

P.U.C.O. No. 1

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SEP 18 1989
TARIFF DIVISION
PUBLIC UTILITIES COMMISSION OF OHIO

ISSUED December 1, 1983 EFFECTIVE December 1, 1983

Filed under authority of Order No. 83-303-GE-COI issued by the
Public Utilities Commission of Ohio, dated November 23, 1983

Issued by Bert L. Sheldon, President of Sheldon Gas Company

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ISSUED May 22, 1985

EFFECTIVE April 2, 1985

Filed under authority of Order No. 83-1408-GE-COI issued by the
Public Utilities Commission of Ohio, dated April 2, 1985

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

SECTION I - SERVICE

1. Application for Service. All applications for service shall be made through the local office of the Company or its authorized agents upon forms approved by the Company.

2. Turning on Gas. The customer, after making proper application for service, shall notify the Company when he desires that service be established. In no case shall he or his agent or employee turn on the gas at the curb or meter cock.

3. Service Not Transferable. No person may commence the use of gas until after making application therefor. In the event of violation of this provision, in addition to other rights of the Company, such person shall be liable for all gas consumed in the premises and not paid for by any customer whose occupancy preceded that of such person and shall be liable for all gas consumed by such person. Any successor in interest to a customer, including, without limitation, heirs, executors, administrators, assignees, trustees, guardians, receivers, and conservators, shall be deemed to be a person who must make application for service, provided that successors in interest whose rights arise from death or incompetence of the customer shall have thirty (30) days in which to make application.

4. Continuity of Service. The Company shall make reasonable provision to supply gas in sufficient quantity and at adequate uniform pressure but does not guarantee constant supply or adequate or uniform pressure. The Company shall not be liable in damages for failure to supply gas or for interruptions in service and shall be relieved of its obligation to serve and may discontinue or modify service if such failure or interruption is due to acts of God or the public enemy, military action, wars, insurrections, riots, civil disturbances, vandalism, strikes, fires, floods, washouts, explosions, acts or orders of any civil, judicial, or military authorities and, without limitation by the foregoing, accidents, contingencies, or other causes beyond the control of the Company.

ISSUED September 19, 1980

EFFECTIVE September 20, 1980

Filed under authority of Order No. 80-815-GA-ATA issued by The
Public Utilities Commission of Ohio, dated September 17, 1980

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

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Without incurring any liability therefor, the Company may also suspend service for such periods as may be reasonably necessary in order to make repairs to or changes in its plant transmission or distribution systems or other property. The Company shall keep a record of any interruption of service affecting its entire system or a major division thereof, including a statement of the time, duration, and cause of the interruption. It will notify each customer affected by the interruption in advance of the contemplated work and of the approximate duration of any such interruption.

5. Service Not to be Disturbed. No customer shall attach or use any appliance which may result in the injection of air, water, or other foreign matter into the Company's lines; and without prior approval from the Company, no customer shall attach or use any appliance which will increase or decrease the pressure in the Company's lines intermittently to such extent as to interfere with continuous service to other customers.

6. No Customer Shall Sell to Another. The customer shall not supply or sell gas for use in any location other than that specified in the application for service or for the use of any other person.

7. Access to Premises. The Company and its authorized employees shall have free access at all reasonable times to all of the premises in which gas supplied by the Company is used or is to be used.

8. Customer's Responsibility. Customer assumes all responsibility for property owned by the customer on customer's side of the point of delivery (generally the outlet side of the curb cock) for the service supplied or taken, as well as for the installation thereof and appliances used in connection therewith, and will save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on customer's side of the point of delivery.

ISSUED September 19, 1980 EFFECTIVE September 20, 1980

Filed under authority of Order No. 80-815-GA-ATA issued by The
Public Utilities Commission of Ohio, dated September 17, 1980

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9. Late Payment Charge. A one-time additional charge of five percent (5%) of the customer's billing shall be made to each consumer for failure to pay such billing when due pursuant to these rules and regulations.

10. Right-of-Way. Customer, without reimbursement, will make or procure conveyance to Company of right-of-way satisfactory to it across the property owned or controlled by customer for Company's distribution mains, extensions thereof, or appurtenances necessary or incidental to the supplying of service to customer.

11. Charges and Payment for Temporary Service. In addition to regular payments for gas used, the customer shall pay the cost for all material, labor, and all other necessary expense incurred by the Company in supplying gas service to the customer at his request for any temporary purpose or use.

