

**The Peoples Gas Light and Coke Company**

**RIDER TO SCHEDULE OF RATES FOR GAS SERVICE**

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**Rider TPTFA**

**Third-Party Transaction Fee Adjustment**

**Applicable to Service Classification Nos. 1, 2, 4, and 8**

**Section A – Applicability and Purpose**

Section 8-201.9 of the Public Utilities Act requires the elimination of credit card fees paid by Customers, as of September 15, 2021. The Third-Party Transaction Fee Adjustment (TPTFA), expressed on a per customer basis, recovers expenses related to direct third-party bill payment transaction fees incurred by the Company as defined in Section B. The Company shall adjust the Customer Charge by the amounts specified on the information sheet.

This Rider is applicable to all customers taking service from the Company under Service Classification (“S.C.”) Nos. 1, 2, 4, and 8. Third-party Transaction Fee Costs as defined in this Rider will no longer be recovered through this Rider on and after the effective date of tariffs filed in compliance with the Commission order in the Company’s next general rate proceeding. A final reconciliation as needed shall be conducted after said compliance filing in the Company’s next general rate proceeding.

**Section B – Definitions**

As used in this rider, the terms below are defined as follows:

**Effective Period** shall mean the twelve-month period of June 1 through May 31, during which the TPTFA will be in effect. The initial Effective Period shall mean the period of December 27, 2021 through May 31, 2022.

**Non-Residential Customer Classification** shall mean S.C. No. 2, S.C. No. 4 and S.C. No. 8.

**Reconciliation Period** shall mean the nine-month period of September 1 through May 31. The initial Reconciliation Period shall mean the period of September 1, 2022 through May 31, 2023.

**Residential Customer Classification** shall mean S.C. No. 1 Heating and S.C. No. 1 Non-Heating.

**Third-party Transaction Fee Costs** shall mean expenses related to customer payments processed through a third-party by debit card, credit card, or as otherwise required by Section 8-201.9 of the Public Utilities Act and costs associated with implementing the changes to the third-party payment process.

**Section C – Determination of Third-Party Transaction Fee Adjustment (TPTFA)**

The amount of the Third-Party Transaction Fee Adjustment (TPTFA), if any, applicable to each Effective Period may be a positive or negative value. It shall be determined annually using the following formula:

$$TPTFA_c = (TPTFC_c / B_c) + (RA_c / B_c) + (O_c / B_c)$$

Where:

TPTFA = Monthly Charge filed in dollars per customer rounded to two decimals.

TPTFC = Estimated Annual Third-Party Transaction Fee Costs for the Effective Period.

**Date Issued:** NOVEMBER 12, 2021

**Date Effective:** DECEMBER 27, 2021

**Asterisk not needed; replacing sheet in its entirety.**

**Issued by Theodore Eidukas, Vice President – Regulatory Affairs  
200 East Randolph Street, Chicago, Illinois 60601**

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**Section C – Determination of Third-Party Transaction Fee Adjustment (TPTFA) (cont'd)**

- C = Customer Classification as defined in Section B of this rider.
- B = Sum of the forecasted number of billing periods for the period being calculated for each Customer Classification.
- RA = Company-determined reconciliation component as described in Section E of this rider.
- O = Commission-ordered adjustment as described in Section E of this rider.

**Section D – Information Sheet Filings**

The TPTFA shall be filed with the Commission or postmarked on an Information Sheet with supporting data no later than May 20 of each year. The initial Information Sheet shall be filed no later than January 20, 2022. An Information Sheet with supporting data filed after that date, but prior to the effective date, shall be accepted only if it corrects an error or errors from a timely filed Information Sheet for the same effective date. If the Company determines that it is appropriate to revise the TPTFA to better match revenues or expected revenue with costs incurred or expected to be incurred, the Company may, from time to time, calculate a revised TPTFA to become effective at the beginning of any monthly billing period.

The initial TPTFA will be applied to customer bills beginning February 1, 2022. A new TPTFA, if any, shall become effective on June 1, with a new RA component becoming effective, if required, on September 1.

**Section E – Annual Reconciliation**

No later than August 31 of each year, the Company shall file a petition with testimony and exhibits seeking initiation of an annual reconciliation process. The reconciliation will compare the revenues collected or refunded under this rider during the Effective Period with the actual Third-Party Transaction Fee Costs to be recovered or refunded under this rider during the same period. In conjunction with the reconciliation filing, a new Information Sheet may be filed adjusting the then effective TPTFA under this rider for the amount to be reconciled. Supporting documentation and workpapers affecting the information presented in the Company's reconciliation petition shall be provided to the Commission's Accounting Staff at the time of the reconciliation filing. The initial reconciliation shall be filed on or before August 31, 2022.

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**Section E – Annual Reconciliation (cont'd)**

If, after hearing, the Commission finds that the Company has not shown all costs to be reasonable and prudently incurred or has incorrectly calculated, debited, or credited costs or revenues during the applicable Reconciliation Period to the extent that the adjustment has not already been reflected through an adjustment to the RA component of the TPTFA, the difference determined by the Commission shall be refunded or recovered, as appropriate, in the same manner that the charge was initially collected through the O component. Amounts either collected or refunded through the O component shall accrue interest at the rate established by the Commission under 83 Illinois Administrative Code Part 280 from the end of the Reconciliation Period until the O component amount is charged or refunded to customers.

**Section F – Annual Internal Audit**

The Company shall submit annually by electronic mail to the Commission's Director of the Financial Analysis Division, no later than December 1, an internal audit of the revenue recovered or refunded pursuant to this rider. Such report shall be verified by an officer of the Company. The initial internal audit under this rider shall be submitted no later than December 1, 2022. All internal audits conducted under this rider shall include at least the following tests:

- (1) Rider TPTFA adjustments are accurate and in compliance with the tariff;
- (2) Rider TPTFA revenues are not collected through other approved tariffs;
- (3) Rider TPTFA adjustments are being properly billed to customers; and
- (4) Rider TPTFA revenues are recorded in the appropriate accounts.

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