

WASHINGTON GAS LIGHT COMPANY

Interruptible Delivery Service

Rate Schedule No. 7

AVAILABILITY

This schedule is available in the Virginia portion of the Company's service area as described in Section 1.b.(1) of the General Service Provisions for customers who purchase gas directly from a third party supplier and have such gas purchases transported to the Company. In such event the Company may execute individual service agreements with customers for interruptible delivery service under this rate schedule subject to the following:

- a) The customer has a minimum annual requirement for delivery service of 60,000 therms, or was previously eligible for service under Rate Schedule Nos. 4 or 6, and executes a service agreement with an initial term of not less than 1 year, but not more than 5 years.
- b) The customer has purchased, or has agreed to purchase, an adequate supply of natural gas of a quality acceptable to the Company, to be delivered into the Company's distribution system at an agreed upon location from a third party at the customer's expense. When a customer no longer has a third party supplier, then the customer will remain interruptible but will pay the applicable firm rates for any gas consumed during a month. Customers will have a period of 3 months to choose another Supplier or, depending on Company infrastructure capabilities and /or availability, may be switched to Rate Schedule 2 or Rate Schedule 3 until which time the customer chooses another Supplier.
- c) The customer warrants that it has good and legal title to all gas transported by its third party supplier to the Company, and agrees to indemnify and hold the Company harmless from any loss, claims or damages in regard to such title.
- d) Upon request, the customer provides the Company with all documentation deemed necessary by the Company to show that requisite approvals for acquisition and use of customer-owned gas have been secured from all regulatory bodies having jurisdiction. The customer is responsible for making any filings or reports, as required, pertaining to the acquisition and use of the gas and the transportation of the gas from the customer's source to the Company's interconnection with the delivering pipeline supplier.
- e) The customer's third party supplier and/or pipeline transporter agree(s) to provide electronically, or by other means as specified by the Company by 3:00 p.m. Eastern time on the preceding day, daily nomination data, including the daily nominated volumes, the name of the interstate pipeline delivering customer volumes to the city-gate, the associated "upstream shipper number" and the facility name of the customer for such gas to be delivered to the Company during the subsequent calendar month.

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It is the Customer's responsibility to confirm daily nominations via the pipeline bulletin board.

- f) An interruption monitoring meter to be owned and maintained by the Company is required. Any new customer under this rate schedule or any customer switching to this rate schedule shall pay a charge for such metering installation which amount shall be set forth in the service agreement and may be assessed in equal monthly payments over the term of the agreement plus interest equal to the Company's overall rate of return as authorized by the Commission. The customer shall provide uninterrupted electrical requirements for the Company's facilities and maintain a dedicated phone line to be used to provide the Company with on-going communication with the meter installation.
- g) The capacity of the Company's facilities and other conditions are sufficient to deliver the quantities requested by the customer.
- h) The Company may request customers served under this rate schedule to allow the Company to use customer-owned gas to supply higher priority end-usages during a gas supply emergency. In the event a customer refuses to allow the use of customer-owned gas during a gas supply emergency and the Company's ability to serve essential human needs is threatened, the Company may delay delivery of customer-owned gas to those customers receiving service pursuant to a transportation agreement entered into, or pursuant to a transportation agreement the term of which was extended, after the effective date hereof, and utilize such gas to serve essential human needs when significant relief would be provided by such gas, until such time as the supply threat to essential human needs has been resolved. The Company shall notify the Commission that it has delayed delivery of customer-owned gas without the customer's consent under this provision.

Customers shall be compensated for the use of customer-owned gas voluntarily supplied or otherwise used during a gas supply emergency to assist the Company. The level of compensation shall be determined through negotiation, but shall be limited to the reasonable costs associated with alternate fuels or the price difference associated with resupplying gas to the customer, in accordance with the compensation guidelines set forth in Rule No. 7 of the Natural Gas Priorities and Rules adopted by the Commission by Final Order issued May 1, 1991, in Case No. PUE900053.

ISSUED: May 5, 2006

For service rendered on and after July 7, 2006

Adrian P. Chapman - Vice President, Operations, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service - Rate Schedule No. 7 (Continued)

RATE FOR MONTHLY DELIVERIES

System Charge (Per customer)

All Billing Months \$100.00

Distribution Charge (Per therm)

All gas delivered during the billing month:

First 75,000 therms 9.01¢

Over 75,000 therms 5.22¢

Customers served under this rate schedule who receive gas supplies from the Company pursuant to the enactment of curtailment priorities and rules set forth in General Service Provision No. 19, "CURTAILMENT OF GAS SERVICE", shall be charged a rate per therm equivalent to the Company's incremental cost of gas, adjusted for unaccounted for and Company-use gas and taxes on gross receipts, plus the normal rates for monthly deliveries included herein.

MINIMUM MONTHLY BILL

The minimum monthly bill shall be the System Charge.

BILLING MONTH

The term "billing month" set forth above for the applicable delivery charge shall mean the calendar month representing the principal usage for the monthly meter reading.

LOST AND UNACCOUNTED-FOR GAS

The volumes of gas the customer has caused to be delivered to the Company shall be adjusted to reflect lost and unaccounted-for volumes in the operation of the Company's distribution system in computing deliveries to the Customer.