12. Customer Indebted to Company. Service will not be supplied to any premises if at the time of application for service the applicant is indebted to Company for service previously supplied at the same or other premises of the applicant until payment of such indebtedness or until other arrangements satisfactory to the Company shall have been made for payment of such indebtedness.

13. Credits and Deposits. The Company concurs in the P.U.C.O.'s Administrative Order No. 210, "Rules and Regulations Governing the Establishment of Credit for Residential Utility Services," and Chapter 4901:1-17 of the Ohio Administrative Code as is from time to time amended.

14. Right to Shut Off Gas to Residential Customers. The Company's rules, regulations, and practices governing the disconnection of service to residential customers shall be as set forth in Chapter 4901:1-18 of the Ohio Administrative Code as is from time to time amended. For purposes of Section 4901:1-18-06 of said chapter, the Company's reinstatement or reconnection charge shall be \$25.00 and its collection charge shall be \$13.37.

ISSUED December 1, 1983 EFFECTIVE December 1, 1983

Filed under authority of Order No. 83-303-GE-COI issued by The
Public Utilities Commission of Ohio, dated November 23, 1983

Issued by Bert L. Sheldon, President of Sheldon Gas Company

Sheldon Gas Company
Dunkirk, Ohio

First Revised Sheet No. 5

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

This sheet cancels and withdraws Original Sheet No. 5 pursuant to the Commission's October 15, 1980 Entry in Case No. 79-632-GE-UNC.

ISSUED December 1, 1983

EFFECTIVE December 1, 1983

Filed under authority of Order No. 83-303-GE-COI issued by The
Public Utilities Commission of Ohio, dated November 23, 1983

Issued by Bert L. Sheldon, President of Sheldon Gas Company

Sheldon Gas Company
Dunkirk, Ohio

First Revised Sheet No. 6

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

This sheet cancels and withdraws Original Sheet No. 6 pursuant to the Commission's October 15, 1980 Entry in Case No. 79-632-GE-UNC.

ISSUED December 1, 1983

EFFECTIVE December 1, 1983

Filed under authority of Order No. 83-303-GE-COI issued by The
Public Utilities Commission of Ohio, dated November 23, 1983

Issued by Bert L. Sheldon, President of Sheldon Gas Company

Sheldon Gas Company
Dunkirk, Ohio

First Revised Sheet No. 7

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

This sheet cancels and withdraws Original Sheet No. 7 pursuant to the Commission's October 15, 1980 Entry in Case No. 79-632-GE-UNC.

ISSUED December 1, 1983 EFFECTIVE December 1, 1983

Filed under authority of Order No. 83-303-GE-COI issued by The
Public Utilities Commission of Ohio, dated November 23, 1983

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
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SECTION II - METERING AND BILLING

15. Quantity of Gas Delivered by Meter. Gas will be measured by a meter installed by the Company, which shall be and remain the property of the Company. Subject to certain exceptions, enumerated below, consumption shall be determined on the basis of the meter registration; and bills shall reflect the consumption so registered. Any mistake in reading the registration, however, shall not affect the liability for gas consumed as determined by a corrected reading of the registration.

Meters are ordinarily read at monthly intervals but may be read more or less often at the Company's option. When the meter is not read, the Company may estimate the quantity of gas consumed and render a bill for such quantity.

A meter registering between three percent (3%) fast and three percent (3%) slow shall be deemed for all purposes to be registering correctly. A meter registering incorrectly shall be replaced by the Company at its expense.

During any period that incorrect registration can be established, the meter readings and bills based thereon shall be adjusted by the Company on the basis of all available information concerning the use of gas by the customer. If, as the result of such adjustment,

ISSUED December 1, 1983 EFFECTIVE December 1, 1983

Filed under authority of Order No. 83-303-GE-COI issued by The
Public Utilities Commission of Ohio, dated November 23, 1983

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

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overpayments are shown to have occurred, the Company shall reimburse the customer in the amount of such overpayments, provided that such adjusted payments shall not exceed a six-month period. The Company shall continue to supply gas to the customer and the customer shall continue to pay the amounts billed pending the adjustment.

The Company shall test the meter, at the request of the customer, and, if the customer so desires, in his presence, with a tested and sealed meter-prover. If the meter is found to be correct, as above defined, the customer shall pay the expense of removing it for the purpose of being tested. The date of reinspection shall be stamped on the meter.

