

SUPPLEMENT NO. 56

TO

GAS - PA. P.U.C. NO. 22

EQUITABLE GAS COMPANY

A DIVISION OF EQUITABLE RESOURCES, INC.

SCHEDULE OF RATES, RULES AND REGULATIONS

FOR

GAS SERVICE IN

CITY OF PITTSBURGH

AND TERRITORY ADJACENT THERETO

(For Lists of Communities Served, see Page No. 4)

ISSUED: September 28, 2007

EFFECTIVE: October 1, 2007

Tariff Supplement Filed in Compliance  
With the Public Meeting Held on August 30, 2007 in the  
Section 1307(f) Proceeding at Docket No. R-00072111

Issued

By

D. L. FRUTCHEY  
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES  
EQUITABLE GAS COMPANY  
225 NORTH SHORE DRIVE  
PITTSBURGH, PA 15212-5861

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CHANGE IN RATES AND TARIFF MODIFICATION

Rules and Regulations	-	11.4 Shrinkage; page 30.
Rate RS	-	Residential Service; page 40.
Rate GSS	-	General Service Small; page 41.
Rate GSL	-	General Service Large; page 42.
	-	Standby Service; page 72.
Rider A	-	Purchased Gas Cost; page 92.
Rider B	-	Transportation Migration Rider; page 94

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RULES AND REGULATIONS - (Continued)11.4 Shrinkage

The Company's retention allowance for delivery service shrinkage is 6.0 percent of the total volume delivered into its system on behalf of commercial and industrial customers and 8.0 percent of the total volume delivered into its system on behalf of all other customers. The Company reserves the right to discount shrinkage at the Company's discretion. (C)

In addition to the shrinkage rate listed above the Company reserves the right to retain a portion of all Apollo District transportation volumes as compressor fuel. The portion will be established in each customer contract based upon the character of the actual service to be provided by the Company, but will not be greater than 3.0%

11.5 Quality of Gas

Gas of suitable quality must be provided by the customer at receipt point(s) designated in the Service Agreement.

11.6 Obligation To Serve

Delivery service customers who hold assigned capacity pursuant to Rate FPS sufficient to meet their firm requirements may return to sales service and the Company will accept back the underlying capacity. The Company shall treat delivery service customers who do not hold assigned capacity sufficient to meet their firm requirements and who wish to return to retail service in the same manner in which it would treat similarly situated customers who apply for retail service for the first time, except that, if the customers are permitted to return to firm service, then the Company shall accept back any capacity previously assigned to the customers. Failure of a customer to pay a Pool Administrator's bill is not a basis for termination of a customer by the Company or for denying the customer's return to retail sales service. Where the Company provides a consolidated bill, partial payment will be credited first to the Company's portion of the bill because the Company retains the obligation to serve.

11.7 Company Agency

If requested by the customer, and agreed to by the Company, the Company will act as agent for the customer in securing storage services and transportation capacity on transmission pipelines to transport customer's gas to the pipeline delivery points on the Company's system. This service shall be administered by the Company subject to the same terms, conditions and rates placed upon other pool operators operating under Equitable's tariff. The Company shall not be responsible for storage and transportation charges incurred on behalf of the customer, nor for the performance, non-performance or continued availability of any pipeline transportation service. The charges for this service shall be determined by negotiation between the Company and the customer.

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(C) Indicates Change.

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D. L. FRUTCHEY

CHIEF REGULATORY OFFICER EQUITABLE UTILITIES

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RATE RS - RESIDENTIAL SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available at one location for the total gas requirements of any residential customer account.

RATE

The monthly charge for each customer served at each location under this rate schedule shall be the sum of the following:

Monthly Service Charge:	\$11.65 per meter	
Natural Gas Supply Charge:	\$10.21 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.303 per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.703 per Mcf
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LATE PAYMENT CHARGE

If payment of bill has not been received within twenty days from date of mailing, a Late Payment Charge of 1.5% per month, will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

(I) Indicates Increase.

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D. L. FRUTCHEY  
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

RATE GSS - GENERAL SERVICE SMALL

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of a commercial or industrial customer who the Company estimates will use 1,000 MCF or less in a twelve month period at that service location.

RATE

The monthly charge for each customer at each location served under this rate schedule will be the following:

Monthly Service Charge:

Annual Throughput < 500	\$17.00 per meter
Annual Throughput 500 - 1,000	\$28.00 per meter

Natural Gas Supply Charge:	\$10.21 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.337 per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.737 per Mcf
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LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% per month will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

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RATE GSL - GENERAL SERVICE LARGE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of an industrial or commercial customer who the Company estimates will use more than 1,000 Mcf in a twelve month period at that service location.

RATE

Monthly Service Charge:

Annual Throughput 1,001 - 4,999	\$ 75.00	per meter
Annual Throughput 5,000 - 25,000	\$150.00	per meter
Annual Throughput > 25,000	\$800.00	per meter

Natural Gas Supply Charge:	\$10.21	per Mcf	(I)
Natural Gas Delivery Charge:	\$4.14	per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.54	per Mcf
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LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

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STANDBY SERVICE - (CONTINUED)

Customers receiving Firm Standby Service shall pay a Standby Reservation charge as described below.

