

NRG ENERGY CENTER PITTSBURGH LLC
RULES AND REGULATIONS AND RATE SCHEDULES
FOR HEATING AND COOLING SERVICE

In the 21st and 22nd Wards, Pittsburgh, Pennsylvania

Issued by:

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LIST OF CHANGES MADE BY THIS TARIFF

This tariff cancels Tariff Heating and Cooling - PA PUC No. 4 and adopts the rates approved by the Pennsylvania Public Utility Commission in its Order, entered October 19, 2006, at Docket No. R-00061435. Rate 1 is decreased.

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DEFINITIONS

As used in this tariff, the following terms shall have the following meanings:

"Applicant." A person who applies to the Company to receive service as a heating and/or cooling Customer.

"Code." The Pennsylvania Public Utility Code, 66 Pa. C.S. § 101 *et seq.*

"Commission." The Pennsylvania Public Utility Commission.

"Company." NRG Energy Center Pittsburgh LLC.

"Company Service Lines." The steam lines, condensate lines, hot water supply lines, hot water return lines, chilled water supply lines, and chilled water return lines which extend from the Company's main to the point of delivery at the Company's installation at the curb, or, in the case of the condensate and return lines, convey water back from the point of interconnection to the Company's main.

"Cooling Service." The provision of Chilled Water.

"Customer." A person who contracts for and/or who receives service from the Company.

"Customer Service Line." The steam lines, condensate lines, hot water supply lines, hot water return lines, chilled water supply lines, or chilled water return lines which connect the Company's service line with the Customer's service installation.

"Customer Service Installation." All piping, appliances and apparatus located on a Customer's premises, which transport or use steam, hot water and/or chilled water supplied by the Company, and which are connected to the Company's service line by means of the Customer's service line.

"Heating Service." The provision of either steam or hot water.

"NRG." NRG Energy Center Pittsburgh LLC.

"Mlb." 1,000 lbs. The unit of steam volumes.

"MMbtus" or million British Thermal Units. The unit of heat volumes.

"Point of Delivery." The Company's installation at the curb or to a designated point at the customer's building.

"Ton-hours." The unit of chilled water volumes.

RULES AND REGULATIONS

1. APPLICATIONS

An Applicant for heating and/or cooling service furnished by the Company must apply for service and will be required to sign a contract that will be binding after acceptance in writing by an authorized representative of the Company. A new application must be made to the Company upon any change in ownership where the owner of the property is the Customer. No representations or promises of any employee of the Company shall be binding unless made in writing over the signature of an officer of the Company. All contracts are subject to the rules and regulations and rate schedules set forth in this tariff and all supplements to this tariff which are or may be from time to time filed and posted by the Company in accordance with the Code. Except as otherwise specifically provided, all contracts with the Company are for a period of not less than one year. The Contract may contain, among other provisions, agreed-upon heating and cooling requirements (demands) for each structure, which requirements shall be one of the bases for the minimum charges. Such requirements, once established, shall not be subject to change except if an addition to the structure is made and a new higher requirement is agreed upon.

2. RIGHT-OF-WAY; METER SPACE; INGRESS AND EGRESS; METER TEST

Customers shall provide without charge a legally sufficient right-of-way acceptable to the Company for such pipes as in the judgment of the Company are necessary to the furnishing of service. Customers also shall provide and maintain without charge, in convenient locations acceptable to the Company, space for the accommodation of the Company's meters and other

apparatus installed on the premises of Customers. At all reasonable hours when a contract for service is in effect and after its termination, the Company's representatives shall have the right of ingress to and egress from the premises of Customers and shall have free and clear access to metering equipment for any and all purposes connected with the service rendered and for the exercise of any and all the Company's rights pursuant to this tariff.

Meter tests shall be in accordance with appropriate Commission regulations. Similar tests and adjustments shall be made in an appropriate manner in connections with meters not covered by such regulations.

3. SERVICE PIPES AND EQUIPMENT

The Company shall install and maintain its pipes and equipment on its side of the point of delivery, but shall not be required to install or maintain any pipes, equipment or apparatus, except meters and meter accessories beyond that point, unless specifically provided for in a contract.

4. CONNECTIONS TO CUSTOMERS' SERVICE LINES

The ordinary method of connection between the Company's distribution system and Customers' service lines will be by service lines owned by the Company. If a customer desires to have a connection made in any other manner, special arrangements may be made with the consent of the Company, which consent may be withheld at the Company's sole discretion. A

connection made pursuant to such special arrangements shall be installed and maintained at the cost of the Customer requesting such connection.

The Company reserves the right to make any service connection to its lines at such time as steam, hot water and/or chilled water can be shut off in the section of the main supplying system.

5. CUSTOMER'S SERVICE INSTALLATION; CONDENSATE

A customer, at its own cost, shall install necessary valves and any other necessary controls or safety devices of a type approved by the Company and shall, from time to time as necessary, adjust, renew or replace the same.

