

Large Filing Separator Sheet

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07-830-GA-ALT
07-831-GA-AAM

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Schedule S-4.2

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The East
Ohio Gas Company d/b/a Dominion East Ohio
for Authority to Increase Rates for its Gas
Distribution Service.

Case No. 07-0829-GA-AIR

In the Matter of the Application of The East
Ohio Gas Company d/b/a Dominion East Ohio
for Approval of an Alternative Rate Plan for its
Gas Distribution Service

Case No. 07-0830-GA-ALT

In the Matter of the Application of The East
Ohio Gas Company d/b/a Dominion East Ohio
for Approval to Change Accounting Methods

Case No. 07-0831-GA-AAM

VOLUME 4

SCHEDULE S-4.2

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Schedule S-4.2

Executive Summary of Management Policies, Practices and Organization

* * *

Functional Areas Reporting to:

- The President and Chief Executive Officer, Dominion Delivery
- The President and Chief Executive Officer, Dominion Resource Services
- The Executive Vice President and Chief Financial Officer
- The Executive Vice President External Affairs and Corporate
Communications
- The Senior Vice President, Law
- The Senior Vice President, Regulation
- The Vice President and General Auditor

Functional Areas Reporting to The President and Chief Executive Officer, Dominion Delivery

* * *

Customer Care & Energy Conservation

Customer Service Centers

Customer Service & Information

Customer Billing & Payment Services

Credit and Collections

Gas Delivery Operations

Gas Compliance

Design & Construction

Meter Planning & Analysis

Safety & Training

Gas Planning & Optimization

LDC Gas Supply

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: CUSTOMER CARE AND ENERGY CONSERVATION

FUNCTION(S): (d)(i), (d)(iii)

I. Policy and Goal Setting / Strategic Planning

The strategic direction for the Customer Care and Energy Conservation area is articulated through the Vice President, Customer Service. Goals and policies are set by the Vice President, Customer Service, and influenced by the PUCO and the Legislature. Changes in plans are decided by the Senior Management.

II. Internal and External Communication

Information within the department and the company is communicated through meetings, publications, and electronically. Face-to-face meetings are held with employees, as well as via e-mail and quarterly group meetings. Meetings are held weekly with direct reports, and monthly with direct reports and salaried employees reporting to the Manager, Customer Care. Frequent communication takes place with Engineering, Customer Accounting, Field Operations, Regulation, and External Affairs.

External customers include DOE, EPA, State Regulatory Agencies (general meetings or conferences). Interaction with these groups is through conference calls, meetings, electronically and publications. The department relies on Corporate Communications for news releases and other external communication as needed.

III. Organizational Structure

The department has 20 employees as follows:

9	Account Managers
5	Support Reps
1	Manager, Customer Care
2	Program Managers
2	Delivery Energy Conservation Coordinators
1	Director, Customer Care and Energy Conservation

IV. Responsibilities

The Customer Care and Energy Conservation Department is responsible for Key Account Management of larger electric customers. The Energy Conservation side provides conservation education, conducts research, and manages a vendor network that provide conservation programs. In some cases, carrying out these responsibilities requires travel to the site of key customers to resolve any outstanding issues. The Department also utilizes outside consultants when appropriate.

V. Decision Making and Control

Decision-making in the Customer Care and Energy Conservation Department is typically made at the lowest feasible level, depending on the import of decision to be made. Decisions are monitored by managers and directors, with the Director of Customer Care and Energy Conservation exercising supervisory authority. The Director ultimately is accountable to senior management, in particular the Vice President of Customer Service.

A code of conduct has been promulgated that provides general guidance on general issues facing the department. Regular regulatory filings, and the compliance procedures underlying them, provide yet another level of supervision.

Decision-making of the Customer Care area is monitored by senior management and the PUCO. Direction and changes within the department are decided by the Vice President, Customer Service. The Director, Customer Care and Energy Conservation provides supervision within the department. Compliance standards are established by the PUCO and Legislature. Compliance is monitored and reported through Regulatory filings.

VI. Goal Attainment and Quantification

Goal performance is monitored by annual baseline metrics and performance reviews. Employees are evaluated via performance reviews.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: CUSTOMER SERVICE CENTERS

FUNCTION(S): (d)(i)

I. Policy and Goal Setting / Strategic Planning

The Customer Service Centers establish goals and practices that provide a positive experience for customers who need to conduct business with Dominion East Ohio through telephone, e-mail or written correspondence. The leadership team of the Customer Service Centers meets regularly to set and monitor performance regarding strategic and long-range planning. The Director of the Customer Service Centers provides the strategic direction for the department.

The policies are established in conjunction with, and in support of, other departments within Delivery Customer Service to comply with tariffs and state regulations. Our Quality Assurance team, internal auditing and Customer Service Center supervision monitors adherence to the policies throughout the department.

Goals are established annually, reviewed monthly and are communicated by distribution to all employees via e-mail and through regularly scheduled employee meetings. The Director and Managers in the Customer Service Centers are charged with implementing the goals and policies, while Supervisors, Trainers, Business Performance Analysts and Quality Assurance team are charged with communicating, training, and monitoring these goals and policies at the individual agent level. The Director and Managers spearhead any changes in the plans.

The Customer Service Centers annually participate in two benchmarking surveys:

- The American Gas Association (AGA)/Edison Electric Institute (EEI) customer service survey provides Dominion East Ohio the opportunity to compare our call center performance with other utilities.
- The International Customer Contact Council (CCC) survey allows us to compare with other industries handling customer inquiries.

In determining our annual goals, we look at meeting minimum service levels as required by the Ohio Minimum Service Standards, in addition to

customer trends and external influences. These are all used to determine goals and performance expectations for each member of the team.

II. Internal and External Communication

Communications within Customer Service Centers focus on the adherence to the policies throughout the department, as well as internal and external events that may impact daily customer contacts. The primary communications vehicles are the online System Accessed Manual (SAM), the Customer Service Center Web page and e-mail, as well as daily, face-to-face discussions. An informal instant message network exists as well for quick, short messages while formal monthly staff and quarterly team meetings are held. Both the Customer Service Center supervisors and Training instructors conduct short tailgate (15 minutes or less) meetings for topic-specific instructions. Refresher Training is conducted to review seasonal policy changes or to prepare for major changes in policy or procedures that will impact the interaction with our customers.

Formal Assist and Escalate networks support agents and customers who need additional help. The department's primary objective is to achieve first-contact resolution with customers, usually via telephone, but also via e-mail or fax.

The vast majority of external communications are made with customers, both verbal (via phone) and written (fax, e-mail and correspondence). Occasionally, there are verbal communications with energy assistance agencies, the Public Utilities Commission of Ohio, police and fire departments and other public entities.

The department relies on Corporate Communications to disseminate critical customer communications via the bimonthly customer newsletters and monthly bill inserts, particularly during winter heating months.

III. Organizational Structure

The Customer Service Centers roll up to Delivery Customer Service.

276 Total Employees

1	Director
2	Managers
10	Customer Service Supervisors
5	Trainers and quality monitoring coordinators
4	Assistance Coordinators (provide assistance to phone representatives)
231	Customer Service Representatives in Dominion locations
23	Outsourced Call Center (Note: These employees are not on the Dominion payroll. They are paid per call handled.)

Calls can be handled in the following locations:

Akron, OH
Cleveland, OH
Norfolk, VA
Richmond, VA
Charlotte, NC
Beaumont, TX

IV. Responsibilities

The customer service centers provide support for all inbound customer inquiries made to Dominion as well as providing the business rules for the Customer Service Center technology (automated call distributor and voice response unit). Methods of customer communications are phone calls, third party phone calls, e-mails, letters and faxes.

Primary contacts handled within the Dominion Customer Service Centers include billing, escalated complaint handling, emergency response orders, customer maintenance transactions, energy choice related to the LDC operations and any general inquiries for information about Dominion. Responding to customer inquiries includes:

- Making proper billing adjustments
- Enter meter readings
- Scheduling of service orders for field operations
- Updating customer information
- Providing clarification and explanations in response to billing inquiries
- Providing customers with assistance information and options
- Answering credit related questions and setting customers up with appropriate credit options
- Energy Choice options
- PUCO Hotline Calls
- New Construction Application Process

Dominion has a targeted call sourcing strategy with a third-party vendor operating a contact center in Charlotte, North Carolina. This contact center handles all in-bound inquiries relating to Credit, such as payment arrangements, non-pay disconnect inquiries and reconnect requests, as well as general

customer inquiries related to payments, account balance or general account information.

V. Practices and Procedures

The Customer Service Centers rely on the online System Accessed Manual (SAM), as well as the Dominion Intranet and the Customer Service Center Web page for policies and procedures. The agents also have access to the Internet with links to the PUCO website to access Dominion East Ohio's Rules and Regulations and other key reference materials such as the Apples to Apples comparison for customers.

VI. Decision Making and Control

The customer service centers are responsible for daily decisions when dealing with customer inquiries following established guidelines. The directors and managers provide decisions concerning business requirements and customer requirements that may be impacted by changes in technology.

The Director and Manager(s) and other supervisors monitor decisions made by department employees. In addition, the PUCO monitors these decisions internally daily, monthly and annually. Technology performance is monitored continuously through the day by the management staff and after hours by the Network Operations Center located in Richmond, Virginia.

The strategic business plan is developed by the Director of the Customer Service Center with oversight by the Vice President, Customer Service. These plans are reviewed, evaluated and updated annually. Major changes in the direction of the functional area are in alignment with the overall strategies and goals of the corporation. Changes in the direction of the customer service area are evaluated based on employee suggestions, customer satisfaction improvements and financial improvements.

Each supervisor within the Customer Service Center has approximately 25 full-time employees assigned to them. The customer service center supervisors evaluate their direct reports based on phone performance through real time and recorded monitoring. In addition, the supervisors provide quarterly scorecards to employees with relevant statistics. In addition, to the supervisory personnel, Customer Service Center coordinators fill in as a lead to assist in on-the-job coaching and assistance through complex customer transactions.

The Customer Service Center supervisors report to the Manager for each location, each manager reports to the Director, Customer Service Centers.

The Customer Service Centers operate under compliance standards and regulations promulgated by the PUCO, which defines critical compliance standards.

Currently reporting for compliance is monitored through the Customer Service Center technology and data warehouse. Daily reporting is provided to all key members of leadership.

Internal auditing is run against the Customer Information System and regular reporting to ensure compliance to all guidelines, with an electronic audit conducted annually. On-line training is provided to all employee's and policies are provided through the Dominion Intranet site. Annual audits are conducted to insure compliance with the statutes are met.

VII. Goal Attainment and Quantification

Goals are set annually for performance. Actual performance is monitored through system reporting and comparison to the established goals and reported monthly. DEO uses a data mart that houses call statistics, agent performance and answer time to measure goal performance.

The customer service representatives are evaluated through a number of methods, including real time monitoring, review of recorded calls and post-call statistics.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: CUSTOMER SERVICE AND INFORMATION (CUSTOMER RELATIONS DEPARTMENT)

FUNCTION(s): (d)(i)

I. Policy and Goal Setting / Strategic Planning

Customer Relations establishes its goals and practices to ensure that customer issues received internally, from the Regulatory Staff, and other third parties are responded to promptly, and that decisions are consistent with applicable regulations and internal policies. The Director, Customer Relations provides strategic direction to this group, following policies and goals established by the Board, the Chief Executive Officer, and the Vice President, Customer Service. Policies are established in conjunction with and in support of other internal policies in order to comply with tariffs and state regulations. Goals are established and reviewed annually and are communicated by distribution to all employees via e-mail and through regularly scheduled staff meetings. The Director, Customer Relations and Manager, Customer Relations are charged with communicating, training others in, and monitoring compliance with these goals and policies.

A brief example of benchmarking a goal level is Customer Relations' "responsiveness" goal. In compliance with the Ohio Minimum Service Standards, Customer Relations has set goals for responsiveness to customer issues higher than those set by the PUC. While the minimum standard is 14 days, Dominion strives to respond and close out issues within 10.

II. Internal and External Communication

Communications within the department primarily support the effective resolution of customer issues. Customer Relations is a relatively small group and in close proximity, so most communications are face-to-face, in an informal mode. Monthly staff meetings are held and day-to-day discussions concerning current issues are an ongoing affair. The Director and Manager are also in close proximity to the employees, and are "working supervisors," not only embroiled in working their own issue resolutions, but frequently the recipients of escalated issues from the staff and administrators. The department's primary objective is effective resolution of issues received from the regulatory agencies, usually via telephone; however, of no less importance are issues escalated via telephone, fax, and e-mails from our executive officers, consumer affairs groups, the Better Business Bureau, the External Affairs department, the Legal department, Field Operations, and virtually all other departments in the Company who interact with consumers in any way. The primary means of internal communication is via

telephone, but over the years e-mail has gradually supplanted the telephone's major role.

Communications with outside agencies and customers are, again, usually by telephone and e-mail on initial contacts. However, Customer Relations strives to respond by letter to customers, depending on the circumstances, to demonstrate its commitment to a resolution. A general rule of thumb in the department is to respond to a letter with a letter.

Customer Relations deals with many and varied external agencies, including State regulatory agencies, the Better Business Bureau, consumer affairs organizations, non-profit community action agencies, and other third parties that assist in resolution of issues and provision of services. Many of these agencies have pre-printed inquiry forms sent to Customer Relations, to which we respond in kind. Those who do not will rely heavily on telephone and e-mail communications. Because we have long-established relationships with most of these agencies, communications are along well-traveled highways and have become familiar, routine, and informal.

Customer Relations annually publishes a notice to customers, describing how to raise issues for resolution with the Company. Additionally, telephone calls to our Customer Service Centers are routinely escalated to Customer Relations, as a point of last referral, through a well used referral process. Customer issues are also brought to our attention through e-mails, letters, and faxes, either directly or through other departments.

III. Organizational Structure

Customer Relations resides in the Delivery organization of Dominion. It reports to the CEO of Delivery and the Vice President of Customer Service. While the Delivery organization operates in five states, and Customer Relations maintains a staff of twenty-six to serve those five regions, there are three employees residing in and serving Ohio customers exclusively, consisting of two Customer Relations Specialists and one Customer Relations Representative. Two of them report to the Cleveland office, and the third to the Eastwood Shop in Akron. These three report to a Manager in Pittsburgh and a Director in Richmond, Virginia.

IV. Responsibilities

Customer Relations is primarily responsible for issue resolution within the Customer Service function. Chief responsibilities in this area include acting as Company liaison to the staff of the State energy regulation department and resolution of customer issues filed with that department, consultants on interpretation and application of tariffs, acting on behalf of Company executives regarding escalated customer issues, recognizing and reporting trends related to customer issues, handling and responding to all written correspondence sent to the Company's general address, and conducting market surveys to gain statistical perspective of customer views. Customer Relations also administers a company-funded Ohio Home Weatherization Program for low-income

qualified households. Dominion has a contractual agreement with the Cleveland Housing Network to administer this program.

V. Practices and Procedures

Customer Relations develops and disseminates a "Customer Referral Guide" in the form of a pamphlet or letter (see attachments) to provide current information to non-profit organizations. An annual workshop is held to review Dominion's programs and information pertaining to energy assistance.

VI. Decision Making and Control

Customer Relations is responsible for interpretation and guidance regarding State regulations and internal policies relative to Dominion's regulated customer base activities. The Director and Manager of Customer Relations monitor the decisions made by department employees. The PUCO Staff also monitors decisions made by Customer Relations as appropriate. Direction for instituting and reacting to change is provided by the Director, Customer Relations, with oversight by the Vice President, Customer Service. Direct supervision of the staff is provided by the Manager, Customer Relations with oversight by the Director. As described previously, because of the size and proximity of the staff, the Director is often involved in day-to-day supervision.

Customer Relations operates under compliance standards and regulations promulgated by the PUCO, which defines critical compliance standards and requires annual reporting of non-compliance on issues.

VII. Goal Attainment and Quantification

Qualitative and non-qualitative goals are established for the Customer Relations department on a calendar year basis by the Director, Customer Relations. These goals are set in support of corporate goals established by the CEO and Vice President-Customer Service. Qualitative goals (i.e., responsiveness goals) are measured monthly through a department database. Non-qualitative goals are measured by comparing accomplishment with targeted end state, and subjective analysis by the Manager and Director, jointly. The department's database enables Customer Relations to track the progress of all customer issues received and to determine the response time for each in the calculation of the department's performance relative to stated goals. Employees are evaluated for goal attainment based on overall department goal performance, via annual performance appraisals. Staff members receive daily feedback on non-qualitative goals and performance.

The Customer Referral Guide 2005-2006





Dominion East Ohio
Customer Relations

November 2005

Dear Colleague:

The 2005-2006 heating season brings with it record natural gas prices. More customers than ever before will struggle with home heating costs and may end up at your agency's doorstep or call for assistance. Time and resources will be stretched thin as all of us also serve income-eligible customers who continue to warrant special attention to help maintain utility service.

Our 2005-2006 Customer Referral Guide was produced as a resource to make it easier for you to help your clients get energy assistance and understand company policies. This booklet tells what you can do, along with Dominion East Ohio, to help your clients pay their utility bills. It will also help you and your clients avoid unnecessary delays by providing current program information.

We hope you'll find the Customer Referral Guide a valuable resource. We look forward to working with you as we reach out to assist our customers and your clients. For your convenience, this guide is available online to agencies at www.dom.com.

If you have any questions about this guide, or other Dominion East Ohio programs and services, please call us at 216-736-6217.

Sincerely,

A handwritten signature in black ink that reads "Sadie John Kroeck".

Sadie John Kroeck
Manager, Customer Relations

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GAS BILL TERM EXPLANATIONS

DOMINION EAST OHIO PROGRAMS & POLICIES

NEW!

"MANAGE YOUR ACCOUNT" AT www.dom.com

Dominion now offers a number of self-service options on our customer service site at www.dom.com for customers who want to conduct business online 365 days a year. The password-protected site provides customers with secure access to perform a variety of customer service options including:

- Viewing a copy of their bill and a statement of their account
- Bill payment options such as eBill (electronic billing) and Automatic Bank Draft
- Entering meter readings
- Updating customer information such as mailing address and phone number
- Investigating a high bill by analyzing changes in usage and reading energy-saving tips
- And much more

To learn more or to register, customers can visit www.dom.com and click "Manage Your Account" at the top of the page. Registration is easy, fast, and free!

STARTING/ STOPPING GAS SERVICE

MOVING IN

If a customer is moving into a home that already has gas service, he or she can call us. We'll need the customer's name, new address, old address and the date he or she wants the service to go into effect. We'll also need some credit information, including a Social Security number and place of employment.

To make sure we can come when needed, we ask that the customer call us at least five working days before the requested date. We can schedule appointments between 8 a.m. and 4 p.m. on weekdays. If we need to do work inside the home, an adult member of the family must be home when our service person arrives.

MOVING OUT

If a customer is moving, we must be contacted. The customer is responsible for the gas service until we shut it off or transfer it to someone else. If the meter is inside, an adult must give us access. To make sure we can come when needed, we ask that the customer call us at least five working days before the requested date. Before the scheduled turn-off date, customers should take necessary precautions to avoid damage to pipes during winter months.

TRANSFERRING SERVICE

Customers often move in a day or so after the previous resident moves out. The previous and the new customers might want to exchange responsibility for gas service on a given date. Working out a transfer allows us to leave the gas on for the new customer. This is especially helpful during the winter to avoid the possibility of frozen pipes.

The previous customer must call us to finalize his or her account. We will need a final bill mailing address for the previous customer. The new customer must call to arrange a service transfer. The new customer should be ready to provide his or her new address, old address, and the date of transfer and Social Security number.

MEDICAL CERTIFICATION

The Medical Certification Program delays a shutoff for nonpayment of residential accounts when it would be especially dangerous to the health of a permanent member of the household. Only three certificates are available per household in a 12-month period. Applications are available only by calling Dominion East Ohio. A licensed physician or other medical professional must sign the form. Dominion East Ohio will accept certification over the phone, but we must receive it in writing within seven days.

Medical certification will prevent a shutoff for nonpayment during a 30-day period. The program is not a substitute for paying bills, and it doesn't reduce the amount of money a customer owes. It simply delays a shutoff to allow the customer time to seek financial help.

For customers with any arrears, the following conditions apply:

- If a customer is currently on the Percentage of Income Payment Plan (PIPP) and has plan arrears, the arrears are reset to \$0. This affords the customer the opportunity to continue the payment plan without any default.
- If a customer is on any other payment plan, the plan arrears are reset to \$0 and a new plan amount will be calculated based on the total account balance.
- If the customer is without a payment plan, they will be enrolled in the One-Sixth Payment Plan. They may also use the One-Third Option from November 1 to April 15.

Those who qualify for a medical certificate can keep their gas service on for 30 days. Customers can renew applications for up to two additional 30-day periods within a 12-month period. If service is already shut off, customers have 21 days to supply Dominion East Ohio with a qualified medical certificate.

THIRD PARTY NOTIFICATION

Third Party Notice allows any customer to designate a friend, relative, clergy person, or even a social service agency to be notified before service is shut off for nonpayment. The third party receives the same notification as the customer of any past-due amount and the date the payment is due. He or she can then help the customer take steps to make sure service continues uninterrupted. The third party is never obligated to pay the bill. Both the customer and the third party must sign the form. Applications are available via the Internet at www.dom.com by entering "Ohio Third Party Notice" in the search box. An example of the form is on page 31.

WHY GAS SERVICE IS SHUT OFF

Understanding why shutoffs happen can help prevent them. The following situations can result in a shutoff.

DELINQUENT BILL

If the customer doesn't pay the amount due on the shut-off notice by the due date, we will shut off the gas.

NO ACCESS TO METER

If Dominion East Ohio does not gain access to read a meter after 12 months, and the customer doesn't provide a reading, we may shut off the gas. We also may shut off the gas if we are not permitted access to conduct an interior line inspection every 36 months. Lastly, if we do not gain access to meters in a multi-dwelling unit after proper notification, we may take legal action to gain access.

UNAUTHORIZED USE OF GAS

Tampering with a natural gas meter is not only very dangerous; it's against the law. Anyone found guilty of tampering with gas equipment or theft of gas service or other fraudulent activity could face fines, court costs and criminal prosecution that could result in jail time. In addition, the customer must pay for the gas used and any property damaged, plus a security deposit.

RESTORING GAS SERVICE

Customers should call Dominion East Ohio at 1-800-950-7989 to determine the payments needed to restore service. If the Public Utilities Commission of Ohio (PUCO) changes the winter reconnection procedure, we'll let agencies know in a special update. The following requirements apply to restoring residential service when shut off for non-payment.

CUSTOMERS

We'll restore service for the total overdue payments, a reconnection fee up to \$20, plus a new or additional security deposit (no security deposit for Percentage of Income Payment Plan – PIPP – customers). Please call Dominion East Ohio at 1-800-950-7989 for the amount required for turn-on.

TENANTS

Please refer to page 5 for available options.

HOW TO PAY

If the customer knows the amount needed to restore service, he or she may:

- Pay on-line at www.dom.com by credit card, debit card or authorizing an electronic check.
- Pay by phone using credit card, debit card or authorizing an electronic check by calling 1-800-573-1153.
- Pay by visiting an authorized payment agency. (See attached list or www.dom.com)

Residential customers can also pay by phone or on-line at www.dom.com with a Visa, MasterCard or Discover credit card or with a debit card or electronic check through the services of BillMatrix. The service is offered by phone in English and Spanish and is available 24 hours a day, 7 days a week. The debit card must carry a Pulse, Star, NYCE, or Accell network logo on the back. There is a \$3.95 fee per transaction charged by BillMatrix. The maximum payment transaction amount is \$600.00. Each customer can make up to five transactions in a 30-day period, or 3 payments in a five-day period.

Customers can pay at one of the many authorized payment agencies located throughout Dominion East Ohio's service area. Authorized agents charge a fee of \$.78 cents per transaction.

Customers should record the unique receipt number. After making the required payment, the customer should call us with their unique receipt number at 1-800-950-7989 to restore service.

Commercial customers may also pay by phone or on-line at www.dom.com with electronic check through the services of BillMatrix. The service is offered in English and Spanish by phone and is available 24 hours a day, 7 days a week. There is a \$3.95 fee per

transaction charged by BillMatrix. The maximum payment transaction amount is \$15,000.00. Payments can be made by calling 1-800-573-1153. Customers should record the unique receipt number. **After making the required payment, the customer should call us with their unique receipt number at 1-800-950-7989 to restore service.**

SPECIAL RECONNECTION PROCEDURES

Residential customers who have had their service shut off for nonpayment may qualify for the Special Reconnection Procedures/Winter 2005-06. This is a one-time option between October 17, 2005, and April 14, 2006.

They can pay whichever is lowest:

- The total of the special plan payments they missed, plus a new or additional security deposit (except for PIPP customers) and a reconnection fee up to \$20; or
- The total amount owed, plus a new or additional security deposit (except for PIPP customers) and a reconnection fee up to \$20; or
- \$175 and a reconnection fee up to \$20.

For more information, call us.

ENERGY CHOICE

Dominion East Ohio offers Energy Choice, a program that provides potential savings, as well as expanded energy options. Customers must be current on their accounts or have not broken a payment plan more than once in the last 12 months to be eligible for the program. Customers who are current on budget billing are eligible as well. Changes have been made to the program so that customers who enroll will see their new supplier's charges on their bill within 60 days.

Energy Choice allows customers to buy natural gas from another supplier, or continue to buy gas from Dominion East Ohio. Regardless of the customer's choice, Dominion East Ohio continues to deliver the gas and provide quality customer service—just as it does today. Some suppliers permit the transfer of natural gas supply from one location to another. Customers should check with their supplier to learn if this applies to them.

Today, over half of our customers purchase their natural gas supply from one of the many suppliers participating in the program. Many other consumers may even be able to buy natural gas as part of a buying group sponsored by their local government.

In Ohio, buying natural gas in such a group is called Governmental Aggregation. To aggregate, cities, counties and townships can form buying groups and choose an outside supplier for all members in the group.

Not every gas customer in a locality has to participate in an aggregated group. The law allows individuals to either "opt-out" or "opt-in," depending on the group.

Percentage of Income Payment Plan (PIPP) customers are unable to participate in Energy Choice. They receive their natural gas at a special contracted rate.

The Public Utilities Commission of Ohio (PUCO) must certify suppliers and governmental aggregators. PUCO certification means the supplier or aggregator has met the PUCO's requirements for doing business in Ohio. Therefore, customers can participate with confidence.

Customers who have questions about their community's aggregation plans can call their local government office.

For more information about the Energy Choice program, customers can call the PUCO's Consumer Hotline at 1-800-686-PUCO (7826) or visit the PUCO Web site at www.PUCO.ohio.gov. To receive free information by mail, such as an "Apples to Apples" chart that compares suppliers' offers, customers can call the Public Utilities Commission of Ohio's toll-free Gas Choice Infoline at 1-800-299-7271, or visit its Web site.

Another source of information for residential customers is the Ohio Consumers' Counsel (OCC) at 1-877-PICKOCC (1-877-742-5622), or visit its Web site at www.pickocc.org. The OCC can provide price comparison information as well.

LANDLORD-TENANT INFORMATION

TENANT POLICY

When the landlord includes the cost of gas in a customer's rent, but misses the gas bill payments, Dominion East Ohio will post a notice on the building 10 business days before the scheduled shutoff. We will try to provide written notice to each tenant. If the landlord does not make the necessary payment by the date on the notice, we will shut off the gas unless the tenants act promptly.

Under the current landlord-tenant rules, tenants have two options.

The first is available as long as the landlord does not live on the premises. Under this choice, the tenants can pay the current month's charges to maintain service. If the gas is already shut off, the tenants can also pay the current month's charges to restore service.

The tenants can call the company to find out the required payment. They should appoint a representative to collect the current month's charges and pay it to Dominion East Ohio. The same person should also serve as a liaison between the company and the tenants until the problem is solved. Forms explaining this option are available by calling Dominion East Ohio.

Under this first option, the tenants must continue to pay their rent to the landlord. They must also continue to pay the current gas bill as long as the landlord fails to do so.

The second option is available to tenants unless their landlord gave them written notice when they moved in that he or she owns fewer than four apartments. This option allows the tenants to organize and tell the landlord they plan to pay rent to the housing court (which holds it in escrow). To do this, all rent payments must be current. The tenants must also continue to pay rent to the landlord until the court agrees to accept the rent in escrow.

Forms explaining this second option are available through Dominion East Ohio. We must receive copies of these forms to maintain gas service for at least 30 days.

Customers may also contact their attorney, local tenant organization, local legal aid society or local bar association(s), Ohio State Legal Services Association at 1-800-589-5888, Ohio Consumers' Counsel at 1-877-742-5622, or the Public Utilities Commission of Ohio at 1-800-686-7826.

Customers who need more information can call one of the following organizations:

Akron Area

Bar Association 330-253-5038
Legal Aid 800-998-9454 (Hotline)
Tenant Organization 330-376-6191
(Fair Housing)

Ashtabula Area

Legal Aid 440-576-8120

Canton Area

Lawyer Referral Service
330-453-0686
Legal Aid 800-998-9454 (Hotline)

Cleveland Area

Bar Association 216-696-3532
Legal Aid 216-687-1900
Tenant Organization 216-621-0540

Marietta Area

Southeastern Ohio Legal
Services 740-374-2629

New Philadelphia Area

Southeastern Ohio Legal
Services 330-339-3998

Painesville Area

Bar Association 440-352-6044
Legal Aid 440-352-6200
Tenant Organization 440-392-0147
(Fair Housing)

Warren Area

Bar Association 330-675-2415
Legal Aid 800-998-9454 (Hotline)
Tenant Organization
(Urban League) 330-394-4316

Wooster Area

Bar Association 330-253-5038
or 1-877-565-9093
Legal Aid 800-998-9454 (Hotline)
Tenant Organization: call Legal Aid

Youngstown Area

Legal Aid 800-998-9454 (Hotline)

LANDLORD INFORMATION

Landlords can have Dominion East Ohio automatically transfer gas service to them when a tenant cancels service. We can notify the landlord in writing when automatic reversions occur. Once service is transferred, bills will be mailed to the address specified on the Agreement Form. Note: Automatic reversions **do not** occur when a tenant's service is shut off due to nonpayment.

