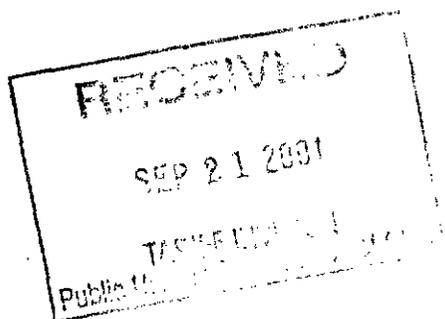


OHIO GAS COMPANY

PREFACE
Fifth Revised Sheet No. 1
(Cancels Fourth Revised Sheet No. 1)

P.U.C.O. No. 1

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(007705)

Issued: September 21, 2001

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Issued by Richard P. Hallett, President
Bryan, Ohio

OHIO GAS COMPANY

In order to recover the increased amount of state excise taxes imposed on the Ohio Gas Company (hereinafter Company) which results from the increased public utilities gross receipt tax provisions set forth in Amended Substitute House Bill 694 of the 114th General Assembly of Ohio, the Company shall apply to the rates and charges set forth in its rate schedules a surcharge increasing paid rates and charges by 0.71 per cent. The special tax adjustment surcharge shall be applied on all bills rendered on or after January 1, 1982.

Authorized by Order of The Public Utilities Commission of Ohio,
dated Case No. 81-1408-AU-UNC

Issued: December 31, 1981

Effective: January 1, 1982

Issued by:
J. L. Tuttle, Pres.
Bryan, Ohio

P.U.C.O. No. 1
GAS SERVICE
GENERAL SERVICE RATE

SECTION 1: To any Domestic, Commercial or Industrial Customer for general service, manufacturing, processing and/or building heating and/or cooling at any one location subject to any governmental restrictions which may affect the Company's ability to provide new or additional gas service.

BASE RATE (RATE EXCLUSIVE OF THE INCLUDIBLE COST OF GAS SUPPLIES)

Customer Charge	\$5.45 per month
For the first 1,000,000 cu. ft. used per month	15.808 cents per Ccf
For all over 1,000,000 cu. ft. used per month	9.588 cents per Ccf

*Rates will apply if bills are paid within fifteen (15) days of the date the bill is postmarked, otherwise rates will be subject to adjustment in accordance with Section 5 or successors thereto.

RECOVERY OF INCLUDIBLE COST OF GAS SUPPLIES:

Pursuant to Chapter 4901:1-14, Ohio Administrative Code, and by the terms of this tariff, the total rate per Ccf shall consist of the base rate plus the appropriate gas cost recovery rate. The gas cost recovery rate and accordingly the total rate per Ccf shall be subject to adjustment in accordance with the Gas Cost Recovery Rider, Section 8 (Chapter 4901:1-14, Ohio Administrative Code). Ohio Gas Company's current gas cost recovery rate is contained in the relevant Quarterly Report on file with the Public Utilities Commission of Ohio and is set forth, in summary form, in Appendix I attached hereto.

Issued: December 21, 2007

Effective: January 1, 2008

Filed Under Authority of Case No. 07-1109-GA-PIP

Issued by Richard P. Hallett, President

Bryan, Ohio

P.U.C.O. No. 1
GAS SERVICE

GENERAL SERVICE RATE (continued)

RECONNECTION CHARGE:

Where Ohio Gas Company reconnects or reestablishes gas service to the same customer at the same premises during regular business hours (business hours are 9:00 a.m. to 4:30 p.m. Monday through Friday, except holidays), a charge of \$20.00 shall be collected. If said service is provided at a time other than regular business hours, a charge of \$30.00 shall be collected.

INTERIM EMERGENCY AND TEMPORARY RIDER:

Monthly charges computed under this schedule shall be adjusted in accordance with the *Interim Emergency and Temporary Rider for Recovery of Percentage of Income Payment Plan Arrearages* as set forth on Ninth Revised Sheet 2 or successors thereto.

Issued: December 21, 2007

Effective: January 1, 2008

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Issued by Richard P. Hallett, President

Bryan, Ohio

P.U.C.O. No. 1

FEDERAL INCOME TAX BASE RATE CREDIT RIDER:

For so long as the Federal Income Tax Rate applicable to corporations is 34%, the base rate specified on Ninth Revised Sheet 1 or its successors, shall be reduced by 6.7 cents per Mcf.

INTERIM EMERGENCY AND TEMPORARY RIDER FOR RECOVERY OF PERCENTAGE OF INCOME PAYMENT PLAN ARREARAGES:

In addition to all other rates and charges applicable to service provided under the General Service Rate, customers receiving service pursuant to said rate shall pay an additional amount per Mcf. The monthly charge may be revised in accordance with the Public Utilities Commission of Ohio's order in Case No. 87-244-GE-UNC. The current recovery of Percentage of Income Payment Plan Arrearages is \$0.0041 per Mcf billed.

BAD CHECK CHARGE

In the event a customer supplies Ohio Gas Company with a check or other instrument for which the customer does not have sufficient funds to permit Ohio Gas Company to obtain cash in exchange for such check or instrument, an additional charge of \$10.00 shall be added to the billed amount.

GAS STORAGE CREDIT RIDER

The Gas Storage Credit Rider is applicable to all volumes served under the General Service and Transportation Rates for as long as Ohio Gas Company's Community Energy Partnership Program is in operation. The amount of the rider is \$0.00535 per Ccf.

Issued: July 15, 2016

Effective: August 1, 2016

Filed Under Authority of Case No. 16-411-GA-PIP

Issued by Richard P. Hallett, President

Bryan, Ohio

P.U.C.O. No. 1

GAS SERVICE

GROSS RECEIPTS EXCISE TAX RIDER

The Gross Receipts Excise Tax Rider is applicable to all gas cost recovery charges billed by the Company under all of its current rate schedules.

All bills shall be adjusted for the Ohio gross receipts excise tax on gas cost recovery revenues at a rate of 4.970%.

UNCOLLECTIBLE EXPENSE RIDER

Applicability. Applicable to all volumes served under the General Service and Transportation Rates. An additional charge shall be applied to all volumes for service rendered to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. The Company shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over- or under-collections. The current Uncollectible Expense Rider rate is \$0.0038 per Mcf.

Issued: July 28, 2016

Effective: August 1, 2016

Filed Under Authority of Case No. 16-311-GA-UEx

Issued by Richard P. Hallett, President
Bryan, Ohio

SECTION 3: DEPOSITS

Prospective consumers may be required to make deposits to guarantee the payment of bills for service as provided by Section 4933.17, Revised Code and Chapter 4901:1-17, Ohio Administrative Code, which is hereby incorporated herein by reference as each is from time to time amended. A rate of 6% per annum will be paid on the aforementioned deposits unless a rate of interest is otherwise specified by Chapter 4901:1-17, Ohio Administrative Code.

SECTION 4: RULES AND REGULATIONS REGARDING TERMINATION OF RESIDENTIAL GAS SERVICE

PURSUANT TO THE PUBLIC UTILITIES COMMISSION OF OHIO'S ORDER OF NOVEMBER 23, 1983 IN CASE NO. 83-303-GE-COI, CHAPTER 4901:1-18, OHIO ADMINISTRATIVE CODE IS HEREBY INCORPORATED HEREIN BY REFERENCE AS EACH IS FROM TIME TO TIME AMENDED TO THE EXTENT SAID CHAPTER IS LAWFUL. A COPY OF CHAPTER 4901:1-18 IS AVAILABLE FOR INSPECTION AT THE COMPANY'S OFFICES.

Issued: December 1, 1983

Effective: December 1, 1983

Issued by J. L. Tuttle, President
Bryan, Ohio

Filed in response to Order
of the Public Utilities Commission of Ohio
in Case No. 83-505-GA-AIR

P.U.C.O. No. 1

1. No disconnects may be made for other than safety reasons or at the customer's request on either a bank or company holiday or weekend.
2. No delinquent bill disconnections may be made after 12:30 p.m. on Friday or the day preceding an area bank or company holiday.
3. The company will provide the appropriate County Welfare Department with a listing of those customers whose utility service has been disconnected for delinquent bills within 24 hours of such action.
 - (a) In addition to 3., the utility will provide appropriate procedures to ensure a personal contact prior to disconnection or that same day notice be given the appropriate welfare department.
4. The company will provide for notification of one party, with such party's written authorization, in addition to the County Welfare Department for those customers desiring such additional notification. Such notification by the company will be given by forwarding in duplicate "final notice" to the designated third party.
5. Those company employees actually performing the disconnect shall be authorized to accept payment in lieu of disconnection. That employee, however, will not be authorized to make any extended payment arrangements.

Filed under authority of orders issued by the
Public Utilities Commission of Ohio in the following cases;

Issued: May 3, 1978	Case Nos. 77-536-GE-COI	Effective: May 3, 1978
	78-761-GA-UNC	Section 4
	77-623-GA-AIR	Effective: February 15, 1978

Issued by J. L. Tuttle, President
Bryan, Ohio

P.U.C.O. No. 1

C. Reinstitution of Service

Reinstitution of service that has been disconnected for delinquent bills or that is subject to the company's disconnect procedures will be made pursuant to the following provisions:

1. Upon payment or proof of payment for service that was previously disconnected, plus any customer charges that may have accrued, reinstatement of service shall be made by the close of the following regular utility working day.
2. If service is discontinued and the customer wishes to guarantee the reinstatement of service the same day on which payment is rendered the following conditions must be met.
 - a. The customer must make payment in the company business office or an authorized collection agency of the company, or provide proof of payment, and notify the company no later than 12:30 p.m. that reinstatement of service is requested the same day.
 - b. The customer must sign an agreement to pay the additional utility incurred cost for reinstatement of service if such occurs after normal utility business hours. That charge shall be \$3.00. This fee shall be collected at the time of payment or rendered with the customer's next monthly billing.
3. If payment is made to a utility employee whose original purpose was to disconnect the service, then a charge of \$3.00 shall be assessed on the customer's next billing. Service which otherwise would have been discontinued shall remain intact.
4. If a guarantor is required in order to re-establish service then the guarantor must sign an acknowledgment of willingness to accept the responsibility.