16. Billing Periods. Bills ordinarily are rendered regularly at monthly intervals but may be rendered more or less frequently at Company's option. Nonreceipt of bills by customer does not release or diminish the obligation of customer with respect to payment thereof.

17. Payment of Bills. Each customer's bill is due and payable within fourteen (14) days of the postmarked date on the bill. Bills shall be paid by the customer at any office of the Company during its regular office hours or to any one of the Company's authorized collecting agents during the regular office hours of such agent. Any remittance received by mail at any office of the Company bearing U.S. Postal Office cancellation date corresponding with or previous to the last date of the net payment period will be accepted by the Company as within the net payment period.

18. Removal By, and Change in Financial Status of, Customer. At the option of the Company, the Company shall have the right to shut off the gas and to remove its property from the customer's premises; and the Company shall have the further right, independent of or concurrent with the right to shut off, to demand immediate payment for all gas theretofore delivered to the customer and not paid for, which amount shall become due and payable immediately upon such demand when the customer

ISSUED April 6, 1987

EFFECTIVE April 6, 1987

Filed under authority of Order No. 83-1577-GE-ORD issued by The
Public Utilities Commission of Ohio, dated June 26, 1985

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
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vacates the premises, becomes bankrupt or a receiver, trustee, guardian, or conservator is appointed for the assets of the customer, or the customer makes assignment for the benefit of creditors.

19. Turn-Off Fee. Whenever gas shall be turned off or meter disconnected by reason of noncompliance by the customer with these rules and regulations, a fee of Twenty-Five Dollars (\$25.00) must be paid at the Company's office before the gas shall be turned on again.

20. Budget Payment Plan. Upon submission of a written application acceptable to the Company, any customer who uses gas for space heating purposes may request that said customer be billed for gas consumption on a budget basis in accordance with the following provisions:

- (a) Monthly budget payments for the months July through June shall be based on an amount of consumption equivalent to one-twelfth (1/12) of the customer's preceding twelve (12) months' consumption and current rates. The monthly budget payment for the month of June shall reflect an adjustment balance for any increase or decrease in the customer's account not recovered or reflected in previous months' billings. In the case of a new customer or a customer who has not received service from the Company for twelve (12) consecutive months prior to applying for the Company's Budget Payment Plan, the amount of consumption upon which said customer's monthly budget payment shall be based shall be established by the Company. If the customer's actual consumption or the Company's rates change during the budget payment period, the Company shall have the right to adjust the monthly budget payments accordingly without the consent of the customer.

ISSUED September 19, 1980

EFFECTIVE September 20, 1980

Filed under authority of Order No. 80-815-GA-ATA issued by The Public Utilities Commission of Ohio, dated September 17, 1980

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
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- (b) Applications for the Company's Budget Payment Plan must be received by the Company not later than May 15 of each year, and the monthly budget billing will be effected only during June of each year. Any customer in arrears in the payment of the Company's bills at the time of submission of an application shall not qualify for the Budget Payment Plan, and any customer who fails to make monthly budget payments once said customer qualifies for the Budget Payment Plan shall be automatically excluded therefrom and said customer shall thereafter be billed in accordance with the applicable schedule of rates contained in the Company's tariffs.
- (c) Monthly budget payments are due and payable on the date shown or indicated on the customer's bill, and the customer continues to be subject to late payment charges for the amount due on that date. Customers qualifying under the Budget Payment Plan shall also continue to be subject to other service conditions and restrictions set forth in the Company's tariffs.
- (d) A customer qualifying for the Budget Payment Plan may withdraw therefrom at any time on written notice to the Company. In such event, the full amount of such customer's account shall become immediately due and payable, subject to the regular collection procedure, and any credit balance shall be refunded at such customer's request.

ISSUED September 19, 1980

EFFECTIVE September 20, 1980

Filed under authority of Order No. 80-815-GA-ATA issued by The
Public Utilities Commission of Ohio, dated September 17, 1980

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

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SECTION III - PHYSICAL PROPERTY

21. Service Lines. The general term "service pipe" or "service line" is commonly used to designate the complete line or connection between the Company main up to and including the meter connection. All service lines and connections from the Company's main lines are the consumer or property owner's and are to be maintained and repaired by them, and the Company reserves the right to discontinue service when same is not done. The Company shall have the right to prescribe the size, location, and termination points of the customer's service line. The Company shall have no obligation to install, maintain, or repair said service line. The Company shall not provide or pay, directly or indirectly, the cost of service lines when competing with another regulated natural gas company, unless such company offers to provide or pay for service lines, directly or indirectly, or unless such assistance is essential to induce a prospective customer to utilize natural gas rather than an alternate source of energy.