Forms are available on-line at www.dom.com by entering "Ohio Automatic Transfer Request" in the search box. Landlords can add more properties to the Agreement at any time by sending us another form. To revoke or delete properties, landlords should submit their request in writing to:

Dominion East Ohio
Customer Correspondence
P.O. Box 26666 - 15th FL
Richmond, VA 23261-6666

Forms are available at www.dom.com.

ON-LINE METER READING

Dominion customers can now report their meter readings on the Internet. To enter a meter reading online, customers should go to www.dom.com and follow these steps:

Step 1: Click on **Manage Your Account**.

Step 2: Sign in (if you're already a registered user) or **Register** (if it's your first visit).

Step 3: Select your account from the **Enrolled Accounts** list (or enroll your account if needed).

Step 4: Click on **Enter a meter reading** and follow the online instructions.

Customers registering for the first time will need their Dominion account number, zip code and personal identification number (usually the last four digits of their Social Security number) and their bill.

Whether customers go online or use the messaging system, they can avoid an estimated bill provided that they report the reading the day before, or by 5 p.m. the day of, their next reading date, which is located at the top of the bill. If they report it earlier or later than that, the company uses the reading as of that date, then estimates the remaining usage until the next bill.

SPECIAL SERVICES

THERMOSTATS FOR THE VISUALLY IMPAIRED

Thermostats for the visually impaired have large, raised numbers and click when someone changes the setting. They are available at area Societies for the Blind. To make the program self-funding, the Societies for the Blind are asking for a minimal donation for the thermostat.

Each society decides who qualifies for the special thermostats. The society may need a letter from the client's eye doctor to confirm that the customer is visually impaired or has low vision.

For more information, call the area Society for the Blind:

Akron: 330-253-2555

Canton: 330-453-9157

Cleveland: 216-791-8118

Youngstown (Goodwill Industries): 330-759-7921

The societies will arrange for specially trained Dominion East Ohio employees to install the thermostats free of charge. Our representative will also mark the settings on the range, washer and dryer so the customer can feel them.

LARGE-PRINT BILLS

Dominion East Ohio offers a large-print bill that covers the current month's charges. The special page accompanies the customer's regular bill. Customers should call the company to request a large-print bill.

TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDDs)

Hearing-impaired customers with Telecommunications Devices for the Deaf (TDDs) can use them to communicate with Dominion East Ohio. TDDs allow users on both ends of the telephone connection to "talk" by typing messages back and forth.

From Monday through Friday, 7 a.m. to 7 p.m., customers can use a TDD to request service, call in a meter reading or ask questions about their bill. Customers needing emergency service can reach us through the TDD 24 hours a day, seven days a week.

The TDD number for Cleveland customers is 216-736-6789. Customers in other areas can call toll-free 1-800-633-8903. Hearing-impaired customers without TDDs can use one at the nearest Hearing and Speech Center.

GATEKEEPER

Dominion East Ohio employees take the time to notice when someone needs help. When we notice changes such as a well-groomed yard suddenly neglected or newspapers piling up on the porch, we'll notify a local referral agency. The agency investigates the situation and gets the proper help.

CONTACTING DOMINION EAST OHIO

There are several ways for customers to contact our company.

New software in Dominion's Customer Service Center gives callers who can't immediately reach a representative—regarding billing or service questions—the option of hanging up and having someone call them back. Callers can keep their place in line and be called when an agent is available.

It works like this: If someone calls during a particularly busy period, a message gives the approximate wait time for the next available agent. Then, through the automated voice messaging system, the caller has the option of remaining on hold or having an agent call back that same day or on a different day – up to a week in advance.

If the caller chooses a call-back, the agent will return the call at the phone number of the caller's choice -- home, business or cell phone—when it reaches that person's turn in line.

- **Credit and Payment Plan Assistance:**
1-800-950-7989
- **To make a payment:**
1-800-573-1153 or at www.dom.com
- **Our Web site:**
www.dom.com
- **To reach us via e-mail**
customer_care_eastohio@dom.com
- **To write to us, please mail any correspondence to:**
Dominion East Ohio
P.O. Box 26666
Richmond, VA 23261-6666
- **Customer Service Center (7 a.m. to 7 p.m. weekdays)**
1-800-362-7557
- **Telecommunications Devices for the Deaf (TDDs)**
Cleveland customers call 216-736-6789. Those in other areas can call toll-free 1-800-633-8903.
- **To report a fire, odor of gas or an explosion (24 hours a day, seven days a week)**
1-877-542-2630

PAYMENT PLANS & POLICIES

There are several different payment plans available.

BUDGET BILLING PLAN

Budget Billing allows residential customers to spread the cost of winter heating throughout the year by making smaller, balanced payments all year. We base the budget amount on how much gas the customer used last year (adjusted for normal weather). It also includes projected changes in the price of natural gas.

We review all budget accounts periodically and adjust any projected overpayments or underpayments due to changes in rates, weather or usage. Customers can join at any time. However, customers must be current to enroll. To remain on the plan, it's important for a customer to pay the budget amount each month -- not the account balance -- to keep the plan in order. The bills show the budget figure as the "amount due." However, they also show the actual cost the customer would pay if not on the plan.

Budget Billing is a completely optional service, designed for our customers' convenience.

PAYMENT PLANS

Residential customers not on the Percentage of Income Payment Plan (PIPP) may take advantage of the Current-Plus Plan to help them manage their gas bills. They decide how many months - up to six - it will take them to pay off their balance. We then divide the current account balance by the number of months they selected and add that amount to their current monthly payment.

If they join this or any other payment plan, they must make the required payments in full and on time. If they fail to do so and are shut off, they must pay their plan arrears, possibly a new or additional security deposit and reconnection fee to restore service. (The only exceptions are for PIPP customers, who do not pay a security deposit, or for customers who move to a new location and have finalized their previous account. They do not pay a reconnection fee.)

Another payment plan option, available during the winter heating season (usually November 1 through April 15), is the One-Third Payment Option. With this plan, customers may pay one-third of their total account balance, providing they are not on the Percentage of Income Payment Plan (PIPP).

SECURITY DEPOSITS

The required security deposit is based on the customer's gas use. The deposit is calculated by multiplying the average monthly usage amount for the residence times 1.3.

The company will credit the residential security deposit, plus interest, to the customer's account when he or she pays the bills in full and on time for a full year. (Commercial customers must pay in full and on time for 24 consecutive months.) If the customer stops gas service before a year is up, or is shut off for nonpayment, we'll apply the security deposit to the customer's final bill. We'll pay interest on the security deposit only if we've held it for at least six months. Percentage of Income Payment Plan customers do not pay a security deposit.

Customers are permitted to use a guarantor in lieu of a security deposit. To be eligible, guarantors must meet Dominion's credit policy guidelines.

PAYMENT ASSISTANCE

PERCENTAGE OF INCOME PAYMENT PLAN (PIPP)

PIPP is an extended payment arrangement that requires regulated gas and electric companies to accept payments based on a percentage of the household income. Under PIPP, customers who heat with gas pay 10 percent of their monthly household income to Dominion and five percent to their electric company, providing that their total household income is at or below 150% of the federal poverty level.

HOW THE PLAN WORKS

Throughout the year, customers must pay 10 percent of their gross monthly household income. As long as customers make the required payments, we will not shut off their service — even though their unpaid amount may be getting larger. Customers are still responsible for paying their total bill and eventually must do so.

There is a special benefit available to PIPP participants that can help reduce or eliminate their account balance.

We apply any non-emergency assistance that customers receive, such as HEAP, against the balance owed. Customers must still pay their full PIPP amount.

To be eligible, customers must make their PIPP payments in full and on time each month. If they do so for 36 consecutive months, they can eliminate any outstanding account balance. No additional action is required on their part, except to pay in full and on time by each due date.

As part of this program, the company will provide the following rewards:

- **At the end of the 12th month**, Dominion East Ohio will credit one-third (33%) of the account balance the customer had at the start of the 12-month period.
- **At the end of the 24th month**, Dominion will credit half (50%) of the total account balance.
- **At the end of the 36th month**, the company will credit the remaining balance.

If at any point they fail to make their PIPP payment in full and on time by the due date, they will start the 36-month process all over again, but the company will not cancel any credits the customer has already received. Remember though, while on PIPP, customers are legally responsible for their entire utility bill. However, the company cannot shut off gas service if they make all PIPP payments by each due date and apply for the Home Energy Assistance Program (HEAP).

To apply for PIPP, customers can contact their local community action agency or print out a Universal Services Program application at the Ohio Department of Development (ODOD) Web site at www.odod.state.oh.us. ODOD will mail applications to households that received energy assistance in the previous heating season. ODOD will also perform income reverifications.

QUALIFICATIONS FOR THE PLAN

To join PIPP, customers must apply for HEAP during HEAP season. They must also have an income of 150 percent or less of the federal poverty level. These guidelines change yearly. Customers can find the appropriate form at <http://www.odod.state.oh.us/cdd/ocs/heap.htm>.

PIPP 2005-06 INCOME GUIDELINES BEFORE TAXES

Number of Household Members	Maximum Yearly Income (Adults 18 years or Older)
1	\$14,355
2	\$19,245
3	\$24,135
4	\$29,025
5	\$33,915
6	\$38,805
7	\$43,695
8	\$48,585

Add \$4,890 for each additional person.

Customers can qualify for the plan by using their last three months of income and averaging it over a 12-month period. They can also use their total income for the last 12 months. This plan is not available to landlords who include utilities in the rent.

HOW TO APPLY

Customers can apply for PIPP at the nearest Emergency HEAP office (see page 15.) PIPP participants must also sign up for HEAP. The Public Utilities Commission of Ohio (PUCO) requires customers to apply for all available energy assistance to stay on PIPP.

Customers who apply for PIPP at an Emergency HEAP office must use the Universal Services Programs Application 2005-2006 form. This form can be printed from the Ohio Department of Development Web site at www.odod.state.oh.us or can be obtained by calling the Office of Community Services at 1-800-282-0880.

Customers must provide proof of income for at least the last three calendar months. Acceptable proof includes wages, interest, dividends, annuities, pensions and the following:

- Social Security
- Retirement
- Company disability
- Training stipends
- Alimony
- Unemployment benefits
- Workers' compensation
- Military family allotments for base pay only (active military pay)
- Railroad pensions
- Veterans pension (not related to service disability)
- Strike benefits
- OWF/TANF (AFDC)
- Child support
- Cash gifts
- Supplemental Security Income (SSI)

Customers must also supply copies of their gas and electric bills.

UPDATING REQUIREMENTS

Customers must update their income periodically to remain on the plan. The Ohio Department of Development (ODOD) processes these updates through various intake agencies throughout the state.

After ODOD requests customers to verify their income, customers have 30 days to update their income. ODOD will remove those who fail to update their income. Once removed from PIPP, customers are subject to normal credit policies. They can no longer pay just the 10-percent amount to maintain service. These customers will be offered the PIPP Repayment Plan.

ZERO INCOME PIPP CUSTOMERS

Customers who do not have any household income must apply with and reverify through the Ohio Department of Development. Reverification must be completed every 90 days.

HOW TO GET BACK ON THE PLAN

Customers who have been dropped or left the plan may be eligible to re-enroll. For details, they should contact the Ohio Department of Development at 1-800-282-0880.

NO LONGER ELIGIBLE FOR THE PLAN

When a customer no longer qualifies for PIPP, he or she can join the PIPP Repayment Plan. If a customer's income exceeds PIPP guidelines and the customer comes off the PIPP program, he or she may continue to pay the same amount paid while on PIPP for twelve (12) more months before payments on the current bill must begin. Customers should call Dominion East Ohio for details about this and other PIPP program changes that could help reduce their arrearage amount.

As part of the PIPP Repayment Plan, the company provides the following benefits as of March 2004:

- **During the first 12 months**, customers pay the same amount they paid while on PIPP. At the end of the 12th month, providing they have made the required payments in full and on time, Dominion East Ohio will credit one-third (33%) of the account balance they had at the start of the 12-month period.
- **During months 13-24**, they pay either the current bill or budget amount. At the end of the 24th month, providing they have made the required payments in full and on time, Dominion will credit half (50%) of the total account balance.
- **Months 25 and beyond**, they pay either the current bill or budget amount, plus up to \$20 extra to reduce the overdue balance. Dominion will match dollar-per-dollar the extra amount, up to \$20. At the end of the 36th month, providing they have made the required payments in full and on time, the company will credit the remaining balance.

If at any point they fail to make their PIPP Repayment Plan payment in full and on time by the due date, they will start the 36-month crediting process all over again, but the company will not cancel any credits already received. Remember though, while on the plan, customers are legally responsible for their entire utility bill. However, the company cannot shut off service if they make all payments by each due date.

HOME ENERGY ASSISTANCE PROGRAM (HEAP)

The Home Energy Assistance Program (HEAP) is a federally funded program administered by the Ohio Department of Development, Office of Community Service (OCS). It is designed to help eligible low-income Ohioans meet the high costs of home heating. HEAP provides a one-time payment for PUCO regulated utility customers for the winter heating season. Vouchers are issued to non-regulated utility customers, master-metered and other applicants who do not have a utility bill in their name.

To be eligible for regular HEAP, a household's income must not exceed 175 percent of the federal poverty income guidelines:

2005-06 HEAP INCOME GUIDELINES

Household Size	Total Household Income Twelve Months
1	up to \$16,748
2	\$22,453
3	\$28,158
4	\$33,863
5	\$39,568
6	\$45,273
7	\$50,978
8	\$56,683

For households with more than 8 members, add \$5,705 per member

Customers receiving Social Security benefits and human services receive HEAP applications by mail. Those who received HEAP last year also get the Universal Services Programs applications, which include HEAP, by mail. Others can get applications at libraries, post offices, senior citizen centers and neighborhood centers. They may also print a copy from the Ohio Department of Development Web site at www.odod.state.oh.us. The deadline for filing is usually March 31.

We must receive approval from the Ohio Department of Development before giving a customer a heating credit. Regular HEAP appears as a separate credit on the gas bill. For those qualified customers who do not receive their HEAP credit on their monthly gas bill, a HEAP voucher may be mailed to their home. Any customer who receives a voucher must return it to the appropriate utility as soon as possible so that the credit may be applied to the customer's account.

HEAP notifies applicants by mail of their eligibility and benefits. For more information, call toll-free 1-800-282-0880. Hearing-impaired customers with Telecommunications Devices for the Deaf can call 1-800-686-1557. Customers can also write to:

Home Energy Assistance Program
P.O. Box 1240
Columbus, OH 43216

EMERGENCY HEAP PROGRAM

(Winter Crisis Program)

A special component of the HEAP is the Emergency Home Energy Assistance Program (E-HEAP). The E-HEAP is administered by the local delegate agencies. With one exception, these are local community action agencies (CAAs). In Geauga County, the delegate agency is the Office of Job and Family Services. Last year, there were 133,502 households served by the Emergency "Winter" Crisis Program. The Emergency Program provides assistance once per heating season to eligible households that are disconnected, threatened with disconnection, or have less than a 10-day supply of bulk fuel. Those households serviced by a PUCO-regulated utility must sign up for the Percentage of Income Payment Plan (PIPP) in order to receive emergency benefits. Bulk fuel users must certify in writing that they have less than a 10-day supply of bulk fuel in order to be eligible. Emergency HEAP can also help pay for heating system repairs in certain cases.

To be eligible for the HEAP Emergency Program, customers must meet the following requirements.

1. Household income must not exceed 175 percent of the federal poverty guide lines for a three- or 12-month period. (See amounts on page 11.)
2. A household must be without service or have received a shut-off notice with the current bill.
3. The emergency payment must restore service or prevent a shutoff for 30 days.

A household may receive only one emergency payment of up to \$175 per program year. HEAP makes all payments directly to Dominion East Ohio. The \$175 grant can be spent between gas and electric utilities if both utilities have been shut off or are in a disconnect status.

Customers can get both Emergency HEAP and Regular HEAP. However, customers who do not receive Regular HEAP must apply for the program when they apply for Emergency HEAP.

A member of the household must apply in person at the local HEAP agency. The customer must bring proof of total household income and the current shut-off notice when applying.

Proof of income includes copies of: payroll stubs, DWF/TANF case card, and Ohio Bureau of Employment Services card, check or determination notice. Customers can also use a statement from an employer.

Any customer who is denied emergency assistance may appeal the decision to the Ohio Department of Development.

The Emergency HEAP Program normally begins November 1 and ends March 31. (This year, it's open Nov. 1, 2005, through March 31, 2006.) Customers must apply in person at the agencies listed on the following pages.

HEAP AGENCIES

Allen County

Lima/Allen Council on Community Affairs

540 South Central Ave.

Lima, Ohio 45801

Phone: (419) 227-2586 FAX: (419) 227-7626

Auglaize County

Auglaize/Mercer Bi-County Community Action Commission

500 West Wayne Street

Celina, Ohio 45822-2940

Phone: (419) 584-1550 FAX: (419) 584-1575

Ashland County

Kno-Ho-Co Community Action Commission

1235 E. Main St.

Ashland, OH 44805

Phone: (419) 281-4327

Ashtabula County

Ashtabula County Community Action Agency

3215 Lake Ave.

Ashtabula, Ohio 44004

Phone: (440) 997-5957 FAX: (440) 992-3319

Ashtabula County Council on Aging

4632 Main Ave.

Ashtabula, OH 44004

Phone: 998-6750

Belmont County

Community Action Commission of Belmont County

410 Fox Shannon Place

St. Clairsville, Ohio 43950-0410

Phone: (740) 695-0293 FAX: (740) 695-9255

Carroll County

HarCaTus Tri-County Community Action Organization

220 Grant Street

Dennison, Ohio 44621-1216

Phone: (740) 922-0933 FAX: (740) 922-4128

Columbiana County

Community Action Agency of Columbiana County, Inc

7880 Lincole Place

Lisbon, Ohio 44432

Phone: (330) 424-7221 FAX: (330) 424-3731

Coshocton County

Kno-Ho-Co Community Action Commission

120 North Fourth Street

Coshocton, Ohio 43812

Phone: (740) 622-9801 FAX: (740) 622-0165

Cuyahoga County

Council for Economic Opportunities in Greater Cleveland

1849 Prospect Ave.

Cleveland, Ohio 44115

Phone: (216) 589-9292

The following locations are by appointment only:

Clark Metro Development Corp.

2511 Clark Ave.

Cleveland, Ohio 44109

Phone: (216) 741-9500

Slavic Village Development Corp.

5620 Broadway Ave.

Cleveland, Ohio 44127

Phone: (216) 429-1182

Fairfax Renaissance Development Corp.

8520 Carnegie Ave.

Cleveland, Ohio 44106

Phone: (216) 361-8400

Famicos

1325 Ansel Rd.

Cleveland, Ohio 44106

Phone: (216) 791-6479

Geauga County

Geauga Community Action, Inc.

12480 Ravenwood Dr., P O Box 309

Chardon, Ohio 44024

Phone: (440) 285-9141 FAX: (440) 286-6654

Guernsey County

G-M-N Tri-County Community Action Committee

615 North Street, P O Box 285

Caldwell, Ohio 43724-0285

Phone: (740) 732-2388 FAX: (740) 732-2389

Hancock County

HHWP Community Action Commission

P O Box 179

122 Jefferson

Findlay, Ohio 45839

Phone: (419) 423-3755 FAX: (419) 423-4115

HEAP AGENCIES continued

Harrison County

HarCaTus Tri-County Community Action Organization

220 Grant Street
Dennison, Ohio 44621-1216
Phone: (740) 922-0933 FAX: (740) 922-4128

Holmes County

Kno-Ho-Co Community Action Commission

5401 County Rd. 349
Millersburg, OH 44654
Phone: (330) 674-6479

Knox County

Kno-Ho-Co Community Action Commission

77 Sychar
Mt. Vernon, OH 43050
Phone: (740) 397-0378

Lake County

Lifeline for the Empowerment and Development of Consumers, Inc.

85 North Park Place
Painesville, Ohio 44077-0496
Phone: (440) 354-2148 FAX: (440) 354-2897

Lake County Community Action

30 South Park Place, #308
Painesville, Ohio 44077
Phone: (440) 350-9160

Mahoning County

Youngstown Area Community Action Council

Plaza Place
101 Federal Plaza East, Suite 200
Youngstown, Ohio 44503
Phone: (330) 747-7921 FAX: (330) 747-9266

Medina County

Community Action Wayne/Medina

2375-B Benden Drive
Wooster, Ohio 44691
Phone: (330) 264-8677 FAX: (330) 264-5170

Mercer County

Auglaize/Mercer Bi-County Community Action Commission

500 West Wayne Street
Celina, Ohio 45822-2940
Phone: (419) 584-1550 FAX: (419) 584-1575

Monroe County

G-M-N Tri-County Community Action Committee

117 N. Main St.
Woodsfield, OH 43793
Phone: (740) 472-0828

Noble County

G-M-N Tri-County Community Action Committee

615 North Street, P O Box 285
Caldwell, Ohio 43724-0285
Phone: (740) 732-2388 FAX: (740) 732-2389

Paulding County

Northwestern Ohio Community Action Commission, Inc.

1933 East Second Street
Deliance, Ohio 43512-2592
Phone: (419) 784-2150 FAX: (419) 782-5648

Portage County

Community Action Council of Portage County

1036 West Main Street, P O Box 917
Ravenna, OH 44266
Phone: (330) 297-1456 FAX: (330) 297-1463

Putnam County

HHWP Community Action Commission

PO Box 179
122 Jefferson
Findlay, Ohio 45839
Phone: (419) 423-3755 FAX: (419) 423-4115

Stark County

Stark County Community Action Agency

402 Second Street SE, Third Floor (administration)
Canton, Ohio 44702-2027
Phone: (330) 454-1676 FAX: (330) 454-9833

Intake Office

201 5th NW
Canton, OH 44702-1108
(330) 454-1850

Summit County

Akron/Summit Community Action, Inc.

400 West Market St., #10
Akron, Ohio 44302
Phone: (330) 253-8806 Appointments: (866) 504-7400

HEAP AGENCIES continued

Trumbull County
Trumbull Community Action Program
1230 Palmyra Road SW
Warren, Ohio 44485
Phone: (330) 393-2507 FAX: (330) 393-4197

Tuscarawas County
HarCaTus Tri-County Community Action Organization
220 Grant Street
Dennison, Ohio 44621-1216
Phone: (740) 922-0933 FAX: (740) 922-4128

Van Wert County
Van Wert County Community Action Commission
114 East Main Street, 2nd Floor
Van Wert, Ohio 45891
Phone: (419) 238-4544 FAX: (419) 238-4162

Washington County
Community Action Program Corporation of Washington/Morgan Counties, Ohio
218 Putnam Street
PO BOX 144
Marietta, Ohio 45750
Phone: (740) 373-3745 FAX: (740) 373-6775

Wayne County
Community Action Wayne/Medina
2375-B Benden Drive
Wooster, Ohio 44691
Phone: (330) 264-8677 FAX: (330) 264-5170

ENERGYSHARE

EnergyShare is a Dominion East Ohio sponsored fuel assistance program of last resort designed to help individuals and families in need pay any type of winter heating bill – gas, wood, oil, kerosene or electricity. EnergyShare was established to meet the heating needs of our most vulnerable citizens – the unemployed and families facing a financial crisis with no other place to turn.

The Greater Cleveland Salvation Army serves as the managing agency for this program. It receives all contributions and makes payments to vendors on behalf of the clients. The Salvation Army core units serve as intake agencies. The managing agency informs intake agencies of available funds for their areas on a regular basis. Intake agencies screen applicants and determine eligibility. EnergyShare runs from early January through May, or until funds run out.

To be eligible for EnergyShare, the applicant must live within the company's service area, must have a termination notice, and must have exhausted other state and federal fuel assistance resources. Seniors, age 60 and older, do not have to have a termination notice.

Applicants must meet one of the following:

- Total household income is 150% of the federal poverty level.
- Head of household is unemployed.
- Have a demonstrated personal/family crisis.

Maximum assistance is \$500 once per heating season. Deposits may be guaranteed up to but not exceeding \$250.

EnergyShare cannot be used for:

- Energy diversion customers (unauthorized usage).
- Bills older than one heating season.
- Unpaid balances and uncollectibles from last heating season.
- Applicants if the account is not in their name and they do not live at the residence.

Dominion East Ohio makes available \$50,000 to supplement customer contributions. All funds for EnergyShare come from tax-deductible voluntary contributions made by customers, employees and EnergyShare business partners.

Dominion East Ohio customers can make contributions two different ways:

- By making exact overpayments of \$1, \$2, \$6, \$12, \$18 or \$36 to their gas bill, customers' overpayments will be applied to the program automatically. The following customers: PIPP/ PRP, shut-off notice, short-term agreement or any payment that is not a customer payment, cannot participate.
- By writing a separate check in any amount payable to EnergyShare, and mailing it to: EnergyShare, The Salvation Army, P.O. Box 5847, Cleveland, OH 44101.

For assistance, customers can contact their local Salvation Army Office, or they may call Dominion East Ohio's Service Center at 1-800-362-7557 for the location of the nearest Salvation Army office.

OHIO PARTNERS FOR AFFORDABLE ENERGY (OPAE)

Like EnergyShare, special fuel fund assistance is available to income-eligible residential customers who have exhausted all other forms of energy assistance. Funded by Dominion East Ohio and administered by the Cleveland Housing Network, qualified customers can access up to \$500 in heating assistance for any fuel type. For details, customers should contact the Cleveland Housing Network (CHN) at 1-888-377-3774.

PUBLIC UTILITIES COMMISSION OF OHIO (PUCO)

If customers have disagreements about bills or service, we encourage them to call Dominion East Ohio first. If they are not satisfied with our solution, they can call the Public Utilities Commission of Ohio. The toll-free number is 1-800-686-7826. Hearing-impaired customers with Telecommunications Devices for the Deaf (TDDs) can call toll-free 1-800-686-1570. Customers can also write to:

The Public Utilities Commission of Ohio
180 E. Broad St.
Columbus, OH 43215-3793

They can also visit the PUCO Web site at www.puc.state.oh.us.

OHIO CONSUMERS' COUNSEL (OCC)

Customers may call the Ohio Consumers' Counsel (OCC) if they have general questions or for educational materials. The toll-free number is 1-877-742-5622. Hearing-impaired customers with Telecommunications devices for the Deaf (TDD) can call toll-free 1-800-282-9448. Customers can also write to:

Ohio Consumers' Counsel
10 W. Broad Street, 18th floor
Columbus, OH 43215-3485

They can also visit the OCC website at www.pickocc.org.

WEATHERIZATION ASSISTANCE

HOUSEWARMING

Housewarming is a program funded by Dominion East Ohio that provides weatherization materials for eligible consumers. Cleveland Housing Network administers the program. It works with various neighborhood development and housing groups to weatherize homes. The groups install free weather-stripping, attic and sidewall insulation, door sweeps and other insulation devices. Client education is also part of the Housewarming program to educate consumers on ways to reduce consumption effectively.

To qualify for Housewarming, consumers must be eligible for PIPP and HEAP (see income guidelines on pages 11 & 13.) For more information, contact the Cleveland Housing Network at 1-888-377-3774.

Customers can also apply at one of the following agencies:

ABCD
1225 Gross NE
Canton, Ohio 44705
330-455-6385
330-455-3913 (fax)

CUYHOGA COUNTY
112 Hamilton Ct
Cleveland, Ohio 44114
216-443-6877
216-443-7252 (fax)

ASHTABULA
2009 West Prospect- PO BOX 2610
Ashtabula, Ohio 44005-6437
440-998-4996
440-998-1925 (fax)

DETROIT- SHOREWAY
6516 Detroit Ave
Cleveland, Ohio 44102
216-961-4242
216-651-5096 (fax)

BELLIAH- PURTIST
14703 Puritas Ave
Cleveland, Ohio 44135
216-671-2710
216-671-9868

EAST ARKON
550 S. Arlington
Akron, Ohio 44306
330-773-6838
330-773-0345

BUCKEYE AREA
11802 Buckeye Ave
Cleveland, Ohio 44120
216-491-8450
216-491-8432

FAIRFAX RENAISSANCE
8111 Quincy Ave
Cleveland, Ohio 44106
216-361-8594
216-361-8401 (fax)

CLARK-METRO
2511 Clark Ave
Cleveland, Ohio 44109
216-741-9500
216-741-3003

FAMICOS FOUNDATION
1325 Ansel
Cleveland, Ohio 44106
216-791-6476
216-791-6485

CUDELL IMPROVEMENT
11650 Detroit
Cleveland, Ohio 44102
216-228-4383
216-228-3328

GLENVILLE DEVELOPMENT
10640 St Clair Ave
Cleveland, Ohio 44108
216-851-8724
216-851-8941

HOUSEWARMING continued

NORTHEAST SHORES

317 East 156
Cleveland, Ohio 44110
216-481-7660
216-481-7129

OLD BROOKLYN

4898 Pearl Rd
Cleveland, Ohio 44109
216-635-1601
216-635-1603

SLAVIC VILLAGE

5620 Broadway Ave
Cleveland, Ohio 44127
216-429-1182
216-429-2632

SOURCES CNS

500 W. Wayne St
Celina, Ohio 45822-1459
419-584-1550
419-584-1571

STARK COUNTY

3013 Mahoning Rd. N.E
Canton, Ohio 44705
330-452-9823
330-452-8172

STOCKYARD REDEVELOPMENT

6605 Clark Ave, Suite 101
Cleveland, Ohio 44102
216-961-7687
216-961-7693

SUMMIT COUNTY

175 S. Main St, Suite 210
Akron, Ohio 44308
330-643-8760
330-643-8249

PORTAGE COUNTY

1036 W Main
Ravenna, Ohio 44266
330-297-1456
330-297-1463

UNION-MILES

9250 Miles Park Ave
Cleveland, Ohio 44105
216-341-0757
216-341-0226

UNITED SERVICES FOR ALL

760 Edgewood Ave
Akron, Ohio 44307
330-762-7681
330-762-7683

WARREN-TRUMBULL

1230 Palmyra Rd, SW
Warren, Ohio 44485
330-393-2507
330-393-4197 (fax)

WASHINGTON-MORGAN

698 Wayne St
Marietta, Ohio 45750
740-373-7671
740-373-7398

WAYNE-MEDINA

2375- B-Bender Dr
Wooster, Ohio 44691
330-264-8677
330-264-5170

WESTOWN

10313 Lorain Ave
Cleveland, Ohio 44111
216-941-9262
216-941-3101

HANCOCK HARDIN WYANDOT

PUTNAM
122 Jefferson St
Findlay, Ohio 45839
419-423-3755
419-423-4115

HARCAUTS TRI COUNTY

220 Grant St.
Dennison, Ohio 44621
740-922-6693
740-922-1394 (fax)

LUTHERAN HOUSING

1967 W. 45TH ST
Cleveland, Ohio 44102
216-651-0077
216-651-0072

MAHONING COUNTY

101 Federal Plaza West, Suite 200
Youngstown, Ohio 44503
330-747-7921
330-747-5708

Mt PLEASANT
13815 Kinsman Rd
Cleveland, Ohio 44120
216-751-0023
216-751-1411

NCS OF BARBERTON
470 WESTPARK
330-753-8500
330-753-8522 (Fax)

OHIO HOME WEATHERIZATION ASSISTANCE PROGRAM (HWAP)

This federally funded program provides grants for weatherization repairs, including:

- weather stripping and caulking of windows
- replacing broken glass
- insulating attics, side walls and floors
- insulating water heaters
- wrapping furnace ducts
- furnace tune-ups
- installing storm windows

Households meeting the income guidelines listed on page 11 are eligible for the program. Elderly and handicapped individuals get top priority.