A Customer's service installation shall be installed in accordance with the Company's instructions and specifications and may be subject to the Company's inspection and approval. The Company may refuse to make a connection to or to continue service whenever in its judgment such installation is not in proper operating condition, or alternatively, may make a connection upon adequate assurances provided by the Customer, combined with an agreement to hold the Company harmless and maintain adequate insurance, with the Company's being an additional insured on such policy. If the Customer has such an insurance policy, then the customer must maintain it and shall provide a copy of such policy to the Company every six (6) months.

Steam customers shall be responsible for Condensate piping within their facility, shall not add any contaminants of the Condensate, and shall make best efforts to return Condensate at sufficient pressure to allow its return to NRG facilities.

6. INTERRUPTIONS OF SERVICE; NOTICE; LIABILITY

The Company may, at any time, shut off its heating and/or cooling services in case of an accident, or for the purpose of making connections, alterations, repairs, changes to the system, or for any other reason. The Company will, so far as circumstances permit, notify Customers to be affected of any interruptions in steam service, hot water, and/or chilled water service at least forty-eight (48) hours in advance of such an event.

The Company's responsibility extends only to the supplying of service at the point of delivery. The Company's liability for any loss or damage from any excess or deficiency in the pressure, volume, or supply of steam, due to any cause other than willful misconduct by the Company, its agents, or employees, shall be limited to an amount equivalent to the meter charge for the period in question. The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur.

In no event shall the Company be liable for any direct, consequential, or indirect loss or damage caused by reason of any break, leak, or other defect, in the Customer's own service or condensate pipes, lines, fixtures, or other installations. Customers are warned of the risk of damage to property and possibility of personal injury resulting from improper piping and manner of attachment or use and maintenance of steam appliances, fixtures, and apparatus. Customers are required to allow only experienced and capable steam fitters to install or to make any change, alteration, addition, or repair to Customers' service lines and Customers' service installations. Customers assume full responsibility for the steam delivered to their premises at and past the

point of delivery. Customers also assume full responsibility for the operation of the apparatus, devices, and appurtenances used in connection with the service. Customers shall indemnify, save harmless, and defend the Company against all claims, demand, cost or expense for loss, damage or injury to persons or property in any manner directly or indirectly arising from, connected with, or growing out of the distribution or use of steam by Customer at or on Customer's side of the point of delivery or attributable to condensate formed on the Customer's side of the point of delivery.

The Company shall not be required to assume ownership, control or maintenance responsibility for any mains or other pipes which are not installed by it and/or which are not built to standards required by the Company.

7. USE OF HEATING AND COOLING SERVICE

The use of service shall not be for any purpose or any place other than that stipulated in the contract. The services supplied by the Company may not be resold without previous written notice to and the written consent of the Company. Customers shall not use service in such manner as to cause disturbances on the Company's distribution system.

8. NOTICE OF TROUBLE

Customers shall notify the Company promptly of any defect in, accident to, or trouble with the service or the Company's facilities.

9. REPAIRS BY NRG

Upon request, the Company may provide assistance to Customers, in order to minimize inconvenience or annoyance to Customers due to defects in Customers' service installations, and the Company may aid Customers in emergencies in making temporary repairs. However, in each and every case where any advice, aid, or assistance given gratuitously by the Company is accepted by Customers, the same shall be given and accepted without responsibility of any nature on the part of the Company. In any event, liability shall not exceed the cost of repairs.

Immediately after such emergency repairs have been made, the Customer shall employ either the Company or a competent steam fitter not in the employ of the Company to make permanent repairs. Thereafter, the Customer shall have all Customer service installations inspected by an authorized inspector if repairs are made by a steam fitter not in the Company's employ or under contract to the Company.

10. NO ADDITIONS TO CUSTOMER'S SERVICE INSTALLATIONS WITHOUT COMPANY CONSENT

The service connections, regulators, meters, and appliances have a definite limited capacity, and no Customer may make additions to service installations without the previous written consent of the Company. Any Customer who makes additions or alterations to service installations shall be liable for any damage resulting therefrom.

11. BILLING AND PAYMENT

Bills will be rendered and payable once each month, and usually will be rendered for a period of approximately 30 days. When the billing period is less than or more than one month,

the bill may be prorated. A bill shall be deemed delinquent when it remains unpaid thirty (30) days after its presentation.

Bills normally will be based on meter readings performed at the end of each billing period but the Company may render an appropriately marked estimated bill when a meter reading is not obtained or when the meter is defective.

Bills are considered received by the Customer when delivered at or mailed to the premises where the service is supplied or an address mutually agreed upon. Where a Customer changes his billing address and fails to notify the Company, the Customer shall remain responsible to remit payment on a timely basis.