22. Pressure Regulators. The Company will furnish each customer with a suitable regulator or regulators as the Company may determine will adequately serve the customer's requirements, and such regulator or regulators shall be and remain the property of the Company; and the Company shall have the right to replace regulators as the Company may deem it necessary. However, when customer is served from the Company's field or gathering lines, then the customer shall install and maintain, at his expense, a suitable regulator or regulators for reducing the pressure. The regulator or regulators shall be installed in the manner required by the Company.

23. Meter Furnished. The Company will furnish each customer with a meter of such size and type as the Company shall determine will adequately serve the customer's requirements, and such meter shall be and remain the property of the Company; and the Company shall have the right to replace it as the Company shall deem necessary.

ISSUED March 2, 1988 EFFECTIVE March 2, 1988

Filed under authority of Order No. 88-141-GA-ATA issued by The
Public Utilities Commission of Ohio, dated February 23, 1988

Issued by Bert L. Sheldon, President of Sheldon Gas Company

P.U.C.O. No. 1

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
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24. Meter Location. The Company shall determine the location of the meter.

When changes in a building or arrangements therein render the meter inaccessible or exposed to hazards, the Company may require the customer, at the customer's expense, to relocate the meter setting together with any portion of the customer's service line necessary to accomplish such relocation.

25. Only Company Can Connect Meter. The owner or customer shall not permit anyone who is not an authorized agent of the Company to connect or disconnect the Company's meters, regulators, or gauges or in any way alter or interfere with the Company's meters, regulators, or gauges.

26. House Piping. The customer shall own and maintain the house piping from the outlet of the meter to gas-burning appliances. The Company shall have no obligation to install, maintain, or repair said piping. The Company shall not provide or pay, directly or indirectly, for house piping when competing with another regulated natural gas company, unless such company offers to provide or pay for house piping, directly or indirectly, or unless such assistance is essential to induce a prospective customer to utilize natural gas rather than an alternate source of energy.

27. Appliances. The customer shall own and maintain all gas-burning appliances. The Company shall have no obligation to install, maintain, or repair appliances. The Company shall not provide or pay, directly or indirectly, for appliances when competing with another regulated natural gas company, unless such company offers to provide or pay for appliances, directly or indirectly, or unless such assistance is essential to induce a prospective customer to utilize natural gas rather than an alternate source of energy.

28. Standards for Customer's Property. The customer's service line, house lines, fittings, valve connections, and appliance venting

ISSUED March 2, 1988

EFFECTIVE March 2, 1988

Filed under authority of Order No. 88-141-GA-ATA issued by The
Public Utilities Commission of Ohio, dated February 23, 1988

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shall be installed with materials and workmanship which meet the reasonable requirements of the Company and shall be subject to inspection or test by the Company. The Company shall have no obligation to establish service until after such inspection and test demonstrate compliance with such requirements of the Company with respect to the facilities in place at the time of the test.

The first inspection or test at any premises, including both service lines and house lines, shall be without charge. In the case of leak, error, patent defect, or other unsatisfactory condition resulting in the disapproval of the line by the Company, the necessary correction shall be made at the customer's expense; and then the lines will be inspected and tested again by the Company. Each additional inspection and test, when required after correction, shall be subject to a charge covering the cost thereof.

29. Discontinuance of Supply on Notice of Defect in Customer's Property. If the customer's service line, other gas lines, fittings, valves, connections, gas appliances, or equipment on a customer's premises are defective or in such condition as to constitute a hazard, the Company, upon notice to it of such defect or condition, may discontinue the supply of gas to such appliances or equipment or to such service line or such other gas lines until such defect or condition has been rectified by the customer in compliance with the reasonable requirements of the Company.

30. No Responsibility for Material or Workmanship. The Company is not responsible for maintenance of, or any imperfect material or defective or faulty workmanship in the customer's service line, house lines, fittings, valve connections, equipment, or appliances and is not responsible for any loss or damage arising from inadequate or improper maintenance or from imperfect material or defective or faulty workmanship, unless work was performed by the Company's employees.

