**EXIT TRANSITION COST RIDER**

**APPLICABILITY**

The Exit Transition Cost (“ETC”) Rider is applicable to all Customers served under the following Rate Schedules:

* Rate 310 - Residential Default Sales Service
* Rate 311 - Residential Standard Choice Offer Service
* Rate 315 - Residential Transportation Service
* Rate 320 - General Default Sales Service
* Rate 321 - General Standard Choice Offer Service
* Rate 325 - General Transportation Service

**DESCRIPTION**

The ETC Rider charge shall be the product of the Billing Ccf and the ETC Rider Rate.

The ETC Rider will recover or pass back applicable incremental costs associated with Company’s Choice Program and exit of the merchant function, including, but not limited to the following:

1. All stranded gas supply costs related to Customer migrations to Choice Service,
2. Any incremental provider-of-last-resort costs not recovered from a defaulting SCO Supplier, or Choice Supplier,
3. Any imbalance costs not recovered from Pool Operators,
4. Gas costs incurred by Company when diverting Customers’ transportation gas quantities during a Curtailment,
5. Any Cashout amounts resulting from the Monthly Volume Reconciliations for Choice and SCO Suppliers,
6. Adjustments to charges billed through the ETC Rider during prior period(s), and
7. Other costs or credits applicable to SCO Service (Rate 311 and Rate 321), Residential and General Default Sales Service (Rate 310 and Rate 320), and Residential and General Transportation Service (Rate 315 and Rate 325) as approved by the Commission.

Projected ETC Rider costs shall be divided by projected total volumes for the applicable Rate Schedules to determine the ETC Rider Rate. The ETC Rider shall be updated annually and shall reflect the reconciliation of projected costs and actual costs, with any under- or over- recovery being recovered or returned via the ETC Rider.

**RECONCILIATION**

The ETC Rider is subject to reconciliation or adjustment annually, including but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to: (1) the twelve-month period of expenditures upon which the rates were calculated, if determined to be unlawful, unreasonable, or imprudent by the Commission in the docket those rates were approved or the Supreme Court of Ohio; (2) the Commission’s orders in Case No. 18-47-AU-COI or any case ordered by the Commission to address tax reform changes.

**EXIT TRANSITION COST RIDER RATE**

The ETC Rider Rate is $(0.01190) per Billing Ccf.