Filed under authority of orders issued by the
Public Utilities Commission of Ohio in the following cases

Effective: May 3, 1978

Case Nos. 77-536-GE-COI

Effective: May 3, 1978

78-761-GA-UNC

Section 4

76-623-GA-AIR

Effective: February 15, 1978

Issued by: J. L. Tuttle, President
Bryan, Ohio

P.U.C.O. No. 1

(Reserved for Future Use)

Issued: October 1, 1981 Case No. 79-632-GE-UNC Effective: October 1, 1981

Issued by J. L. Tuttle, President
Bryan, Ohio

P.U.C.O. No. 1

SECTION 5: BILLING AND LATE PAYMENT

Bills are due within 15 days of the postmark thereon and become delinquent if not paid within such 15 days. If the customers shall fail to pay any bill within 15 days of the date thereon, the customer shall be subject to a one-time 5% late payment charge calculated on the total amount due. If a residential customer shall fail to pay any bill within 15 days of the postmark thereon, the company shall take such action as necessary pursuant to Section 4. If a non-residential customer shall fail to pay any bill within 15 days of the postmark, the company may upon notice discontinue service to said customer. Customer deposits shall be utilized to liquidate past due bills where possible.

Filed under authority of the Public Utilities Commission of Ohio's
Entry in the following case:
Case No. 80-663-GA-AIR

Issued: May 19, 1981

Effective: May 23, 1981

Issued by J. L. Tuttle, President

Bryan, Ohio

SECTION 6: CURTAILMENT OF GAS SERVICE AND ENFORCEMENT OF CURTAILMENT

Pursuant to the Opinion and Order of the Public Utilities Commission of Ohio in Case Numbers, 77-138-GA-AGC and 78-998-GA-AGC, issued on June 1, 1977 and January 24, 1979 respectively, customers of Ohio Gas Company may have their natural gas service curtailed during periods when inadequate supplies of natural gas exist to meet their total demands. Curtailment of customers shall take place in the following order with residential requirements being the last to be subjected to curtailment:

1. Residential requirements;
2. Commercial and public authority requirements in excess of plant protection;
3. All remaining industrial requirements in excess of plant protection and all commercial and public authority buildings on a pro-rata basis, with a 30% curtailment limit on the commercial and public authority buildings;
4. Industrial requirements for boiler fuel use of more than 50 Mcf per day.

A customer of Ohio Gas Company which is subjected to curtailment by the Company may have its service terminated in the event the customer fails to restrict its gas consumption to authorized amounts. In such situations, Ohio Gas Company shall provide the customer and the Public Utilities Commission of Ohio written notification of its intention to terminate gas service two (2) business days prior to terminating service. Any termination of service carried out pursuant to this provision shall continue until the customer is entitled to gas under the curtailment plan specified herein. Any customer receiving notice of termination of gas service may request the Public Utilities Commission of Ohio to stay the termination provided just cause can be shown as to why the termination should not be permitted.

In addition to termination of service, a customer which exceeds its authorized gas usage may be required to compensate Ohio Gas Company for the customer's proportionate share of the additional costs, if any, the Company incurs as a result of the customer's conduct. As utilized herein, the additional costs recoverable from overrun customers shall include: the cost of any additional gas purchases caused by the overrun; the cost of any penalty which is actually assessed to Ohio Gas Company by its supplier because of the overrun; and, the cost of feedstock associated with production of propane air required because of overruns.

Filed under authority of orders issued by the
Public Utilities Commission of Ohio in the following cases:

Issued: November 30, 1979 Case Nos. 77-536-GE-COI Effective: December 1, 1979
78-761-GA-UNC
77-623-GA-AIR
78-998-GA-AGC

Issued by J. L. Tuttle, President

Bryan, Ohio

P.U.C.O. No. 1
GAS SERVICE
GENERAL SERVICE RULES AND REGULATIONS

SECTION 7. EXTENSIONS OF GAS DISTRIBUTION MAINS AND
SERVICE LINES

Ohio Gas Company will extend its distribution mains for the furnishing of gas on any dedicated street or highway without imposing a specific charge on the consumer for such extension so long as at least one consumer on an average of each 100 feet of pipe in the street or highway in which the extension is to be run shall first agree to take a supply of gas at the applicable rate, measurement to be taken from the end of the nearest distribution main with adequate capacity. Where application for service is made and when providing such service would require an extension of a main in excess of an average of 100 feet for each applicant for service Ohio Gas Company may enter into an extension agreement with the applicant or applicants providing for a deposit with Ohio Gas Company of a sum deemed adequate by Ohio Gas Company to cover the cost to be incurred by it for that portion of the extension in excess of the average of 100 feet for each applicant to be served. The agreement covering the main extension must be signed by the owner of the premises to be served. Moreover, if the applicant elects the monthly payment option in the main extension agreement, as more fully described below, said agreement shall require the applicant to inform the prospective and subsequent owners at the premises of the monthly payment terms and conditions. The applicant and the Company must agree on meter location and point of delivery of gas before any piping is laid or installed on the premises to be served.

When an extension of the Company's main to serve an applicant amounts to more than 100 feet per customer, the Company shall offer an applicant who is an end-use customer the option of making the required payment in the form of: a) a one-time deposit, or b) a monthly payment. An applicant who is not an end-use customer shall not be eligible for the monthly payment option. If the Company determines, in its sole judgment, that the nature of a main extension is such that it puts the Company at undue risk of recovery, the Company may require different arrangements as a condition of such main extension. The required payment(s) shall be determined as follows:

(C07728)

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Bryan, Ohio

SEP 21 2001

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- a) The one-time deposit shall equal the estimated construction cost, net of the applicable entitlement extension footage for each permanent customer initially connected to the main extension.
- b) Where the applicant has elected the monthly payment option, said monthly payment shall be billed to the applicant or subsequent customers at the same premises for the shorter of a period of 7 years or until the cost of the main extension is included in the rates and charges for service and shall be considered part of the utility bill subject to disconnection of service for non-payment. The monthly payment shall equal that amount needed to compensate Ohio Gas for the embedded cost of service associated with the main extension. Such cost of service shall include operation and maintenance expense including taxes, depreciation, and return on rate base reflected in the current rates on the construction cost, net of the applicable entitlement extension footage. The monthly payment amount shall be determined by an economic feasibility study based on recovery of the embedded cost of service of the main extension and related facilities. The Company shall retain for the duration of the payment period the economic feasibility study setting forth the embedded cost of service and provide it to the customer(s) upon request.

Where a one-time deposit is received by Ohio Gas Company pursuant to a main extension agreement, said deposit shall be subject to refund within a period of 10 years from the date of the main extension agreement at a rate equivalent to the rate per 100 feet deposited. In no event shall the amount of a refund of a one-time main extension deposit exceed the amount deposited. No refund of a one-time main extension deposit shall be made after 10 years from the date of the main extension agreement and such deposit shall, over such period, become the property of Ohio Gas Company. One-time main extension deposits shall bear no interest. No reimbursement applies to the further extensions or lateral extensions of the main.

(C07708)

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SEP 21 2001

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Bryan, Ohio

REGULATORY DIVISION

Where the applicant has elected the monthly payment option, the Company shall credit such monthly payment commencing when each additional customer connects to the main extension. Such credit shall be the embedded cost of service associated with 100-foot entitlement of each additional customer using the methodology consistent to the original monthly payment calculation. In no case shall the monthly credit for additional customers exceed the initial monthly payment. No reimbursement applies to the further extensions or lateral extensions of the main.

Ohio Gas Company shall not be required to lay service lines across paved streets or highways or be required to make any extensions of its mains or lay any service lines during the months of December, January, February and March of any year.

Ohio Gas Company may enter into a service line extension agreement with the applicant or applicants providing for the recovery of such amount, as Ohio Gas deems adequate to install that portion of the service line required to furnish gas service to the applicant. The applicant shall be responsible for the entire cost of any service line required to furnish gas service on the applicant's premises. All service lines shall remain the property of Ohio Gas Company and said Company shall have the right of access to said service lines for repairs, maintenance, leak surveys, replacement and other reasonable purposes.

The Company shall have the option of offering the customer one of two methods of payment for service line extensions: a) a lump sum payment, or b) a monthly payment. The monthly payment option shall be for up to 5 years and include carrying charges. Where the customer has agreed to the monthly payment offered by the Company, the monthly payment shall be billed to the applicant or subsequent customers at the same premises for a period of up to 5 years and shall be considered part of the utility bill subject to disconnection of service for non-payment. The agreement covering the service line extension must be signed by the owner of the premises to be served. If the applicant has agreed to the monthly payment option offered by the Company, the agreement shall require the applicant to inform the prospective and subsequent owners at the premises of the monthly payment terms and conditions.

(curtiss)

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SEP 21 2001

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Bryan, Ohio

STATE DIVISION

P.U.C.O. No. 1

Section 9: Transportation Services**Definitions**

As used in conjunction with transportation service, the following terms shall have the meanings indicated below:

- A. The term "gas" shall mean the gas that is redelivered to Customer's meter at the Redelivery Point, and made available to Company under this schedule.
- B. The term "month" shall mean calendar month or the period of approximately one month in length based on the Customer's billing cycle as established by the Company.
- C. The term "Mcf" shall mean one thousand (1,000) cubic feet measured at a pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch with correction for super compressibility and at a temperature of sixty degrees (60°) Fahrenheit.
- D. The term "delivery point" shall mean the location at which the Customer first delivers its gas to the Company.
- E. The term "redelivery point" shall mean the location where gas is metered for delivery to Customer's premises for billing purposes. In the case of a Customer Group, the "redelivery point" shall be the billing meter for each member of the Customer Group.
- F. The term "nomination" shall mean the quantity of gas which customer will have delivered to the Delivery Point for redelivery by the Company for the relevant period. It is understood that the ultimate nomination each month must take into account the Company's allowance for unaccounted-for gas ("UFG") and any similar reductions made by other transporters.
- G. The term "imbalance" shall mean the daily difference between the quantity delivered by Customer to Company at the Delivery Point and the quantity consumed by the Customer as measured at the Redelivery Point. It is understood that quantity received by Company at the Delivery Point must exceed the quantity measured at the Redelivery Point by the Company's unaccounted-for gas ("gas"). An imbalance exists when actual receipts adjusted for unaccounted-for gas are either greater or less than actual deliveries. The term "day" or "daily" shall have the same meaning as established by the supplier that makes Customer's gas available to Company at the Delivery Point.