31. Inspection of Altered Piping. It shall be the duty of the customer to notify the Company promptly of any additions, changes,

ISSUED March 2, 1988 EFFECTIVE March 2, 1988

Filed under authority of Order No. 88-141-GA-ATA issued by The
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alterations, remodeling, or reconstruction affecting gas piping on the customer's premises.

32. (Reserved)

33. Extension of Distribution Mains. The Company will extend its distribution mains (not to exceed two inches in diameter) on any dedicated street or highway without cost up to but not more than a distance of one hundred (100) feet for each applicant. Upon application for a domestic service extension of main in excess of one hundred (100) feet for each applicant, the Company may enter into a line extension agreement providing for a deposit with the Company of a sum deemed adequate by the Company to cover the cost to be incurred by it for that portion of the extension in excess of the footages which the Company will construct without cost to the applicant. The amount of deposit shall be determined by multiplying the excess footage as hereinabove determined by the average cost per foot to the Company of a similar size distribution main installed during the preceding calendar year. The sum so deposited shall be subject to refund on the basis of the cost per foot deposited multiplied by one hundred (100) for each additional applicant who becomes a bona fide customer connected to the extension but not to laterals therefrom or to further extensions thereof. No refunds shall be paid after the expiration of ten (10) years from the date of the agreement.

Where a main extension is necessary to provide service availability to plots of lots or real estate subdivisions and such main extension is not deemed justified at the Company's expense, the owners or promoters of such plots of lots or real estate subdivisions may enter into a line extension agreement and deposit with the Company the estimated cost of that portion of the main extension which is not deemed justified at the Company's expense. This deposit will be refunded at the average cost of one hundred (100) feet for each bona fide customer connected to the extension but not to laterals therefrom or to further extensions thereof. No refunds shall be paid after the expiration of ten (10) years from the date of the agreement.

ISSUED March 2, 1988

EFFECTIVE March 2, 1988

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Where a main extension is requested for commercial or industrial purposes and all or part of such main extension is not deemed economically justified at the Company's expense, based on a cost-benefit study, the Company shall require the applicant or applicants or enter into a line extension agreement and deposit with the Company the estimated cost of that portion of the main extension which is not deemed economically justified at the Company's expense, based on such study. This deposit will be refunded annually, based upon the incremental volumes sold directly from the main extension which are over and above those volumes used to determine the portion of the main extension to be done at the Company's expense. The refund shall be determined by multiplying such incremental volumes by the applicable base rates. No refunds shall be paid after the expiration of ten (10) years from the date of the agreement.

In no case shall the total of refunds exceed the amount deposited for the extension. Deposits will not draw interest. All extensions shall be the property of the Company.

The Company shall have no obligation to make any extensions during the months of December, January, February, or March.

Where a main extension is deemed economically justified at the Company's expense, based upon a cost-benefit study, no deposit need be required.

SECTION IV - GENERAL

34. These rules and regulations are subject to and include as part thereof all valid orders, rules, and regulations applicable to the Company from time to time issued or established by the Public Utilities Commission of Ohio under its emergency powers.

ISSUED March 2, 1988 EFFECTIVE March 2, 1988

Filed under authority of Order No. 88-141-GA-ATA issued by The
Public Utilities Commission of Ohio, dated February 23, 1988

Issued by Bert L. Sheldon, President of Sheldon Gas Company

4901:1-14-01 Definitions.SHELDON GAS COMPANY

For purposes of this chapter:

APPENDIX A

- (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 4901:1-05 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 liquefied 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, obtained from Ohio producers;
 - (5) Supplies of gas made available to a gas or natural gas company under self-help arrangements; and
 - (6) Special purchases of natural gas not included in short term supplies.
- (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 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.
- (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, 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 NPGA, 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 thirty-one 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 rule 4901:1-14 of the Administrative Code and "Appendix C" to this chapter.

Case No. 79-1171-GA-COI

Eff. July 16, 1980

Rule amplifies: 15 U.S.C.

§ 3301

Case No. 76-515-GA-ORD

Amended: October 21, 1978, January 1, 1980, April 7, 1980

Rule amplifies: § 4905.302, 4905.303, R.C.