To apply for Ohio Home Weatherization assistance, customers can request a combined Universal Services Programs Application by calling the Ohio Department of Development, Office of Consumer Services, at 1-800-282-0880 or they can print out the form at the ODOD Web site at www.odod.state.oh.us.

ENERGY SAVING TIPS

Here are 16 tips that can help save gas and money during the winter heating season. For more tips, see our Web site at www.dom.com.

1. Have the furnace "tuned-up" annually. A heating system "tune-up" could save up to 3 to 18 percent in energy costs.
2. When it's time to replace the natural gas furnace, consider a new high efficiency gas furnace. New gas heating systems are as much as 30 percent more energy efficient.
3. Insulate the home. Any insulation will help reduce heat loss, but adequate insulation in the ceiling is most important. Ceiling insulation and attic vents could reduce fuel usage by up to 20 to 30 percent.
4. Install storm windows and doors. A less expensive alternative is to cover windows with clear plastic, which can be purchased in rolls. If the home does not have storm windows and doors, as much as 6 to 10 percent of the heat might be lost to the outside.
5. Caulk cracks between window frames or doorframes and walls, both inside and outside the home. Press putty into smaller cracks; seal larger crevices with a caulking gun.
6. Weather strip drafty crevices under doors and around windows. Make sure the garage door has a reasonably tight seal around the bottom edge. Remember to weather-strip around doors that lead to the attic and garage. Caulking and weather-stripping doors and windows could reduce fuel usage by as much as 7 to 10 percent.
7. Seal cracks in chimney and foundation bricks and mortar. Caulk where foundation bricks meet the house siding.
8. Check heating ducts for cracks, holes or separations at joints. This is especially important where ducts pass through unheated garages, crawl spaces or attics. Repair leaks with adhesive tape or a more durable tape designed especially for repairing heating ducts (available at hardware, discount or department stores). Sealing and insulating ducts and pipes could reduce fuel usage from 2 to 15 percent.
9. Check furnace air filters once a month during the heating season. If they become clogged, clean or replace with new filters and save 2 to 5 percent in fuel cost.

10. Keep the thermostat set at the lowest possible comfort setting during the day and set it back at night. Setting the thermostat back at night for a period of eight hours or more will reduce the heating consumption by approximately one percent for each degree below the daytime setting.
11. On sunny days, open shades, draperies and blinds to let the sun help to heat the home. Fuel consumption could be reduced by 3 to 7 percent.
12. Close the vents/registers and doors in unused rooms and save up to 8 percent of the heat.
13. Install a humidifier. It will keep the home at the proper humidity level and keep everyone comfortable at lower temperatures.
14. If the house has radiators, vacuum all surfaces including hard-to-reach areas once a month. Don't use radiators as shelves.
15. Arrange furniture with the heating system in mind. Don't restrict airflow from registers or cold air returns. Position furniture away from drafts.
16. Don't open and close outside doors needlessly. Reduced traffic means a warmer, draft-free home.

GAS BILL NOTICES

REMINDER AND SHUT-OFF NOTICES

The first step in making sure shutoffs do not occur is to understand Dominion East Ohio's notices. We print reminder messages in the special message section of the gas bill. During the winter heating season (Nov. 1-April 15), customers receive an additional 10-day notice prior to shutoff.

Both messages give the customer options. Customers on PIPP must pay the plan amount. Customers should call Dominion East Ohio at 1-800-950-7989 to discuss payment options, including a payment plan. If a customer is currently on a plan, the customer must pay the amount due by the due date to avoid further collection action.

The shut-off notice has expanded. A sample notice is on page 32.

FINAL BILLS

We mail final bills to customers who no longer receive gas service from Dominion East Ohio. Although most customers pay their final bills on time, those who do not may require additional collection action.

We base our action on the customer's willingness to make payment arrangements. The customer can make arrangements by calling Dominion East Ohio. If the customer doesn't make payment arrangements, we'll take further collection action, including legal measures.

Unpaid final bills will be referred to a collection agency. Unpaid final bills must be paid prior to requests for new service. Unpaid final bills could delay future requests for service.

HOW AND WHERE TO MAKE PAYMENTS

PAY BY MAIL

Please mail gas bill payments and stubs to:
Dominion East Ohio
P.O. Box 26785
Richmond, VA 23261-6785

PAY IN PERSON (at Authorized Payment Agencies)

Customers can pay their gas bills at any Dominion Authorized Payment agency. This information is available on our Web site at www.dom.com by entering "Ohio Make a Payment" in the search box. Customers can use our online search tools to find a nearby payment center. Payment centers charge \$.78 for this service.

A list of Dominion authorized payment agencies as of October 2005 is shown at the end of this section.

Zip Code	Name	Address	City
43064	Lovejoy's Market	900 Village Blvd.	Painesville
43231	Check Smart #02	2496 Morse Rd.	Columbus
43402	Sunoco	1530 E Wooster St.	Bowling Green
43512	Barbara's Financial Services	310 E Second St.	Defiance
43512	Barbara's Financial Services	830 N. Clinton St	Defiance
43612	Check Smart #77	5801 Telegraph Rd.	Toledo
43615	Check Smart #78	1217 S Reynolds Rd.	Toledo
43793	Jacksons News	222 S. Main St.	Woodsfield
43793	Modern Hardware	104 S. Sycamore St.	Woodsfield
43832	Bakers IGA	316 S College Street	Newcomerstown
43942	First National Bank	345 Hwy 7N	Powhatan Point
44001	Convenient Food Mart #750	7580 Leavitt Rd.	Amherst
44004	Ashtabula Council on Aging	4632 Main Ave.	Ashtabula
44004	Convenient Food Mart #3123	1714 W. 19th St.	Ashtabula
44012	Convenient Food Mart #737	137 Lear Rd.	Avon Lake
44017	Cash Stop	815 N. Rocky River Dr.	Berea
44024	Convenient Food Mart #3023	110 Cherry Ave.	Chardon
44030	Orlando Brothers	281 Main St.	Conneaut
44035	ACE Cash Express #2632	223 N. Abbe Rd.	Elyria
44039	Convenient Food Mart #729	34441 Center Ridge Rd.	North Ridgeville
44041	R Spanish Imports	14 N. Broadway	Geneva
44052	Fligner's Supermarket	1854 Broadway	Lorain
44055	All Kind Checking Cashing #1	2193 N. Ridge Rd.	Lorain
44055	All Kind Checking Cashing #2	122 Sheffield Center	Lorain
44055	All Kind Checking Cashing #3	2223 N. Ridge Rd. E.	Lorain
44055	All Kind Checking Cashing #4	5186 Detroit Rd.	Sheffield Village
44055	ACE Cash Express #2633	3040 Oberlin Ave.	Lorain
44057	Convenient Food Mart # 3077	3119 Hubbard Rd.	Madison
44060	Express Payroll Advance #135	7454 Mentor Ave.	Mentor
44074	Geyer's Supervalu	291 S. Main St.	Oberlin
44077	Check Smart #61	1219 Mentor Ave.	Painesville
44077	Convenient Food Mart	426 Bacon Rd.	Painesville
44092	Cash Stop	29239 Euclid Ave.	Wickliffe

AUTHORIZED PAYMENT AGENCY LISTING

Zip Code	Name	Address	City
44092	ACE Cash Express #1027	28172 Chardon Rd.	Willoughby Hills
44094	ACE Cash Express #1021	34861 Euclid Ave.	Willoughby
44094	United Check Cashing	35535 Euclid	Willoughby
44094	Zip-N-Ship	12 Public Square	Willoughby
44094	Check Smart #54	34302 Euclid Ave.	Willoughby
44102	Browns Money Market	5802 Storer Ave.	Cleveland
44102	ACE Cash Express #1005	7148 Denison Ave.	Cleveland
44102	Convenient Food Market #68	7205 Lorain Ave.	Cleveland
44102	Madison 89 Deli	8901 Madison Ave.	Cleveland
44103	Ruby's Deli	7038 Wade Park Ave.	Cleveland
44103	ACE Cash Express #1007	5498 Chester Ave.	Cleveland
44103	East 55th St. Shell	5505 St. Clair Ave.	Cleveland
44103	Convenient Food Mart #105	5915 St. Clair Ave.	Cleveland
44104	Kinsman Shoprite	7515 Kinsman Rd.	Cleveland
44104	ACE Cash Express #1011	11411 Buckeye Rd.	Cleveland
44104	Sunoco Family Foods	3363 E. 93rd St	Cleveland
44105	Sunshine Market	4595 Warner Rd.	Cleveland
44105	Convenient Food Mart	3794 East 71st. St.	Cleveland
44105	Union Wireless	12408 Union Ave.	Cleveland
44105	131St. Foods Marathon	4561 E. 131st. St.	Garfield Heights
44105	ACE Cash Express #1023	7310 Harvard Ave, Unit B	Cleveland
44106	Parkwood Drive Thru	11003 Superior Ave.	Cleveland
44107	Check Smart #72	1598 W. 117th St.	Lakewood
44107	ACE Cash Express #1013	14782 Detroit Ave.	Lakewood
44107	Madison Bi-Rite	12503 Madison Ave.	Lakewood
44108	ACE Cash Express #1018	10589 St. Clair Ave.	Cleveland
44109	Tony's Food Market	3114 Clark Ave.	Cleveland
44109	Convenient Food Mart	3722 Denison Ave.	Cleveland
44109	ACE Cash Express #1004	3712 Pearl Rd.	Cleveland
44109	Convenient Food Mart	4475 Pearl Rd.	Cleveland
44109	Pearl & Dennison Shell	2424 Dennison Ave.	Cleveland
44110	Five Points Family Food	1010 E 152nd St	Cleveland
44110	Convenient Food Mart	15521 St. Clair Ave.	Cleveland
44111	ACE Cash Express #1016	14001 Triskett Rd.	Cleveland
44111	Convenient Food Mart	3584 W 105th St.	Cleveland
44112	Konni's Family Foods	13598 Euclid Ave.	E. Cleveland
44112	Checksmart #121	18235 Euclid Ave.	Cleveland
44112	Food Town	13550 Euclid Ave.	E. Cleveland
44112	Noble Food Deal	2230 Noble Rd.	Cleveland Heights
44112	ACE Cash Express #1002	1530 Hayden Ave.	E. Cleveland
44112	ACE Cash Express #1006	15500 Euclid Ave	E. Cleveland
44112	East Cleveland Family Foods	1325 Hayden Ave.	E. Cleveland
44113	ACE Cash Express #1010	2079 W. 25th St.	Cleveland
44113	Uptown Deli & Café	550 West Superior Ave.	Cleveland
44114	Society Technology	1633 Chester Ave	Cleveland
44114	ACE Cash Express #1001	1409 E. Ninth Street	Cleveland
44115	Cash Stop	655 Prospect Ave. SE	Cleveland
44118	ACE Cash Express #1012	2167 S. Taylor Rd.	University Heights
44118	Sahlani Marathon	3161 Mayfield Rd.	Cleveland Heights
44120	ACE Cash Express #1003	2750 Van Aken Blvd.	Cleveland
44122	ACE Cash Express #1026	14101 Kinsman Rd.	Cleveland

AUTHORIZED PAYMENT AGENCY LISTING

Zip Code	Name	Address	City
44123	Checksmart #123	22318 Lake Shore Ave.	Euclid
44124	Checksmart #111	5885 Mayfield Rd.	Mayfield Heights
44125	Checksmart #110	5066 Turney Rd.	GarfieldKinsman
44126	Convenient Food Mart	21996 Lorain Rd.	Fairview
44127	Gillombardo Giant Eagle	5841 Broadway Ave.	Cleveland
44128	Checksmart #120	4626 Northfield Rd.	North Randall
44129	ACE Cash Express #1019	7470 Brookpark Rd.	Brooklyn
44129	Ridge & Ridgewood Shell	6630 Ridge Rd.	Parma
44130	Big Creek Convenience	10211 Brookpark Rd.	Parma Heights
44130	Pearl-Bagley Shell	7250 Pearl Rd.	Middleburg Heights
44130	ACE Cash Express #1014	6277 Pearl Rd. #D	Cleveland
44131	Convenient Food Mart	7112 Brecksville Rd.	Independence
44132	Euclid Square Shell	26051 Euclid Ave.	Euclid
44134	Check Smart # 55	2196 Brookpark Rd.	Cleveland
44134	Check Smart # 64	7396 State Rd.	Parma
44135	Check Smart # 52	14033 Puritas Ave.	Cleveland
44137	Express Payroll Advance	5395 Warrensville Rd.	Maple Heights
44137	Babe's Beverage	5078 Warrensville Center Rd.	Maple Heights
44137	Food Mart Plus	16477 Broadway Ave.	Maple Heights
44137	ACE Cash Express #1017	15701 Broadway Rd.	Maple Heights
44138	Convenient Food Mart	26918 Cook Rd.	Olmsted Township
44139	Solon Food Mart	32910 Solon Rd.	Solon
44141	Brecksville Shell	8952 Brecksville Rd.	Brecksville
44142	Check Smart #50	13375 Snow Rd.	Brook Park
44144	Checksmart #122	4263 Fulton Rd.	Cleveland
44144	Fulton Bi-Rite	4215 Fulton Rd.	Cleveland
44144	Quick Shop Food Mart	8327 Memphis Ave.	Brooklyn
44144	ACE Cash Express #1024	4274 Fulton Rd.	Cleveland
44146	Cannon Food & Beverage	25421 Aurora Rd.	Bedford Heights
44146	Checksmart #87	25780 Miles Rd.	Bedford Heights
44146	Shop N Go	25480 Aurora Rd.	Bedford Heights
44146	ACE Cash Express #1008	24800 Rockside Rd.	Bedford Heights
44177	ACE Cash Express #1025	21177 Euclid Ave.	Cleveland
44203	Summit Check Cashing LTD	248 5th St. SE	Barberton
44212	Brunswick Beverage Center	1304 Pearl Rd.	Brunswick
44221	PDQ Check Cash Store & More	2050 Bailey Rd.	Cuyahoga Falls
44221	Check Smart #73	696 Howe Ave.	Cuyahoga Falls
44221	Americas Check Mart	911 Graham Rd. #24	Cuyahoga Falls
44240	Safeway Food Store	1340 Fairchild Ave.	Kenton
44241	Americas Check Mart	1677 State Rt. 303	Streetsboro
44256	Medina Quality Gas	245 Lafayette Rd.	Medina
44266	Ravenna Drive Thru & Carry Out	868 W. Main St.	Ravenna
44281	Wadsworth Beverage Center	300 S Main St.	Wadsworth
44304	The Exchange Money Center	317 N. Exchange St.	Cleveland
44305	Six Corners Deli	780 Eastland Ave.	Akron
44305	Far-Less Food Market	854 East Buchtel Ave.	Akron
44306	Summit Check Cashing LTD	1344 S. Arlington St.	Akron
44307	DB'S Check Mart	1206 Manchester Rd	Akron
44310	Cash Stop #2	250E. Cuyahoga Falls Ave.	Akron
44310	ACE Cash Express #1022	1420 Brittain Rd.	Akron
44310	Check Cashiers of America	720 N Main St.	Akron

AUTHORIZED PAYMENT AGENCY LISTING

Zip Code	Name	Address	City
44310	Check Cashiers of America	720 N Main St.	Akron
44311	Country Market	380 E South St.	Akron
44320	Checksmart #124	1731 Wooster Ave.	AkronAll
44320	Dependable Check Cashing	1479 S. Hawkins Blvd.	Akron
44320	Check Cashing Etc.	1298 Copley Rd.	Akron
44405	Campbell's Shell	2209 Wilson Ave.	Campbell
44425	Quick Cash	229 W. Liberty	Hubbard
44430	M&A Market	94 N Leavitt Rd.	Leavittsburg
44431	National Check Exchange	88 Taggart St.	East Palestine
44460	Ohio News & Lottery	1516 S Lincoln Ave.	Salem
44471	Stop N Go	1008 Youngstown-Poland Rd.	Struthers
44471	V & J Center Foods	293 Center Street	Struthers
44505	McGuffy Speed Check	1050 McGuffy Rd.	Youngstown
44505	ACE Cash Express #2424	3029 Belmont Ave.	Youngstown
44505	University Red & White	823 Elm St.	Youngstown
44505	Midwest Money Center	3026 Belmont Ave.	Youngstown
44505	Penguin Check Cashing	3233 Belmont Ave.	Youngstown
44505	Giant Eagle (Churchill Commons)	4700 Belmont Ave.	Youngstown
44509	ACE Cash Express #2414	3306 Mahoning Ave.	Youngstown
44512	ACE Cash Express #2415	272 Boardman-Canfield Rd.	Youngstown
44512	ACE Cash Express #2425	2550 1/2 Market St.	Youngstown
44512	Midwest Money Center	5021 Market St.	Youngstown
44512	Midwest Money Center	5536 Mahoning Ave.	Youngstown
44514	The Prescription Center	9805 South Ave.	Poland
44514	ACE Cash Express #2417	4040 Youngstown-Poland Rd.	Youngstown
44515	Send It Packin Plus	4496 Mahoning Ave.	Youngstown
44615	VRS Cash Advance	291 W. Main St.	Carrollton
44615	Smokers Paradise	520 Canton Rd. NW	Canton
44622	Dover Giant Eagle	515 Union Ave.	Dover
44646	CD Food Mart	3525 Wales Ave. NW	Massillon
44646	All Occasions Flower & Gifts	2092 Wales Rd NE	Massillon
44646	Flowers by Pat	3214 A Lincoln Way E	Massillon
44646	Mortons	1505 Amherst Rd. NE	Massillon
44657	Kishman's IGA	202 East High St.	Minerva
44657	VRS Cash Advance	1170 Alliance Rd. NW	Minerva
44663	VRS Cash Advance	1145 W High Ave.	New Philadelphia
44672	West Oregon Express	125 W. Oregon Ave.	Sebring
44681	Smokers Paradise	705 Dover Rd. NE	Sugarcreek
44683	Smokers Paradise	267 MCCAuley Ave.	Uhrichsville
44683	Smokers Paradise	231 E. Third Street	Uhrichsville
44691	City News	135 S. Market St.	Wooster
44702	Downtown Check Cashing	1300 W. Tuscarawas St.	Canton
44706	Mini Food Mart	3004 17th St. SW	Canton
44707	In-N-Out Market	805 McKinley Ave.	Canton
44708	Cash-N-Go	5151 Tuscarawas St. W	Canton
44708	Cash Stop	4408 West Tuscarawas	Canton
44708	Safe Choice Market	538 Clarendon N. W	Canton
44709	Hever's Pager Express	3307 Cleveland Ave.	Canton
44720	Erik's Grocery Bag	835 E. Maple St.	North Canton
44730	Sherer Appliance	505 W. Nassau	East Canton
44730	Kress IGA	406 Noble St West	East Canton

Zip Code	Name	Address	City
44805	Pam & Bill's Cleveland	1225 Cleveland Ave.	Ashland
44839	Huron IGA	408 Cleveland Rd. East	Huron
44842	Gribble's IGA	430 N. Jefferson St.	Loudonville
44890	Friendship Food Store #87	1045 Myrtle Ave.	Willard
45365	Ohio Cash Advance	107 N. Ohio St.	Sidney
45750	National Check Exchange	154 Gross St.	Marietta
45801	Cash Connection #50	200 N. Metcalf St.	Lima
45801	Daley's Discount Drug	506 N. Main St.	Lima
45804	Howard's E-Z Check	1125 Saint Johns Ave.	Lima
45804	Meat City	801 E. Kirby St.	Lima
45822	Ohio Cash Advance	209 South Main St.	Celina
45875	Barbara's Financial Services	892 N. Perry St.	Ottawa
45879	Barbara's Financial Services	831 N Williams St.	Paulding
45885	Ohio Cash Advance	101 W. Spring St.	St. Mary's
45891	Barbara's Financial Services	145 E Main St.	Van Wert
45895	Ohio Cash Advance	109 E. Auglaize St	Wapakoneta

PAY BY PHONE

Residential customers may pay by phone with a Visa, MasterCard or Discover credit card or with a debit card or electronic check through the services of BillMatrix. The service is offered by phone in English and Spanish and is available 24 hours a day, 7 days a week. They may call BillMatrix at 1-800-573-1153. The debit card must carry a Pulse, Star, NYCE, or Accel network logo on the back. There is a \$3.95 fee per transaction charged by BillMatrix. The maximum payment transaction amount is \$600.00. Each customer can make up to five transactions in a 30-day period, or 3 payments in a five-day period. Customers should record the unique receipt number as their confirmation number. Customers should allow 2 business days for the payment to post.

Commercial customers may pay by phone with electronic check through the services of BillMatrix. The service is offered in English and Spanish by phone and is available 24 hours a day, 7 days a week. There is a \$3.95 fee per transaction charged by BillMatrix. The maximum payment transaction amount is \$15,000.00. Payments may be made by calling 1-800-573-1153. Customers should record the unique receipt number as the confirmation number. Customers should allow 2 business days for the payment to post.

AUTOMATIC BANK DRAFT SERVICE

Automatic Bank Draft gives customers the convenience of paying their gas bills without having to write checks. The bank, savings and loan or credit union automatically deducts payments from our customer's checking account and forwards them to us. Dominion East Ohio sends the customer a copy of the bill before the bank pays it from the customer's checking account. The customer's bank statement also shows the amount paid to Dominion East Ohio.

Automatic Bank Draft is most convenient when combined with the Budget Billing Plan. By combining Automatic Bank Draft and the Budget Billing Plan, customers know what their payments will be each month.

Customers who want to join the Automatic Bank Draft Service can enroll via the Internet at www.dom.com by entering "Ohio Make a Payment" in the search box or they can request a sign-up form by calling Dominion East Ohio at 1-800-362-7557.

PAY ONLINE

Customers can save postage and time by paying online. Several payment services are offered with the Dominion on-line bill service (eBill), such as BillMatrix for credit card, debit card and electronic check and CheckFree. Customers should allow 2 working days for the CheckFree payment to post to the account.

Some customers' banks also offer online banking and bill payment services if the customer wishes to pay online at their bank.

Other Payment Centers

Some other merchants take utility payments, including Dominion gas payments, but most send them to us by mail. When using one of these other payment centers, customers must make any payment no less than 5 business days before the bill due date to allow time for mailing and processing. These agencies may charge a service fee.

E-BILL

Dominion East Ohio offer customers eBill (electronic billing), a free service that allows customers the opportunity to view and pay their gas bills on-line at www.dom.com. While on eBill, customers will no longer receive a paper bill through the U.S. mail, instead they will receive a monthly e-mail notification when their bills are ready to be viewed.

PIPELINE RESPONSIBILITIES AND SAFETY

Natural gas is one of the safest and most reliable energy sources available. Natural gas customers do have some responsibilities for maintaining customer piping.

What Pipelines Do They Own?

Customers own the service line that runs from the property line (which often is the curb stop/valve) to their meter. If their line needs service, the contractor must be qualified under the U.S. Department of Transportation (DOT) regulations and be part of a DOT-approved drug and alcohol program. They also own the house line that runs from the meter to their appliances. The cost of repair or replacement of both the service and house lines are the responsibility of the customer or the property owner. They can find more information on qualifications at www.dom.com by entering "installer" in the search box.

What Pipelines Does the Gas Company Own?

Dominion owns the main line that runs down the street. We also own a short service line (located near the street) that connects our line to the customer's service line. Repair or replacement of the main line and our service line is our responsibility.

Who Checks the Gas Piping?

For safety, we make periodic leakage evaluation on the external service line. We check from our main line to the meter or to the wall of the house (whichever is further). We also check the meter. For inside meters, we attempt to inspect them at least once each year. Customers are responsible to maintain (which includes periodic inspection for leakage and corrosion) their piping, both internal and external, buried or exposed. If their buried piping is not maintained, it may be subject to the potential hazards of corrosion and leakage.

What Happens If the Gas Company Finds a Leak in a Pipeline?

If we find a leak or other unsafe condition in a customer's pipeline, we will shut off that section of the piping. If the customer is not at home, we will shut off that section of the piping and tag the door with an explanation of what the problem is and our phone number. The customer must arrange to have the unsafe condition corrected by a qualified individual and pay for the costs. (They can refer to www.dom.com and enter "installer" in the search box for qualification information.)

For their safety, customers should not turn the gas back on. If they had their service line replaced or repaired, we will inspect the repairs and restore the service. If only the house line required repair, they will see a yellow Dominion tag at the meter. The installer can relight the appliances after the repair is complete.

Can Customers Replace the Pipeline Themselves?

No. At least two business days prior to any excavation, they or the contractor should call, toll-free, the Ohio Utility Protection Service at 1-800-362-2764 to have any underground facilities located. This organization will contact us and other member utilities of plans to dig, then ask the utilities to mark any underground pipes or cables at the location. They'll also tell customers about any other companies that they must notify before digging. This is a free service.

The contractor should perform any excavation near buried gas pipelines by hand. Remember, customers must use a contractor qualified under DOT regulations to make the repair.

If customers ever find utility flags in the ground, whether on their property or not – they should not move them. The flags mark underground lines nearby.

Should Customers Be Concerned About Digging in Their Yards?

Yes. At least two business days prior to any excavation, they or the contractor should call, toll-free, the Ohio Utility Protection Service at 1-800-362-2764 to have any underground facilities located. This organization will contact us and other member utilities of plans to dig, then ask the utilities to mark any underground pipes or cables at the location. They'll also tell customers about any other companies that they must notify before digging. This is a free service.

Who Owns the Meter?

Dominion owns and maintains the meter. It is the customers' responsibility to keep the meter clear at all times. Because our employees need access to the meter, we ask that customers keep shrubbery trimmed. And during the winter, they should keep the meter clear of snow and ice.

Who Should Customers Call If They Detect an Odor of Gas, Gas Fumes or Gas Leakage?

Customers should always notify us of any suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

Are There Other Things Customers Should Consider When Making Improvements to Their Property?

Yes. Dominion East Ohio holds various rights for its gas wells, metering and regulating facilities, production, storage, transmission and distribution pipelines. By law, customers cannot make any improvements to their property that encroaches on the easements of our properties. Any such improvements are at the risk and peril of the landowner, developer and facility owner.

GAS BILL TERM EXPLANATIONS

Monthly Service Charge. The service charge is a fee that covers such costs as the maintenance of the gas meter, meter reading, billing and record keeping. Like all of our rates, it is approved by the Public Utilities Commission of Ohio.

MCF. MCF means 1,000 Cubic Feet. It is an abbreviation for the standard measure of gas.

PIPP Rider. The Percentage of Income Payment Plan, or PIPP, is a program mandated by the Public Utilities Commission of Ohio that permits qualifying, low-income customers to pay 10 percent of their monthly household income to Dominion East Ohio, instead of their current bill to maintain gas service. The PIPP Rider, which is approved by the PUCO, allows our company to recover the difference between what PIPP customers pay each month and their actual charges. (We sometimes refer to the program as PIPP, Percentage of Income Payment Plan.)

Base Rate (Transportation Charges). The transportation charges cover all costs associated with delivering gas to the door, excluding the cost of the gas itself. All customers are required to pay this rate, regardless if they choose an alternate supplier through the Energy Choice program. Like all of our rates, it is approved by the Public Utilities Commission of Ohio.

GCR Rate (Gas Cost Recovery). This is the average cost (per thousand cubic feet) of gas purchased by Dominion East Ohio for sale to its customers. It usually changes monthly. The GCR Rate is only paid by customers who purchase their gas supply from Dominion East Ohio and not an alternative supplier through the Energy Choice program. Like all of our rates, it is approved by the Public Utilities Commission of Ohio.

Migration Rider. The Migration Rider is a charge tied to the Energy Choice program. There are currently two parts of the Migration Rider, which applies only to customers participating in the Energy Choice program.

- 1. Unrecovered Gas Costs.** Dominion East Ohio purchased gas on behalf of customers before they joined the Energy Choice program. Because the Gas Cost Recovery rate represents an estimate of gas costs, the unrecovered gas cost portion of the rider is necessary to reimburse or charge Energy Choice customers for any under payments or overpayments they made while they were still a Gas Cost Recovery rate customer. This portion of the rider fluctuates quarterly and only applies to Energy Choice customers for the first 12 months they are on the program. (The same amount is also included in the GCR rate charged to sales customers.)
- 2. Operational Balancing Capacity Cost.** The operational balancing capacity portion pays for pipeline and storage capacity needed to balance deliveries of gas to Dominion East Ohio's system and the customers' actual consumption.

BILL COMPARISON PAGE

ANY CUSTOMER

123 ELM
ANYTOWN OH 44142

Account Number: 0000000000
#0000000000 0000 000000 20, 2005

Page 2 of 2

For questions about Dominant East bills charges call 216.261-2345.

YOUR CURRENT CHARGES IN COMPARISON

Category	Amount
Current month's charges	\$147.44
Last month's current charges	\$10.12
Last year's current charges	\$79.92

☒ Current month's charges \$147.44
 ☐ Last month's current charges \$10.12
 ☐ Last year's current charges \$79.92

YOUR CURRENT CHARGES VS PREVIOUS PERIODS BY USAGE FACTORS

This chart shows why this month's current charges are different than last month's current charges, which were \$121.71 less.

