incurred, the supplier’s inventory will be reset to the maximum inventory allowed and the supplier will be credited for the gas purchased by BGE.

Inventory Transfer Transaction Fees – The flat fee charge for each discretionary inventory transfer. During the Winter season when the pools are blended, the supplier will be charged for two transfers. During the Summer season, the supplier may choose which pool to transfer and will only be charged for a single transfer.

Daily Balancing Fee – Charge to recover costs associated with keeping Supplier Pools in balance, based on consumption from previous month.

Penalties, Credits & Charges

Under Delivery Penalty – The penalty charged for each Daily Requirement and/or nominated injection Dth of Under Delivery. \$25/Dth.

¹ BGE uses the “First in” / “Last out” storage inventory reporting methodology. This means gas that is purchased and injected into storage during the month is added to the existing inventory to calculate a new inventory volume and weighted average cost of gas. Any gas withdrawn from storage is then priced and withdrawn at the ending month inventory balance and weighted cost of gas after all injections and prior period adjustments have been accounted for.

Purchase of Under Delivery Replacement Gas – The charge for the gas to replace the Daily Requirement or Injection Under Delivery. This gas must be purchased from BGE.

Over Delivery Penalty - The penalty charged for each Daily Requirement Dth of Over Delivery.

Below Minimum Inventory Penalty - This penalty is incurred if the supplier's pool inventory is below the minimum inventory envelope. If this penalty is incurred, the supplier is responsible for bringing their inventory level above the minimum envelope.

Capacity Credit - A credit provided to Gas Suppliers for any incremental interstate pipeline capacity held, that is primary firm to BGE's City Gate. The credit is calculated on an annual basis and applied evenly over the (5) winter billing months (Nov – Mar).

POLR Capacity Charge - Charge for capacity held by BGE to stand ready to serve firm distribution service customers that have elected to purchase the gas commodity from a third-party supplier. The POLR Capacity Rate is calculated and filed with the PSC by December 31 of each year with the revised rate to be effective with February billings of the following year, pending Commission approval.

Utility Consolidated Billing Service – The Utility Consolidated Billing (UCB) Service consists of the Monthly Charge and Account Charge as described below.

Monthly Charge - A monthly fee of \$9.96 for remitting UCB revenue to the respective supplier

Account Charge – The charge to the supplier for the service of preparing their customers' UCB monthly bill. *The minimum Account Charge is based on 25 UCB accounts.*

*Current UCB Account Rate
is \$0.302 cents per account*

Consumption Reporting Service – The charge to the supplier for the service of providing the monthly customer consumption. This information allows the supplier to bill the customers directly using actual usage information.

*Current Consumption Reporting Service Rate
is \$0.193 cents per account*

Balancing Service Charges – These are the charges associated with the imbalances between the daily-metered customer delivered volumes and gas usage for the Self-Balancing Option. *See the Gas Service Tariff for these fees.*

Capacity Credit - A credit provided to Gas Suppliers for any incremental interstate pipeline capacity held, that is primary firm to BGE's City Gate. The credit is calculated on an annual basis and applied evenly over the (5) winter billing months (Nov – Mar).

Customer List Charge - The charge to suppliers who choose to purchase the Residential Customer List from BGE. (see supplier.bge.com for more information)

Other Charges – Allows for the Debit or Credit of charges that are not part of the line items that were already listed.