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
 Rule amplifies: 15 U.S.C.
 § 3301

Case No. 76-515-GA-ORD
 Amended: October 21, 1978
 Rule amplifies: 4905.302, 4901.303, R.C.

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 1, 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 Number 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
 Rule amplifies: 15 U.S.C.
 § 3301

Case No. 76-515-GA-ORD
 Amended: October 21, 1978
 Rule amplifies: § 4905.302, 4905.303, R.C.

4901:1-14-04 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

Rule amplifies: U.S.C.

§ 3301

Case No. 76-515-GA-ORD

Amended: October 21, 1978

Rule amplifies: § 4905.302, 4905.303, R.C.

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 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 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.
- (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 rule 4901:1-14-05(A) 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.

 Case No. 79-1171-GA-COI
 Eff. July 2, 1980
 Rule amplifies: 15 U.S.C. § 3301
 § 4905.302, R.C.
 Amended: October 21, 1978, April 7, 1980

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 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 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
 Rule amplifies: 15 U.S.C.
 § 3301
 Case No. 76-515-GA-ORD
 Amended: October 21, 1978
 Rule amplifies: § 4905.302, 4905.303, R.C.

4901:1-14-07 Audits.

- (A) The commission shall conduct, or cause to be conducted, periodic 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. 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
 - (c) 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 those policies affect the gas cost recovery rate. The specific areas of investigation for each performance audit shall be designated by the commission.
- (D) 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.

Case No. 76-515-GA-ORD
Eff. October 21, 1978
Rule amplifies: § 4905.302, 4905.303, R.C.

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
 - (3) Such other factors, policies, or practices as the commission considers appropriate.

Case No. 76-515-GA-ORD
Eff. October 21, 1978
Rule amplifies: § 4905.302, 4905.303, R.C.

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. October 21, 1978
Rule amplifies: § 4905.302, 4905.303, R.C.

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
Rule amplifies: 15 U.S.C.
§ 3301

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 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.

*V-denotes Variable

- (2) V2 = Volumes Purchased from each source of Primary Gas Supplies
- (3) V3 = Monthly Demand Charge for 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
- (7) V7 = V5 x V6_y
- (8) V8 = Book Cost of Includable Propane
- (9) V9 = Gallons of Includable Propane
- (10) V10 = V8 x 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:

- (13) V12 = Reconciliation Adjustments ordered by the commission during q
- (14) V13 = Supplier Refunds received during q
- (15) V14 = Jurisdictional Sales
- (16) V15 = $1.0328 [V12 + (V13 \times (V14_y \div V11_y))]$
- (17) V16 = $V15 \div V14_y$
- (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.

$$(21) \text{ RA} = \text{V16} + \text{V17} + \text{V18} + \text{V19}$$

C) ACTUAL ADJUSTMENT

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

$$(22) \text{ V20} = \text{Unit Book Cost of Total Sales}$$

$$(23) \text{ V21} = \text{EGC in effect during each period } m \text{ (if the EGC changed during any period } m, \text{ weighted average EGC shall be used for that period)}$$

$$(24) \text{ V22} = \sum_{m=1}^3 [(\text{V20}_m - \text{V21}) \times \text{V14}_m]$$

$$(25) \text{ V23} = \text{V22} \div \text{V14}_y$$

$$(26) \text{ V24} = \text{V23 as used in computing the currently effective GCR}$$

$$(27) \text{ V25} = \text{V23 as used in computing the GCR in effect one quarter prior to the currently effective GCR}$$

$$(28) \text{ V26} = \text{V23 as used in computing the GCR in effect two quarters prior to the currently effective GCR}$$

$$(29) \text{ AA} = \text{V23} + \text{V24} + \text{V25} + \text{V26}$$

D) BALANCE ADJUSTMENT

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

$$(30) \text{ V27} = \text{V22 as used to compute the GCR in effect four quarters prior to the currently effective GCR}$$

$$(31) \text{ V28} = \text{V23 as used to compute the GCR in effect four quarters prior to the currently effective GCR}$$

$$(32) \text{ V29} = \text{V27} - (\text{V28} \times \text{V14}_z)$$

$$(33) \text{ V30} = \text{V15 as used to compute the GCR in effect four quarters prior to the currently effective GCR}$$

- (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 = $V29 + V32 + V35$
- (40) BA = $V36 \div V14_n$

(E) GAS COST RECOVERY RATE

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

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

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 = $[GCR1 \times (V37.1 \div V37)] + [GCR2 \times (V37.2 \div V37)]$

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 nonexempt 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 nonexempt customers for the period.
- (6) V43 = Regional estimated credit available for the period.
 $V41 \times V42$
- (7) V44 = Total estimated credit from all regions available for the period.

$$\sum_{R=1}^4 [V43]$$
- (8) V45 = Total estimated sales from all regions for the period.
- (9) V46 = Estimated MSAC credit per Mcf available for the period.
 $V44 \div V45$

(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 x [V51 + GCRF - MGCR]

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

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

(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).