The term "Commission" shall mean the Public Utilities Commission of Ohio.

The term "firm" shall indicate the quality of service provided under the terms and conditions of the schedule with Company providing service absent a *force majeure* condition.

The term "interruptible" shall indicate the quality of service provided under the terms and conditions of this schedule with Company providing service only when available each day based upon the reasonable judgment of the Company. Whenever the Company decides it is desirable for operational, gas supply, capacity, safety, or economic considerations, Company



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Issued by James L. Tuttle, President
Bryan, Ohio

P.U.C.O. No. 1

may discontinue service under this schedule provided that the Company shall attempt to provide verbal notice of such discontinuation. Company's failure to provide notice under this schedule and its failure to provide notice prior to discontinuance of service shall not give rise to any claim, cause of action or right in Customer being well within the nature of service provided hereunder.

- K. The term "index" shall be the monthly value determined based upon the published price for the Texas, Oklahoma region reported in the table "Prices of Spot Gas Delivered to Panhandle Eastern Pipe Line Company" ("PEPLC") in the first issue of "Inside F.E.R.C.'s Gas Market Report" for the month in which deliveries are made. In the event this publication ceases to exist as a convenient reference, the value shall be determined based upon accepted industry practice as applied to the determination of prices for first of the month spot purchases from the same region and delivered to PEPLC.
- L. The term "Customer" means an individual, governmental or cooperate entity taking transportation service hereunder where the gas is delivered to Company for the Customer using gas supply allocation, upstream capacity allocation, allocation of responsibility for existing gas supply and related services previously used by Company to provide bundled or transportation service to the Customer and billing methods developed for such purpose.
- M. The term "Customer Group" means two or more Customers who combine their gas requirements and purchase gas from a designated pool or program or supplier(s) where the gas is delivered to Company for the group using gas supply allocation, upstream capacity allocation, allocation of responsibility for existing gas supply and related services previously used by Company to provide bundled or transportation service to any or all members of the Customer Group and billing methods developed for such purpose.
- N. The term "Company" means Ohio Gas Company, its successors and assigns.

Applicability

Transportation service pursuant to this schedule consists of delivery of Customer owned or supplied gas volumes injected by or on behalf of Customer into Company's facilities for redelivery by Company. Company provides no assurance of continued delivery of gas in the event of interruption of the Customer's supply. Subject to capacity constraints, transportation service under this schedule is available to Company's Customers who: (1) enter into a transportation service agreement; (2) have purchased or otherwise arranged for a supply of natural gas of acceptable quality; and (3) have made arrangements to establish metering or other monitoring equipment which may be reasonably necessary to permit Company to satisfy Customer's service needs as well as the needs of Company's other customers. The Customer must qualify for transportation service under the P.U.C.O. Gas Transportation Program Guidelines, must have requested Company transport such gas and have provided for the delivery of such gas to a point on the Company's existing system which is acceptable to Company for redelivery at a point on the Company's system which is acceptable to Company. Company reserves the right to decline requests to provide service and discontinue service whenever rendering such service would be detrimental to the operation of its system. Notwithstanding this tariff offering, Company may continue to enter into transportation service arrangements pursuant to Section 4905.31, Revised Code

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Bryan, Ohio

Public Utilities Commission of Ohio

TARIFF DIVISION

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P.U.C.O. No. 1

when, in its judgment, the circumstances warrant a specific arrangement to address the nature of the service to be provided. Nothing in this schedule shall be understood to indicate that Company shall not provide transportation service in accordance with ordinances enacted by municipalities provided such ordinances are accepted by the Company. The different types of transportation service are as follows:

- A. **Firm Service.** Company shall allocate and reserve pipeline capacity of Company's facilities on behalf of Customer for redelivery of Customer's supply for consumption by Customer.
- B. **Interruptible Service.** Company shall accept Customer's supply for redelivery to Customer based on the expected or actual available capacity of Company's facilities. Interruptible capacity shall be determined after considering all capacity commitments relative to General Service Rate customers and firm transportation.

Term

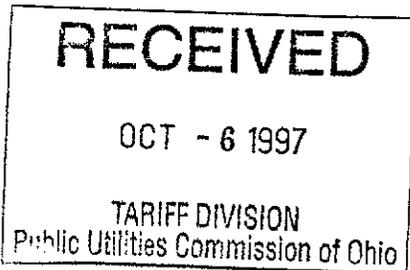
Customers that elect to request transportation service will be required to execute a written service agreement prior to the commencement of any service. Unless otherwise agreed, service agreements shall provide for a primary term of three (3) years, continuing thereafter on a year to year basis subject to cancellation by the Company or the Customer on 180 days' written notice or as otherwise agreed by Company.

Capacity

Where the Company has agreed to provide the Customer with firm service requested by the Customer, service agreements shall specify the Company's pipeline capacity allocated to and reserved on behalf of Customer for redelivery of Customer's supply, recognizing Company's unaccounted-for gas. Company's obligation to accept Customer's supply for redelivery for Customer' consumption of all volumes in excess of the Customer's firm capacity shall be best efforts.

Unaccounted-for Gas

Unless otherwise agreed, the Customer shall have the right to retain, pursuant to this schedule, 100% of the gas delivered to the Company, less the average system-wide unaccounted-for gas percentage.



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Bryan, Ohio

P.U.C.O. No. 1

Transportation Rates

The rates and charges for transportation services will be as follows:

- A. **Base Rates.** Firm and interruptible service Base Rates shall not exceed the amounts specified below as adjusted to reflect the effect of all riders and other applicable charges. For customers electing transportation service on and after December 31, 1996, the Base Rates may be adjusted by Company to permit Company to recover the Customer's or Customer Group's appropriate share of unavoidable gas supply related costs incurred by Company to meet the requirements of the Customer or Customer Group as those requirements would otherwise exist but for the election. Company shall attempt to reduce and eliminate such unavoidable costs provided that such efforts do not place its other customers at an economic or service disadvantage. Base Rates, at the Redelivery Point, for firm service before adjustment for unavoidable gas supply related costs and applicable riders are as follows:

Customer charge:	\$5.45 per Redelivery Point per month
For the first 1000 Mcf per month	\$1.7418 per Mcf per month
For all over 1000 Mct per month	\$1.1198 per Mcf per month

- B. **Riders.** The Base Rates shall be subject to the same riders that apply to the Company's General Service Rate and its successors.

The above Base Rates do not reflect the sale of gas supply by the Company to the Customer or Customer Group but are transportation charges. As a result of actions by the Federal Energy Regulatory Commission and the Commission, the Company has been authorized to recover so-called pipeline supplier take-or-pay or transition costs from its customers. An additional charge, determined on the same basis as the similar charge which is applicable to system supply customers, shall be added to the above Base Rates and charges to permit Company to fully recover such costs unless the Company and Customer agree otherwise.

All Customers that elect to become transportation Customers on or after December 31, 1996 shall continue to pay for transition or take-or-pay costs on the same basis and in the same amount as they would have paid had they remained a system supply Customer.

Imbalances

Customer's daily gas consumption at the Redelivery Point shall equal the daily volume of gas Customer delivers to Company at the Delivery Point (subject to the adjustment for unaccounted-for gas) plus or minus five percent (5%). For each Mcf of positive or negative imbalance in excess of five percent (5%) each day (excess imbalance), and unless otherwise agreed, Customer shall pay to Company an imbalance fee as follows:

- A. If a negative excess imbalance exists, Customer shall be obligated to pay to Company a sum (in addition to all other charges specified herein) equal to the higher of (1) the total

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Bryan, Ohio

P.U.C.O. No. 1

amount of the negative imbalance multiplied by the rates and charges in the Company's General Service Rate and its successors on file and approved by the Commission including the applicable charge for the cost of purchased gas, or (2) the highest penalty amount incurred by Company as a result of or in connection with such imbalance pursuant to an interstate pipeline tariff multiplied by the imbalance quantity. The first block in said Rate shall be used for such purpose. This additional charge does not entitle Customer to rely upon Company to secure a supply of gas or provide standby or partial service but merely represents a means of eliminating the imbalance condition to the extent Company has gas available to it without imposing additional cost on system supply customers.

- B. If a positive excess imbalance (actual daily volume of Customer's gas delivered to Company for redelivery to Customer adjusted for unaccounted-for gas more than five percent (5%) greater than actual gas consumption.), the Company shall eliminate the imbalance by purchasing the excess imbalance according to the following schedule:

<u>Percentage Imbalance Level</u>	<u>Sales Price</u>
0-5	No sale
> 5-10	.9 x Index
> 10-20	.7 x Index
> 20	.5 x Index

Title to Gas

Any Customer taking transportation service pursuant to this schedule warrants that it has title to the gas delivered to Company free and clear of all claims and covenants and agrees to indemnify and hold harmless Company from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or attributable to the adverse claims of any and all other persons or parties to such gas.

Best Efforts Monthly Balancing Service

Monthly balancing service may be selected by the Customer and shall be a required service when Customer causes a positive or negative excess imbalance to exist. Balancing service does not relieve the Customer of the responsibility to avoid an imbalance condition. Unless otherwise agreed, monthly balancing service is a "best efforts" service which involves the Company's use of storage capacity and capabilities to hold, on a best efforts basis, excess daily deliveries of Customer's gas for use by Customer to meet balancing requirements. Customer's opportunity to use such storage capacity and capabilities is subordinate to the Company's intended or actual use to meet the expected or actual requirements of system supply and General Service Rate customers and Company does warrant or guarantee that Customer will, at all times, have access to monthly balancing services. Additionally, the ability of Company to use such storage capacity and capabilities to provide monthly balancing services

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Bryan, Ohio

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on a best efforts basis is dependent on the performance of third parties and not subject to Company's control.

