LOCAL TAX SURCHARGE

When any municipal corporation or other tax levying corporation or political subdivision of the State imposes any license tax, excise tax, privilege tax, use tax, franchise fee or tax, or other tax, fee or service charge based upon the volumes of gas sold or revenues received by this Company within the territorial limits of such corporation or other political subdivision, or based upon the number of meters or other utility property units owned or used by this Company within such territorial limits, such taxes, exactions, or fees shall, insofar as practicable, be billed as a "surcharge" to the customers receiving service within such territorial limits, together with compensation for the additional State gross receipts tax resulting therefrom.

Whenever a change occurs in the imposition or rate of any such tax, exaction, or fee, the Company shall file a revision of the appropriate tariff sheet(s) with the Commission as soon as practicable after the Company has been notified that such new or changed rates will be applied.

The monthly bills of customers receiving service in the following municipalities or political subdivisions shall include a surcharge based on the following effective surcharge rates:

Local Tax Surcharge Rate

	Local Tax Rate		Local Tax Surcharge Rate		Exemptions
Municipality	B&O	Excise	B&O*	Excise	
Barboursville	2.000	2.000	2.134	2.000	a, b, c, d, e
Barrackville	3.000	2.000	3.236	2.000	b, c, d, e
Belmont		2.000		2.000	b, c, d, e
Bridgeport	3.000	2.000	3.236	2.000	a, b, c, d, e
Burnsville	3.000		3.236		
Clarksburg	3.000	2.000	3.236	2.000	a, b, c, d, e
Danville	2.000	2.000	2.130	2.000	a, c, e
Fairmont	3.000	2.000	3.236	2.000	a, b, c, d, e
Fairview	3.000	2.000	3.236	2.000	
Friendly		2.000		2.000	
Farmington	1.500	(N) 2.000	1.592	(N) 2.000	(N) b, c, e, d
Flatwoods	3.000		3.236		
Gassaway	3.000	2.000	3.236	2.000	a, b, c, d, e
Glenville		2.000		2.000	
Grafton	3.000		3.236		
Grant Town	3.000	2.000	3.236	2.000	a, b, c, d, e
Granville	3.000	2.000	3.236	2.000	a, b, c, d, e
Handley	3.000	2.000	3.236	2.000	
Hundred		2.000		2.000	
Jane Lew		2.000		2.000	e
Logan	3.000	2.000	3.236	2.000	
Lost Creek	3.000		3.236		
Madison	2.140	2.000	2.280	2.000	a, c, e
Man	3.000		3.236		

(N) Indicates new rates or regulations

LOCAL TAX SURCHARGE (Cont.)

Local Tax Surcharge Rate

	Local Tax Rate		Local Tax Surcharge Rate		Exemptions
Municipality	B&O	Excise	B&O*	Excise	
Mannington	2.100	2.000	2.243	2.000	(N) b, c, d, e
(N) Mason	3.000	2.000	3.236	2.000	a, b, c, d, e
(N) Milton	2.000	2.000	2.134	2.000	a, b, c, d, e
Monongah	3.000	2.000	3.236	2.000	
(N) Montgomery	3.000	2.000	3.236	2.000	c, e
Morgantown	3.000	2.000	3.236	2.000	(N) b, d, e
Nutter Fort	3.000	2.000	3.236	2.000	(N) a, b, c, d, e
Paden City	2.500	2.000	2.682	2.000	(N) b, c, d, e
Pine Grove		2.000		2.000	
Pleasant Valley		2.000		2.000	(N) b, c, d, e
(N) Pratt	3.000	2.000	3.236	2.000	a, b, c, d, e
(N) Pullman	2.000		2.134		
Richwood	3.000	2.000	3.236	2.000	
Rivesville	2.000	2.000	2.134	2.000	
Salem	3.000	2.000	3.236	2.000	
Sistersville	3.000		3.236		
(N) Shinnston	3.000	2.000	3.236	2.000	a, b, c, d, e
Smithfield		2.000		2.000	
(N) Spencer	3.000	2.000	3.236	2.000	e
Star City	2.700	2.000	2.903	2.000	(N) a, b, d, e
Stonewood	3.000		3.236		
St. Marys	3.000	2.000	3.236	2.000	(N) e
Summersville	1.950	2.000	2.080	2.000	(N) b, c, d, e
Sutton	3.000	2.000	3.236	2.000	
Vienna	0.750	2.000	0.790	2.000	(N) a, b, c, d, e
(N) Wayne		2.000		2.000	
West Milford	2.250		2.407		
(N) West Union		2.000		2.000	
Weston	3.000	2.000	3.236	2.000	(N) b, c, d, e, f
Westover	3.000	2.000	3.236	2.000	a, b, d, e
Whitesville	1.800	2.000	1.917	2.000	(N) a, c, e
White Hall		2.000		2.000	(N) d, e
Williamstown	2.000	2.000	2.134	2.000	b, c, d, e
Worthington		2.000		2.000	

* Computed as follows: $\frac{\text{Local Tax Rate}}{1 - (\text{Local Tax Rate} + \text{WV State Tax Rate})}$

a) Applies to maximum of $20,000 per month/customer
b) Does not apply to purchases for resale
c) Does not apply to purchases by government entities
d) Does not apply to nonrecurring charges
e) Does not apply to purchases of tangible personal property such as appliances
f) Applies to maximum of $15,000 per month/customer

(N) Indicates new rates or regulations