* Your current charges from the same period 12/01/04 ago, with your 100% BT less.

Usage Factor	Current Month vs. Last Month	Last Month's Current Charge	12/01/04 vs. 12/01/04 Current Charge	12/01/04 vs. 12/01/04 Current Charge
Weather	2.00 more per MCF	-\$10.12	2.00 more per MCF	-\$10.12
Number of Billing Periods	1 more (2 vs. 1.1 MCF)	+\$1.50	2 less (2 vs. 1.1 MCF)	-\$1.50
Rates	\$1.02 more per MCF	+\$1.50	\$1.18 more per MCF	+\$1.14
Gasifier-continued use	2.0 times MCF used	+\$15.88	1.1 times MCF used	-\$11.15
TOTAL CHARGES		\$121.71		\$147.44

SAMPLE INFORMATION

Subject: Third Party Notice Program Application

When you are ill, disabled or away from your home for long periods of time, you may not be able to pay your bills by the due dates. Our Third Party Notice Program allows you to appoint a third party. This can be a relative, friend, clergyman, or social service agency to whom we will send a copy of notices for past-due bills.

Once we inform the third party, he or she can then help to arrange payment to keep your service active. Naturally, we will not make the third party legally liable for your bill.

If you, or someone you care about could benefit from this program, please fill out the form below and mail it in the enclosed envelope.

Third Party Notice Program Application

Customer to be enrolled:

NAME (PLEASE PRINT) _____ 11-DIGIT ACCOUNT NUMBER FROM BILL _____

SERVICE ADDRESS _____

CITY _____ STATE _____ ZIP _____

() _____

TELEPHONE (WITH AREA CODE) _____

CUSTOMER SIGNATURE _____ DATE _____

Third Party:

NAME (PLEASE PRINT) _____ DATE _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

() _____

TELEPHONE (WITH AREA CODE) _____ THIRD-PARTY SIGNATURE _____

*Third Party and Customer signatures required. Please fold, then mail the completed form with the address below displayed in the window of the return envelope. Please do not include this form with your bill.

Enclosure

64426

DOMINION EAST OHIO
CUSTOMER CORRESPONDENCE
PO BOX 20000, B.J.R.P.15
RICHMOND, VA 23211-0000

SHUT-OFF NOTICE

NO PLAN w/TERM NOTICE

123 MAIN ST
ANYTOWN OH 12345-6789

Account Number 1111 1111 1111 Date Prepared October 20, 2005

Next Billing Date November 15, 2005

For questions about Dominion East Ohio charges call 216-351-2345.



Dominion®

Page 1 of 2

Summary of Payment Due

Current Gas Amount	41.64
Past Due Gas Amount	1,092.11
Total Payment Due by November 7, 2005	\$1,133.75

****** THIS IS A SHUT-OFF NOTICE ******

You are not currently on a payment plan.

YOUR ACCOUNT IS PAST DUE. Unless Dominion East Ohio receives your past due payment of \$1,092.11 in full by November 7, 2005, the company can shut off your gas service. Partial payment will not protect you from shutoff unless you arrange one of the following payment plans with us in advance, if eligible:

Current Plus - You pay your current charges, and make one of up to six equal payments of the past-due amount, each month.

Percentage of Income Payment Plan (PIPP) - Income-eligible customers pay 10% of their monthly gross household income. Call the Ohio Department of Development at 1-800-282-0880 for an application or for the location of the nearest Community Action Agency.

One-Third Option - Between November 1 and April 15, customers can pay one third of their total bill to avoid a shutoff of service.

If the company shuts off your gas service for nonpayment, you must pay a reconnection fee of up to \$20.00 in addition to the past-due amount. Also, you must pay a security deposit of \$117.00 or have a creditworthy guarantor.

Payment Methods. Pay your over-due balance through BillMatrix day or night with an electronic check, ATM/debit card with a Pulse, Star, NYCE or Accell logo or a Visa, MasterCard, or Discover credit card. Contact BillMatrix by phone at 1-800-573-1153 or online through www.dom.com. BillMatrix charges a convenience fee of \$3.50 for each transaction. You may also pay in person at an authorized payment center. For the payment location nearest you, visit www.dom.com or call Dominion East Ohio at the number in the top right corner of this bill. Authorized payment agents charge a service fee of \$0.74 for each transaction.

Energy Assistance. If you meet income requirements, you might qualify for financial aid or weatherization services. To learn more, call the Ohio Department of Development, Office of Community Services, at 1-800-282-0880 or contact us.

Medical Certificate. A medical certification delays a shutoff when it would be especially dangerous to the health of a permanent member of your household. It allows you time to get financial help or make payment arrangements. It does not reduce the amount you owe. You can get a medical certification form by calling 1-800-850-7989. A licensed medical professional must sign the form. You can apply by phone, provided that Dominion East Ohio receives the written notification within seven days. If gas service is off, return the signed form within 21 days to restore service. Be sure to give your health care provider permission to release your medical information to us.

Failure to pay all charges for non-regulated Dominion Products & Services may result in termination of your contract.

If you have made your payment, please accept our thanks and disregard this notice.

Please detach and return this coupon with a check made payable to Dominion East Ohio. Please see reverse side for mailing address change instructions.

PLEASE PAY BY Nov 7, 2005 Account No. 1111 1111 1111

Account Balance

\$1,133.75

Amount Enclosed

10008

How to Read the Gas Meter

Reading the gas meter is easy if you follow these tips: 1) Always read and record your meter readings from left to right. When the dial hand is between two numbers, always record the smaller number. The only exception is when the dial is between 9 and 0. In that case, 9 is the lower number. Record your meter reading anytime online at www.dom.com or call our automated messaging service at 1-800-362-7557.

#BXNDL7Z
NO PLAN w/TERM NOTICE
123 MAIN ST
ANYTOWN OH 12345-6789



DOMINION EAST OHIO
PO BOX 26785
RICHMOND VA 23261-6785



0101111111110000000004164000001133756

* * * * *

Services, programs and income guidelines in this booklet were in effect October 2005. Any changes in government regulations will be implemented as directed. If you have questions about the status of information given here, please call a Customer Relations Representative listed on the back cover.

NOTES:

DOMINION CUSTOMER RELATIONS

1/800/400-WARM (9276)

Name	Direct Phone Number
Sadie Kroeck, Manager	412/497-5570
Carmen Chapman	216/736-6216
Roxie Edwards	216/736-6217
Sandra Manley	304/627-3675

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Dominion®

Assistance Agency Update

January 2007

Cold Weather Prompts \$175 Rules to Start Early in Ohio

The Ohio Winter Reconnection Rules (\$175 Rule) started on Thursday, October 12, 2006, instead of the announced date of Monday, October 16. The change came at the request of the State of Ohio. Low temperatures in much of Ohio on Thursday, October 12, 2006, dipped into the upper 20s. So, customers with shut-off notices were able to avoid a disconnection of service by paying \$175 starting October 12. Customers who were already without service could have it restored for \$175.

Under the \$175 Rule, customers can pay whichever is lowest:

- The total of the special plan payments they missed, plus a new or additional security deposit (except for PIPP customers) and a reconnection fee up to \$20; or
- The total amount owed, plus a new or additional security deposit (except for PIPP customers) and a reconnection fee up to \$20; or
- \$175 and a reconnection fee up to \$20.

Percentage of Income Payment Plan and PIPP Repayment Plan customers can take advantage of the \$175 Winter Rules; but they are not eligible for the One-Third Payment Offer, which is limited to active residential customers who are not on PIPP, PRP or house-metered accounts.

Once a customer uses the Winter Reconnect option, any remaining balance will be established on a new payment plan. The winter reconnection rule expires April 13, 2007.

Ohio Minimum Service Standards Take Effect

Starting January 1, 2007, there is a new set of rules by which natural gas utilities in Ohio must operate. Known as the Ohio Minimum Service Standards, they dictate many requirements, from the speed of answer in phone centers to the creation of rules for how utilities treat small commercial customers.

While January 1 is the implementation date, Jeff Murphy, Director of Pricing and Regulatory Affairs for Dominion East Ohio, said that the Public Utilities Commission of

Ohio (PUCO) understands that some pieces will not be in place. "The PUCO issued the regulations in May 2006, but the commissioners know that there will be many hours of programming needed before some of the standards can be met." The company must submit waivers that seek dispensation for whatever standards we cannot meet on time.

One of the largest initiatives under the standards cover a Meter Reading plan, which was submitted to the PUCO in December. In it, Dominion East Ohio detailed how the company plans to read every gas meter once a year, not a simple feat with over 550,000 of the company's meters located inside customer's homes and businesses.

The standards do recognize Automated Meter Reading (AMR) as actual readings, thanks in no small part to the high degree of accuracy and performance of the equipment. With AMR, meter readings are sent via radio signals and captured and in moving vehicles. An employee in a car or van can obtain as many as 10,000 reads in one night compared to 400-600 on each meter reader's walking route. If the PUCO approves an application filed by Dominion East Ohio, the company will implement a five-year program to install AMR devices on all of its 1.3 million meters in order to obtain an actual meter reading every month on every account.

As changes are implemented, company policies and procedures will change to match the requirements of the standards.

New SSO Rate Structure Will Simplify Rate Comparisons

Through a nearly two-year pilot program approved by the PUCO that began in October 2006, Dominion East Ohio discontinued the use of the Gas Cost Recovery (GCR) mechanism for the remaining 30 percent of customers not already on Energy Choice and replaced it with a new monthly market price, called the Standard Service Offer. In addition, the rate that customers pay to Dominion East Ohio for delivering their gas is now the same whether Dominion East Ohio or some other company furnishes the gas. These changes will make it easier for customers to shop for a new gas supplier.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: CUSTOMER BILLING AND PAYMENT SERVICES

FUNCTION(S): (d)(ii)

I. Policy and Goal Setting / Strategic Planning

Customer Billing and Payment Services' goals are established to ensure the integrity and legal/regulatory compliance of customer monthly bills and associated payment options. We maintain shared goals with other groups within Dominion that impact these functions such as Metering and the Customer Service Center. The Director, Customer Billing and Payment Services provides strategic direction to this group, following policies and goals established by the Board, the Chief Executive Officer, and the Vice President, Customer Service. Policies are established in conjunction with and in support of other internal policies in order to comply with tariffs and state regulations. Goals are established and reviewed each month and are communicated by distribution to all employees through employee meeting or via e-mail and reinforced through regularly scheduled staff meetings. The Director, Customer Billing and Payment Services as well as the Managers, are charged with communicating, training, and monitoring these goals and policies.

Customer Billing and Payment Services utilizes various benchmarking studies such as AGA, EEI, and Ascent Group. They are not specifically used for the development of the goal but more so for the measurement of the goal. Goals are set to exceed the industry standards. Examples of this are in the areas of payments processed within 24 hours and responsiveness to customer inquiries.

II. Internal and External Communication

Communications within the department are critical in order to support the proper issuance of customer bills and multiple payment needs. Monthly staff meetings are held between the Director, Managers, and Senior Performance Analyst to evaluate budget and goal status as well as major initiatives that are critical to the business operations. Weekly update meetings are held between the Director and each Manager to address specific department issues and ongoing affairs. Quarterly meetings led by the Director are held with all employees. These meetings provide updates on goals and the projects or initiatives that support these goals. Each Supervisory group also conducts their own monthly meeting with employees with a strong emphasis on safety and day-to-day business functions.

Since Customer Billing and Payment Services touch many internal groups (Metering, Credit, Customer Service Center, Customer Relations, Treasury, etc) as well

as customers, the communication is handled the majority of the time by e-mails, but can also be by telephone or face-to-face meetings.

Most of the communications outside of Dominion are coordinated with the Customer Relations or Regulatory groups.

III. Organizational Structure

Customer Billing and Payment Services resides in the Delivery organization of Dominion. It reports to the CEO of Delivery and the Vice President of Customer Service. There are 100 employees located in four out of the five operating states (Ohio, Pennsylvania, Virginia, West Virginia).

Customer Billing Services:

All employees are located in Richmond, Virginia and report to the Manager Customer Billing who in turn reports to the Director, Customer Billing and Payment Services, also located in Richmond, Virginia. Their time spent on Ohio work is as follows:

- 1 Manager Customer Billing 50%
- 1 Project Manager 70%
- 9 Associate Billing Analysts 95%
- 1 Supervisor Customer Billing 65%
- 1 Associate Billing Analyst 100%
- 1 SR Bus Perform Analyst 70%
- 1 SR Bus Perform Analyst 65%
- 1 Bus Perform Analyst 50%
- 2 Process Asst IV 20%
- 1 SR Billing Analyst 10%

Customer Payment Services:

All employees report to the Manager of Revenue Processing and Reporting in Richmond, Virginia who in turn report to the Director, Customer Billing and Payment Services, also located in Richmond, Virginia. The employees below fall within the Dominion Resource Services Company. Their primary allocation factor is based on the number of payments processed by each company.

- 1 Director of Customer Billing and Payment Services

- 1 Manager of Revenue Processing and Reporting
- 2 Supervisor of Remittance Processing
- 1 Supervisor of Inserting
- 4 Administrators
- 1 SR Customer Business Technical Analyst
- 1 SR Business Performance Analysts
- 5 Business Performance Analysts
- 1 Associate Business Performance Analyst
- 9 Process Assistant IV
- 16 Process Assistant III
- 9 Remittance Operators
- 9 Process Assistant II

IV. Responsibilities

Customer Billing and Payment Services primary responsibilities are to ensure timely and accurate:

- Back office support and integrity of customer bills.
- Mailing of customer bills and correspondence.
- Online bill presentment.
- Processing and depositing all customer payments through all payment channels (walk in, mail, online, IVR, Third Parties, Bank Draft, etc).

V. Practices and Procedures

Other than generally applicable internal policies, described elsewhere, Customer Billing and Payment Services contributes to the "Customer Referral Guide" mentioned and attached in the Customer Service and Information section.

VI. Decision Making and Control

Customer Billing and Payment Services partners with Customer Relations and Rates and Regulatory for the interpretation of and compliance with State regulations

and internal policies relative to Dominion's regulated customer base activities. The Director and Managers for Customer Billing and Payment Services monitor the decisions made by department employees. The PUCO Staff also monitors the decisions and policies made by our department. Any implementations for change are overseen by the Director, Customer Billing and Payment Services with oversight by the Vice President, Customer Service. Direct supervision of the staff is provided by the Managers with oversight by the Director.

Customer Billing and Payment Services operates under the compliance standards and regulations created by the PUCO.

VII. Goal Attainment and Quantification

All goals for Customer Billing and Payment Services are established each calendar year by the Director, Customer Billing and Payment Services. These goals are set in support of corporate goals established by the CEO and Vice President-Customer Service. The goals are measured monthly and are reported by comparing each month's metric to a pre-established target. These goal results are communicated to each employee within the department as well as to the Vice President, Customer Service. In order to properly assess each goal, monthly monitoring reports are generated and internal databases are analyzed. Each employee is evaluated annually based on goal attainment and their work performance.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: CREDIT AND COLLECTIONS (CUSTOMER CREDIT SERVICES DEPARTMENT)

FUNCTION(S): (d)(ii)

I. Policy and Goal Setting/Strategic Planning

Customer Credit Services policies and goals are set by the Customer Credit Services leadership team and fully reflect the requirements of the applicable rules and regulations of the Public Utilities Commission of Ohio (PUCO) and the Administrative and Revised Codes of Ohio. The Director, Customer Credit Services provides strategic direction to the group, following policies and goals established by the Board, the Chief Executive Officer, and the Vice President, Customer Service. Goals are generally set twice a year at Planning Sessions which involve the entire leadership team; however, policies are reviewed and modified as often as operational experience and changing regulatory requirements indicate that such modification is necessary.

Customer Credit Services' policies serve to guide the department in the day-to-day administration of its responsibilities and address matters such as disconnections for nonpayment, payment agreements, deposits, reconnections, transfers of balances among accounts, energy diversion (theft), fraud, and medical certifications. Policies and goals are communicated with the department through monthly leadership team staff meetings, bi-monthly staff update meetings, annual performance reviews, desk audits, the monthly Bad Debt Review meeting, and control reports and graphic presentations of critical metrics which are monitored by the leadership team and distributed within the department.

II. Internal and External Communications

Communications within the department serve to transmit the department's customer credit policies and goals and the leadership team's expectations for meeting those policies and goals. Communications are both formal and informal. Formal communications includes written employee policies, presentations in staff meetings, Bad Debt Review meetings, formal monitoring of employee expectations (performance evaluations and desk audits) and formal presentations to business partners such as the Call Centers. Informal communications include ad hoc meetings on matters of importance within the department and ad hoc teleconferences with business partners outside of the site

of Customer Credit Services. Communications, particularly for ad hoc matters, are often verbal. Graphic presentations of metrics play a very important part in written communications. Regularly scheduled meetings include the monthly leadership team staff meetings, bi-monthly employee update meetings, quarterly safety meetings, and Six Sigma Black Belt meetings and presentations as needed—usually biweekly.

Communications occur most frequently with the other departments within Customer Service in the day-to-day execution of business (Customer Billing and Payment Services, Customer Care and Energy Conservation, Customer Service Centers, Customer Relations, and Delivery Metering, including Field Metering Services) as well as with the departments external to Customer Service but critical to the proper execution of Credit policies. These include the State Regulation Department (Electric), Gas Regulation, External Affairs and Communications, Electric Delivery Operations, Gas Operations, Legal Services, Financial Services, Corporate General Accounting and Information Technology.

External (*i.e.*, non-Dominion) communications include formal and informal interactions with the Public Utilities Commission of Ohio and its staff; the Ohio Department of Development, the United States Bankruptcy Courts, collection agencies, consumer debt buyers, "skip-tracing" database agencies, outside counsel, outbound call agencies, law enforcement agencies regarding unauthorized usage of electric and gas services, banks, insurance agencies, Auditors Offices, county and city Assessor's offices, and end-use customers. Communications with these groups range from the formal (regulatory filings) to informal or ad hoc contacts with regulatory agencies and their staff, and written and verbal communications with external agencies and customers.

Corporate Communications is relied upon to disseminate information externally on occasion. One occasion is if a payment or deposit issue has been escalated within Dominion by the customer and requires a more comprehensive answer spanning several departments rather than just Customer Credit Services. A second would be a review of potential communications with customers (bill messages or letters) which may be reviewed by Corporate Communications before they are put into production. A third may be a high-profile, media-driven situation in which credit policies may have played a role.

III. Organizational Structure

Customer Credit Services resides within the Delivery organization of Dominion. It reports to the CEO of Delivery and the Vice President of Customer Service. Customer Credit Services employs a total of 48 staff members out of the One James River location and directly administers electric and gas credit policies for Dominion regulated utilities.

IV. Responsibilities

The primary function of Customer Credit Services is to set and administer corporate credit and collections policies within Dominion Delivery. The most important of these policies include, but are not limited to, arrears and charge-off management in general, disconnections for non-payment (DNP), deposit management, energy assistance agency interfaces, medical certifications, bankruptcy processing, collection agency management, bad debt disputes, lease and ID verification, military ID verification (to modify normal credit actions), subpoena processing in conjunction with the Legal Department, fraud investigation, investigation of unauthorized usage and energy diversion (theft), risk management and necessary regulatory interfaces.

V. Practices and Procedures

Customer Credit Services' practices and procedures operate within the parameters set forth within Dominion East Ohio's filed Tariffs and Rules and Regulations (available on-line at www.dom.com) and by the filed Dominion East Ohio Credit Policy, a copy of which is attached to this document.

VI. Decision Making and Control

Customer Credit Services is responsible for implementing customer credit policies (delineated under § IV) within Dominion Delivery. The Director, Customer Credit Services and Manager, Delivery Credit provide direction and monitor the execution of these policies within Customer Credit Services. The supervisory mechanism begins with the Director and then proceeds down the entire management chain of command to Credit Administrators. Desk audits and performance evaluations are an important part of this supervisory function. Customer Credit Services operates under regulations, statutes and procedures promulgated by the Public Utilities Commission of Ohio, the Ohio Administrative Code, the Ohio Revised Code, the Federal Energy Regulatory Commission, the Federal Trade Commission and the United States Bankruptcy Courts.

VII. Goal Attainment and Quantification

Quantitative and qualitative goals are established for the Customer Credit Services department on a calendar-year basis by the Director, Customer Credit Services and the Manager, Delivery Credit. These goals are set in support of corporate goals established by the CEO and Vice President, Customer Service. Progress toward achieving the quantitative goals is assessed by monitoring metrics established at the beginning of the year. Metrics include collection agency recovery costs, collection agency liquidation rates, residential deposits applied at final billing, days sales outstanding, Six Sigma savings, disconnections for non payment (DNPs) and the number of completed process audits within Credit. Qualitative goals are monitored by annual performance reviews for all employees and by daily-feedback.

Dominion East Ohio Credit Policy

CHAPTER 4901:1-17 Ohio Administrative Code Establishment of Credit for Residential Gas Distribution, Telecommunications, Water and Sewage Disposal Utility Services	
Public Utilities Commission of Ohio Rule	Credit Policy in Response to Rule
4901:1-17-01	<i>Definitions.</i> This rule requires no further clarification.
4901:1-17-02	<i>Written Credit Procedures Required.</i> This document was prepared to comply with Rule 4901:1-17-02
4901:1-17-03	<i>Establishment of Credit.</i> <u><i>Residential Establishment of Credit-Worthiness</i></u> <ul style="list-style-type: none"> Credit-worthiness will be established upon validation of a customer's identification (ID).
4901:1-17-04	<i>Deposit to Reestablish Credit-Worthiness for Tariffed Service</i> <u><i>Residential Reestablishment of Credit-Worthiness</i></u> <ul style="list-style-type: none"> A deposit will be required to reestablish credit if the customer has: <ul style="list-style-type: none"> Been issued a disconnection notice for nonpayment on two or more occasions during the preceding twelve (12) months; Had service disconnected for nonpayment, a fraudulent practice, tampering or unauthorized reconnection during the preceding twelve (12) months, or Been determined to have unpaid debt from a previous service upon application for service. The full bad-debt amount will also be collected prior to reconnection.
4901:1-17-05	<i>Deposit Administration Procedures</i> <u><i>Residential Deposit Amount</i></u> <ul style="list-style-type: none"> Deposit requested will be in the amount of one-twelfth (1/12) of the estimated charges for the ensuing twelve (12) months plus thirty percent (30 %) of the monthly estimated charge.
4901:1-17-06	<i>Refund of Deposit and Release of Guarantor</i> This rule requires no further clarification.
4901:1-17-07	<i>Record of Deposit</i> This rule requires no further clarification.
4901:1-17-08	<i>Applicant and/or Customer Rights</i> This rule requires no further clarification.

Dominion East Ohio Credit Policy

4901:1-17-09	<i>Waiver Requests</i> This rule requires no further clarification.
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Dominion East Ohio Credit Policy

CHAPTER 4901:1-18 Ohio Administrative Code Disconnection of Natural Gas or Electric Service to Residential Customers	
Public Utilities Commission of Ohio Rule	Credit Policy In Response to Rule
4901:1-18-01	<i>Definitions.</i> This rule requires no further clarification.
4901:1-18-02	<i>General Provisions.</i> This rule requires no further clarification.
4901:1-18-03	<i>Delinquent Bills.</i> <u>Disconnection for Nonpayment</u> <ul style="list-style-type: none"> • Disconnection procedures will be initiated if a customer: <ul style="list-style-type: none"> • Has not made full payment or made arrangements to pay a previous balance on any given bill due by the due date • Is in default on an extended payment plan • Fails to make the initial payment on an extended payment plan.
4901:1-18-04	<u>Extended Payment Plans and Responsibilities</u> <u>Non-winter -- April 16 to Mid-October (Outside of Winter Reconnection Order)</u> <u>Current Plus</u> <ul style="list-style-type: none"> • Extended payment plans will be made using the current plus one-sixth (1/6) option. • An extended payment plan is in default if the customer fails to make the required payment on an extended payment plan by the due date. • A default in a payment plan results in a disconnection notice. • To prevent disconnection, customers are allowed to pay plan arrears. • After disconnection, payment plan arrears will be accepted to reconnect. • Ten (10) days after the disconnection, the account will final bill and the total account balance plus a deposit will become due before the connection of service. <u>Winter -- Mid-October -- April 15 (Actual Start Date According to Winter Reconnection Order)</u> <u>Current Plus or One-Third (1/3) of Total Balance</u> <ul style="list-style-type: none"> • Through the Winter Disconnection Order period, customers may pay \$175 or the arrears (whichever is less) to prevent disconnection or to reconnect service. If the Order is used, a customer is automatically set up on a current plus one-sixth (1/6) payment plan or Percentage of Income Payment Plan (PIPP). • If the customer expresses and inability to pay the one-sixth (1/6) plan

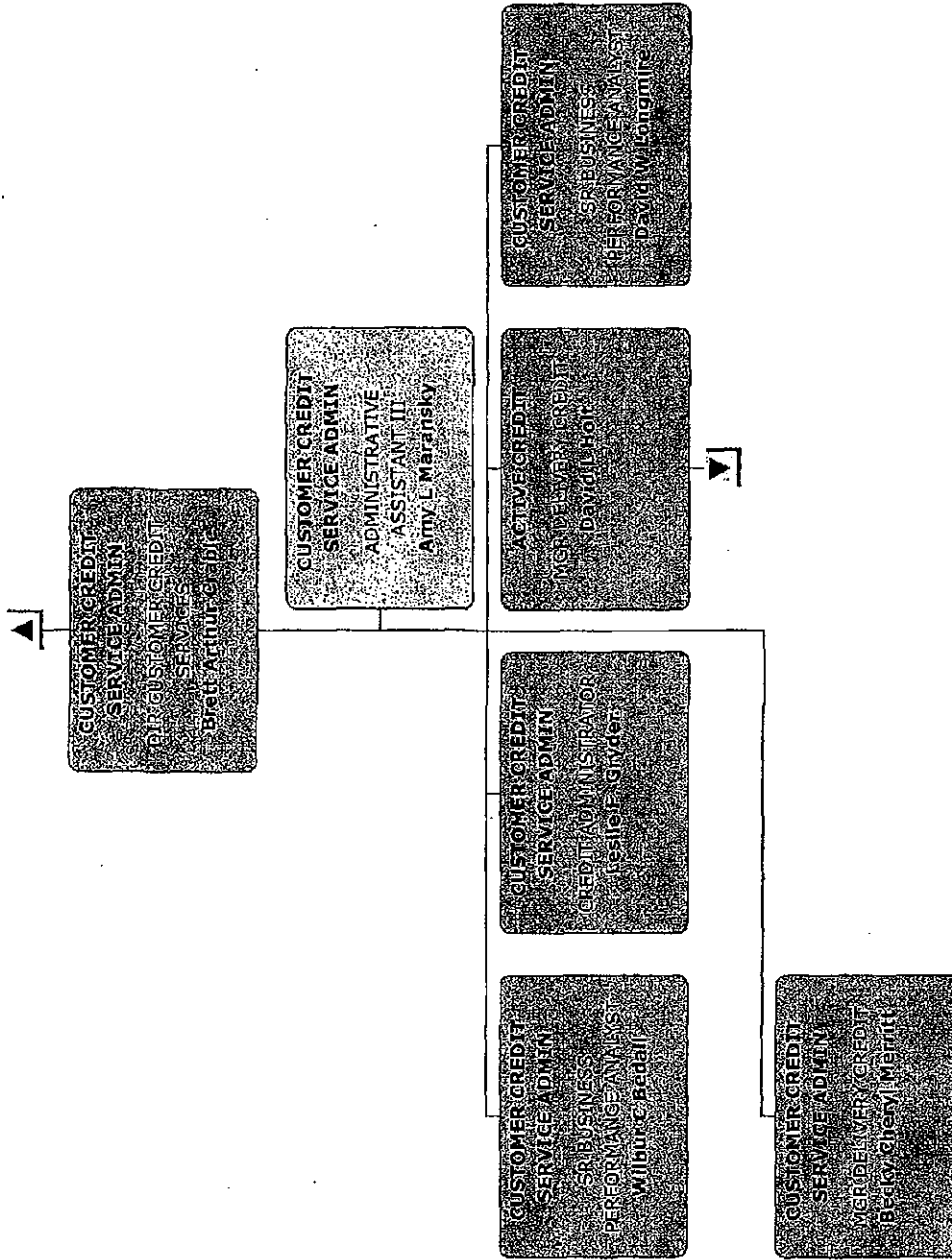
Dominion East Ohio Credit Policy

4901:1-18-06	<p><i>Reconnection of Service</i></p> <p><u><i>Non-Winter -- (Dates Falling Outside of Winter Reconnection Order)</i></u></p> <ul style="list-style-type: none"> • Reconnection will require payment of total arrears (if not on a plan) or payment plan arrears as long as the account has not final-billed. • Credit-worthiness must be reestablished by payment of a deposit. • Ten (10) days after disconnection, the account will be final billed and the total account balance will become due and deposit shall be paid before connection of service. • The reconnection fee will be billed, but will be quoted to the customer. • If proof of payment is received prior to 12:30 p.m., a same-day reconnect order will be issued. • If a medical condition exists in the home, a valid medical form will be accepted for reconnection. <p><u><i>Winter -- (Dates Falling Within Winter Reconnection Order)</i></u></p> <ul style="list-style-type: none"> • Reconnection will require payment of total arrears (if not on a plan) or payment plan arrears as long as the account has not final-billed. • Credit-worthiness must be reestablished by payment of a deposit. • Either \$175 or the arrears balance (whichever is less) will be accepted for reconnection according to the Winter Reconnection Order. • Ten (10) days after disconnection, the account will be final billed and the total account balance will become due and deposit shall be paid before connection of service. • When the customer is reconnected, they will be placed on a one-sixth (1/6) plus current plan or PIPP. • After the \$175 Order is used, payment plan arrears, or one-third (1/3) of the total account balance, and a deposit will be required for reconnection. • The reconnect fee will be billed but quoted to the customer. • If payment is received prior to 12:30 p.m., a same-day reconnect order will be issued. • If a medical condition exists in the home, a valid medical form will be accepted for reconnection.
4901:1-18-07	<p><i>Landlord -- Tenant Provisions</i></p> <p>This rule requires no further clarification.</p>
4901:1-18-08	<p><i>Waiver Requests</i></p> <p>This rule requires no further clarification.</p>
4901:1-18-09	<p><i>Residential Natural Gas Bills</i></p> <p>Dominion East Ohio's Credit policy will follow this rule as written.</p>
4901:1-18-10	<p><i>Combination Utility Companies</i></p> <p>This rule requires no further clarification.</p>
4901:1-18-11	<p><i>Insufficient Reasons for Refusing or Disconnecting Service</i></p> <p>This rule requires no further clarification.</p>
4901:1-18-12	<p><i>Restrictive Language Prohibition</i></p>