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

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

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

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

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

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

BY: _____
 TITLE : _____

SHELDON GAS CO.

RATES AND CHARGES FOR SERVICE IN THE VILLAGE OF
DUNKIRK, OHIO

Monthly Customer Charge.....\$4.75

Volumetric Charge per CCF per Month:

First 200,000 CCF.....	.2833
Over 200,000 CCF.....	.2743

RULES AND REGULATIONS

Each monthly bill shall be due and payable within fourteen (14) days after it is issued. If not paid within such fourteen (14) day period, then a charge for late payment of five percent (5%) of the amount due and payable, but in no instance less than one dollar (\$1.00) may be added for failure to pay one monthly bill within that period.

Company is permitted to discontinue seervice to customer under provision of PUCO regulations and provisions of this Ordinance.

Customer not owning property is required to pay a deposit not exceeding an amount sufficient to cover an estimate of monthly average of annual consumption of such consumer, plus thirty per cent (30%), guaranteeing payment of bills. Deposits left after six months bear interest of five percent (5%) per annum.

Service lines installed to meters at expense of consumer.

The rates anc charges specified herein are fixed by Ordinance No. 172-88 passed by the Council of the Village of Dunkirk and have been adjusted in accordance with Section 2 of said Ordinance.

SHELDON GAS CO.
Bert L. Sheldon
President

SHELDON GAS CO.

RATES AND CHARGES FOR SERVICE IN THE VILLAGE OF
FOREST, OHIO

Monthly Customer Charge\$4.75

Volumetric Charge Per CCF Per Month:

First 200,000 CF..... .2833

Over 200,000 CF..... .2743

RULES AND REGULATIONS

Each monthly bill shall be due and payable within fourteen (14) days after it is issued. If not paid within such fourteen (14) day period, then a charge for late payment of five percent (5%) of the amount due and payable, but in no instance less than one dollar (\$1.00) may be added for failure to pay one monthly bill within that period.

Company is permitted to discontinue service to customer under provision of PUCO regulations and provisions of this Ordinance.

Customer not owning property is required to pay a deposit not exceeding an amount sufficient to cover an estimate of monthly average of annual consumption of such consumer, plus thirty per cent (30%), guaranteeing payment of bills. Deposits left after six months bear interest of five percent (5%) per annum.

Service lines installed to meters at expense of consumer.

The rates and charges specified herein are fixed by Ordinance No.1227 passed by the Council of the Village of Forest and have been adjusted in accordance with Section 2 of said Ordinance.

SHELDON GAS CO.
Bert L. Sheldon
President

SHELDON GAS CO.

RATES AND CHARGES FOR SERVICE IN THE VILLAGE OF
VANLUE, OHIO

Monthly Customer Charge\$4.75

Volumetric Charge Per CCF Per Month:

First 200,000 CF..... .2833

Over 200,000 CF..... .2743

RULES AND REGULATIONS

Each monthly bill shall be due and payable within fourteen (14) days after it is issued. If not paid within such fourteen (14) day period, then a charge for late payment of five percent (5%) of the amount due and payable, but in no instance less than one dollar (\$1.00) may be added for failure to pay one monthly bill within that period.

Company is permitted to discontinue service to customer under provision of PUCO regulations and provisions of this Ordinance.

Customer not owning property is required to pay a deposit not exceeding an amount sufficient to cover an estimate of monthly average of annual consumption of such consumer, plus thirty per cent (30%), guaranteeing payment of bills. Deposits left after six months bear interest of five percent (5%) per annum.

Service lines installed to meters at expense of consumer.

The rates and charges specified herein are fixed by Ordinance No.1988-3 passed by the Council of the Village of Vanlue and have been adjusted in accordance with Section 2 of said Ordinance.

SHELDON GAS CO.
Bert L. Sheldon
President