The Customer shall be responsible for the payment of a charge of fifty (\$50.00) dollars per incident when a check which has been presented to the Company for payment of any bills is returned by the bank for any reason. This charge is in addition to any and all charges assessed by the bank.

12. DEPOSITS

The Company may require deposits or guarantees satisfactory to it to secure the payment of bills as they mature. The amount of deposit shall not exceed the Company's estimate of the average bill for one billing period plus one month with a minimum of \$5.00. The Company may calculate the average bill for one billing period on the basis of the months of October through April, in lieu of a twelve month period. Interest on deposits, where applicable, is paid at the rate specified in the regulations of the Commission.

The need for deposits or guarantees is based on the credit risk posed by an Applicant or Customer.

13. INFORMAL DISPUTES

In the event of a dispute between a Customer and the Company regarding any bill, the Company promptly will make such investigation as required by the particular case and report the results to the Customer. When the Company has made such a report to the Customer stating the bills rendered are correct, then the Customer shall have fifteen (15) days from the date such report on which to pay the bill. If the Company determines the bill originally rendered is incorrect, then the Company will issue a corrected bill with a new payment date. Any amounts received by the Company in excess of the amount disclosed to be due by the Company's investigation of the dispute should be credited or returned to the Customer.

14. DISCONTINUANCE AND TERMINATION

a. Discontinuance. Discontinuance of service shall be governed by the customer's contract; all contracts will contain appropriate notice provisions.

b. Termination. The Company shall at all times have access to the premises of the Customer with the right to shut off service and remove its property from the premises upon reasonable notice for any of the following reasons: failure to make necessary repairs; nonpayment of any bills due under the existing or any previous contract; tampering with the meter or connections; fraudulent representation in relation to the consumption of steam, hot water, or chilled water; intentionally or grossly negligently contaminating or wasting condensate;

vacation from the premises; denying access to the Company's meter; selling or delivering steam, hot water or chilled water to other occupants of the premises without application to the Company; failure to make or increase any deposit; want of supply; waste of steam, hot water or chilled water from Customer's lines or appliances; or, failure to comply with or violation of the Company's Tariff Rules and Regulations.

Services to any Customer shall not be discontinued without a diligent attempt to have the Customer comply with its contract, if any, and with these Rules and Regulations. Service shall not be discontinued until after at least twenty-four (24) hours' written notice shall have been given by the utility that bills are five or more days delinquent or that the violation of Rules must cease and desist; provided, however, that if fraudulent use of heating or cooling service is detected, if the Company's measuring equipment has been tampered with, or if a dangerous condition is found to exist on the Customer's premises, then service may be shut off without advanced notice.

15. CONNECTIONS FOR SERVICE - EXTENSION OF FACILITIES

The Company will extend its facilities to a new point of delivery within its service territory if, in its judgment, (a) the service to such new point of delivery will have no adverse effect upon the availability of steam to meet the present and reasonably foreseeable volume and pressure needs of existing ratepayers and (b) the investment occasioned by the extension of facilities is warranted by the revenue that it reasonably expects to result from such extension.

The Company reserves the right to refuse services or to impose conditions upon the extension of

facilities to or the furnishing of service at any point of delivery to Customers. Due to the diverse nature of the Company's commercial and industrial Customers with respect to factors influencing economic evaluations, items such as risk, reasonable economic life, and potential volumes consumed or delivered will be determined by the Company on an individual basis with input from the potential Customers. An economic feasibility study using these factors will be done by the Company to determine the maximum investment allowed for each potential Customer.

RATE 1**Firm Heating and Cooling Service****APPLICABILITY**

This rate schedule shall be applicable to any customer receiving service in the Company's service area.

AVAILABILITY

This service is available at one location for the total heating and cooling requirements of any customer. For purposes of measuring consumption under the declining block structure, the Company will aggregate the usage of all metering points that are under common ownership, as set forth on the customer impact schedules contained in Appendix A to the Joint Petition for Approval of Comprehensive Settlement Agreement approved by the Pennsylvania Public Utility Commission by Order entered February 15, 2000, at Docket No. R-00994641.

RATE

(1) Monthly charge for Steam Service:

Customer Charge: \$300 per meter for each meter location.

Service Charge:

	<u>Rate Per mlb.</u>
For the first 1,200 mlbs. of steam per month	\$11.7427
For the next 1,800 mlbs. of steam per month	\$9.0688
All over 3,000 mlbs. of steam per month	\$4.8702

(2) Monthly charge for Chilled Water Service:

Customer Charge: \$300 per meter for each meter location.

Service Charge:

	<u>Rate Per Ton-hour</u>
For the first 19,200 ton-hours per month	\$.3631
For the next 40,800 ton-hours per month	\$.2737
For all ton-hours over 60,000 per month	\$.1594

SURCHARGE AND ADJUSTMENTS

Heating and cooling services sold under these rates are also subject to any existing surcharges and riders.