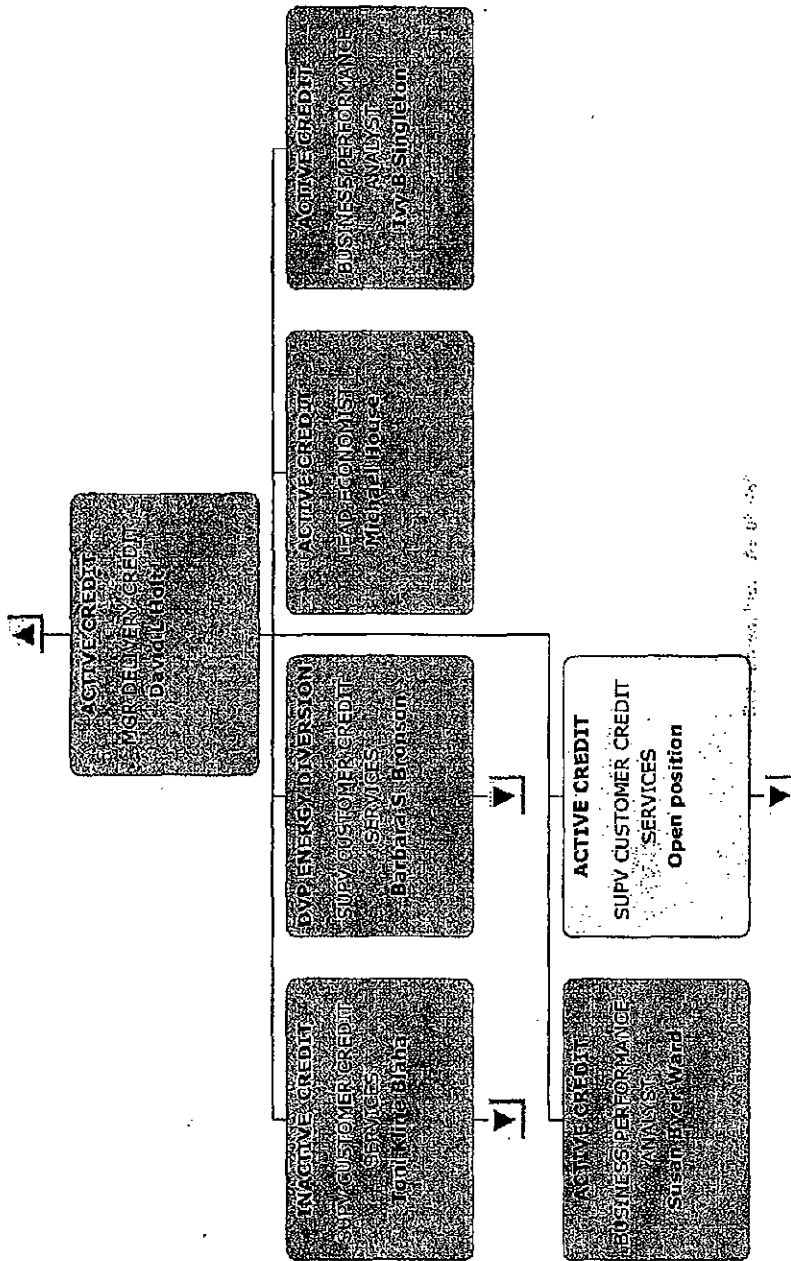
Dominion East Ohio Credit Policy

	This rule requires no further clarification.
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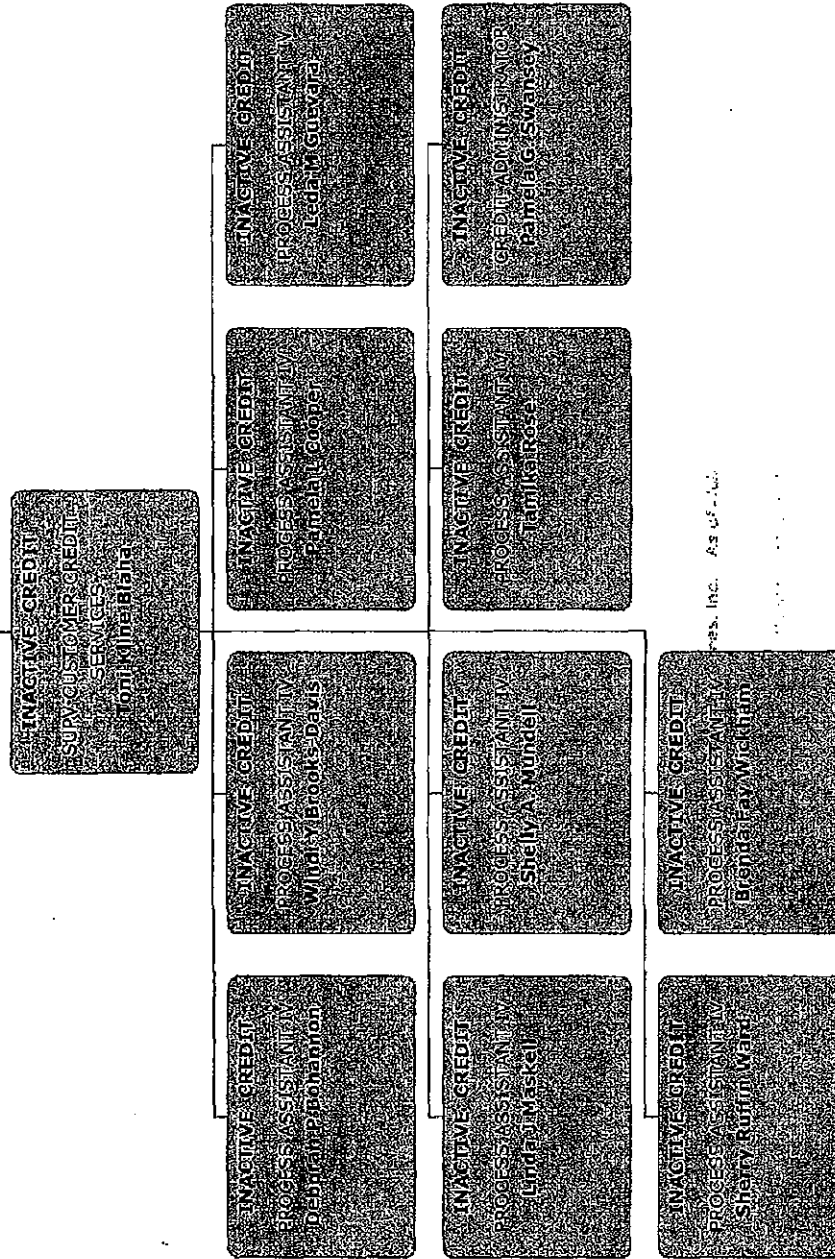
Dominion Resources, Inc. As of 4/6/2007



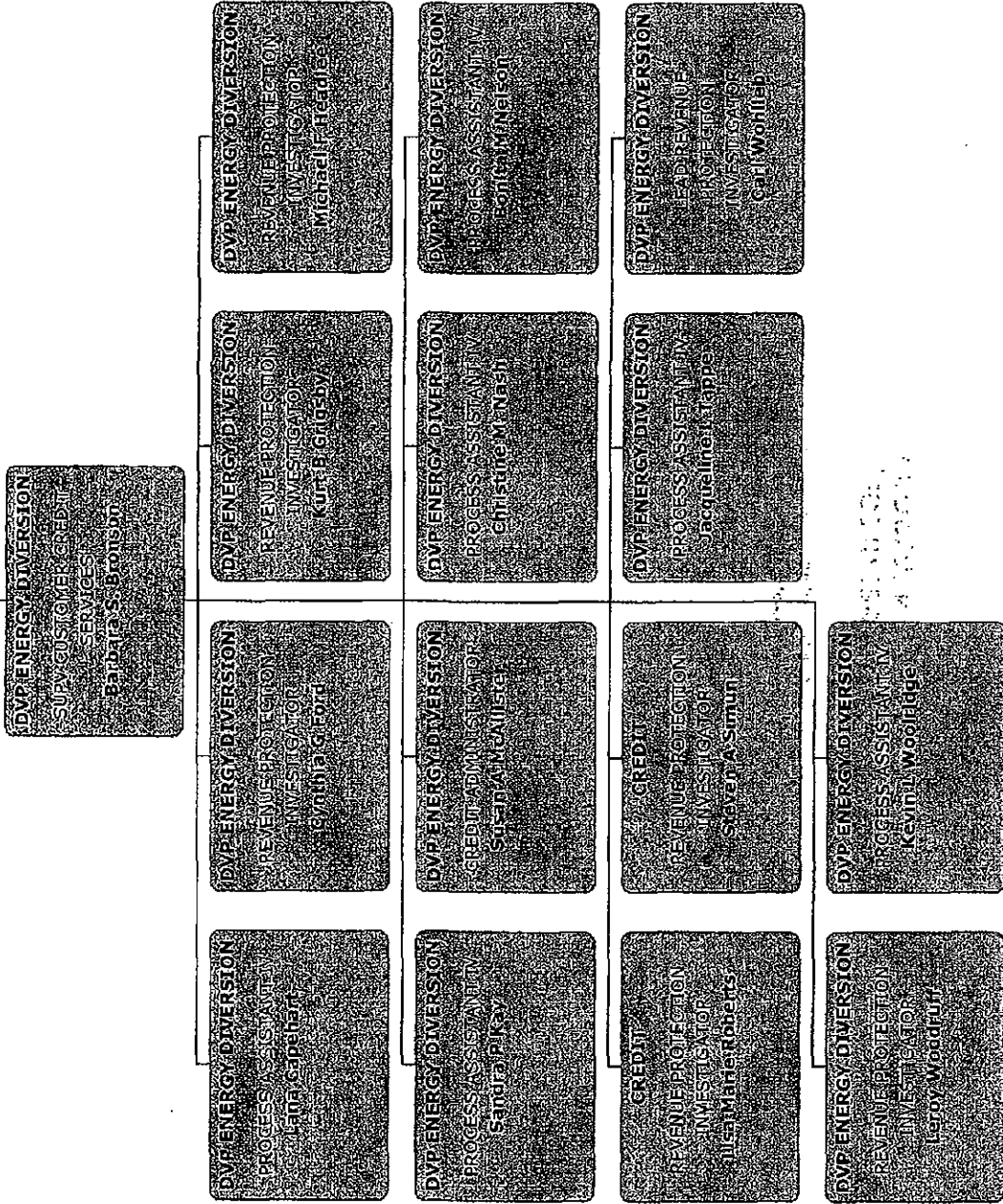
Dominion Resources, Inc.
As of 4/6/2007



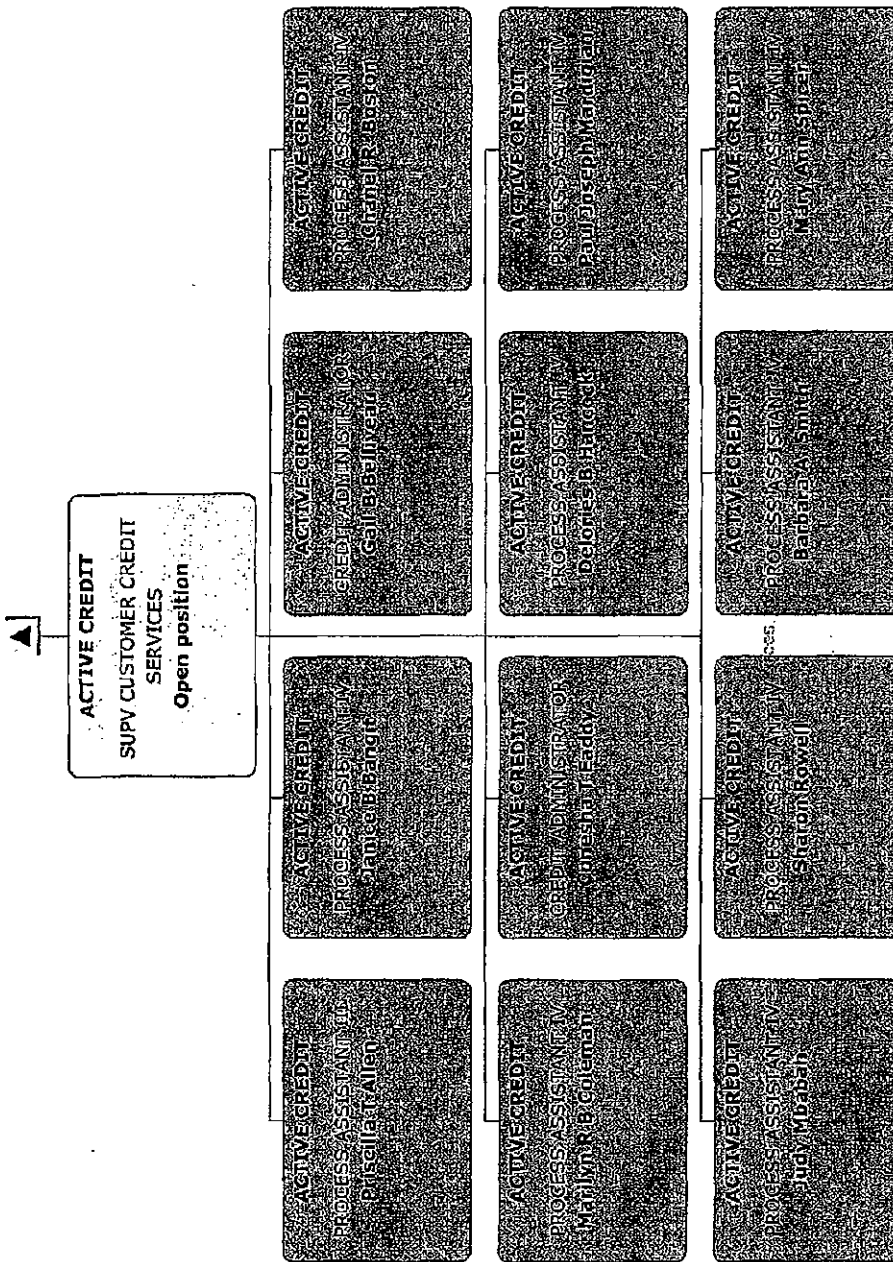
Dominion Resources, Inc.
As of 4/6/2007



Dominion Resources, Inc. As of 4/6/2007



Dominion Resources, Inc.
As of 4/6/2007





Your Gas Service Is Off

Our records indicate that there has been unauthorized gas use at this address. Dominion* shut off service for one or more of the following reasons. Someone:

- Interfered or tampered with it.
- Displaced or bypassed it.
- Damaged the gas meter, gas equipment or other property.
- Reconnected the gas service without permission from Dominion.

What You Must Do

You must call Dominion at 1-800-950-7989 between 7 AM and 7 PM weekdays. A representative will tell you how much you need to pay before we can turn on service. The amount due will include:

- Charges for damages to the company's equipment or meter.
- A security deposit.
- A reconnection fee.
- Investigation charges.
- Any other unpaid past-due bills.

The representative can tell you how and where you can make the payment. Once you do make the payment, please call us back at the phone number above so that we can turn on gas service. We will need to see the receipt or you will need to give us the payment receipt number before we can restore service.

Hearing-impaired customers in Cleveland, OH with Telecommunications Devices for the Deaf (TDDs) can call 216-736-6789. Those in areas of the state can call toll-free 1-800-633-8903.

*Dominion means Dominion Resources, Inc. and its Subsidiaries and affiliates.

(Over)

Form No. 721530 (Feb 2007)
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front

If you dispute this loss of service, you may call Dominion. If your complaint is not resolved after you have called the company, there is other action that you can take.

- Residential and business customers may call the Public Utilities Commission of Ohio (PUCO) toll free at 1-800-888-7828 from 8 AM to 5:30 PM weekdays. Customers with TDD/TTY devices may call toll free at 1-800-686-1670. They can also visit www.puco.ohio.gov.
- The Ohio Consumers' Counsel (OCC) represents residential utility customers in matters before the PUCO. The OCC can be contacted toll free at 1-877-742-5622 from 8 AM to 5 PM weekdays. Residential customers may visit www.pickocc.org.

back

DNP NOTICE

Page 1 of 2

123 FIRST ST
ANYCITY OH 12345-6789Account Number 9 8765 4321 0987
Date Prepared April 18, 2007Next Meter Reading
06/13 - 06/18/2007

For questions about Dominion East Ohio charges call 1-800-362-7557. Avoid an estimate-enter a read between 05/15 & 5 p.m. on 05/17/2007 at www.dom.com.

Summary of Payment Due

Current Gas Amount	154.39
Past Due Gas Amount	139.97
Total Payment Due by May 4, 2007	\$294.36

****** THIS IS A SHUT-OFF NOTICE ********You are not currently on a payment plan.****YOUR ACCOUNT IS PAST DUE.** Unless Dominion East Ohio receives your past due payment of \$139.97 in full by May 4, 2007, the company can shut off your gas service. Partial payment will not protect you from shutoff unless you arrange one of the following payment plans with us in advance, if eligible:**Current Plus** - You pay your current charges, and make one of up to six equal payments of the past-due amount, each month.**Percentage of Income Payment Plan (PIPP)** - Income-eligible customers pay 10% of their monthly gross household income. Call the Ohio Department of Development at 1-800-282-0880 for an application or for the location of the nearest Community Action Agency.**One-Third Option** - Between November 1 and April 15, customers can pay one third of their total bill to avoid a shutoff of service.**If the company shuts off your gas service for nonpayment, you must pay a reconnection fee of up to \$20.00 in addition to the past-due amount. Also, you must pay a security deposit of \$91.00 or have a creditworthy guarantor.****Payment Methods.** Pay your over-due balance through BillMatrix day or night with an electronic check, ATM/debit card with a Pulse, Star, NYCE or Accell logo or a Visa, MasterCard, or Discover credit card. Contact BillMatrix by phone at 1-800-573-1153 or online through www.dom.com. BillMatrix charges a convenience fee of \$3.95 for each transaction. You may also pay in person at an authorized payment center. For the payment location nearest you, visit www.dom.com or call Dominion East Ohio at the number in the top right corner of this bill. Authorized payment agents charge a service fee of \$0.78 for each transaction.**Energy Assistance.** If you meet income requirements, you might qualify for financial aid or weatherization services. To learn more, call the Ohio Department of Development, Office of Community Services, at 1-800-282-0880 or contact us.**Medical Certificate.** A medical certification delays a shutoff when it would be especially dangerous to the health of a permanent member of your household. It allows you time to get financial help or make payment arrangements. It does not reduce the amount you owe. You can get a medical certification form by calling 1-800-950-7989. A licensed medical professional must sign the form. You can apply by phone, provided that Dominion East Ohio receives the written notification within seven days. If gas service is off, return the signed form within 21 days to restore service. Be sure to give your health care provider permission to release your medical information to us.

Failure to pay all charges for non-regulated Dominion Products & Services may result in termination of your contract.

If you have made your payment, please accept our thanks and disregard this notice.

Please detach and return this coupon with a check made payable to Dominion East Ohio. Please see reverse side for mailing address change instructions.

PLEASE PAY BY May 4, 2007 **Account No.** 9 8765 4321 0987**\$294.36**

Account Balance

Amount Enclosed

06

Removing Yourself from Customer Listing

We are required to include your name, address and usage information on a list of eligible customers that is made available to other retail natural gas suppliers or governmental aggregators. If you do not wish to be included on this list, please call Dominion East Ohio at 1-800-362-7557 or write us at P.O. Box 26666, Richmond, VA 23261-6666, or complete the appropriate form on the www.dom.com web site.

DNP NOTICE
123 FIRST ST
ANYCITY OH 12345-6789DOMINION EAST OHIO
PO BOX 26785
RICHMOND VA 23261-6785

0198765432109870000000015439000000294363

MPP0 000000253

DNP NOTICE

Page 2 of 2

123 FIRST ST
ANYCITY OH 12345-6789

Account Number 9 8765 4321 0987 Date Prepared April 18, 2007

Next Meter Reading 06/13 - 06/18/2007

For questions about Dominion East Ohio charges call 1-800-362-7557. Avoid an estimate-enter a read between 05/16 & 5 p.m. on 05/17/2007 at www.dom.com.

Credits And Charges Since Your Last Bill

Balance from last bill \$420.64
Payment on Apr 3, 2007 - Thank You 280.67 CR
Balance \$139.97

Current Charges

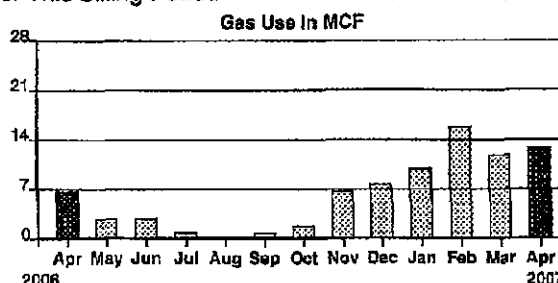
General Sales Service Rate
Monthly Service Charge \$5.70
Gas Usage Charge
12.5 MCF @ \$11.8952 148.69
Total Current Charges \$154.39
Total Account Balance \$294.36

This bill includes \$112.34 for SSO gas cost at \$8.967 per thousand cubic feet (MCF) and \$5.50 for Gross Receipts Tax.

You may be able to save on the SSO gas cost portion of your bill by shopping for an alternative gas supplier.

Monthly Usage Comparison

Average Daily Temperature For This Billing Period 2006 40°F 2007 43°F



Average monthly use: 6.2 MCF.
Total annual use: 74.4 MCF.

Billing Period And Meter Readings

Date	Read type	Reading	Difference
Meter Number	11111111		
Apr 13, 2007	Actual	852.5	
Mar 15, 2007	Estimate	840.0	12.5
MCF Used in 29 Days			12.5

Please Pay **Account Balance of \$294.36 by May 4, 2007**

THIS IS A SHUT-OFF NOTICE.

Unless we receive your past-due amount of \$139.97 by May 4, 2007, your gas may be shut off. If you have questions about this pending shutoff or need a medical form as outlined below, please call toll-free 1-800-950-7989. If your gas service is shut off, you must pay all past-due amounts, a new security deposit and a reconnection fee before we can turn the gas back on. If you are on the Energy Choice program and your service is shut off, you will no longer be served by your current supplier.

NOTE: A medical certification delays a shut off for residential customers when it would be especially dangerous to the health of a permanent member of your household. It allows you time to get financial help. It does not reduce the amount you owe. A licensed physician or local Board of Health physician must sign the form.

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DNP NOTICE
123 FIRST ST
ANYCITY OH 12345-6789



MPP0 000000254

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: GAS DELIVERY OPERATIONS

FUNCTION(S): (a)(i)–(iii), (a)(viii), (d)(iv), (e)(i)

I. Policy and Goal Setting/Strategic Planning

Gas Delivery Operations is comprised of Field Metering Services, Dispatch Operations, Meter Reading and Pipeline Operations and follows the strategic initiatives and goals outlined by Dominion Senior Leadership on an annual basis. Gas Delivery Operations builds strategic initiatives and establishes specific departmental goals in support of the corporate goals.

Each year, the Vice President, Gas Distribution, and the Director team establish objectives for the area with input from Managers and other Group members. Subsequent layers of Management then establish individual and specific department goals. Their immediate supervisor reviews all objectives during the first quarter and quarterly thereafter to ensure that sufficient progress to being made to meet or exceed expectations. At year-end, each level of management evaluates actual results compared with expectations and evaluates performance. Results are then used as input in the subsequent year's goal setting process. Current goals include the following:

Safety:

Continually improve in the area of safety by reaching the following targets:

- Adhere to all Company safety policies.
- Establish a safety culture by supporting the efforts and recommendations of the safety team.
- Achieve less than 40 lost day/restricted day injuries for the year.

Compliance:

Maintain compliance in all key areas of the group's responsibilities including, but not limited to the following:

- Meet emergency arrival-time benchmarks.
- All standards as outlined in Ohio Gas Minimum Service Standards including appointments, call handling, complaint resolution and Meter Reading Plan.

- All gas compliance standards as outline in DOT Part 192.
- Responsible for emergency response and outage control.
- Pipeline maintenance and leak repair.
- Licensing of vehicles.

Productivity:

Establish, measure and identify improvements in the area of employee productivity for each operating group within the organization. Areas of continuous focus:

- Overtime hours per employee.
- Call out response.
- Meter-reading errors.
- Cost/unit basis measurements.
- Leaks cleared per operating location.
- Vehicle-repair costs

The Leadership team is responsible for reviewing these objectives and targets on a regular basis with the employee group and key partners. Communication channels consist of daily communication and monthly staff meetings with both the management team and key partners, including contractors. Quarterly, leadership meets to share results with the employee group and to plan. Periodically throughout the year, progress is reviewed with contractors. Available technology is fully utilized to communicate quickly when necessary and leverage other forms of communication to get the message out.

All guidelines and practices are outlined in several Dominion publications and available over the company intranet for all employees and management. These include, among others, the Dominion Standard Operating Procedures (SOPs), Design and Construction Manual, Dominion Safety Procedures, Environmental Regulations, OSHA Standards, DOT Code (part 192), and Sarbanes Oxley Regulations. Dominion policies are reviewed annually or as required by their specific guideline. For example, the Dominion East Ohio SOP is reviewed annually but may be reviewed at more frequent intervals if necessary. Changes to policies are led by Subject Matter Experts within the Operations staff as directed by the Director of the area. Additionally, Best Practice information from AGA or other sources is also incorporated in the annual reviews when applicable.

II. Internal and External Communications

Gas Operations communicates through a variety of media. The department utilizes all available technology to communicate and alert the management team, including but not limited to; e-mails, cellular phones, pagers, facsimile and text messaging. Information is also shared in face-to-face meetings, team meetings and general sessions with the employee group. Externally, the group primarily communicates with the customers through phone calls, face-to-face meetings and general sessions. Primary customers include rate payers, regulators, news media, municipalities and government officials.

III. Organizational Structure

The Gas Operations Group is part of the Delivery organization, reporting through the Director Gas Delivery Operations to the Vice President, Gas Operations, the Senior Vice President, Gas Delivery to the CEO and President, Gas Delivery.

Currently there are a total of 694 employees in this process representing the areas of Pipeline Operations, Field Metering Services, Meter Reading, Dispatch and Garage Operations and Dispatch. The organization operates out of 13 field locations as outlined below:

Breakdown by Classification

Salary		Union	
DIR GAS DELIVERY OPERATIONS	1	FMS Representatives	328
BUSINESS PERFORMANCE ANALYST	2	C&M Representatives	118
PROJECT LEADER	1	Meter Readers	112
MGR GAS DELIVERY OPERATIONS	7	Clerical Support	24
SR BUSINESS PERFORMANCE ANALYST	2	Mechanics	23
ADMINISTRATIVE ASSISTANT III	1	Dispatchers	25
SUPV GAS DELIVERY OPERATIONS	48		
INTERN	1		
VEHICLE WARRANTY COORDINATOR	1		
Total Salary	64	Total Union	630

Shop Locations

SHOP	CITY
55TH STREET CENTER	Cleveland
AKRON - WILBETH SHOP	Akron
ASHTABULA SHOP - LAKESHORE	Ashtabula
CANTON PERRY YARD	Canton
EASTERN - RANDALL SHOP	Randall
	North
GSO OFFICE - NORTH CANTON	Canton
	Marietta,
MARIETTA	Woodsville
	New
NEW PHILADELPHIA SHOP	Philadelphia
NORTHEAST SHOP	Wickliffe
	Lima,
	Celina, Van
WEST OHIO GAS - PLANT	Wert
WESTERN - WEST PARK SHOP	West Park
WOOSTER SHOP	Wooster
YOUNGSTOWN SHOP	Youngstown

IV. Responsibilities

Gas Operations process is responsible for the following areas:

- The Meter Reading group is responsible for ensuring the accurate and timely reading of customer meters on a bi-monthly basis. This activity is captured on handheld data collectors and uploaded daily into the CCS system to be utilized in the billing process. This same process is followed for large volume customers on a monthly basis. Meter Readers code accounts that cannot be accessed using "meter reading codes" (e.g., locked gate, no access) in the data collector to be placed into the CCS system.
- The Pipeline Maintenance group is responsible to maintain the safety and reliability of the gas distribution system. Principal accountabilities include emergency response for third party damage, low pressure or no gas situations, and leak repair.
- The Dispatch Operations is responsible for the daily handling of all emergency work throughout the system, including all emergency requests from all local police, fire, and emergency agencies. They also oversee the daily scheduling of assigned work, ensuring compliance to the minimum gas service standards for appointments and customer requests are met.

- The Field Services Operations is accountable for the handling of emergency response (e.g., leaks, odor complaints, fires) and customer requests for gas to be turned on or off. This department also implements the company's corporate credit policies and procedures and handles disconnections for non-payment. The group also restores service in a timely matter to those customers who have fulfilled their credit requirements.

The Fleet Operations area is responsible for the licensing and maintenance of the entire vehicle fleet. Their use of partner relationships and employees provide key support in ensuring the Dominion fleet is reliable, safe and ready for its employees and the job.

V. Practices and Procedures

Gas Operations employees are expected to follow all Dominion policies. Examples include, but are not limited to the Dominion Code of Ethics, the Conflict of Interest policy and Expectations of Employees. The Operations team also relies on several internal Dominion documents (e.g., the Dominion SOPs for guidance and interpretation of codes, job training aids).

Procedures are also dictated by outside agencies and government regulations. Dominion adheres to all applicable rules and regulations set forth by the Department of Transportation (DOT192), the PUCO (including Ohio Minimum Gas Service Standards), the EPA, OSHA, the Sarbanes Oxley Act, and local municipalities.

VI. Decision Making and Control

Decision making in the operations group is by design typically made at the lowest possible level, depending on the level of the decision. A typical low-level decision would be the scheduling of employees to cover the various shifts that are required to run the operations, whereas a mid-level decision would be the amount of coverage required to meet the anticipated demands from the customer. The strategy to prioritize and set the objectives typically would be done at the Director level in the organization.