The rate for best efforts monthly balancing service shall be \$.04 per Mcf transported per month. Payment of the applicable charges for monthly balancing service will permit Customer to balance consumption with deliveries on a monthly basis provided that Customer's monthly imbalance shall not exceed five percent (5%) of the Customer's consumption for the same month. In the event that the monthly imbalance is in excess of five percent (5%), the customer shall eliminate the excess imbalance in the subsequent month. For each Mcf of positive or negative imbalance in excess of five percent (5%) each month (excess imbalance), Customer shall pay to Company an imbalance fee as follows:

- A. If a negative excess imbalance exists, Customer shall be obligated to pay to Company a sum (in addition to all other charges specified herein) equal to the higher of (1) the total amount of the negative imbalance multiplied by the rates and charges in the Company's General Service Rate and its successors on file and approved by the Commission including the applicable charge for the cost of purchased gas, or (2) the highest penalty amount incurred by Company as a result of or in connection with such imbalance pursuant to an interstate pipeline tariff multiplied by the imbalance quantity. The first block in said Rate shall be used for such purpose. This additional charge does not entitle Customer to rely upon Company to secure a supply of gas or provide standby or partial service but merely represents a means of eliminating the imbalance condition to the extent Company has gas available to it without imposing additional cost on system supply customers.
- B. If a positive excess imbalance [actual monthly volume of Customer's gas delivered to Company for redelivery to Customer adjusted for unaccounted-for gas more than five percent (5%) greater than actual gas consumption] is not eliminated in the month following its creation, the Company shall eliminate the imbalance by purchasing the excess imbalance according to the following schedule:

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<u>Percentage Imbalance Level</u>	<u>Sales Price</u>
0-5	No sale
> 5-10	.9 x Index
> 10-20	.7 x Index
> 20	.5 x Index

In addition to the other rates and charges specified herein, the Customer shall reimburse the Company for all costs incurred by the Company, including penalties or overrun charges payable to pipe lines, as a result of variations in the amount of gas consumed by the Customer at the Redelivery Point and the amount of gas Customer delivers to Company at the Delivery Point. In addition to the charges specified herein, Company shall have the right (as stated in the general terms specified below) to terminate service as a result of Customer's failure to satisfy Customer's balancing obligations. Nothing in this schedule shall be understood to limit Company's right to terminate transportation service under this schedule as a result of Customer's failure to satisfy Customer's balancing obligations.

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Record Keeping and Meter Reading

Customer shall provide Company such daily meter reading information that Company shall reasonably request for purposes of administering Customer's transportation service. It is understood that the Company shall be entitled to rely upon Customer's records and meter readings for all such purposes.

Quality

The gas made available to Company by Customer for redelivery shall be of quality equal to or better than the quality specifications contained in the tariffs or contracts governing Company's purchase of gas from its interstate pipeline or other suppliers. It is understood that the Company shall have no obligation to accept volumes made available by Customer in the event gas does not meet these quality specifications.

General Terms and Conditions

- A. Services provided under this schedule are subject to all Federal, State of Ohio and local laws and to the orders, rules and regulations of any federal, State or local agencies having jurisdiction thereof.
- B. Company shall invoice Customer on a monthly basis and all invoices shall be due and payable within fifteen (15) days of the date the invoice is postmarked. All invoices not paid by the due date shall be increased by five percent (5%) of the amount not timely paid each month. In the event Customer supplies Company with a check or other instrument which is supported by insufficient funds, Customer shall be pay such additional charges as may be payable according to Company's General Service Rate and its successors.
- C. The Company, at its sole election, may terminate service under this schedule in the event Customer fails to cause its gas supply to be made available to Company at the Delivery Point to match the gas supply consumed at the Redelivery Point. The imbalance charges specified herein shall not be construed as Company's exclusive remedy in the event that Customer fails to fulfill its balancing obligations. In addition, nothing herein shall preclude Company from waiving an imbalance rate or charge provided Customer has undertaken reasonable efforts to eliminate the imbalance condition, the frequency and magnitude of the imbalance condition does not, in Company's judgment, indicate Customer is utilizing the imbalance to obtain an economic advantage related to the cost of natural gas or transportation and related services or the imbalance condition does not disadvantage other customers or Company.
- D. Customers electing transportation service understand that the Company may no longer consider Customer's gas requirements in arranging for system supply which Company purchases. By selecting service under this schedule, Customer releases Company from any

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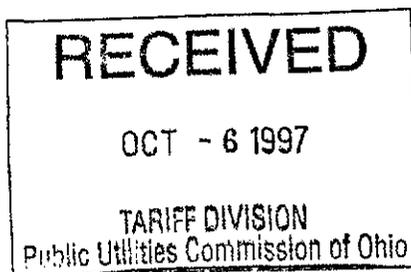
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obligation Company may have to provide service to Customer as a system supply customer under tariffed rates and charges applicable to general service customers.

- E. No waiver by the Company or the Customer of one or more defaults by the other of the provisions of service under this schedule shall be construed as a waiver of any other or further default or defaults, whether of a like or of a different character.
- F. Company does not hereby assume the risk of and shall not be responsible for any injury or damage that occurs as a result the a failure of Customer's gas supply to reach the Delivery Point or as a result of acts of God, *force majeure* events, emergencies, riots, strikes, insurrections or the acts of third parties, regulators or government that prevent Company from providing transportation service to Customer.
- G. The Company may offer transportation service at rates that are downwardly flexible from the base rates and best efforts balancing service rate specified above. The rates may be flexed downward to a rate or charges that recover all variable cost of service and provides some contribution to the Company's fixed costs of providing service. Reduced rates may be determined based on competitive services available to the customer, the quality (firm or interruptible) of service, the Company's need to achieve load preservation, or the economic recovery of costs incurred by the Company and shall be subject to: (1) the requirements of Section 4905.31, Revised Code as such requirements may apply based on the determinations of the Commission; or, (2) the requirements of Article XVIII, Section 5 of the Ohio Constitution and the lawful acts of units of local government.



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Uniform Purchased Gas Adjustment

4901:1-14-01	Definitions.
4901:1-14-02	Purpose and scope.
4901:1-14-03	Applicability.
4901:1-14-04	Reports.
4901:1-14-05	Gas cost recovery rate.
4901:1-14-06	Customer billing.
4901:1-14-07	Audits.
4901:1-14-08	Hearings.
4901:1-14-09	Tariffs.
4901:1-14-10	Exemptions.
Appendix A	Gas cost recovery rate calculation.
Appendix B	Weighted average gas cost recovery rate.
Appendix C	Final incremental gas cost rates.
Appendix D	Sample certificate of accountability.

4901:1-14-01 Definitions.

For purposes of this chapter:

- (A) "Commission" means the public utilities commission.
- (B) "Gas company" and "natural gas company" have the meanings set forth in section 4905.03 of the Revised Code.
- (C) "Purchased gas adjustment clause" has the meaning set forth in section 4905.302 of the Revised Code.
- (D) "Gas" means any vaporized fuel transported or supplied to consumers by a gas or natural gas company, including, but not limited to natural gas, synthetic gas, liquefied natural gas, and propane.
- (E) "Synthetic gas" means gas formed from feedstocks other than natural gas, including but not limited to coal, oil, or naphtha.
- (F) "Gas cost recovery rate" means the quarterly updated gas cost adjustment determined in accordance with rule 4901:1-14-05 of the Administrative Code and "Appendix A" to this chapter.
- (G) "Mcf" means a unit of gas equal to one thousand cubic feet.
- (H) "Ccf" means a unit of gas equal to one hundred cubic feet.
- (I) "Gas costs" or "cost of gas" means the cost to a gas or natural gas company of obtaining the gas which it sells to its customers. The cost of gas shall include the transportation and storage charges of interstate pipeline suppliers to the extent that those charges are incorporated in the commodity rates or demand charges. The cost of gas does not include the cost of utility storage.
- (J) "Customer" means each billing account of a gas or natural gas company.

- (K) "Special purchase" has the meaning set forth in section 4905.302 of the Revised Code.
- (L) "Self-help arrangement" means an arrangement between a gas or natural gas company and a customer providing for the transportation of gas owned by the customer from the point of production to the point of consumption.
- (M) "Includable gas supplies" means:
- (1) Primary gas supplies;
 - (2) Includable propane; and
 - (3) Utility production volumes.
- (N) "Primary gas supplies" means:
- (1) Supplies of natural gas or liquified natural gas obtained from interstate pipeline suppliers, except short term supplies, provided that supplies of gas ordered incrementally priced by the federal energy regulatory commission may not be included as primary gas supplies unless such supplies are purchased under contracts approved by the commission;
 - (2) Supplies of synthetic gas purchased under agreements approved by the commission under section 4905.303 of the Revised Code, and other supplies of synthetic gas, except short term supplies, purchased under contracts approved by the commission;
 - (3) Supplies of gas obtained from other gas or natural gas companies;
 - (4) Supplies of gas, other than utility production volumes from old wells, obtained from Ohio producers;
 - (5) Supplies of gas made available to a gas or natural gas company under self-help arrangements;

- (6) Special purchases of natural gas not included in short term supplies; and
 - (7) Utility production volumes from new wells provided that such volumes are priced at the lower of either: (a) the price currently being paid by the utility to independent Ohio producers for gas from like wells or (b) the lowest commodity rate currently being paid by the utility to any of its interstate pipeline suppliers.
- (O) "Includable propane" means:
- (1) Propane used for peak shaving purposes; and
 - (2) Propane used for volumetric purposes at the end of a supply period to avoid monetary penalties, provided that the company promptly notifies the commission in writing of such usage.
- (P) "Utility production volumes" means all volumes of gas, other than synthetic gas, produced by a gas or natural gas company, or by a subsidiary or affiliate of a gas or natural gas company, unless the rates or charges for such production are subject to the jurisdiction of the federal energy regulatory commission.
- (Q) "Current direct cost of production" means the production and gathering expenses associated with utility production volumes from old wells which are included in accounts 750 through 769 of the "Uniform System of Accounts for Class A and B Gas Utilities," and accounts 710, 711, 713, 714, 715, 716, 717, and 719 of the "Uniform System of Accounts for Class C and D Gas Utilities."
- (R) "Production unit cost" means the current direct cost of production expressed in dollars and cents per Mcf.
- (S) "Short term supplies" means all special purchases of gas, to the extent that those purchases decrease the level of curtailment to any customer or class of customers, except special purchases approved by the commission under section 4905.303

of the Revised Code. For purposes of this chapter, a special purchase decreases curtailment to a class of customers if curtailment of that class is reduced, maintained at the same level, or increased to a lesser degree as a result of the special purchase.