Monthly Reservation Charges (charged each month of the year):

Large Volume Customers

Customers who require natural gas service through a single meter for 20,000 Mcf annually or more:

\$10.48 per Mcf of MDFR (D)

Customers who require annual natural gas service of less than 20,000 Mcf:

Small Volume Customers (0 to 500 Mcf Annual Usage)

\$1.77 per Mcf of throughput (D)

Medium Volume Customers (501 to 20,000 Mcf Annual Usage)

Low Load Factor Service

Firm Standby: \$0.99 per Mcf of throughput

High Load Factor Service

Firm Standby: \$0.54 per Mcf of throughput

A Medium Volume customer will be billed at the Low Load Factor Service Rate when the customer's annual system utilization factor (actual annual volume + 100% annual system utilization volume) is not more than 50 percent. A Medium Volume customer will be billed at the High Load Factor Service rate when the customer's annual system utilization factor is more than 50 percent of the customer's 100% annual system utilization volume. System utilization factors will be based on Company estimates where historic data is not available.

The Reservation charges shall be redetermined annually during the course of the Company's 1307(f) proceeding.

A customer may discontinue Firm Standby Service, if the Company, in its sole discretion, can obtain any decrease in its transportation and storage entitlements or any combination thereof required to accommodate such transfer from Standby service and the customer provides written notice to the Company at least twelve months prior to the expiration date of the customer's Service Agreement.

Standby Reservation Charge Revenue shall be credited to Purchased Gas Cost for the purpose of determining the "E" factor.

Per the settlement in Docket No. R-00038166, the Company has the ability to switch transportation customers to daily measurement or increase the cost recovery from these customers via a separate negotiated capacity charge.

(D) Indicates Decrease.

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CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

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RIDER A - (Continued)

The "E" factor shall also provide for refund or recovery of amounts necessary to adjust for differences between actual over and under collections and estimated over and under collections included in the "E" factor of the previous PGC.

Interest shall be computed monthly at the appropriate rate as provided for in Section 1308(d) of the Public Utility Code from the month the over or under collection occurs to the effective month such over collection is refunded or such under collection is recouped.

Supplier refunds received applicable to PGC Rate Schedules will be included in the calculation of "E" with interest added at the annual rate of six percentum (6 percent) calculated in accordance with the foregoing procedure beginning with the months such refund is received by the Company.

For the purpose of computing monthly over and undercollections to be reflected in "E" the following will be deducted from Purchased Gas Cost:

1. Demand and reservation charges billed sales customers under Rate Schedule CSF and transportation customers with firm standby service under any applicable Delivery Service Rate Schedule. Such charges shall be based on the Company's cost of reserving firm pipeline services and redetermined annually during the course of the Company's 1307(f) filing to be effective during the ensuing PGC application period.
2. The commodity cost of gas applicable to contract sales and standby sales service as specified in Rate Schedules CSF, CSI, and applicable Delivery Service Rate Schedules.

"S" -- projected Mcf of gas to be billed under PGC Rate Schedules during the computation year.

"Purchased Gas" -- the volume of gas projected to be purchased by the Company and delivered to customers under PGC Rate Schedules, plus such portion of the company-used and unaccounted-for-gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas, liquefied propane and naphtha.

"The Current PGC" -- is \$11.81 per Mcf, comprised of a C factor of \$10.21 and an E factor of \$1.60. (I)

"Computation Year" -- the projected year during which the PGC will be in effect.

The application of the purchased gas cost shall be subject to continuous review and to audit by the Commission at such intervals as the Commission shall determine. The Commission shall continuously review the reasonableness and lawfulness of the amounts of the charges produced by the purchased gas cost and the charges included herein.

(I) Indicates Increase.

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RIDER B

TRANSPORTATION MIGRATION RIDER

I. This rider provides a method under 1307(f) of the Public Utility Code for recovery of the experienced net over/under collection of purchased gas costs as adjusted quarterly from ratepayers who shifted from the retail service to delivery service on or after the effective date of this rider. The Company may waive this rider, in whole or in part, for customers with competitive options.

II. The migration rider rate shall equal the current 1307(f) rate less the C-Factor (projected cost of gas) as approved in the Company's most recent annual Section 1307(f) natural gas cost proceeding, including all E-Factor adjustments to the rate resulting from the Company's quarterly recalculation of natural gas costs.

Revenue under this rider will be credited in the Company's 1307(f) mechanism.

III. This rider shall be applicable to Rate FDS, GDS and DDS customers for a period of one year from the date upon which the customer last shifted from the Company's retail service.

IV. Applicable Surcharges

	<u>\$ Mcf</u>	
Rate Schedules FDS, GDS, DDS	\$1.60	(I)

This rate will be recalculated as part of the 1307(f) proceedings and will be tracked monthly.

Reverse Migration Charge:

Customers returning to retail sales service, who have been receiving delivery service for a minimum of twelve consecutive months, are not subject to the E-Factor portion of the Company's purchase gas cost rate so long as they remain a retail sales service customer for a period of one year.

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