Decisions are monitored by the supervisors, managers, and the Director, Gas Operations. Many decisions are based on the knowledge and experience of the job, with "on-site" decisions reviewed and discussed where and when necessary. Strategic decisions are reviewed across all areas within the organization that would be directly impacted by the change. The Director ultimately is accountable to senior management, in particular the Vice President of Gas Distribution.

Expenditures by supervisors are monitored by the managers, and in turn, the managers' expenditures are monitored by the Director for the operations. Depending on the role of the individual within the organization, spending authority is limited and controlled by pre-set spending limits. Larger dollar requests require higher levels of Management approval.

Decisions are monitored by various internal and external agencies. Internally, Dominion's Internal Auditing Department reviews project accounting compliance. Environmental and Safety and oversees adherence to Dominion and outside requirements within their area of expertise. Dominion also maintains a Pipeline Safety Department to monitor Federal and State Pipeline Safety Codes, ensure Dominion's SOP meets or exceeds these codes and oversees actual field practices for consistency of application. Fixed Assets Accounting ensures that projects are closed and assets are booked according to Sarbanes-Oxley laws. Externally, the PUCO Pipeline Safety Section conducts annual audits of Dominion's facilities, adherence to mandated requirements, and the appropriate documentation.

Dominion is committed to conducting its business in accordance with the law and ethical values of society. Dominion has established the Dominion Ethics Program and adopted a Code of Ethics to promote lawful and ethical behavior by all employees and to prevent improper conduct by both companies and employees. It is Dominion's policy to prevent and detect all conduct that is not in compliance with the law or Dominion's policies and procedures.

The Ethics Program coordinates compliance oversight activities company-wide. It establishes processes to assist employees in obtaining guidance and resolving questions regarding ethical and compliance issues.

The Ethics Program requires that each employee:

- Be familiar and comply with all Dominion policies and procedures.
- Be familiar and comply with any applicable laws and regulations that apply to Dominion's business operations.
- Conduct business in accordance with Dominion's Code of Ethics.
- Report any actual or suspected misconduct, illegal activity, or violations of policies, procedures, laws or regulations.

VII. Goal Attainment and Quantification

Goals are established annually and on down the ladder from Dominion Delivery to Gas Delivery to the Gas Operations organization and finally to individual contributors. The goals are measurable and metrics are tracked and reported on an ongoing basis throughout the year. Broad categories of goals for the business include Safety, Compliance, Productivity, Fiscal Responsibility and Six Sigma.

Goal data is housed in various systems including but not limited to CCS, SAP, Safety Database, ProjX, and the Compliance Tracking System. At a high level, metrics are tracked on the Dominion Delivery Scorecard and are updated throughout the year. Employees can view these metrics at any time via the Intranet. Additional metrics are tracked and reported locally.

Concerning employee evaluation, salaried employees are evaluated annually via an automated Performance Appraisal Process. At the beginning of each year, the Director of Delivery Operations establishes goals for all Managers within the process. Each Manager then establishes goals for their respective Supervisors and Individual Contributors. The Managers meet individually with employees during the year to provide feedback on performance. In January of each year, all metrics for the prior year are calculated and are then incorporated into each employee's performance appraisal.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: GAS COMPLIANCE

FUNCTION(S): (a)(iii), (a)(viii), (e)(ii)

I. Policy and Goal Setting / Strategic Planning

The Gas Operations Compliance group establishes its goals and practices to ensure that safe and reliable gas service in full compliance with the law is maintained for all end users on the East Ohio system as well as the public in general. The Director, Operations Compliance, provides strategic direction to this group, following policies and goals established by the Dominion Board, Dominion Executive Officers, and more specifically, the Vice President, Gas Operations. Policies are established in conjunction with and in support of other internal policies in order to comply with tariffs and state regulations. Goals are established and reviewed annually and are communicated by distribution to all employees through regularly scheduled staff meetings and general employee meetings. The Director, Operations Compliance and the several Managers of Operations reporting to this position are charged with communicating, training, and monitoring these goals and policies.

The three key values used to establish goals and objectives in all of Gas Operations are Safety, Compliance, and Productivity.

II. Internal and External Communication

Internal communications are accomplished through a variety of means including monthly staff meetings, conference calls, employee meetings; telephone communications, electronic communications, and print communications.

Members of the Gas Operations compliance group participate in industry conferences and on industry working committees at the national and state level through participation in the American Gas Association, the Ohio Gas Association, the Ohio Oil and Gas Association, as well as many other professional organizations that deal with underground gas storage, corrosion, new technologies, etc.

The Gas Operations Compliance group has specific responsibility to maintain a relationship with and communicate the effectiveness of its compliance programs to the Public Utility Commission of Ohio. This is accomplished through interactions with PUCO auditors and other enforcement officials.

The Operations Compliance group, in partnership with the Media Relations group at Dominion and the Ohio Gas Association, participates in a public communications program regarding natural gas safety. This program educates both customers as well as the general public about natural gas safety and what to do if a natural gas leak is discovered. This communication is in the form of television and print media. The effectiveness of this communication program is measured through telephone surveys, with the objective of continually striving to improve the program.

The company also participates in a communication program through the Ohio Gas Association designed specifically for excavators, reminding them of their obligations to provide proper notification to utilities before excavating and to avoid damage to facilities and risk to the public through safe excavation practices.

Finally, the company also communicates with local Fire Departments, builders and developers, and other code enforcement agencies through public meetings and a program of hands on training that provides an opportunity for local fire fighters, as well as Dominion employees, to practice safely extinguishing natural gas fires.

III. Organizational Structure

Gas Operations Compliance is part of the Gas Delivery business in Dominion. Gas Delivery is part of the Delivery Business unit. The Director, Operations Compliance reports to the Vice President, Gas Operations. Reporting to the Director are five Managers of Operations, an Administrative Assistant, and a Business Performance analyst. Reporting to the Managers are various Supervisors of operations as well as certain individual contributors who help operate the business. Reporting to the Supervisors are union eligible field employees who perform daily operating responsibilities. The total size of the Gas Compliance group is approximately 250 people.

IV. Responsibilities

The primary responsibilities of the Gas Operations Compliance group ensure that safe and reliable gas service, in full compliance with the law, is maintained for all end users on the East Ohio system as well as the public in general. This includes the timely completion of approximately 600,000 safety inspections annually as required by law. Specific areas of responsibility include:

- Compliance inspection programs as audited by the PUCO.
- Damage prevention programs.
- Gas leak detection.
- Corrosion monitoring and remediation.

- Transmission pipeline integrity assessments and remediation.
- Gas storage operations.
- Gas transmission operations.
- Gas measurement and regulation operations – pressure control.
- Gas control operations (SCADA).

V. Practices and Procedures

The Gas Compliance group maintains the Standard Operating Procedures for the business, which is the primary tool to ensure safe and consistent business operations. The SOPs are audited annually for compliance with the law by the PUCO. Training for employees is conducted periodically to communicate and reinforce policies and procedures. Operator Qualification training and testing is performed for employees on all pipeline safety tasks as required by law.

VI. Decision Making and Control

Gas Compliance Operations is responsible for interpretation and guidance regarding State and Federal Safety regulations relative to Dominion's regulated business operations. The Director and Managers of operations monitor the decisions made by department employees. The Ohio PUC Staff audits and internal reviews are conducted to ensure compliance with the law. If inadequacies are identified the Director, Operations is responsible for implementing corrective action.

VII. Goal Attainment and Quantification

Qualitative goals are established annually and monitored through the company's annual incentive plan tracking system as well as the Executive scorecard for Gas Delivery.

Company representatives participate annually in the AGA Best Practices benchmarking programs. In this process, Gas Delivery employees complete surveys documenting procedures, practices and performance metrics in chosen categories. Peer companies are ranked and goals are set striving to improve performance in benchmarked areas.

Gas Delivery Supervisors, Managers and Directors participate in several leadership meetings throughout each calendar year to ensure that company and departmental goals are fully communicated throughout the organization. Field employees participate in weekly tailgate meetings designed to further these communications. Each Company employee is evaluated against specific performance objectives quarterly, and the evaluations are documented in annual performance reviews.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: DESIGN AND CONSTRUCTION

FUNCTION(S): (a)(i)–(iii), (a)(viii)–(ix)

I. Policy and Goal Setting / Strategic Planning

Design and Construction goals, processes, procedures and policies support the corporate goals established by senior management. Further, specific goals within the Design and Construction Group are developed to compliment the goals of other functional areas within Dominion East Ohio.

Each year, the Director establishes objectives for the area with input from Managers and other Group members. Subsequent layers of Management then establish individual and specific department goals. Supervisors review all objectives during the first quarter and quarterly thereafter to ensure that sufficient progress is being made to meet or exceed expectations. At year-end, each level of management evaluates actual results compared with expectations and evaluates performance. Results are then used as input in the subsequent year's goal setting process.

Strategic direction for Dominion East Ohio is first set at the corporate level. This strategy supports the guiding principles of People, Projects and Process. Safety is also embedded into Dominion's priorities, is a key goal every year and is the first topic of every staff meeting in every department. The Director, Design and Construction sets and communicates the strategic direction for this area. Specifically, communication occurs through monthly staff meetings, quarterly Supervisor meetings and annual employee meetings. Other key messages are communicated through targeted e-mails directed to specific work groups.

II. Internal and External Communication

Internal communications consists of a variety of formalized monthly meetings. The Director holds monthly staff meetings with the Construction and Design managers. These meetings include topics such as safety, budgets, operating issues, personnel and Human Resource discussions, and goal attainment status. Managers hold similar monthly meetings with the Construction and Design supervisors. The topics are similar to those discussed in the Director's meetings with a more local or geographic focus. Weekly employee tailgates and periodic leadership meetings are also a means of internal communications. Tailgate meetings tend to focus on safety and operating issues

while leadership meetings usually focus on company-wide issues and are led by the Vice President, Directors and Managers.

Daily contact is maintained between supervisors and employees through work assignments, job site observations and coaching and counseling sessions. Supervisors are available on a daily basis for all of their direct reports. The Director and Managers maintain high visibility through frequent visits to multiple locations permitting interaction between all levels of the organization and all process areas of the company. Construction and Design most frequently communicates with Pipeline Maintenance, Transmission and Storage, Pressure, Field Metering Services and Financial Services.

The Construction and Design area also utilizes the Dominion Intranet as means of internal communication. The site contains information, and links to monthly reports, contact information and links to other Company information.

The Construction and Design organization maintains frequent contact with the builder and developer community via state and local Home Builders Associations as well as with individual builders and developers, pipeline contractors and individual customers applying for gas service. Communications takes place via personal contact and telephone calls, electronic and conventional mail and via the Internet through the Delivery Web Work Management application.

The Design group interacts regularly with external parties such as the Ohio Department of Transportation, and also with Counties, Municipalities and Townships within the service territory. Information about construction projects and schedules is exchanged either directly with the governing body or with consulting representatives.

III. Organizational Structure

The Construction and Design group are part of the Delivery organization, reporting through the Director Gas Delivery Operations Construction to the VP Gas Operations, the Senior VP Gas Delivery to the CEO and President Gas Delivery.

There are a total of 175 employees in the organization.

Breakdown by Classification

Salary		Union	
ADMINISTRATIVE ASSISTANT III	2	AIMS OPERATOR	3
BUSINESS PERFORMANCE ANALYST	1	CITY PLANT CLK B1988	1
COORD ENGINEERING	1	CUST RELATIONS SPEC B1988	1
CUSTOMER CONNECTION COORD	5	FIELD CLERK B1988	3
DIR GAS DELIVERY OPERATIONS	1	GEN OPER CLK	1

GAS DISTRIBUTION SALES REP	1	GEN OPER CLK B1988	3
MGR GAS DELIVERY DESIGN	2	C&M TECH A	32
MGR GAS DELIVERY OPERATIONS	4	ENGINEERING TECH	61
MGR GAS DELIVERY PROJECTS	2	FITTER-OPER A	18
SR BUSINESS PERFORMANCE ANALYST	1	HEAVY EQUIP OPER	1
SR GAS DISTRIBUTION SALES REP	3	HELPER	1
SUPV GAS DELIVERY CONTRACTOR MGMT	1	WELDER CREW LDR	1
SUPV GAS DELIVERY OPERATIONS	15	HEAVY EQUIPMENT OPR-RIVER	1
INTERN	1	INSPECTOR RIV	2
Total Salary	40	UTILITYMAN DIST	1
		UTILITYMAN DIST	1
		C&M INSPECTOR	2
		ENGRG RECORDS CLERK	2
		Total Union	13

Construction and Design employees conduct business in all geographic areas of the Company.

Shop Locations	
SHOP	CITY
55TH STREET CENTER	Cleveland
AKRON - WILBETH SHOP	Akron
ASHTABULA SHOP - LAKESHORE	Ashtabula
CANTON PERRY YARD	Canton
EASTERN - RANDALL SHOP	Randall
GSO OFFICE - NORTH CANTON	North Canton
MARIETTA	Marietta, Woodsville
NEW PHILADELPHIA SHOP	New Philadelphia
NORTHEAST SHOP	Wickliffe
WEST OHIO GAS - PLANT	Lima, Celina, Van Wert
WESTERN - WEST PARK SHOP	West Park
WOOSTER SHOP	Wooster
YOUNGSTOWN SHOP	Youngstown

IV. Responsibilities

Gas Construction and Design is responsible for the design and installation of residential, commercial and industrial new customer connections to the gas infrastructure, as well as capital projects associated with the maintenance and enhancements of the existing infrastructure. These activities include mainline and company service line replacements and abandonments, and mainline relocations

and betterments. In association with all of this work is the monitoring of property restoration and contract administration. The group's goal is to manage the capital budget by identifying and prioritizing projects, completing the activities in the most timely and cost efficient method while maintaining excellent customer service.

Design is also accountable for multiple tasks associated with projects including customer transactions, engineering, material requisition and identification, land use agreements, permits, contracts, billing, property records. IT is also a key asset for executing and managing Design and Construction activities.

V. Practices and Procedures

Construction and Design employees are expected to follow all Dominion policies. Examples include, but are not limited to the Dominion's standard operating procedures (SOPs), Design and Construction Manual, Dominion Safety Procedures, Environmental Regulations, OSHA Standards, DOT Code (part 192), Sarbanes Oxley Regulations, etc. Dominion policies are reviewed annually or as required by their specific guideline. For example, SOPs are reviewed annually but may be reviewed at a more frequent interval if necessary. The implementation of design and construction plans and the adherence to all required rules and regulations is the responsibility of the Design and Construction Management Team. Changes to policies are led by Subject Matter Experts within the Design and Construction staff as directed by the Director of the area. Additionally, Best Practice information from AGA or other sources is also incorporated in the annual reviews if applicable.

Procedures are also influenced by outside agencies and government regulations. The Construction and Design group follows all applicable rules and regulations set forth by the Department of Transportation (DOT 192), the PUCO (including Ohio Minimum Gas Service Standards), the EPA, OSHA, the Sarbanes Oxley Act, and local municipalities.

VI. Decision Making and Control

The Design and Construction Group at Dominion East Ohio is responsible for many types of project and construction type of decisions. An example includes the decision to repair versus replace a segment of pipe and the extent and scope of replacement. Further, when facility replacement decisions are made, Design and Construction will select specific design options, determine project schedules, project prioritizations and will make various "on-site" decisions depending on conditions. Dominion management, depending on the level of spending request, approves the authorization for expenditure.

Decisions are monitored by various internal and external agencies. Internally, Dominion's Internal Auditing Department reviews project accounting

compliance. Environmental and Safety oversee adherence to Dominion and outside requirements within their area of expertise. Dominion also maintains a Pipeline Safety Department to monitor Federal and State Pipeline Safety Codes, to ensure Dominion's SOPs meet or exceed these codes and to oversee actual field practices for consistency of application.

Externally, the PUCO Pipeline Safety Section conducts annual audits of projects, including field construction and project documentation. Specific audits are also conducted on high-dollar projects. Beyond the PUCO, nearly every design project requires design approval by one or any combination of local, state and national agencies through project permits. Some of these agencies include, Ohio Power Siting, the Army Corp of Engineers, the Ohio EPA, local community engineering, service, planning or building departments.

Supervisory authority within Design and Construction is delegated depending on Management level. Supervisors oversee the day-to-day activities of Clerks, Engineering Technicians, C&M Technicians, C&M Fitters and C&M Helpers. Department managers focus on implementation of activities over a roughly 12-month window and provide input to upper Management on performance status. The Director participates in overall strategy development at Dominion East Ohio and sets specific strategic priorities for Design and Construction. He also reviews, updates and revises long-term initiatives (*i.e.*, greater than 12 months). Finally Project Managers and Engineers are responsible for project execution according to plan, including budget, schedule and scope.

VII. Goal Attainment and Quantification

Goals are established annually and ladder down from Dominion Delivery to Gas Delivery, to the Design & Construction organization, and finally to individual contributors. The goals are measurable and metrics are tracked and reported on an ongoing basis throughout the year. Broad categories of goals for Design & Construction include Safety, Compliance, Productivity, Fiscal Responsibility and Six Sigma.

Goal data is housed in various systems. At a high level, metrics are tracked on the Dominion Delivery Scorecard and are updated throughout the year. Employees can view these metrics at any time via the Intranet. Additional metrics are tracked and reported locally.

From an individual employee perspective, salaried employees are evaluated annually via an automated Performance Appraisal Process. At the beginning of each year, the Director of Delivery Construction establishes goals for all Managers within Design and Construction. Each Manager then establishes goals for their respective Supervisors and Individual Contributors. The Managers meet individually with employees during the year to provide feedback on performance. In January of each year, all metrics for the prior year

are calculated and are then incorporated into each employee's performance appraisal.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: METER PLANNING AND ANALYSIS

FUNCTION(S): (a)(iv), (b)(v), (d)(i)

I. Policy and Goal Setting / Strategic Planning

The Director, Metering Planning & Analysis (P&A) articulates the strategic direction for the area. Metering policies are set to further Dominion's overall strategic direction. Metering P&A suggests Metering goals to be part of the Delivery business goal package.

The specific Metering P&A functional goals are set by the Director, P&A in conjunction with the Metering P&A managers. To communicate these goals, a goal sheet is developed, which is added to individual performance goal sheets. These goals are set annually and typically do not change mid-year. Changes to Metering P&A goals are instituted by the Director, P&A.

II. Internal and External Communication

Internal communications and information is disseminated daily by both formal and informal means within the Metering P&A department. Information may be both written and verbal. Quarterly department meetings are held to communicate Dominion and delivery business information. Every other month staff meetings are also held. Numerous other meetings, including weekly safety and operations meetings are held as needed.

Key partners within Dominion for the Metering P&A department include Field Operations, Billing, Credit, Information Technology and Call Centers.

Externally, Metering P&A often interacts with vendors, manufacturers, consultants and industry trade groups. The area also supplies information for regulatory reporting as required. Communication with these groups takes place at specific face-to-face meetings, industry and trade conferences, written e-mail communication, written reports, and telephone conversations.

On occasion, the Metering P&A department relies on Corporate Communications to disseminate information where a project or action may affect large numbers of customers. For example, Corporate Communications has developed information regarding the installation of automated meter reading devices.

III. Organizational Structure

The Metering P&A functions roll up to the Delivery Business Customer Service group. The department has 22 full-time employees. In terms of employees connected specifically to DEO's operations, the following are listed as full-time equivalents:

0.5	Director Metering Planning & Analysis
1	Manager Metering Systems
1	Supervisor Metering Systems
1.5	Supervisor Metering Engineering & Planning
2	Technical Specialist II
1	Consulting Engineer
1	Engineer I
3	Sr. Business Performance Analyst
2	Technical Consultant
1	Sr. Customer Business Technology Analyst
1	Field Clerk
4	General Operating Clerk
3	Meter Shop Technician

Metering P&A also conducts business at multiple Ohio locations including the following field offices:

- Cleveland – Western, Eastern, Northeast, Ashtabula, E. 55th Street Center
- Akron – Eastwood, Wilbeth
- Youngstown
- Canton – Perry Yard, N. Canton
- New Philadelphia
- Wooster
- Marietta
- Woodsfield
- Ludlow
- Lima – Celina, Van Wert

IV. Responsibilities

The Metering Planning & Analysis area supports the Field Operations group. Metering P&A provides strategic direction and hardware and software support for Field and Meter Reading operations. This includes new measurement technology evaluation

and assessment, meter sizing, and budgeting and purchasing of all gas meters and metering equipment. The department also directs and oversees the compliance driven meter change program, meter testing and performance, and meter refurbishment by a third party vendor. In addition, Metering P&A provides all performance metric tracking statistics for the Meter Reading Operations.

Additionally, all gas measurement standards are developed and maintained by Metering P&A. Metering P&A also provides measurement oversight to the natural gas producers on the Dominion East Ohio system. This includes monitoring and auditing the measurement charts that track the quantity of gas flowing into the DEO pipeline system from Producer wells and interacting with several approved third-party chart processors. Metering P&A also provides engineering support for storage measurement and monitor volumes in and out of storage.

V. Practices and Procedures

A number of practices and procedures that have been developed to carry out the department's responsibilities are outlined in the attached Design and Construction Manual, § 16.

VI. Decision Making and Control

The Metering Planning and Analysis area makes decisions on metering hardware and software selection, budget decisions, and purchase timing decisions for metering equipment. Other decisions include establishing and modifying metering standards and the performance criteria for all metering equipment. Decisions associated with Production Measurement and Chart Processing are made by this group.

Decisions are typically made at the lowest practicable level and are made in accordance with all applicable Federal and State standards.

VII. Goal Attainment and Quantification

Goal performance is reviewed monthly and progress is tracked on a year-to-date basis. Actual performance is reviewed against the goals standard and variances are reported. Monthly reports are used to track goal performance. Employees are evaluated against their goals periodically throughout the year. The Performance Management System is the tool used to evaluate performance. Goals are divided by "what" needs to be accomplished and "how" the performance is accomplished. Bargaining Unit employees are evaluated against expected productivity standards.

16. Gas Measurement Facility Design Specifications & Standard Practices

(Refer to Section 6 of D&C Manual – Measurement & Regulation Facility Design)

16.1 Gas Measurement

16.1.1 General

All metering facilities, for both internal and external customers, shall comply with these design specifications and standard practices. The design and standard practices are intended to provide accurate gas measurement within regulated criteria and guides as published by the Department of Transportation and the Public Utility Commissions of Ohio, Pennsylvania and West Virginia.

This section (160 applies to all new measurement installations installed after February 6, 2006. When existing measurement installations are being revised, they should be revised to these specifications and practices. When making revisions to existing facilities, Metering Services should be contacted and advised of the changes being made.

16.1.2 Requirements for Gas Measurement

The meter manifold and associated equipment shall:

- A. Be sized and installed within the limitations of the manufacturers' recommendations as modified by operating experience. The capacity of the meter and service regulator(s), if required, shall be based on one of the following: customer load requirements, actual flow data, or existing meter capacity for replacements. Consideration should be given to verifying the customer load requirements to determine the actual maximum load required vs. the total connected load.
- B. Have the required accuracy to meet regulatory requirements.
- C. Be constructed of materials such that the operation of the meter will not be impaired by internal or external corrosion.
- E. Be of a nominal size not exceeding the size of the inlet piping unless unusual circumstances require this condition.
- F. Comply with all local, state, and federal codes and specifications where applicable.
- G. Comply with this section and other associated sections of the Dominion Design & Construction Manual as well as the Dominion Standard Operating Procedures.

1.6.1.3 Measurement of Gas

16.1.3.1 Volumetric Measurement

When gas is measured on a volumetric basis, the actual volume shall be converted to a standard cubic foot of gas using the following criteria.

A. Atmospheric Pressure: 14.4 PSIA (OH, PA, WV)

B. Base Pressure: 14.73 PSIA (OH, PA, WV)

C. Base Temperature: 60 Degrees Fahrenheit

16.1.3.2 Energy Measurement

When gas is measured on an energy basis, the actual volume shall be converted to a standard cubic foot of gas using the criteria in section 16.1.3.1 and the BTU content of the gas as determined by a gas chromatograph or a gas sample analysis.

16.2 Meter Requirements

16.2.1 General

This section pertains to the design, material, tests, inspection, and general requirements for gas meters used by Dominion.

16.2.2 Orifice Measurement

16.2.2.1 Orifice measurement shall only be used for internal gas measurement within the Dominion system. Orifice Measurement shall not be used for any custody transfer measurement to a distribution customer. Orifice Measurement may be used on certain production applications where operating conditions preclude the use of a rotary or turbine meter. Consult with the Meter Services Engineering and Planning group for these applications.

16.2.2.2 Orifice measurement shall be in accordance with all aspects of AGA 3 specifications (latest edition). For internal Company use of orifice measurement where AGA 3 requirements cannot be maintained consult with the Meter Services Engineering and Planning group for recommendations.

16.2.2.3 The instrumentation used to perform the AGA 3 calculations for the orifice shall be approved by the Meter Services Engineering and Planning group.

16.2.2.5 Testing of orifice measurement installations shall comply with section 210.01.IV of the Dominion Standard Operating Procedures.

16.2.3 Diaphragm Meters

16.2.3.1 Diaphragm meters used in the Dominion system shall be in accordance with ANSI B109.1 specifications (latest edition). Only diaphragm meters that have a capacity less than or equal to 1000 SCFH @1/2" w.c. (2200 SCFH @ 2" w.c.) may be used.

16.2.3.2 Diaphragm meters used in the Dominion system shall have a temperature compensation mechanism in the measurement linkage.

16.2.3.3 Diaphragm meters shall be purchased in accordance with Dominion Delivery Metering standards.

16.2.3.4 Diaphragm meters shall have a measurement accuracy of $\pm 1\%$ for flow rates of approximately 10% to 100% of the meter's rated capacity, and $\pm 2\%$ for flow rates from 10% down to the meter's minimum rated capacity.

16.2.3.5 Diaphragm meters will be tested in accordance with section 210.01.IV of the Dominion Standard Operating Procedures using one of the following methods:

- a: Standard Test Method
- b: Statistical Sampling Method
- c: Variable Interval Test Method
- d: WV, per PSC Title 150, Series 4, Section 6.5.1 Periodic Test Schedule

16.2.4 Rotary Meters

16.2.4.1 Rotary meters used in the Dominion system shall be in accordance with ANSI B109.3 specifications (latest edition), Rotary Type Positive Displacement Meters. Only rotary meters that have a capacity less than or equal to 23,000 SCFH @ 7" w.c. pressure may be used. For other capacity rotary meters consult the Dominion Delivery Metering Group.

16.2.4.2 Rotary meters shall be purchased in accordance with Dominion Delivery Metering standards.

16.2.4.3 Rotary meters shall have a measurement accuracy of $\pm 1\%$ for flow rates of approximately 10% to 100% of the meter's rated capacity, and $\pm 2\%$ for flow rates from 10% down to the meter's minimum rated capacity.

16.2.4.4 Rotary meters will be tested using the differential testing method at intervals as specified in section 210.01.IV of the Dominion Standard Operating Procedures.

16.2.5 Turbine Meters

16.2.5.1 Turbine meters used in the Dominion system shall be in accordance with AGA 7 (latest edition). Only turbine meters that have a capacity less than 140,000 SCFH @ 7" w.c. pressure may be used.

16.2.5.2 Turbine meters shall be purchased in accordance with Dominion Delivery Metering standards.

16.2.5.3 Turbine meters shall have a measurement accuracy of $\pm 1\%$ for flow rates within its recommended capacity range as specified by the manufacturer's out test data.

16.2.5.4 Turbine meters operating at metering pressures greater than 175 psig shall have a high pressure meter calibration performed prior to start up.

16.2.5.5 Turbine meters will be tested using the spin time testing method at intervals as specified in section 210.01.IV of the Dominion Standard Operating Procedures.

16.2.6 Ultra-Sonic Meters

(This section to be developed)

16.2.7 Other Types of Measurement

(This section to be developed)

16.3 Meter Selection Process

16.3.1 Introduction

Gas Measurement has always been a critical function of the natural gas industry. Meter selection and sizing can be a complex process that requires the knowledge and judgment of someone that understands the theory and operation of gas measurement. Today, in the competitive markets generated by open competition, it has become more critical. A standard meter selection process used by all system companies will facilitate the use of standard meter sets. The use of standards will reduce inventory and costs while allowing accurate, dependable measurement. The following procedure is an outline for the proper standard meter selection.

16.3.2 Meter Selection Considerations

Before selecting a meter it is important to select the right type of meter for the application. See “**Meter Type Selection Flow Chart.**” While all meters are designed to be accurate and dependable, they each have their own peculiarities that make them better suited for a particular flow range and application. A residential application is best left to diaphragm meters while a large industrial may be better suited for turbine measurement.

It is important to know as much as possible about the customer. The type of customer can be critical in determining the type of meter to be used. For instance, a steel mill or glass plant requires the use of a meter that will not stop the flow of gas should the meter lock up. A rotary meter is not the best selection for this since a malfunction could stop the gas flow allowing the molten steel or glass to congeal. In a glass plant, this means jack hammering the glass out of the furnace, since once it sets up, it is impossible to reheat the furnace enough for it to be remelted. Always know if a critical process is involved that requires special consideration.

Line pressure, both minimum and maximum, along with the required delivery pressure should also be known to properly size the meter. It is important to know when the maximum load will hit. In winter, the pressure may be low due to pressure drops, or high if the pressures are increased and the meter is close to a supply point. Is it a summer time load such as an asphalt plant? Pressures in the system may be high due to lack of demand, or supply set points may be lowered because of low demand.

The total connected load is important but how the customer operates his equipment or runs his operations can have a significant impact on sizing of the meter. The type of appliances, backup equipment such as standby boilers, emergency light plants etc. should also be considered. While determining actual load requirements is more of an art than a science, a safe, conservative assumption should be tried. What is the chance of all equipment hitting at full fire at the same time for an extended time period? For instance, will a restaurant have all ovens, burners, grills, deep fryers, hot water heater and furnace

all hitting at full fire for an hour? Chances are that it will not. Will a standby boiler be brought up to full fire and run for an hour before the main boiler at full fire is shut down? Will all gas appliances be running at full fire when an emergency light plant is on? These situations should be investigated before the meter is sized.