- (T) "Total sales" means all sales of includable gas supplies to retail customers. "Total sales" does not include volumes transported to consumers under self-help arrangements.
- (U) "Jurisdictional sales" means total sales, less sales to customers under municipal ordinance rates, except sales under municipal ordinances which have adopted, by reference or otherwise, rates established by the commission.
- (V) "Unit book cost" means the cost of total sales expressed in dollars and cents per Mcf as calculated using standard accounting methods acceptable to the commission and the gas or natural gas company's independent auditors, SUBMITTING THE CERTIFICATE OF ACCOUNTABILITY AS REQUIRED UNDER PARAGRAPH (C) OF RULE 4901:1-14-07 OF THE ADMINISTRATIVE CODE.
- (W) "Commodity rate" means the commodity portion of gas costs billed by a gas or natural gas company's suppliers expressed in dollars and cents per Mcf. For purposes of the calculations required under rule 4901:1-14-05 of the Administrative Code, "commodity rate" means the commodity rate which is expected to be in effect on the fifth day after the effective date of the new gas cost recovery rate to be determined under that rule.
- (X) "Monthly demand charge" means the monthly demand portion of gas costs billed by a gas or natural gas company's suppliers expressed in dollars and cents per Mcf. For purposes of the calculations required under rule 4901:1-14-05 of the Administrative Code, "monthly demand charge" means the monthly demand charge which is expected to be in effect on the fifth day after the effective date of the new gas cost recovery rate to be determined under that rule.

- (Y) "Utility storage" means storage facilities operated and maintained by a gas or natural gas company, or by a subsidiary or affiliate of a gas or natural gas company, unless the charges for such facilities are incorporated in commodity rates or monthly demand charges filed with or approved by the federal energy regulatory commission.
- (Z) "Reconciliation adjustment" means a positive or negative adjustment to future gas cost recovery rates ordered by the commission pursuant to rule 4901:1-14-06 or 4901:1-14-08 of the Administrative Code.
- (AA) "Supplier refund" means a refund from an interstate pipeline company ordered by the federal energy regulatory commission, including interest where ordered, where such refund is received as one lump sum payment or credit.
- (BB) "Expected gas cost" means the weighted average cost of primary gas supplies, utility production from old wells, and includable propane expressed in dollars and cents per Mcf and determined in accordance with "Appendix A" to this chapter.
- (CC) "Alternative fuel price" has the meaning set forth by the federal energy regulatory commission in accordance with Title II of the Natural Gas Policy Act, as follows: "For any specific incrementally priced industrial facility, which is subject to such requirements and which is located in any region, shall be an amount not lower than the price, per million Btu's, for number 6 high sulfur fuel oil determined by the commission to be paid in such region by industrial users of such fuel, if and to the extent the commission determines, after an opportunity for written and oral presentation of views, data, and arguments, that a reduction is necessary to prevent increases in the rates and charges to residential, small, commercial, and other high priority users of natural gas which would result from a reallocation of costs caused by the conversion of such industrial facility or facilities from natural gas to other fuels, which conversion is likely to occur if the level of the

appropriate alternative fuel cost were not so reduced, the price will be set at the reduced level."

- (DD) "Composite base rate for gas" means the weighted average regional rate for all nonexempt customers based on activity for the period.
- (EE) "MSAC surcharge rate" means the maximum surcharge absorption capability per Mcf as determined in accordance with rule 4901:1-14-05 of the Administrative Code and "Appendix C" to this chapter.
- (FF) "Nonexempt customer" has the meaning set forth by the federal energy regulatory commission in accordance with Title II of the Natural Gas Policy Act, as follows: "Any industrial boiler fuel facility other than any such facility which has been exempted from the incremental pricing program in accordance with part 282 of the federal energy regulatory commission's rules and regulations."
- (GG) "Exempt customer" has the meaning set forth by the federal energy regulatory commission in accordance with Title II of the Natural Gas Policy Act; as follows: "The incremental pricing provisions of this part, shall only apply to industrial facilities which use natural gas as a boiler fuel. In addition, in accordance with the provisions of sections 206(a), (b), and (c) of NSPA natural gas used for the following purposes shall be exempt from incremental pricing under this part:
 - (a) All gas used for boiler fuel by an industrial boiler fuel facility which was:
 - (1) in existence on November 9, 1978; and
 - (2) did not consume more than an average of three hundred Mcf per day for boiler fuel during any calendar month of calendar year 1977;
 - (b) All gas used for an agricultural use;

- (c) All gas used in a school, hospital or similar institution;
 - (d) All gas used for the generation of electricity by an electric utility; and
 - (e) All gas used in a qualifying cogeneration facility."
- (HH) "Region" has the meaning set forth by the federal energy regulatory commission in accordance with Title II of the Natural Gas Policy Act, as follows: "(1) As of December 20, 1979, and until the date that alternative fuel price ceilings are published for thirty-one metropolitan regions, as provided in paragraph (b)(2) of this section, the incremental pricing regions used for purposes of this part shall be each of the forty-eight states within the continental United States. For such period of time, the alternative fuel price ceilings applicable to the District of Columbia shall be the ceilings published for Maryland. (2) After the day that alternative fuel price ceilings are published for the thirty-one metropolitan regions, as provided in paragraph (b)(2) of this section, the incremental pricing regions used for purposes of this part shall be: (i) the thirtyone metropolitan regions; and (ii) the forty-eight regions consisting of the area of each of the contiguous forty-eight states of the continental United States which is not included within any metropolitan region."
- (II) "GCRF" means the quarterly updated final gas cost recovery rate for customers as determined in accordance with Chapter 4901:1-14 of the Administrative Code and "Appendix C" to this chapter.
- (JJ) "GCRN" means the monthly updated final gas cost recovery rate for nonexempt customers as determined in accordance with Chapter 4901:1-14 of the Administrative Code and "Appendix C" to this chapter.
- (KK) "IPS" means the incremental pricing surcharge rate per Mcf for each nonexempt customer which shall be the difference between (1) the total cost of the customer's nonexempt purchases at the

effective base rate and GCRF and (2) the total cost of an equivalent amount of alternate fuel at the alternate fuel price ceiling, divided by the customer's total nonexempt purchases.

- (LL) "Average rate" means the total charge to each nonexempt customer calculated under the company's effective rate schedule (before application of IPS) divided by the total purchases by the customer in the period.
- (MM) "MGCR" means the updated gas cost recovery rate utilized in the calculation of the MSAC surcharge rate as determined in accordance with Chapter 4901:1-14 of the Administrative Code and "Appendix C" to this chapter.
- (NN) "An old well" is a well where drilling commenced before the effective date of this amended rule.
- (OO) "A new well" is either: (1) a well where drilling commenced after the effective date of this amended rule or (2) an old well which is completed to a different pool one year after the effective date of this amended rule.
- (PP) "Pool" has the meaning set forth in paragraph (A)(8) of rule 1501:9-1-01 of the Administrative Code.

Case No. 84-91-GE-ORD
Eff.

CERTIFICATION

Mary Ann Orlinski, Secretary

Date

Promulgated under R.C. Section 111.15
Rule Amplifies: 15 U.S.C.
Section 3301, R.C. Section 4905.302
Amended: October 21, 1978, January 1, 1980,
July 16, 1980, December 4, 1982

4901:1-14-02 Purpose and Scope.

The purpose of this chapter is to establish a uniform purchased gas adjustment clause to be included in the schedules of gas and natural gas companies subject to the jurisdiction of the commission. The provisions of this chapter establish a gas cost recovery process, which is designed to separate the cost of gas from all other costs incurred by gas or natural gas companies, and to provide for each company's recovery of the cost of its includable gas supplies from its customers by means of the quarterly updated gas cost recovery rate, AND OTHER PROVISIONS OF THIS CHAPTER. The provisions of this chapter also establish investigative procedures and proceedings, including periodic reports, audits, and hearings, to examine the arithmetic and accounting accuracy of the gas costs reflected in each company's gas cost recovery rate, and to review each company's gas production and purchasing policies to the extent that those policies affect the gas cost recovery rate.

CASE NO. 79-1171-GA-COI
EFF. JANUARY 1, 1980

CERTIFICATION

DAVID M. POLK, SECRETARY

DATE

PROMULGATED UNDER R.C. SECTION 111.15
RULE AMPLIFIES 15 U.S.C.
SECTION 3301

4901:1-14-03 Applicability.

The provisions of this chapter shall apply to all gas and natural gas companies subject to the jurisdiction of the commission, with respect to all schedules of rates established or approved by the commission, including, but not limited to rate schedules approved or established under sections 4905.31, 4909.19, and 4909.39 of the Revised Code. The provisions of this chapter shall not apply to municipal ordinance rates established under section 743.26 or 4909.34 of the Revised Code or Article XVIII, Section 4 of the Ohio Constitution, except in instances where a municipal ordinance adopts, by reference or otherwise, rates established by the commission.

THE PROVISIONS OF "APPENDIX C" TO THIS CHAPTER SHALL BECOME EFFECTIVE ON JANUARY I, 1980, OR AT SUCH LATER DATE AS TITLE II OF THE NATURAL GAS POLICY ACT OF 1978 IS IMPLEMENTED; SHALL TERMINATE ONE MONTH AFTER THE EFFECTIVE DATE OF THE IMPLEMENTATION BY THE FEDERAL ENERGY REGULATORY COMMISSION OF REGULATIONS DETERMINING THE ALTERNATE FUEL PRICE CEILING ON A BASIS OTHER THAN HIGH SULFUR NO. 6 FUEL OIL; OR ONE MONTH AFTER THE EFFECTIVE DATE OF IMPLEMENTATION BY THE FEDERAL ENERGY REGULATORY COMMISSION OF REGULATIONS EXPANDING THE APPLICATION OF TITLE II OF THE NATURAL GAS POLICY ACT UNDER THE AUTHORITY OF SECTION 202 OF THAT ACT; OR IMMEDIATELY UPON TERMINATION OF TITLE II OF THE NATURAL GAS POLICY ACT, WHICHEVER OCCURS FIRST.

CASE NO. 79-1171-GA-COI
EFF. JANUARY 1, 1980

CERTIFICATION

DAVID M. POLK, SECRETARY

DATE

PROMULGATED UNDER R.C. SECTION 111.15
RULE AMPLIFIES 15 U.S.C.
SECTION 3301

4901:1-14-04 Quarterly Reports.