RESPONSIBILITY FOR TAXES

The customer shall be responsible for the payment of any tax or assessment levied by any jurisdiction related to the acquisition, delivery or use of delivered gas.

LATE PAYMENT CHARGE

All bills are due and payable when rendered and the charges stated apply when the bills are paid within twenty days after date of rendition. If bills are not paid within twenty days After rendition, a late payment charge will be added equal to one percent of the

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unpaid bill and at the end of each nominal thirty day billing interval thereafter, an additional charge will be made equal to one and one-half percent of any total amount which remains unpaid at that time.

BALANCING CUSTOMER-SUPPLIED GAS WITH CUSTOMER USAGE

The Company will provide balancing service to the customer's supplier in order to balance the customers' usage with the city-gate deliveries for such customer accounts. As provided in Rate Schedule No. 11, customers are required to have an agreement with a supplier to balance city-gate deliveries with consumption. Customers will not be notified of balancing curtailments by the Company. The Company will notify the customer's balancing Supplier. On a daily basis, the Company, in its sole discretion, may limit customer delivery service volumes to the amount of gas that is delivered to the city-gate for the customer's account.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service - Rate Schedule No. 7 (Continued)

INFORMATION SERVICES

A Bulletin Board Service (BBS) shall be available to customers to track daily uses and imbalance levels. A customer's third-party supplier may be provided access to the Company's Bulletin Board Service upon written authorization from each associated customer. The customer shall control a third-party supplier's access.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

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SPECIAL TERMS AND CONDITIONS

SEPARATE METERING - Gas delivered hereunder, except for oil burner pilot usage, shall not be used interchangeably with gas supplied under any other schedule and shall be separately metered; provided, however, that if both firm and interruptible deliveries are made to a customer at one location, and if separate metering of the interruptible delivery portion of such deliveries is not practicable, monthly firm and interruptible deliveries shall be determined as follows:

- (a) Firm deliveries - the firm maximum day's quantity specified by written agreement between customer and Company multiplied by the number of days in the billing month.
- (b) Interruptible deliveries - All gas in excess of firm deliveries determined as described in (a).

INTERRUPTIONS - Deliveries by the Company to any customer under this schedule shall be on an interruptible basis only, and the Company shall have the right to interrupt delivery of gas whenever, in the sole judgment of the Company, such interruption is required to maintain the safe and reliable operation of its system or some portion of its system, regardless of whether or not the customer, designated agent, or supplier has delivered gas to a Company city-gate.

During an interruption of delivery service on the Company's system, customers shall not consume any gas, including gas that is delivered to the Company for the customer's account at the city-gate net of an adjustment for lost and unaccounted for gas and a dry to wet conversion.

The Company shall give the customer as much advance notice as feasible in the sole judgement of the Company, of curtailment or interruption hereunder, but not less than one hour.

The Company reserves the right to refuse delivery of gas for operational reasons. Pipeline penalties assessed the Company that are a result of a customer's failure to comply with an interruption of delivery service will be the responsibility of the customer.

OVERRUN PENALTY - If a customer fails to comply with any interruption notice delivered by the Company, the customer shall be billed for any unauthorized use of gas during the period of interruption at the rate of \$15.00 per Dth, or, if greater, by the amount of any penalty, fine, or charge incurred by the Company as a result of any unauthorized use of gas by the customer. Such billing shall be in addition to charges at applicable commodity sales rates. The \$15.00 per Dth penalty shall apply to any other unauthorized gas usage.

STAND-BY FACILITIES - In all cases where continuous operation of the customer's facilities is necessary, the customer shall provide and maintain stand-by equipment, including fuel supply for operation thereof, in satisfactory operating condition and of sufficient capacity to permit full interruption of the interruptible deliveries.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service - Rate Schedule No. 7 (Continued)

METER READING

Monthly meter readings for purposes of billing shall be made on or about the last day of each calendar month. Daily readings will be provided to customer's suppliers via the Gas Management System (GMS) or the Bulletin Board Service (BBS). Daily readings that are unavailable due to metering problems will not be the responsibility of the customer or suppliers as long as it is not a problem with the telephone line. The Company will work with customers and suppliers to reconcile these problems as promptly as possible.

EXTENSION OF FACILITIES

The Company may require a contribution from any customer to be served under this schedule, the amount of which is to be determined pursuant to General Service Provision No. 14, ECONOMIC EVALUATION OF FACILITIES EXTENSION.

OTHER TERMS AND CONDITIONS

Except as otherwise specifically provided herein, the application of this Rate Schedule is subject to the General Service Provisions of the Company as they may be in effect from time to time, and as filed with the Commission.

The minimum volume, balancing and interruption requirements applicable to deliveries under this Rate Schedule are not applicable to delivery service for natural gas vehicles under Rate Schedule No. 8.

EARNINGS SHARING MECHANISM (ESM)

The Distribution Charges specified in this rate schedule shall be subject to an adjustment per therm, as set forth in General Service Provision No. 29, as part of the PBR Plan that takes effect October 1, 2007 in accordance with the Commission's Final Order in Case No. PUE-2006-00059.