LATE PAYMENT CHARGE

If the Company has not received payment of an outstanding bill within thirty (30) days from the date of mailing, a Late Payment Charge of 1.25% per month will be added to the unpaid balance each month until the entire bill is paid.

RATE 2

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RATE 3**Economic Development and Load Stabilization****APPLICATION OF SCHEDULE**

This schedule is available to all customers or applicants for service from the Company who have multiple energy options, but only where the applicability of this schedule will enable the Company to retain load or attract new load that otherwise would not be supplied by the Company.

RATE

The rate shall be negotiated between the Company and the customer or applicant, and shall not be less than the Company's (a) variable cost of production to serve the customer and (b) a return on and of any capital investment installed to serve the customer. The rate also shall make a contribution to general overheads.

CONTRACT REQUIRED

A contract shall be required for each qualifying new and existing customer.

RIDER A

Rider A is designed to collect the Company's cost of: (1) boiler fuel to produce steam and hot and chilled water; (2) electricity to power the electric chillers and auxiliary equipment used exclusively to produce chilled water for the Company's customers other than PNC Park ("general service customers"); and, (3) any other energy source used to produce steam and hot and chilled water from temporary equipment installations, such as diesel fuel. For purposes of this Rider, the following apply: (1) the production of the Company's newer "Annex Plant" is delivered first to PNC Park; (2) to the extent that the Annex Plant produces more than PNC Park consumes, the excess is delivered to the Company's general service customers; and, (3) all of the steam and other chilled water that the Company delivers to its general service customers is produced by the Company's other generating facility(ies).

The cost of boiler fuel to produce steam is expressed as the Steam Cost Rate (SCR) and is applied to each 1,000 pounds (Mlb) of steam sales to general service customers. The cost of boiler fuel and chiller electricity is expressed as the Chilled Water Cost Rate (CWCR) and is applied to each ton hour of chilled water sales to general service customers.

The above defined fuel cost rates shall be computed to the nearest hundredth of a dollar according to the following formulae:

$$\text{SCR} = \frac{(\text{GCs} (+) \text{Es})}{\text{Ss}}$$

$$\text{CWCR} = \frac{(\text{GCcw} + \text{ECcw} (+) \text{Ecw})}{\text{Scw}}$$

- GCs = Gas and fuel oil costs allocated to system steam sales to general service customers
 GCcw = Gas and fuel oil costs allocated to system chilled water sales to general service customers
 ECcw = Electric costs allocated to system chilled water sales to general service customers
 Es = Prior period over/under collection of costs to produce steam sold to general service customers
 Ecw = Prior period over/under collection of costs to produce chilled water sold to general service customers
 Ss = System steam sales to general service customers
 Scw = System chilled water sales to general service customers

For purposes of these equations: (a) the Company allocates gas costs based on metered steam sendout, metered steam to chillers, and metered steam to PNC Park's heat exchangers; and, (b) the Company allocates electric costs based on metered chilled water production and metered chilled water sales to PNC Park.

The Company shall calculate the SCR and CWCR each month based on the most current cost data, and will submit this cost data to the Commission for informational purposes only. Whenever the new SCR and/or CWCR varies from the preceding month's SCR and/or CWCR by more than 5%, the Company shall apply the new SCR and/or CWCR in the calculation of its general service customers' bills. Whenever the variation is 5% or less, the Company, in its discretion, may apply the new SCR and/or CWCR in the calculation of its general service customers' bills. No changes in the Company's rate schedules will be necessary to apply a new SCR and/or CWCR.

After June 30 of each year, the Company will prepare a 12-month reconciliation of over- and under-collections for the preceding 12-month period of July 1 through June 30. Interest on over-collections net of under-collections will be computed monthly using the appropriate interest rate as specified in Section 1308(d) of the Code. Customers shall not be liable for interest on net under-collections. The reconciliation described above shall be filed by July 30 each year. The reconciliation amount shall be prorated equally each month from September 1 through the following August.

Amounts billed for the SCR and CWCR shall not be subject to the State Tax Adjustment Surcharge set forth elsewhere in this Tariff.

RIDER B
STATE TAX ADJUSTMENT SURCHARGE

There shall be added to each bill under tariff rate schedules 1 and 2, for service on and after October 16, 1993, zero percent of the bill as otherwise computed in accordance with the Company's tariff.

The above surcharge will be recomputed, using the elements prescribed by the Commission: (a) whenever any of the tax rates used in calculation of the surcharge are changed, (b) whenever the Company makes effective increased or decreased rates, and (c) on March 31 of each year.

The above recalculation will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputation. If the recomputed surcharge is less than the one in effect, the Company will, and if the recomputed surcharge is more than the one then in effect, the Company may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be ten (10) days after filing.