Each gas or natural gas company subject to the provisions of this chapter shall submit quarterly gas cost recovery reports to the commission, in such form as the commission requires. The filing date for each such report shall be established by the commission. Each quarterly report shall contain:

- (A) An updated gas cost recovery rate, determined in accordance with rule 4901:1-14-05 of the Administrative Code and "Appendix A" to this chapter;
- (B) The data and calculations used to determine the updated gas cost recovery rate; and
- (C) Such other information as the commission requires.

(D) EACH GAS OR NATURAL GAS COMPANY SUBJECT TO THE PROVISIONS OF THIS CHAPTER SHALL SUBMIT FINAL GAS COST RECOVERY REPORTS TO THE COMMISSION, IN SUCH FORM AS THE COMMISSION REQUIRES. THE FILING DATE FOR EACH SUCH REPORT SHALL BE ESTABLISHED BY THE COMMISSION. EACH REPORT SHALL CONTAIN:

- (1) AN UPDATED FINAL GAS COST RECOVERY RATE, DETERMINED IN ACCORDANCE WITH RULE 4901:1-14-05 OF THIS ADMINISTRATIVE CODE AND "APPENDIX C" TO THIS CHAPTER;
- (2) THE DATA AND CALCULATIONS USED TO DETERMINE THE UPDATED FINAL COST RECOVERY RATE, AND
- (3) SUCH OTHER INFORMATION AS THE COMMISSION REQUIRES.

CASE NO. 79-1171-GA-COI
EFF. JANUARY 1, 1980

CERTIFICATION

DAVID M. POLK, SECRETARY

DATE

PROMULGATED UNDER R.C. SECTION 111.15
RULE AMPLIFIES 15 U.S.C.
SECTION 3301

4901:1-14-05 Gas cost recovery rate.

(A) The gas cost recovery rate equals:

- (1) The gas or natural gas company's expected gas cost for the upcoming quarter; plus or minus
- (2) The supplier refund and reconciliation adjustment, which reflects:
 - (a) Refunds received from the gas or natural gas company's interstate pipeline suppliers plus six TEN per cent annual interest except the jurisdictional portion of refunds applicable to the period prior to January 1, 1980, which are ultimately determined to be payable for sales to nonexempt industrial users which shall be paid in a lump-sum payment as approved by the commission; and
 - (b) Adjustments ordered by the commission following hearings held under rule 4901:1-14-08 of the Administrative Code, plus six TEN per cent annual interest; plus or minus
- (3) The actual adjustment, which compensates for differences between the previous quarter's expected gas cost and the actual cost of gas during that quarter and adjustments resulting from the MSAC refund balancing calculation in accordance with "Appendix C" to this chapter; plus or minus
- (4) The balance adjustment, which compensates for any under or over collections which have occurred as a result of prior adjustments.

4901:1-14-06 Customer Billing.

- (A) (1) Unless otherwise ordered by the commission, the QUARTERLY UPDATED gas cost recovery rate filed in accordance with rule 4901:1-14-04 of the Administrative Code shall become effective and shall be applied to customer bills for service rendered on/OR and after the thirtieth day following the filing date established by the commission, or, at the option of the gas or natural gas company, on/OR and after the first day of the month following the thirtieth day after the filing date established by the commission. The commission may at any time order a reconciliation adjustment as a result of errors or erroneous reporting.
- (2) UNLESS OTHERWISE ORDERED BY THE COMMISSION, THE UPDATED FINAL GAS COST RECOVERY RATE FILED IN ACCORDANCE WITH RULE 4901:1-14-04 OF THIS ADMINISTRATIVE CODE SHALL BECOME EFFECTIVE AND SHALL BE APPLIED TO CUSTOMER BILLS ON OR AFTER THE FILING DATE ESTABLISHED BY THE COMMISSION. THE COMMISSION MAY AT ANY TIME ORDER A RECONCILIATION ADJUSTMENT AS A RESULT OF ERRORS OR ERRONEOUS REPORTING.
- (B) Except as provided in paragraphs (C) and (D) of this rule, if the gas cost recovery rate changes during a customer's billing cycle, the gas or natural gas company shall apply a weighted average gas cost recovery rate to its customer bills. The weighted average gas cost recovery rate shall be determined in accordance with "Appendix B" to this chapter.
- (C) If the gas cost recovery rate changes during a customer's billing cycle, and if the customer's actual daily consumption is known by the gas or natural gas company, the company may, instead of applying a weighted average gas cost recovery rate, apply each gas cost recovery rate which was effective during the billing cycle to the volumes actually consumed when that rate was in effect.
- (D) The commission may, upon the request of a gas company, and for good cause shown, exempt the company from the requirement that it apply weighted

average gas cost recovery rates to its customer bills. In determining whether to grant such requests, the commission shall consider:

- (1) The number of customers served by the company;
 - (2) The cost to the company and its customers of determining weighted average gas cost recovery rates; and
 - (3) Such other factors as the commission considers appropriate.
- (E) Each gas or natural gas company shall indicate on each customer bill:
- (1) The gas cost recovery rate expressed in dollars and cents per mcf or ccf; and
 - (2) The total charge attributable to the gas cost recovery rate expressed in dollars and cents.

CASE NO. 79-1171-GA-COI
EFF. JANUARY 1, 1980

CERTIFICATION

DAVID M. POLK, SECRETARY

DATE

PROMULGATED UNDER R.C. SECTION 111.15
RULE AMPLIFIES 15 U.S.C.
SECTION 3301

4901:1-14-07 Audits.

(A) The commission shall conduct, or cause to be conducted, periodic FINANCIAL AND MANAGEMENT/ PERFORMANCE audits of each gas or natural gas company subject to the provisions of this chapter. Unless otherwise ordered by the commission, the audits shall be conducted annually. Except as provided in paragraph (B) of this rule, and unless otherwise ordered by the commission, each audit shall be conducted by a qualified independent auditing firm selected by the company and approved by the commission. ACCORDING TO PARAGRAPHS (C) AND (D) OF THIS RULE. The cost of each such audit shall be paid by the gas or natural gas company.

(B) The commission may, upon the request of any party or upon its own initiative, conduct the audits required under this rule. In determining whether to do so, the commission shall consider:

- (1) The number of customers served by the company;
- (2) The cost of employing an independent auditor;
- (3) The availability of the commission staff to conduct the required audits; and
- (4) Such other factors as the commission considers appropriate.

(C) Each audit conducted pursuant to this rule shall consist of:

- (1) A financial audit to determine:
 - (a) whether the costs reflected in the company's gas cost recovery rate were incurred by the company;
 - (b) whether the gas cost recovery rates were accurately computed by the company; and

(e) whether the gas cost recovery rates were accurately applied to customer bills, and when ordered by the commission,

(2) A performance audit to review selected aspects of the company's gas production and purchasing policies to the extent that these policies affect the gas cost recovery rate. The specific areas of investigation for each performance audit shall be designated by the commission.

(C) EACH GAS OR NATURAL GAS COMPANY, SO DESIGNATED BY THE COMMISSION, SHALL BE REQUIRED TO SUBMIT A CERTIFICATE OF ACCOUNTABILITY BY AN INDEPENDENT AUDITOR, AS DESCRIBED IN "APPENDIX D," ATTESTING TO THE ACCURACY OF FINANCIAL DATA PERTAINING TO THE PERIOD OF THE GAS COST RECOVERY RATE ACTIVITY DESIGNATED BY THE COMMISSION. REFERENCE SHOULD BE MADE TO ANY ERRORS OR DEVIATIONS FROM THE CALCULATIONS PRESCRIBED WITHIN CHAPTER 4901:1-14 OF THE ADMINISTRATIVE CODE. PURSUANT TO THIS RULE, THE COMPANY SHALL ASSURE THE COMMISSION THAT:

(1) THE COSTS REFLECTED IN THE COMPANY'S GAS COST RECOVERY RATES WERE PROPERLY INCURRED BY THE COMPANY;

(2) THE GAS COST RECOVERY RATES WERE ACCURATELY COMPUTED BY THE COMPANY; AND

(3) THE GAS COST RECOVERY RATES WERE ACCURATELY APPLIED TO CUSTOMER BILLS.

(B) An audit report containing the findings and conclusions of each audit conducted pursuant to this rule shall be filed with the commission at such time as the commission requires. The report shall also contain performance recommendations, if such recommendations are requested by the commission.

(D) EACH GAS OR NATURAL GAS COMPANY, SO DESIGNATED BY THE COMMISSION, SHALL ENGAGE AN INDEPENDENT AUDITOR AND/OR CONSULTING FIRM TO CONDUCT A

MANAGEMENT/PERFORMANCE AUDIT OF THE COMPANY'S COMPLIANCE WITH THE PROVISIONS OF CHAPTER 4901:1-14 OF THE ADMINISTRATIVE CODE. THE COMMISSION SHALL DEVELOP A REQUEST FOR PROPOSAL (RFP) DESIGNED TO SOLICIT RESPONSES FOR CONDUCTING A MANAGEMENT/PERFORMANCE AUDIT. THE COMMISSION SHALL HAVE THE SOLE RESPONSIBILITY FOR SENDING OUT AND ACCEPTING ALL RESPONSES TO THE RFP AND SHALL SELECT THE COMPANY'S MANAGEMENT/PERFORMANCE AUDITOR FOR THE DESIGNATED AUDIT PERIOD. THE MANAGEMENT/PERFORMANCE AUDIT REPORT SHALL IDENTIFY AND EVALUATE THE SPECIFIC ORGANIZATIONAL STRUCTURE, MANAGEMENT POLICIES, PROCEDURES, AND REASONING OF THE COMPANY'S EXISTING OR PROPOSED PROCUREMENT STRATEGY. THE REPORT SHALL ALSO CONTAIN MANAGEMENT RECOMMENDATIONS BASED ON AN EVALUATION OF THE COMPANY'S PERFORMANCE DURING THE AUDIT PERIOD PERTAINING TO THOSE AREAS DESIGNATED BY THE COMMISSION. THE MANAGEMENT/PERFORMANCE AUDIT SHALL REVIEW SELECTED ASPECTS OF THE COMPANY'S GAS PRODUCTION AND PURCHASING POLICIES TO ASCERTAIN WHETHER:

- (1) COMPANY PURCHASING POLICIES WERE DESIGNED TO MEET OBJECTIVES OF THE COMPANY'S SERVICE REQUIREMENTS;
- (2) PROCUREMENT PLANNING IS SUFFICIENT TO ENSURE RELIABLE SERVICE AT OPTIMAL PRICES; AND
- (3) THE COMPANY HAS REVIEWED EXISTING AND POTENTIAL SUPPLY SOURCES.