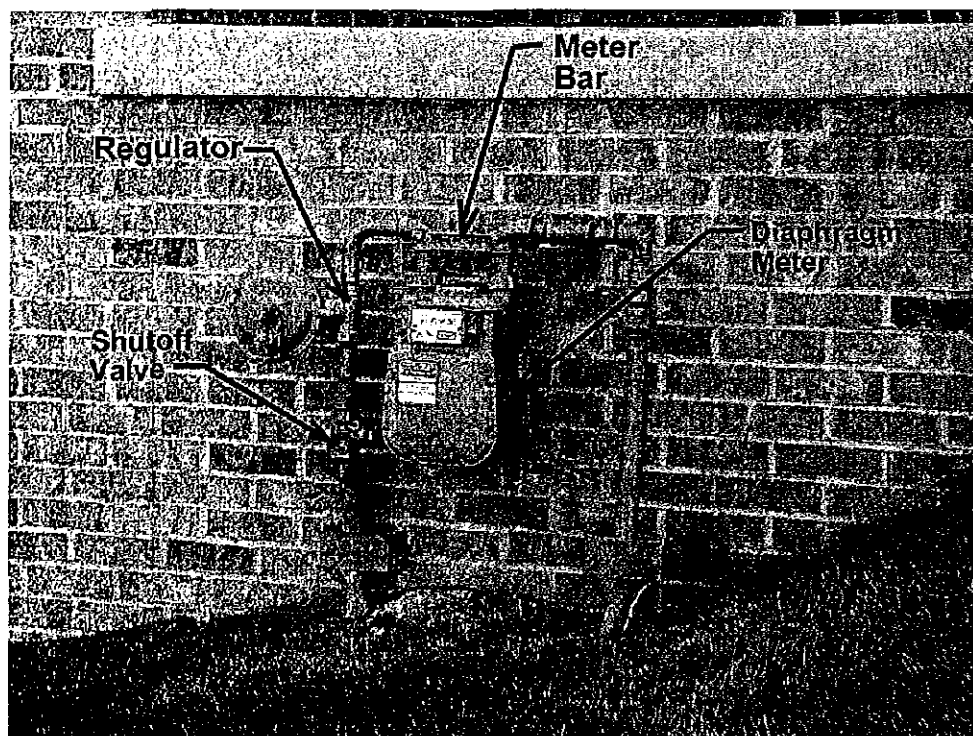
One consideration is whether a meter can or can not exceed its rated capacity for a short duration. While no manufacturer will define “short duration”, except to say if the meter fails you have exceeded the short duration, this is a consideration when sizing and selecting a meter. This could include the 25% over spin of a turbine meter, and Dresser has conducted studies that predict that certain rotary meters can still measure gas within +/- 1% with no damage for limited time periods with 10% overspin. Manufacturer’s technical literature should be consulted when over spin considerations become a factor in sizing and selecting a meter.

When determining whether to measure on the high side or low side, upstream or downstream of the regulator, cost of the installation, such as welding, fittings, valves, instrumentation, and regulatory or tariff requirements should be taken into consideration, along with meter cost. Unless meter availability is a problem, best practice using the most economical and accurate measurement system should be used.

Caution should be exercised when rotary meters are used for snap acting boilers. Rotary meters downstream of the regulator can cause pressure fluctuations that can impact the operation of customer equipment. Measuring before the regulator will prevent these fluctuations.

16.3.3 Diaphragm Meters

Diaphragm meters are the most common type of meter in use. They have been in use since approximately 1843. Materials have changed over the years, but the basic design is the same. Diaphragm meters are used for low volume, lower pressure applications. They are ideally suited for this due to their low cost, reliability and ability to measure low flows. They are subject to wear and change in accuracy do to their construction with diaphragms, linkage, flag arms, tangent and other moving parts. They are also the perfect drip since gas expands when entering the large chamber above the diaphragm table. The expansion of the gas in the meter causes fluid or liquid vapor entrained in the gas flow to drop out as a liquid, possibly causing fast measurement and freezing problems during the winter. The meter could lockup on a failure with the sliding D Valves in a position that would not permit the flow of gas, causing a customer outage. At present, however, there is no other viable economic alternative for small lower pressure loads.



Diaphragm Meter Installation

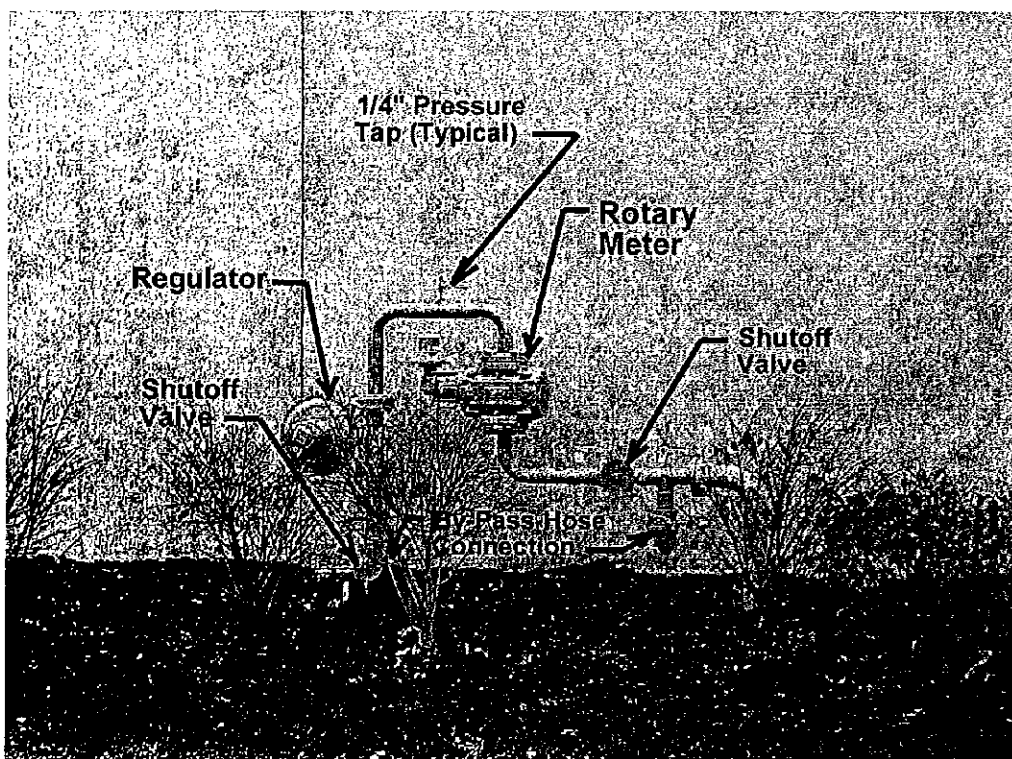
Diaphragm meters are usually badged for capacity at base conditions at two differentials, 1/2" and 2" water column. The more volume through the meter the larger the differential pressure across the inlet and outlet of the meter. Care must be used when measuring at low (inches wc or ounces per square inch) pressure when using the 2" differential. This is the equivalent of approximately a 1.16 ounce per square inch pressure drop across the meter. Be sure that the 2" differential will not render the customer's equipment inoperable. This may be especially critical near the end of dead end systems, or where regulating stations are located in respect to the meter set. Always use the 1/2" badged rating when pressure in the distribution system may be at a critical low point.

When diaphragm meters are to be operated at elevated pressures use manufacturer capacity ratings or the AGA Gas Measurement Manual (Revised) "Displacement Measurement - Part No. Two" has tables to help with derating diaphragm meters capacity at elevated pressures. Contact the Engineering and Planning section of Delivery Metering for assistance.

16.3.4 Rotary Meters

Rotary meters date back to the 1920's. They are dependable and accurate, and with proper maintenance, capable of measuring very low flow. They are better able to measure low flows than turbine meters. Rotary meters are used for intermediate flows with

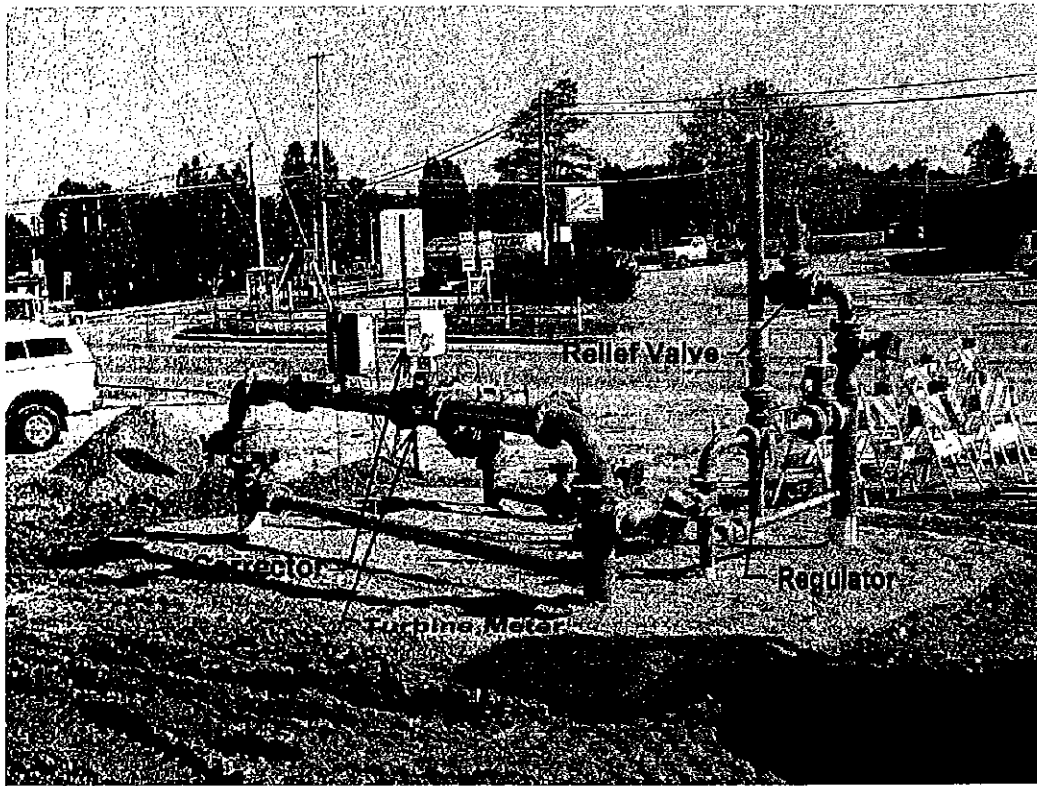
pressure ratings up to 1440 psig. They are not as manpower intensive as diaphragm meters, and with proper care operate for 30 to 40 years with no problems. There are no derating factors for rotary meters. They can be susceptible to dirt and liquids at low flows, and are sensitive to shock loads. A restricting orifice may be required to protect the meter under certain conditions, such as well production. Upon failure, the amount of gas allowed to pass through the meter is dependent upon the position of the impellers, meaning it is possible for a customer to be put out of gas. Dresser has completed studies that show rotary meters can tolerate over spin for short durations. Keep this in mind when sizing meters.



Rotary Meter Installation

16.3.5 Turbine Meters

Turbine meters are relatively new in the gas industry. They were first used in the system in the late 1960's. They are used primarily for higher flows with pressure ratings to 1440 psig. They are accurate and dependable, less manpower intensive than other meters. They use a modular design allowing replacement of the measuring element without removing the meter body. They can be susceptible to dirt and liquids, and low flows can be a bigger problem than they are with rotary meters. At higher flows, they have a tendency to run slightly fast which can make up for the loss at low flow. Turbine meters are also susceptible to turbulence, with specific installation requirements. They will not cause a consumer outage upon failure, and are ideal for critical applications such as steel mills and glass plants. Turbine meter installations must be designed to AGA 7 (Measurement of Gas by Turbine Meters) specifications.



Turbine Meter Installation

16.3.6 Meter Selection

Once the type of meter is selected, then the “**Meter Selection Flow Charts**” and “**Meter Capacity Selection Charts**” should be consulted to select the recommended meter for the application. Alternate meters are shown which may be used when availability of the primary meter becomes a factor. These charts are arranged by load and inlet pressure to the meter. If there are special considerations that do not allow for the use of the standard meter selection process, contact the Engineering & Planning section of the Delivery Metering group for assistance. It is important to use standard selections whenever possible.

WMIS (Work Management Information System)

The WMIS system is designed to automatically specify the meter and associated regulator and manifold based on certain parameters that are input into the system. The automatic selection process is limited to diaphragm and rotary meters only. Other restrictions to the system include the load on the meter and the pressure to be delivered to the customer. This automatic selection process in the WMIS system was designed to provide quick meter selection and equipment specifications for the most common of applications. The system does not take into account any High side measurement. Only Low Side measurement is specified in the WMIS system. When parameters, load, or type of measurement requirements fall outside the WMIS system capabilities, the selection of the meter, associated equipment, and manifold will be directed to the Engineering & Planning section of the Gas Delivery Metering Group.

16.4 Service Regulator Requirements

16.4.1 General

16.4.1.1 Service regulators used in the Dominion system shall be in accordance with ANSI B109.9 specifications (latest edition) and/or DOT Part 192.197.

Service regulators are those regulators that are used to deliver gas from a high pressure distribution system (any system with an MAOP greater than 1 PSIG) to a customer at a pressure that is less than the system MAOP. Service regulators may be installed before or after the meter.

16.4.1.2 Only those regulators approved by Metering Services may be used as service regulators to supply gas to Dominion customers.

16.4.2 Pressure Settings

16.4.2.1 The standard pressure(s) that will be delivered to a residential customer shall be;

- a:** “Low Pressure” which is established as 7” w.c. (4 oz.)
- b:** 2 PSIG

16.4.2.2 The standard pressure(s) that will be delivered to a commercial customer shall be;

- a: "Low Pressure" which is established as 7" w.c. (4 oz.)
- b: 2 PSIG
- c: 5 PSIG (limited to type of meter and load requirements)
- d: Other pressures may be delivered based upon equipment requirements

16.4.2.3 The standard pressure(s) that will be delivered to an industrial customer shall be;

- a: "Low Pressure" which is established as 7" w.c. (4 oz.)
- b: 2 PSIG
- c: 5 PSIG
- d: Other pressures may be delivered based upon equipment requirements

16.4.2.4 For applications where low pressure is to be delivered to a customer the pressure setting of the regulator shall be at a minimum of 7" w.c. (4 oz.). This shall apply to all customers whether they are Residential, Commercial, or Industrial.

16.4.2.5 Should a customer require pressure gas in excess of 7" w.c., then the customer shall be offered a delivery pressure of 2 PSIG. It shall be the customer's responsibility to supply any auxiliary regulator(s) for his appliances or equipment.

16.4.3 Rural & High Pressure Regulator Applications

16.4.3.1 Systems With an MAOP of 60 psig or less

16.4.3.1.1 If a service regulator with the following characteristics is used, no other pressure-limiting device is required:

- A. A regulator capable of reducing distribution line pressure to pressures recommended for household appliances.
- B. A single port valve with proper orifice for the maximum gas pressure at the regulator inlet.
- C. A valve seat made of resilient material designed to withstand abrasion of the gas, impurities in gas, cutting by the valve, and to resist permanent deformation when it is pressed against the valve port.
- D. Pipe connections to the regulator not exceeding 2 inches in diameter.
- E. A regulator that, under normal operating conditions, is able to regulate the downstream pressure within the necessary limits of accuracy and to limit the build-up of pressure that would cause the unsafe operation of any connected and properly adjusted gas utilization equipment.
- F. A self-contained service regulator with no external static or control lines.

16.4.3.1.2 If the actual maximum operating pressure of the distribution system is 60 psig or less, and a service regulator that does not have all of the characteristics

listed in paragraph A. of this section is used, or if the gas contains materials that seriously interfere with the operation of service regulators, there must be suitable protective devices to prevent unsafe over pressuring of the customer's appliances if the service regulator fails.

16.4.3.2 Systems With an MAOP Greater Than 60 PSIG

16.4.3.2.1 If the maximum actual operating pressure of the distribution system exceeds 60 psig, one of the following methods must be used to regulate and limit, to the maximum safe value, the pressure of gas delivered to the customer:

- A. A service regulator having the characteristics listed in paragraph 16.4.3.1.1 of this section, and another regulator located upstream from the service regulator. The upstream regulator may not be set to maintain a pressure higher than 60 psig. A device must be installed between the upstream regulator and the service regulator to limit the pressure on the inlet of the service regulator to 60 psig or less in case the upstream regulator fails to function properly. This device may be either a relief valve or an automatic shutoff that shuts, if the pressure on the inlet of the service regulator exceeds the set pressure (60 psig or less), and remains closed until manually reset.
- B. A service regulator and a monitoring regulator set to limit, to a maximum safe value, the pressure of the gas delivered to a customer.
- C. A service regulator with a relief valve vented to the outside atmosphere, with the relief valve set to open so that the pressure of gas going to the customer does not exceed a maximum safe value. The relief valve may either be built into the service regulator or it may be a separate unit installed downstream from the service regulator. This combination may be used alone only in those cases where the inlet pressure on the service regulator does not exceed the manufacturer's safe working pressure rating of the service regulator, and may not be used where the inlet pressure on the service regulator exceeds 125 psig. For higher inlet pressure, the methods in paragraph A or B of this section may be used. This method may not be used in West Virginia. Use only A, B, or D in West Virginia. Per Title 150, Series 4 of the WV PSC.
- D. A service regulator and an automatic shutoff device that closes upon a rise in pressure downstream from the regulator and remains closed until manually reset.

16.4.4 Service Regulators for Pressure Compensated Index Applications

16.4.4.1 Pennsylvania Installations

A service regulator used in Pennsylvania with a pressure compensated index shall comply with section 59.15.c of Title 52 of the Pennsylvania Code.

(c) *Fixed pressure factor measurement.* If the gas metering pressure can be maintained at a constant level so that it will not vary by more than plus or minus 1.0% of the absolute metering pressure, the quantity of gas corrected for pressure for billing purposes may be determined by multiplying the uncorrected volume by the factor of Metering Pressure Plus Atmospheric Pressure Divided by Base Pressure or by a special index with gearing to perform this calculation. The special index shall meet the specifications of ANSI Standard B109.1, § 6.2 (1986) or ANSI Standard B109.1, § 6.9 (1986). The ability of the regulator to maintain the constant pressure shall be verified at or prior to installation. Verification will be established by the use of a verified pressure-indicating gauge (accuracy: ANSI B40.1 Grade 3A), or a pressure-recording gauge, at both high and low flow conditions. When customer load is measured with a meter with a rated capacity of 1,500 cubic feet per hour or less, with metering pressure less than 3 psig, the performance of the regulator shall be verified in accordance with the test schedule of the downstream meter, established under § 59.21 (relating to meter tests). When customer load is measured with a meter with a capacity of over 1,500 cubic feet per hour or metering pressure of 3 psig or more, the performance of the regulator shall be verified at least every 5 years, except that those installed before January 1, 1990, shall be verified at least every 2 years.

16.4.4.1 Ohio and West Virginia Installations

A service regulator used in Ohio and West Virginia with a pressure compensated index shall be capable of maintaining the set pressure to within $\pm 2\%$ of the set pressure.

16.5 Over-Pressure Protection Requirements

16.5.1 General

All meter manifolds that have a service regulator(s) must provide some means of over pressure protection. This over pressure protection may be either internal to the service regulator as compliance with DOT 192.197 or may be an external device.

16.5.2 Maximum Pressure Build-Up

16.5.2.1 Low Pressure to Customer

Whenever low pressure (7" w.c. nominal) is delivered to the customer the maximum pressure build-up shall be limited to:

OH; 30 in. w.c.

PA; 35 in. w.c. (1.25 PSIG) **Based on past practice of single regulator on IP*

WV; 28 in. w.c. – not to exceed 1 PSIG (28.8 in. w.c. at base conditions)

16.5.2.2 2 PSIG to 4 PSIG Pounds Pressure to Customer

Whenever 2# pressure is delivered to the customer the maximum pressure build-up shall be limited to 2.0 times the set pressure of the regulator.

16.5.2.3 5 PSIG Pressure to Customer

Whenever 5 PSIG is delivered to the customer the maximum pressure build-up shall be limited to 8 PSIG.

16.5.2.4 >5 PSIG Pressure to Customer

Whenever a pressure greater than 5PSIG is delivered to the customer the maximum pressure build-up shall be limited to 1.5 times the set pressure of the regulator.

16.5.2.5 Other

Should a customer require a maximum safe pressure that is less than that specified in sections 15.5.2.1 thru 15.5.2.4, the over pressure protection device shall be selected based on the customer required maximum safe pressure.

16.5.3 Types of Over-Pressure Protection Devices

16.5.3.1 Internal Devices

- a: relief valve
- b: internal monitor w/relief

16.5.3.1 External Devices

- a: relief valve
- b: monitor regulator
- c: slam shut device

16.6 Design Criteria for Measurement Facilities

16.6.1 General

All meter manifolds shall be designed in accordance with this section. Special applications where variances must be made shall be reviewed and approved by the Meter Services Engineering and Planning group.

16.6.2 Manifold Design

- A. The design of the meter manifolds, regulators and associated equipment depend on many factors requiring a wide variation in the method selected. The major factors which should be considered are:
 - 1. The inlet MAOP, operating pressure and degree of pressure variation.
 - 2. The outlet pressure and control accuracy desired.
 - 3. Gas condition (dirt, liquids, etc.).
 - 4. Operating flow rangeability.
 - 5. Overpressure protection requirement.
 - 6. Underpressure protection requirement.
 - 7. Maintenance.

8. Noise.
 9. Possibility of freezing.
 10. Need for instrumentation.
 11. Protection from damage.
- B. Since the final design is dependent on so many different requirements, only very general specifications can be given.
- C. With high-pressure drops across the station, it is quite often desirable to have two pressure reductions, in other words, two regulators in series, in order to obtain better pressure control. If the inlet pressure is expected to vary considerably, a “trimming control valve or regulator” should be utilized to stabilize the inlet pressure to the primary regulation. This is particularly important if the inlet pressure varies widely.
- D. The desired accuracy of the outlet pressure control determines the type of regulator which can be used. Generally, the use of pilot operated regulators will allow for good pressure control but may be slow in reacting to quick variations in load requirements. Spring loaded regulators may give better response to fluctuating loads but will not have as precise control of the pressure as a pilot operated regulator would.
- E. Axial flow, Flexflow, EZR, Flowgrid or similar sleeve-type/flexible element regulators should not be utilized when a minimum pressure drop is required. Although these are acceptable regulators, one should be cautious of “cracking differential pressure.” Special models of these regulators are available that require low differential pressures which may be considered.
- F. For commercial and industrial customers, piping should be arranged to facilitate easy maintenance of the meter, regulators, and other equipment. This means that there should be a suitable by-pass line or valving which can be used to feed gas to the customer while the meter, regulators, and other equipment are being examined or repaired.
- G. It may be necessary to have heating, dehydration, or injection facilities upstream from the meter manifold to prevent freezing.
- H. In large meter manifolds, noise may be a factor. Sufficiently large piping should be used in order to keep the gas velocity below 6,000 ft./min for pressure gas applications. For low-pressure applications, the velocity of the gas should not exceed 2,700 FPM. For meter manifolds that utilize multiple parallel runs, headers should have areas approximately 1-1/2 to 2 times the size of the combined area of the individual meter runs. Header velocities at normal flow

should be around 2,000 ft./min. Also, heavy wall pipe can be utilized where additional sound attenuation is required. Piping layouts should be made to reduce turbulence as much as possible. The use of full bore valves is recommended in piping adjacent to control valves, regulators, meters and relief valves. The use of silencers in the gas stream may be necessary in some cases.

- I. In general, meter manifolds and associated equipment should be set off from the main line a sufficient distance to protect them against line movement.
- J. Blowoffs should be installed both upstream and downstream of the meter, regulators, block valves, or relief valve. When two regulators are installed in series, there should be 5 pipe diameters or more between the regulators. This will allow stabilization of the flow after it leaves the first regulator. If two regulators of exactly the same type are used in series, there is good possibility of instability.
- L. Overpressure protection can be obtained by the use of relief valves, monitor regulators or a safety shut-off valve.
- M. Control sensing lines should be placed at a considerable distance downstream. At minimum, the distance should be 8 pipe diameters downstream of the last fitting. Each regulator/control valve should have a separate dedicated sensing line.
- N. Meter manifold locations shall be located in compliance with local zoning regulations. If there are no zoning regulations, stations shall be located a practicable distance from roads, streams, and undrained or flood areas.
- O. Standard-weight Grade B pipe and fittings shall be used in meter manifold welded construction unless piping design requirements necessitate heavier wall or higher-grade piping. For meter manifolds utilizing screwed connections, standard weight Grade B pipe may be used for applications that have an inlet pressure less than 100 PSIG. For applications equal to or greater than 100 PSIG heavy weight Grade B pipe shall be used.
- P. All meter manifolds susceptible to damage shall be protected using either protective barriers, enclosed in a building, a fence, or a vault. Meter manifolds that have a valve that will make the pressure relief or pressure limiting device inoperative shall have provisions to prevent the unauthorized operation of this valve.
- Q. Multiple Meter Manifolds shall have a “master” shut-off valve on the riser. Also, each individual meter on a multiple meter manifold shall have a shut-off valve. Shut-off valves shall have a lock-wing or other suitable means of being locked in the closed position.

If a Multiple Meter Manifold has no “master” shut-off valve on the riser, install a “master” shut-off valve only when the manifold is completely replaced with a new manifold or the existing manifold is extended to 3 meters or more.

R. Standard Dominion designs shall be used wherever possible.

16.6.3 Instrument Control & Sensing Lines

This section applies to the design of instrument, control, and sampling pipe and components. It does not apply to permanently closed systems, such as fluid-filled temperature-responsive devices. All materials employed for pipe and components must be designed to meet the particular conditions of service and the following:

- A. Each takeoff connection and attaching boss, fitting, or adapter must be made of suitable material, be able to withstand the maximum service pressure and temperature of the pipe or equipment to which it is attached, and be designed to satisfactorily withstand all stresses without failure by fatigue.
- B. A shutoff valve must be installed in each takeoff line as near as practicable to the point of takeoff. Blow down valves must be installed where necessary.
- C. Brass or copper material may not be used for metal temperatures greater than 40 degrees F.
- D. Pipe or components that may contain liquids must be protected by heating or other means from damage due to freezing.
- E. Pipe or components in which liquids may accumulate must have drains or drips.
- F. Pipe or components subject to clogging from solids or deposits must have suitable connections for cleaning.
- G. The arrangement of pipe, components, and supports must provide safety under anticipated operating stresses.
- H. Each joint between sections of pipe, and between pipe and valves or fittings, must be made in a manner suitable for the anticipated pressure and temperature condition. Slip-type expansion joints may not be used. Expansion must be allowed for by providing flexibility within the system itself.

- I. Each control line must be protected from anticipated causes of damage and must be designed and installed to prevent damage to any individual control line from making both the regulator and the over-pressure protective device inoperative. For monitored regulation, the control line tap connections shall be located 180 degrees apart on the downstream piping where practical.

16.6.4 Filters/Cleaners/Strainers/Screens

- A. A pipeline filter for particulate matter is recommended on turbine meter installations.
- B. A coalescing type filter is recommended for locations that experience "wet" gas.
- C. Filters should be installed in their own piping run when practical, upstream of all equipment, and with isolation valves and a bypass valve.
- D. Strainers or screens are recommended on rotary meter installations to prevent debris from entering the rotary meter and causing a stoppage. Screens are not permitted on Turbine Meter applications.

16.6.5 Standard Meter Indexes

Standard meter indexes shall be installed on all meters except where Pressure Compensated Indexes or Pressure/Temperature Correcting Devices are installed.

16.6.6 Pressure Compensated Indexes

Pressure compensated indexes may be used on applications where the customer has requested an elevated pressure above the standard 7" water column. Only applications requesting 2 PSIG or 5 PSIG may use the pressure compensated index where the connected load does not exceed 5000 SCFH. All other applications with an elevated pressure to the customer must use an electronic pressure and/or temperature-correcting device.

16.6.7 Pressure Correcting Devices

Pressure and/or temperature correcting devices must be used whenever standard indexes or pressure compensating indexes are not acceptable. These devices shall be capable of correcting the measured volume to pressure and/or temperature variances with an accuracy of $\pm .5\%$ or less. The device shall have the capability to include supercompressibility adjustments per AGA 8 or NX19 methods. Only those devices approved by the Meter Services Engineering and Planning Group may be used.

16.6.8 Temperature Compensation

All measurement shall be temperature compensated. Temperature compensation may be achieved by either using a fixed factor or a temperature correcting device.

These devices may be either internal or external to the meter. These devices also shall be capable of correcting the measured volume to temperature variances with an accuracy of $\pm .5\%$ or less. Only those devices approved by the Meter Services Engineering and Planning Group may be used.

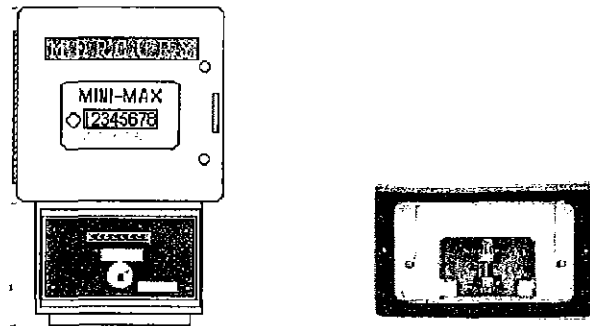
16.7 Electronic Gas Measurement Requirements

16.7.1 General

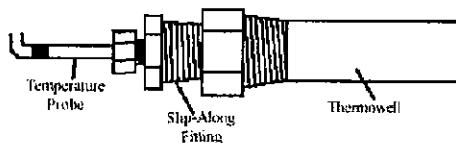
EGM is a secondary instrument used to correct and display or transmit Meter Reads locally or remotely, for the purpose of billing. Installation is to adhere to all local, state, and national codes.