ADDITIONALLY, SPECIFIC AREAS OF INVESTIGATION FOR EACH MANAGEMENT/PERFORMANCE AUDIT MAY BE DESIGNATED BY THE COMMISSION.

4901:1-14-08 HEARINGS.

- (A) AT LEAST THIRTY DAYS AFTER THE FILING OF EACH AUDIT REPORT REQUIRED UNDER PARAGRAPH (D) OF RULE 4901:1-14-07 OF THE ADMINISTRATIVE CODE, THE COMMISSION SHALL HOLD A PUBLIC HEARING TO REVIEW:
- (1) THE AUDIT FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS; AND
 - (2) SUCH OTHER MATTERS RELATING TO THE GAS OR NATURAL GAS COMPANY'S GAS COST RECOVERY RATES AS THE COMMISSION CONSIDERS APPROPRIATE.
- (B) THE GAS OR NATURAL GAS COMPANY SHALL PUBLISH NOTICE OF THE HEARING REQUIRED UNDER PARAGRAPH (A) OF THIS RULE IN A NEWSPAPER OR NEWSPAPERS OF GENERAL CIRCULATION THROUGHOUT ITS SERVICE AREA AT LEAST FIFTEEN AND NOT MORE THAN THIRTY DAYS PRIOR TO THE SCHEDULED DATE OF HEARING.
- (C) AT LEAST THIRTY DAYS PRIOR TO THE SCHEDULED DATE OF HEARING, THE GAS OR NATURAL GAS COMPANY SHALL SUBMIT SUCH FACTS, DATA, OR INFORMATION RELATING TO ITS GAS COST RECOVERY RATES AS THE COMMISSION REQUIRES. THE COMMISSION MAY ALSO REQUIRE THAT THE COMPANY SUBMIT TESTIMONY RELATING TO VARIOUS ASPECTS OF ITS GAS COST RECOVERY RATES.
- (D) FOLLOWING THE CONCLUSION OF THE HEARING, THE COMMISSION SHALL ISSUE AN APPROPRIATE ORDER CONTAINING:
- (1) A SUMMARY OF THE AUDIT FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS; AND
 - (2) SUCH OTHER INFORMATION OR DIRECTIVES AS THE COMMISSION CONSIDERS APPROPRIATE.
- (E) THE COMMISSION MAY ADJUST THE COMPANY'S FUTURE GAS COST RECOVERY RATES BY MEANS OF A RECONCILIATION ADJUSTMENT AS A RESULT OF:
- (1) ERRORS OR ERRONEOUS REPORTING;
 - (2) UNREASONABLE OR IMPRUDENT GAS PRODUCTION OR PURCHASING POLICIES OR PRACTICES; OR

Case No. 84-91-GE-ORD
Eff.

CERTIFICATION _____
Mary Ann Orlinski, Secretary

Date

Promulgated under R.C. Sec. 111.15
Rule amplifies R.C. Secs.
4905.302,
4905.303
Amended: October 21, 1978

4901:1-14-08

(3) SUCH OTHER FACTORS, POLICIES, OR PRACTICES AS
THE COMMISSION CONSIDERS APPROPRIATE.

CASE NO. 76-515-GA-ORD
EFF.

CERTIFICATION

RICHARD L. SMITH, SECRETARY

(DATE)

PROMULGATED UNDER: R. C. SECTION 111.15
RULE AMPLIFIES: R. C. SECTIONS 4905.302
AND 4905.303

- (B) The gas cost recovery rate shall be calculated on a company-wide basis, except as provided in paragraph (C) of this rule, in accordance with "Appendix A" to this chapter.
- (C) The commission may, upon the request of any party or upon its own initiative, permit the company to calculate different gas cost recovery rates for different geographical areas. In determining whether to do so, the commission shall consider:
- (1) Whether the geographical areas involved are contiguous;
 - (2) Whether the cost of obtaining gas for each of the geographical areas involved can be separately identified;
 - (3) The manner in which the geographical areas involved have been treated in the past; and
 - (4) Such other factors as the commission considers appropriate.
- (D) The final gas cost recovery rate shall be determined in accordance with paragraph (A) of this rule and the schedules set forth in "Appendix C" to this chapter.
- (E) The company may use as an alternative to a composite base rate for gas in its calculation of the final gas cost recovery rate as provided in paragraph (D) of this rule, in accordance with "Appendix C" to this chapter, a calculation based on the individual nonexempt customer's estimated average rate.

4901:1-14-10 EXEMPTIONS.

THE COMMISSION MAY, FOR GOOD CAUSE SHOWN, EXEMPT A GAS OR NATURAL GAS COMPANY FROM THE SPECIFIC PROVISIONS OF "APPENDIX C" OF THIS RULE PROVIDED THAT THE COMPANY PROPOSES AND THE COMMISSION APPROVES AN ALTERNATIVE METHOD OF DETERMINATION OF CHARGING FOR NONEXEMPT SALES WHICH TRACKS THE CHARGES APPLICABLE TO SUCH SALES THAT WOULD BE APPLIED PURSUANT TO PROVISIONS OF FEDERAL LAW AND PROVIDES AN APPROPRIATE METHOD TO RETURN TO THE CUSTOMERS OF THE COMPANY CHARGES IN EXCESS OF THOSE ALLOWED UNDER THIS RULE, EXCLUSIVE OF "APPENDIX C".

CASE NO. 79-1171-GA-COI
EFF. JANUARY 1, 1980

CERTIFICATION

DAVID M. POLK, SECRETARY

(DATE)

PROMULGATED UNDER R.C. SECTION 111.15
RULE AMPLIFIES 15 U.S.C.
SECTION 3301

adjustments of this type shall be described in the quarterly Gas Cost Recovery Report. All bulk supply volumes shall be corrected to standard temperature and pressure.

(A) EXPECTED GAS COST

The Expected Gas Cost (EGC), expressed in dollars and cents per mcf, shall be determined as follows:

- (1) $V1^*$ = Commodity Rate for each source of Primary Gas Supplies.
- (2) $V2$ = Volumes Purchased from each source of Primary
- (3) $V3$ = Monthly Demand Charge fro each source of Primary Gas Supplies
- (4) $V4$ = $\sum_{s=1}^j [(V1_s \times V2_{sy}) + (12 \times V3_s)]$
- (5) $V5$ = Production Unit Cost
- (6) $V6$ = Utility Production Volumes FROM OLD WELLS
- (7) $V7$ = $V5 \times V6_y$
- (8) $V8$ = Book Cost of Includable Propane
- (9) $V9$ = Gallons of Includable Propane
- (10) $V10$ = $V8 \times V9_y$
- (11) $V11$ = Total Sales
- (12) EGC = $(V4 + V7 + V10) \div V11_y$

(B) SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT

The Supplier Refund and Reconciliation Adjustment (RA), expressed in dollars and cents per mcf, shall be determined as follows:

*V-denotes Variable

Appendix A

Gas Cost Recovery Rate Calculation

The Gas Cost Recovery Rate (GCR) shall be determined in accordance with the formulas set forth in this Appendix. For purposes of these calculations, the following subscripts shall be used:

- (1) "q" means the quarter which contains the three monthly accounting periods immediately prior to the most recently ended monthly accounting period.
- (2) "m" means each monthly accounting period in q.
- (3) "y" means the period containing the twelve monthly accounting periods immediately prior to the most recently ended monthly accounting period.
- (4) "p" means the time period between the effective date of the current Gas Cost Recovery Rate and the effective date of the Gas Cost Recovery Rate in effect immediately prior to the current rate.
- (5) "z" means the time period between the effective date of the current Gas Cost Recovery Rate and the effective date of the Gas Cost Recovery Rate in effect approximately one year prior to the current rate.
- (6) "n" means the quarter one year prior to the coming quarter during which the new Gas Cost Recovery Rate will be effective.
- (7) "s" means each source of primary gas supplies.

Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the company expects the volumes to change substantially, the company may, upon prior approval of the commission, make appropriate adjustments in its calculations. Any

Appendix B

Weighted Average Gas Cost Recovery Rate

If the Gas Cost Recovery Rate (GCR) changes during a billing cycle, the Weighted Average Gas Cost Recovery Rate (WGCR) shall be determined as follows:

- (1) GCR1 = The Gas Cost Recovery Rate in effect during the first part of the billing cycle
- (2) GCR2 = The Gas Cost Recovery Rate in effect during the latter part of the billing cycle
- (3) V37 = The total number of days in the billing cycle
- (4) V37.1 = The total number of days in the billing cycle when GCR1 was in effect
- (5) V37.2 = The total number of days in the billing cycle when GCR2 was in effect
- (6) WGCR = $[GCR1 \times (37.1 \div V37)] + [GCR2 \times (V37.2 \div V37)]$

$$(40) \quad BA = V36 \div V14_n$$

(E) GAS COST RECOVERY RATE

The Gas Cost Recovery Rate (GCR) shall be determined as follows:

$$(41) \quad GCR = EGC - RA + AA + BA$$

- (27) V25 = V23 as used in computing the GCR in effect one quarter prior to the currently effective GCR
- (28) V26 = V23 as used in computing the GCR in effect two quarters prior to the currently effective GCR
- (29) AA = V23 + V24 + V25 + V26

(D) BALANCE ADJUSTMENT

The Balance Adjustment (BA), expressed in dollars and cents per mcf, shall be determined as follows:

- (30) V27 = V22 as used to compute the GCR in effect four quarters prior to the currently effective GCR
- (31) V28 = V23 as used to compute the GCR in effect four quarters prior to the currently effective GCR
- (32) V29 = $V27 - (V28 \times V14_z)$
- (33) V30 = V15 as used to compute the GCR in effect four quarters prior to the currently effective GCR
- (34) V31 = V16 as used to compute the GCR in effect four quarters prior to the currently effective GCR
- (35) V32 = $V30 - (V31 \times V14_z)$
- (36) V33 = V36 as used to compute the GCR in effect one quarter prior to the currently effective GCR
- (37) V34 = BA as used to compute the GCR in effect one quarter prior to the currently effective GCR
- (38) V35 = $V33 - (V34 \times V14_p)$
- (39) V36 = $V29 + V32 + V35$

- (13) V12 = Reconciliation Adjustments ordered by the commission during q.
- (14) V13 = Supplier Refunds received during q
- (15) V14 = Jurisdictional Sales
- (16) V15 = 1.0550^*
~~1.0550~~ [V12 + (V13 x (V14_y ÷ V11_y))]
- (17) V16 = V15 ÷ V14_y
- (18) V17 = V16 as used in computing the currently effective GCR
- (19) V18 = V16 as used in computing the GCR in effect one quarter prior to the currently effective GCR
- (20) V19 = V16 as used in computing the GCR in effect two quarters prior to the currently effective GCR.
- (21) RA = V16 + V17 + V18 + V19

(C) ACTUAL ADJUSTMENT

The Actual Adjustment (AA), expressed in dollars and cents per mcf, shall be determined as follows:

- (22) V20 = Unit Book Cost of Total Sales
- (23) V21 = EGC in effect during each period m (if the EGC changed during any period m, weighted average EGC shall be used for that period)
- (24) V22 = $\sum_{m=1}^3 [(V20_m - V21) \times V14_m]$
- (25) V23 = V22 ÷ V14_y
- (26) V24 = V23 as used in computing the currently effective GCR

* TO REFLECT INCREASE IN INTEREST RATE ORDERED IN 82-620-GA ORD SCR

4901:1-14-09 TARIFFS.

EACH GAS OR NATURAL GAS COMPANY SUBJECT TO THE PROVISIONS OF THIS CHAPTER SHALL FILE TARIFFS WITH THE COMMISSION WHICH INCORPORATE THIS CHAPTER IN ITS ENTIRETY.

CASE NO. 76-515-GA-ORD
EFF.

CERTIFICATION

RICHARD L. SMITH, SECRETARY

(DATE)

PROMULGATED UNDER: R. C. SECTION 111.15
RULE AMPLIFIES: R. C. SECTIONS 4905.302
AND 4905.303

APPENDIX C

(A) Final Gas Cost Recovery Rates

The final gas cost recovery rates (GCRF and GCRN) shall be determined as follows:

- (1) V38 = Regional estimated alternative fuel price for the period plus applicable taxes as adjusted to \$/Mcf.
- (2) V39 = Regional estimated composite base rate for gas as determined by taking the weighted average rate for non-exempt customers for the period.
- (3) V40 = Adjusted estimated regional alternative fuel price for the period.
V38 - V39
- (4) V41 = Regional estimated MSAC surcharge rate for the period.
V40 - MGCR
- (5) V42 = Regional estimated sales to non-exempt customers for the period.
- (6) V43 = Regional estimated credit available for the period.
V41 x V42
- (7) V44 = Total estimated credit from all regions available for the period.
4
$$\sum_{R=1}^4 [V43]$$
- (8) V45 = Total estimated sales from all regions for the period.

- (9) V46 = Estimated MSAC credit per Mcf available for the period.
V44 + V45
- (10) GCRF = Final gas cost recovery rate to be applied to the bills of exempt customers for the period.
MGCR - V46
- (11) IPS = Incremental pricing surcharge rate for each nonexempt customer for the period.
- (12) GCRN = Final gas cost recovery rate to be applied to the bills of nonexempt customers for the period.
GCRF + IPS

(B) MSAC Credit Balancing Calculation

The total net adjustment from all regions to be applied to AA shall be determined as follows:

- (13) V47 = Actual sales to customers for the period.
- (14) V48 = Actual credit to customers for the period.
V47 x V46
- (15) V49 = Regional alternative fuel price as quoted for the period by the Energy Information Agency plus applicable taxes as adjusted to \$/Mcf.
- (16) V50 = Actual average rate per Mcf for gas for each nonexempt customer for this period.
- (17) V51 = Incremental pricing surcharge rate for each nonexempt customer for the period (cannot be less than zero).
V49 - V50

(18) V52 = Actual nonexempt purchases by each nonexempt customer for the period.

(19) V53 = Actual MSAC for each nonexempt customer for this period.

$$V52 \times [V51 + GCRF - MGCR]$$

(20) V54 = Total actual MSAC for all nonexempt customers for the period.

C

$$\sum_{n=1}^C [V53]$$

(21) V55 = Total net adjustment from all regions to be applied to AA.

$$V48 - V54$$

(22) V56 = Grand total net adjustment to be applied to AA (Schedule III).

3

$$\sum_{m=1}^3 [V55]$$

(23) MGCR = Updated gas cost recovery rate which reflects the net of the MSAC balancing adjustment rate.

$$\underline{GCR} - \left[\sum_{q=1}^4 (V56 + V11y) \right]$$

COMPANY NAME _____

EXEMPT/NON-EXEMPT GCR CALCULATION PURSUANT TO TITLE II OF THE NATURAL GAS POLICY ACT (NGPA)

ESTIMATED ALTERNATIVE FUEL PRICE & GCR IN EFFECT FOR THE PERIOD FROM _____ TO _____

ESTIMATED SALES FOR THE PERIOD FROM _____ TO _____

GCRF BILLED FOR THE PERIOD FROM _____ TO _____

ALTERNATIVE FUEL PRICE REFERENCE (SOURCE*) _____ DATE _____

* ATTACH SUPPORTING REFERENCE

PARTICULARS		UNIT	REGION 13	REGION 14	REGION 15	REGION OTHER (D)
(1)	ESTIMATED ALTERNATIVE FUEL PRICE FOR THE PERIOD	V38				
		\$/MCF				
(2)	LESS: COMPOSITE BASE RATE FOR GAS (ESTIMATED)	V39				
		\$/MCF				
(3)	EQUALS: ADJUSTED ESTIMATED ALTERNATIVE FUEL PRICE FOR THE PERIOD	V40				
		\$/MCF				
(4)	LESS: GCR IN EFFECT FOR THE PERIOD					
		\$/MCF				
(5)	EQUALS: MSAC SURCHARGE RATE (≥ 0)	V41				
		\$/MCF				
# (6)	TIMES: ESTIMATED SALES TO NON-EXEMPT CUSTOMERS FOR THE PERIOD	V42				
		MCF				
# (7)	EQUALS: ESTIMATED CREDIT AVAILABLE	V43				
		\$				
# (8)	TOTAL ESTIMATED CREDIT FROM ALL REGIONS		V44	\$		
# (9)	DIVIDED BY: ESTIMATED EXEMPT SALES FOR THE PERIOD		V45	MCF		
# (10)	EQUALS: ESTIMATED MSAC CREDIT PER MCF		V46	\$/MCF		
#	GCRF: GAS COST RECOVERY RATE TO BE APPLIED TO BILLS OF EXEMPT CUSTOMERS (LINE 4 MINUS LINE 10)			\$/MCF		

TO BE LEFT BLANK EXCEPT ON INITIAL REPORT AND REPORTS FILED WITH QUARTERLY REVISIONS IN THE GCR

THIS REPORT FILED PURSUANT TO ORDER NO. _____ OF THE PUBLIC UTILITIES COMMISSION OF OHIO.

DATED _____, 19____, DATE FILED _____, 19____.

BY: _____

TITLE: _____

COMPANY NAME _____

QUARTERLY MSAC CREDIT BALANCING ADJUSTMENT

ALTERNATIVE FUEL PRICE & GCR IN EFFECT FOR THE PERIOD FROM _____ TO _____
ACTUAL SALES FOR THE PERIOD FROM _____ TO _____
TOTAL ADJUSTMENT (LINE 6) TO BE APPLIED TO AA FOR QUARTER ENDED _____

PARTICULARS			UNIT	MONTH 1	MONTH 2	MONTH 3	TOTAL
(1)	ACTUAL SALES TO CUSTOMERS FOR THE PERIOD	V47	MCF				
(2)	TIMES: ESTIMATED MSAC CREDIT PER MCF	V46	\$/MCF				
(3)	EQUALS: ACTUAL MSAC CREDIT GIVEN TO CUSTOMERS	V48	\$				
(4)	TOTAL ACTUAL MSAC (SEE SCHEDULE VII SUPPLEMENT)	V54	\$				
(5)	ADJUSTMENT (LINE 3 LESS LINE 4)	V55	\$				

(6) TOTAL NET ADJUSTMENT TO BE APPLIED TO AA (SCHEDULE II)
NOTE: POSITIVE = ADDITIONAL CUSTOMER CHARGE
NEGATIVE = CUSTOMER REFUND

THIS REPORT FILED PURSUANT TO ORDER NO. _____ OF THE PUBLIC UTILITIES COMMISSION OF OHIO.

DATED _____, 19____. DATE FILED _____, 19____.

BY: _____
TITLE : _____

CALCULATION OF TOTAL ACTUAL MSAC FOR NON-EXEMPT CUSTOMERS
MONTH OF _____

CUSTOMER
ACCOUNT NO.

ALTERNATIVE
FUEL PRICE
(V49)

AVERAGE
RATE
(V50)

INCREMENTAL
PRICING
SURCHARGE
(V51)

NON-EXEMPT
CONSUMPTION
(V52)

IPS
MSAC

SUB-TOTALS

GCPF - GCR =

TIES: TOTAL NON-EXEMPT CONSUMPTION =
EQUALS:

TOTAL ACTUAL MSAC (V54)

Appendix D

Sample Certificate of Accountability

We have examined the quarterly filings of (company) which support the gas cost recovery (GCR) rates for the three-month periods ended (effective ending dates of GCR quarters being audited and for conformity in all material respects with the financial procedural aspects of the uniform purchase gas adjustment as set forth in Chapter 4901:1-14 and related appendices of the Administrative Code. Our examination for this purpose was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not make a detailed examination such as would be required to determine that each transaction has been recorded in accordance with the financial procedural aspects of Chapter 4901:1-14 and related appendices of the Administrative Code.

In our opinion, the (company) has fairly determined the GCR rates for the three-month periods ended , , and in accordance with the financial procedural aspects of the uniform purchase gas adjustment as set forth in Chapter 4901:1-14 and related appendices of the Administrative Code and properly applied the GCR rates to customer bills.

(If applicable) specific findings presented for the attention of the commission are attached in a separate "Memorandum of Findings."