16.7.2 EGM Installation

- 16.7.2.1 **Corrector.** Mercury Mini Max ATPT shall be installed on any large volume rotary or turbine meter over 7500 MCF annual (minimum 5000 CFH) capacity, and metering pressures other than 4 ounces. Corrector pressure tubing shall include an in-line insulating union, Hoke fitting, or other Dominion Metering approved insulator. Pressure to be tapped at the upstream meter tap, or immediately upstream of the meter, not to exceed 10 pipe diameters. Place the Mini-Max on the meter, making sure that the wriggler is aligned properly. Bolt the Mini-Max to the meter. Verify the Test Hand rotates in the proper direction. If not, remove the black mechanical index assembly and shift the lower bevel gear to the proper location.



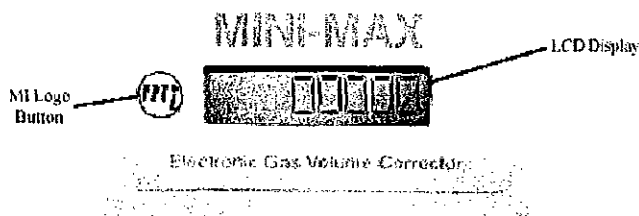
- 16.7.2.2 **Temperature Probe.** Each Corrector or RTU must include an RTD Temperature probe to correct for temperature. The probe is to be inserted in a 304 Stainless Steel, $\frac{3}{4}$ " NPT Thermowell, downstream of the meter, 3 to 10 pipe diameters, per AGA metering standards, as shown on Dominion meter drawings.



- 16.7.2.3 RTU. Remote Terminal Unit. Special circumstances may require a more advanced, programmable RTU. Run switching, flow control, pressure control, flow rate outputs
To be installed in non-hazardous location, or Class 1 Div 2, if rated. Conduit and wiring to follow intrinsically safe guidelines, as described in NEC 504 and API 14. Consult Delivery Metering Engineering and Planning for installation.
- 16.7.2.4 Remote Read. Hexagram – Generation 6 currently being installed on the index face of diaphragm meters must meet local code.
- 16.7.2.5 ERT. Encoded Receiver Transmitter. Ensure battery is in good condition and installed correctly. Verify proper index operation and ERT registration.

16.7.3 Communications Methods

- 16.7.3.1 Direct Read. LCD and Scroll function. The corrector will display Corrected Volume. Meter reader is to log the displayed value. Uncorrected volume should match the mechanical index. To display uncorrected, pressure, temperature, battery voltage, and instantaneous flow rate, depress the *mi* logo button to scroll through the preconfigured display of these parameters.



- 16.7.3.2 PSTN Analog Phone line. Customer provided, dedicated, analog phone line preferred. D-Mark interface to be no closer than 15 ft to any Gas meter manifold.
- 16.7.3.3 Digital Cellular. Locate digital cellular modem, power supply, and antenna no closer than 15 ft from any Gas piping. RS232 connection wiring from modem to meter corrector must follow intrinsically safe wiring practices, as outlined in section 16.7.4, below.
- 16.7.3.4 Radio via SCADA. Licensed 928 MHz to one of Dominion's communications towers, Licensed 152 MHz through the Hi/Lo system, unlicensed 900 MHz spread spectrum. Refer to Dominion Telecom for power and antenna installation.
- 16.7.3.5 Local Remote (Hexagram)
- 16.7.3.6 Local RS232/RS485. For permanent installation, follow intrinsic safe installation. For temporary connection, cable away from any classified area, to a non-hazardous area before using laptop or PDA
- 16.7.3.7 ERT Encoded Receiver Transmitter. Per manufacturers' guidelines
- 16.7.3.8 LEO. Low Earth Orbit. Consult Metering Engineering prior to installation

16.7.4 Electrical

- 16.7.4.1 Power Supply Wiring
- 16.7.4.2 Intrinsic Safety for Gas Instrumentation

- 16.7.4.3 Pulse Outputs to Customers. Requires electrical isolation between customer and Dominion Metering equipment. May use loop isolators and/or intrinsic safe barriers as needed to meet local, state, and national code requirements.
- 16.7.4.4 Area Classification
- 16.7.4.5 Drawing Requirements
 - 16.7.4.5.1 Conduit and Cable Schedule
 - 16.7.4.5.2 P&ID Drawings
 - 16.7.4.5.3 Plot Plan
 - 16.7.4.5.4 As-Builts
- 16.7.4.6 Grounding
 - 16.7.4.6.1 Electrical Power Supply Ground. In accordance with NEC Article 250, 2-wire single phase AC shall ground one conductor. # wire single phase shall ground the neutral conductor. DC less than 50 volts requires only an equipment ground
 - 16.7.4.6.2 Equipment Ground. Transmitters, pulsers, electronic instrumentation, Metallic conduit, fittings, and enclosures must be grounded by supplied grounding lugs, bushings, or clamp type connectors to a suitable earth ground.
 - 16.7.4.6.3 Other Equipment and Structures
 - 16.7.4.6.4 Grounding Methods
 - 16.7.4.6.5 Ground Conductor Sizing
 - 16.7.4.6.6 Ground Resistance
- 16.7.4.7 Lighting

16.7.5 Control/SCADA

- 16.7.5.1 Run Switching Equipment. Pneumatic per
- 16.7.5.2 Pressure and Flow Control
- 16.7.5.3 Environment. Equipment to be rated for -40°F to 150°F (-40C to 65.5°C)
- 16.7.5.4 Application Software

16.8 Approved Equipment & Materials for Measurement and Metering Facilities

- 16.8.1 Meters
 - 16.8.1.1 Diaphragm: Sensus, American
 - 16.8.1.2 Rotary: Dresser, Romet, American
 - 16.8.1.2 Turbine: American, Sensus, Daniels
 - 16.8.1.3 Ultrasonic: Daniels, Instromet, GE
- 16.8.2 Regulators: American, Fisher, Sensus, Actaris, Mooney
- 16.8.3 Electronic Correctors: Mercury Instruments
- 16.8.4 Remote Read Devices: Hexagram, Badger
- 16.8.5 AMR Systems: Itron,
- 16.8.6 Meter Bars: Mueller: A.Y. McDonald
- 16.8.7 High Speed Pulsers: IMAC
- 16.8.8 Batteries: Eveready, Duracell
- 16.8.9 Filters: American, Dollinger, PECO, King Tool, FilterFab, Sparks, NAFCO, Fisher, Mooney

16.8.10 Controllers: Fisher, Amatek, Bristol

16.8.11 Valves & Lock Stops: Kerotest, Ballomax, Dresser, Mueller, A.Y.McDonald,
Fisher, Jamesbury, Marpac, Cameron,

16.9 References and Regulations

16.9.1 American National Standards Institute (ANSI)

16.9.2 American Petroleum Institute (API)

16.9.3 American Society for Testing and Materials (ASTM)

16.9.4 The American Society of Mechanical Engineers (ASME)

16.9.5 National Fuel Gas Code (NFGC)

16.9.6 American Welding Society (AWS)

16.9.7 US DOT Pipeline Safety Regulations Parts 191-192

16.9.8 American Gas Association (AGA)

16.9.9 International Organization for Legal Metrology (OIML)

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: SAFETY AND TRAINING

FUNCTION(S): (a)(ii), (a)(iii)

I. Policy and Goal Setting / Strategic Planning

Safety & Training provides support and consulting services to Gas Operation's functional groups in the areas of accident prevention, OSHA and DOT compliance, and both technical and skills training for supervisory and field personnel.

Safety & Training assists in establishing goals and practices to ensure that a focus on accident prevention and employee safety is maintained by the organization. The Vice President, Gas Operations provides strategic direction for this group.

Safety & Training goals are established annually and are communicated to employees at regularly scheduled staff meetings, as well as weekly tailgates with field employees. They are based on historical information and industry norms. Continuous improvement is the overall goal of this effort.

II. Internal and External Communication

The Vice President, Gas Operations holds monthly staff meetings. Topics covered at these meetings include overall safety performance metrics, introduction of new accident prevention initiatives and monitoring existing safety programs. Managers hold monthly staff meetings with their supervisors and support staff, discussing the same issues. Supervisors meet with their employees on a weekly basis to conduct safety training, communicate procedural changes and to review accidents and goal status.

Twice yearly meetings devoted solely to safety issues are held with all supervisors and managers. The company provides regular updates to all employees on corporate goals and issues.

Gas Delivery safety statistics are shared with various industry consortia for the purpose of developing industry averages and to identify best practices.

III. Organizational Structure

The Safety & Training function reports to the Vice President, Gas Operations. In Ohio, a total of eight employees operate, within the following job descriptions:

1. Two safety and performance specialists (employee safety emphasis).
2. Three safety and performance specialists (technical training emphasis).
3. One manager and two advisors (supervisors).

These employees work out of field offices in Cleveland and Canton.

IV. Responsibilities

In the area of employee safety, the Safety & Training Group's focus is accident prevention and OSHA compliance. The group develops and administers programs designed to reduce occupational injuries, illnesses and motor vehicle accidents and to assure compliance with applicable OSHA regulations found in 29CFR Part 1910 and 29CFR Part 1926.

In the area of motor carrier safety, the group develops and administers programs and practices to assure compliance with applicable federal and state motor carrier safety regulations.

In the area of technical training, the group develops and delivers programs designed to maintain a trained and qualified workforce, including adherence to training regulations found in OSHA and DOT standards.

V. Practices and Procedures

Historically, Dominion Gas Delivery has had, as one of its core values, an emphasis on employee safety. In recent years, however, through the use of Six Sigma tools, Dominion has expanded its efforts in this area primarily through the use of supervisor activities designed to transfer ownership for employee safety to line management.

Standard Operating Procedures (SOPs), derived from OSHA regulations and other sources, identify the minimum compliance standards. SOPs are supplemented with other written guidelines including an Accident Prevention Manual, Personal Protective Equipment Manual and Safe Driver Manual. Job Aids are available to employees to supply them with task-specific procedures. The company has developed and delivered numerous safety and technical training programs. Training formats include classroom programs, computer-based training, and structured on-the-job training.

VI. Decision Making and Control

The Manager, Safety and Training provides overall direction and sets priorities for the department after consulting with and setting goals with Gas Delivery senior leadership. Advisors (2) in each functional area (safety & training) manage the respective staffs to carry out those goals and priorities. Safety & Performance Specialists (2) in the safety function assist local supervision in the execution of the

plans. Safety & Performance Specialists (3) in the training function deliver training programs to individual Gas Delivery employees.

VII. Goal Attainment and Quantification

The Safety & Training Group maintains safety statistics and provides weekly and monthly reports to the Gas Delivery organization. Safety goals are based on injury reduction over a calendar year.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: GAS PLANNING AND OPTIMIZATION

FUNCTION(S): (a)(i)–(iii), (d)(iv)

I. Policy and Goal Setting / Strategic Planning

The Gas Planning & Optimization group's specific strategic plan is governed and influenced by the following Dominion policies and operating procedures and various other government regulations:

- Delivery Standard Operating Procedures
- DOT Minimum Pipeline Safety Regulations, 49 C.F.R. part 192
- Pipeline Safety Improvement Act (49 U.S.C. § 60109)
- Gas Delivery Integrity Management Program (including all supporting documentation and cross-references)
- Environmental Protection Agency Regulations
- OSHA Regulations
- Sarbanes-Oxley Regulations
- Dominion and Delivery short and longer term income plans

II. Internal and External Communication

Internal communication within the Gas Planning & Optimization organization is conducted in multiple ways. Formal internal communication occurs at monthly management staff meetings, weekly safety meetings for the union Technician group and periodic meetings with impacted personnel to review specific issues. Formal training occurs on an as-needed basis and includes both formal classroom and computer-based training. Further communication occurs via the telephone or through targeted e-mails to the group and includes daily news updates involving Dominion and standard operating procedure/policy updates.

Communication between Gas Planning & Optimization and other departments and personnel within Gas Delivery occurs on a daily basis both formally and informally to review and coordinate projects and initiatives. Formal meetings, conference calls and electronic "Sametime" meetings are often used to facilitate communication among

work group members who work in different office locations. The Transmission Design, Gas Planning & Revenue Growth and Pipeline Integrity groups works closely with other Departments within Gas Delivery including Gas Measurement & Regulations, Distribution Design, Construction, Fixed Assets Accounting, Supply Chain, Gas Control, IT, Rates and Planning.

External communication between Gas Planning & Optimization and parties outside of Dominion occurs primarily through formal communication including meetings, email, telephone calls, letters and formal reporting. The Gas Planning & Optimization group interacts regularly with Dominion East Ohio's (DEO) industrial customers, local Ohio oil and gas producers, PUCO, ODOT, PHMSA, and local city and municipality officials and emergency responders.

III. Organizational Structure

The Gas Planning & Optimization organization is part of the Dominion Delivery organization and reports to the Senior Vice President Gas Delivery. The organization has a total of 53 employees, which conduct business at 17 different offices.

• Management/Supervision	7
• Project Managers/Leaders	3
• Engineers	12
• Land Services	3
• Large Volumes Sales/Business Dev Rep	6
• Technical Specialists	4
• Administration/Clerical/Intern	4
• Union Positions	14

IV. Responsibilities

Gas Planning & Optimization organization is responsible for Gas Delivery's gas planning, large volumes sales, revenue growth, pipeline integrity program development, electronic mapping and records-system management and maintenance, and transmission/storage/gathering design and project management. This involves peak-day modeling and analysis to ensure service reliability, point of contact and load forecasting for DEO's industrial customers, land services for all DEO, development and on-going maintenance of DEO's Transmission Integrity Management Program and the management and maintenance of DEO's electronic mapping and records system.

Specific areas of responsibility include the following:

- Modeling/Peak Day Analysis.
- Modeling/Efficiency Analysis of individual pipelines and pipeline networks.
- Industrial load forecasting and contract negotiation.
- Capacity verification through system modeling and Peak Day Analysis.
- Industrial customer outage communication and curtailment plans.
- Credit and collection issues with Industrial Customers.
- Development and management of DEO's Integrity Management Program Baseline Assessment Plan (a requirement of the integrity management program) which sets forth the required testing of transmission pipelines in High Consequence Areas by year and technology.
- Development and on-going maintenance of Gas Delivery's Transmission Integrity Management Program. This document includes significant references to supporting documents (IMP Library) also created and maintained by this department.
- Annual review of Dominion Delivery's Standard Operating Procedures.
- Monitor the development of the new Distribution Integrity Management rule (to be final by 12/31/2007). This will include coordinating the development of Gas Delivery's Distribution Integrity Management Program.
- Pursuant to the Integrity Management Program, complete mandatory quality assurance activities as required by respective program elements. In addition, work closely with Dominion's internal auditing group to perform an audit on a percentage of the overall program annually.
- Update facility information in Gas Delivery's Geographical Information System (GIS) and various compliance systems.
- Management of multiple integrity records, including the establishment of the respective record retention plan.
- Design for infrastructure additions and replacements, including permitting, materials specifications and project schedules for DEO's transmission, storage, and gathering facilities.
- Provide input to Dominion Supply Chain Management on required inventory items and overall levels.

- Manage Project Accounting ensuring appropriate assets are reported in a correct and timely manner.
- Manage construction projects to meet scope, schedule and budget projections.
- Manage the acquisition of land rights for various operations and construction purposes across DEO.
- Design and install electronic automation and control systems on gas carrying facilities.
- Maintain facility records and construction "as-builts" for Dominion transmission, storage and gathering facilities.

The implementation of the Integrity Management Program has utilized and continues to utilize various consultants and contractors.

V. Practices and Procedures

The following documents are applied and used by the Gas Planning & Optimization group on a regular basis during the normal course of business to ensure compliance with all applicable internal and external rules and regulations. Members of the group are involved in the annual review of specific portions of the Gas Delivery Standard Operating Procedures.

- Gas Delivery Standard Operating Procedures
- Gas Delivery Design & Construction Manual
- Gas Delivery Safety Manual
- DOT Minimum Pipeline Safety Regulations, 49 CFR part 192
- Gas Delivery Integrity Management Program (including all supporting documentation and cross-references)
- Environmental Protection Agency Regulations
- OSHA Regulations
- Sarbanes-Oxley Regulations
- FERC and Ohio Power Siting Construction Permitting Regulations

VI. Decision Making and Control

The Gas Planning & Optimization group makes decisions and provides direction on gas reliability, ability to serve new customer loads, revenue growth opportunities, large volume sales customer issues, transmission/storage/gathering designs, GIS and other facility and compliance data issues and Gas Delivery's Integrity Management Program. Decision-making is monitored and measured internally through a traditional chain of command with the Director, Managers and Supervisors responsible for their appropriate level of authorization.

As the value or importance of a decision increases, the level of management required to be involved also increases. The goal in the organization is to have decision-making and approvals occurring at the lowest appropriate level possible. Decision-making is monitored through individual employee expectation reviews, department and overall organization performance, monthly financial and budget reporting, productivity measurements, internal audits, DEO compliance systems and external audits.

Typical decisions made by the Gas Planning & optimization group involve the following:

- Compliance programs and activities.
- Interpretation of governmental rules and regulations.
- Budget and financial forecasting.
- Analysis of data.
- Employee productivity and process effectiveness.
- Industrial Transport Contracts.
- Maximum Allowable Operating Pressure Analysis.
- Specific construction design.
- Prioritizing project selections.
- Manage construction project decisions to ensure on-time, on-scope and on-budget performance.
- Securing land rights for projects and enforcing existing land rights.
- Specify automation and control design systems at compressor stations, measurement and regulating stations and other sites as specified by Operations.

The Gas Planning & Optimization group must comply with numerous federal and state regulatory and legislative laws and requirements. The following agencies have

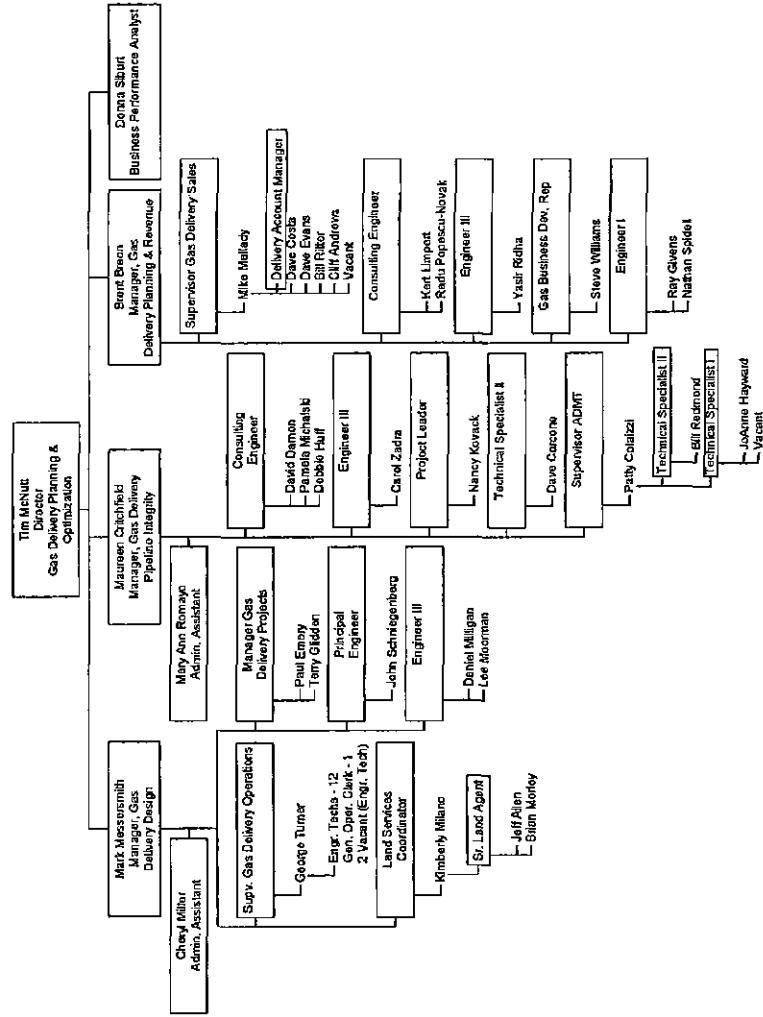
established Compliance Standards, which they enforce through regular audits, permitting processes and/or inspections.

- PUCO
- PHMSA
- EPA
- Ohio Power Siting Board
- FERC
- OSHA
- ODOT
- County and Local Municipalities

VII. Goal Attainment and Quantification

All management employees in the Gas Planning & Optimization organization receive written expectations in the 1st quarter of each year. The expectations include performance measures at a DEO, Gas Planning & Optimization, Department and individual employee performance level. The overall evaluation is designed to provide a method of fairly evaluating an individual's annual performance. The expectations include specific activities and tasks (e.g., safety performance measure), which should be measurable and time bound and a section addressing the individual employee behaviors (e.g., leadership, interpersonal skills). Management meets quarterly with employees to review progress and performance related to the specific tasks and behaviors identified in the employees expectations.

Planning & Optimization Organization Chart



Revised 03/30/06

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: LDC GAS SUPPLY

FUNCTION(S): (a)(iii), (a)(v)

1. Policy and Goal-Setting / Strategic Planning

LDC Gas Supply observes the Company-wide policies established by senior management in various policy documents developed by the Company. Primary functional responsibilities and development and implementation of Dominion East Ohio's gas supply strategy are conducted in accordance with the LDC Gas Supply Approvals Policy. A copy of this policy is attached. Goals specifically designed for the group are established by the Senior Vice President, Gas Delivery. These policies and goals are communicated throughout LDC Gas Supply by way of face-to-face meetings, publications, and electronic communications.

2. Organization Structure

LDC Gas Supply comprises seven employees: 2 Gas Trader IIIs, 2 Senior Gas Supply Planning Analysts, 1 LDC Appalachian Supply Manager, and 1 FERC Advisor. An organizational chart is attached.

3. Responsibilities

LDC Gas Supply is responsible for the acquisition and management of gas supplies and capacity to reliably and cost effectively meet the physical supply and operational balancing needs of the three Dominion gas distribution companies: Dominion East Ohio, Dominion Peoples and Dominion Hope. On Dominion East Ohio this involves contracting for pipeline transportation and storage capacity, acquiring reliable gas supplies, and coordinating with various internal operational groups and external entities as necessary to manage the supply and capacity assets acquired so as to physically balance the distribution system on a day to day basis and ensure that all customer gas requirements are met. LDC Gas Supply is also responsible for serving as the supplier of last resort in the event Energy Choice Program or Standard Service Offer (SSO) suppliers fail to meet their supply obligations to Dominion East Ohio customers.

Related to its acquisition and use of interstate pipeline capacity and acquisition of gas supplies in the interstate markets, all subject to FERC jurisdiction, LDC Gas Supply is also responsible for monitoring FERC activity, apprising the Dominion LDCs of such activity, and coordinating potential responses to such activity with each of the Dominion LDCs.

4. Practices and Procedures

Fundamental LDC Gas Supply practices and procedures are described in the attached LDC Gas Supply Approvals Policy. Supply and capacity planning and acquisition activities are undertaken on daily, monthly, seasonal and multi-year bases. Federal Energy Regulatory Commission (FERC) regulatory activity is monitored to identify issues of interest to the Dominion distribution companies, such as interstate pipeline tariff filings and rate cases and generic FERC policy developments. Decisions regarding potential active participation in such proceedings, and development of related strategies and positions, are made in consultation with each LDC's Pricing and Regulatory Affairs Department.

5. Decision-making and Control

Generally speaking, decisions are pushed down the line to maximize efficiency. Decision development and implementation of Dominion East Ohio's gas supply strategy is conducted in accordance with the LDC Gas Supply Approvals Policy. The primary point of contact for development of this strategy is the Pricing and Regulatory Affairs Department. Specific gas supply plans based on this strategy are developed on a cyclical basis and take into account all relevant physical distribution system and on-system storage constraints and limitations, all pipeline transportation and storage service contractual obligations and constraints, and projected gas supply requirements for weather ranging from design warm to design cold.

Winter supply plans are developed by LDC Gas Supply, reviewed in a meeting including senior management and all pertinent internal constituencies, and revised as required to address relevant input. Monthly supply plans are developed by LDC Gas Supply within the bounds of the seasonal plans, taking into account actual operations to date. Daily supply plans are developed by LDC Gas Supply within the bounds of the monthly plans taking into account operations to date and short-term weather forecasts, reviewed with operational personnel and other pertinent internal parties, and adjusted as required to address relevant input. The daily supply plans guide the activities of the gas traders in acquiring and scheduling gas supplies and the activities of LDC Gas Control and Operations staffs in operation of the physical facilities and interfaces with interstate pipelines, to meet distribution system needs.

6. Internal and External Communications

Within LDC Gas Supply, information is disseminated by way of face-to-face meetings, electronic (such as e-mail) and telephonic methods. As the situation demands, both formal and informal communication methods are utilized. Within the Company, LDC Gas Supply frequently interacts with the Pricing and Regulatory Affairs Department, LDC Gas Control Department, Gas Operations Department, Transportation Services Department, load forecasting group, Contract Administration Department and LDC Gas Supply Accounting Department. Face-to face meetings, telephonic and electronic methods are utilized to facilitate communications across departments.

Externally, LDC Gas Supply primarily communicates with a multitude of gas producers and marketers, interstate pipelines, state regulatory agencies (in conjunction with Dominion East Ohio's Pricing and Regulatory Affairs Department), and others involved in FERC proceedings. These communications are accomplished by way of telephonic communications, pipeline electronic scheduling systems, e-mails, face-to-face meetings, and regulatory filings.

7. Goal Attainment and Quantification

To evaluate how well individual employees have carried out their duties, LDC Gas Supply conducts annual performance reviews. Individual goals and performance measures are based on each employee's expected contributions toward attainment of LDC Gas Supply goals as related to each employee's specific job responsibilities.

**Approvals Policy
for the
Dominion LDC Gas Supply Group
a part of
Dominion Resources Services, Inc.**

(Revised April 2004)

**Approvals Policy
for the
Dominion LDC Gas Supply Group
a part of Dominion Resources Services, Inc.**

(Revised April 2004)

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I. Objective

The policy and procedures contained herein are designed to ensure that all employees of the Dominion LDC Gas Supply Group, a part of Dominion Resources Services, Inc. ("GSG"), (i) understand the contract administration and approval process and (ii) avoid any transactional practices which are in conflict with the interests of the Company.

II. Definitions

"Confirmation" means an attachment to a Master Agreement containing specific terms and conditions (delivery points, price, term, etc.) under which the purchase or sale of natural gas, and all related activities, will be effectuated. Whenever the GSG and a third-party reach an agreement regarding a gas supply transaction, the GSG will record that agreement in writing on a Confirmation.

"Master Agreement" means a contract containing the general terms and conditions under which the purchase or sale of natural gas, and all related activities, will be effectuated.

"Dominion Distribution Companies" means the wholly owned, affiliated, local gas distribution companies of Dominion Resources, Inc.

"Dominion Distribution Company" means any one of the wholly owned, affiliated, local gas distribution companies of Dominion Resources, Inc.

"Standards of Conduct" means rules and regulations established by states in which the Dominion Distribution Companies operate as contained in the respective state approved Dominion Distribution Companies' gas tariffs governing activities undertaken by the Dominion Distribution Companies as they apply to gas supply related activities.

"Contract Administrator" means a Dominion Resources Services, Inc. Enterprise Risk Management Department employee responsible for, among other things, administering and preparing agreements associated with capacity, gas acquisition and gas sales, and related supply and capacity transactions.

"Deal Sheet" means either an electronic "e-ticket" form or a preprinted, pre-numbered, triplicate paper form used to record the terms and conditions of a proposed Short-Term/Conventional Transaction. Currently the majority of these transactions are recorded through use of the e-ticket system; however, the paper form of the Deal Sheet is still used for some more specialized transactions.

"Employee" means any director, officer, agent or employee of Dominion Resources, Inc. and any of its subsidiaries.

"Externally Generated Contract" means any contract or legally binding document that is drafted and sent by another company.

"Gas Trader" means a GSG employee responsible for, among other things, negotiating and renegotiating gas supply, transportation and storage and related contracts to meet the needs of the Dominion Distribution Companies.

"Gas Supply Strategy" means a set of guidelines jointly established by the GSG and each of the Dominion Distribution Companies to guide gas supply and capacity related activities undertaken by the GSG on behalf of each of the Dominion Distribution Companies. The Gas Supply Strategy is a dynamic set of guidelines that can change on a monthly, weekly, daily and, at times, even on an hourly basis.

"Interstate" means pertaining to interstate pipeline system supply or capacity.

"Key Stakeholder" means a designated Employee having the authority to approve or disapprove decisions and transactions on behalf of a particular Dominion Distribution Company. The sole Key Stakeholder for the Dominion Distribution Companies, as of April 2004, is the Vice President, Regulatory & Business Development for the Dominion Distribution Companies.

"Local" means pertaining to gas production in which the commodity is delivered directly into Dominion Distribution Company facilities.

"Long-Term/Non-Conventional Transactions" mean Interstate Transactions having a term exceeding one (1) year and Local Transactions falling outside the scope of a Dominion Distribution Company's local gas purchasing strategy.

"Short-Term/Conventional Transactions" mean Interstate Transactions having a term of one (1) year or less and Local Transactions falling within the scope of a Dominion Distribution Company's local gas purchasing strategy.

"Transaction" or "Transactions" means the purchase or sale of natural gas and all related activities including, but not limited to, the purchase, sale, exchange or release of transportation and/or storage capacity.

"Transaction Summary" means a written synopsis of a particular Transaction that includes, but will not be limited to, the volume, character of service, term, price, delivery point(s), pipeline and any other special provisions.

III. Requirements Planning

Gas Supply Strategy:

The GSG will work within the authority conferred upon it by the Dominion Distribution Companies to develop a Gas Supply Strategy for each Dominion Distribution Company. This strategy will be used as a guideline for the GSG in making gas supply and capacity decisions and every gas supply related Transaction will conform to the Gas Supply

Strategy of the Dominion Distribution Company on whose behalf the Transaction is being entered into, unless otherwise agreed to by the affected Dominion Distribution Company. Each of the Dominion Distribution Companies and the GSG understand and acknowledge that the Gas Supply Strategies are general, broad-based plans that can change on a monthly, weekly, daily and, at times, even on an hourly basis.

IV. Procurement Procedure (for Natural Gas)

General Guidelines:

A formal procurement process shall be used whenever (i) such method is feasible and practical under then existing conditions and circumstances or (ii) the Dominion Distribution Company on whose behalf the natural gas is being purchased requests that a formal procurement process be used. Generally, a formal procurement process will only be used for transactions of more than five (5) months in duration. Otherwise, an informal procurement process will be employed.

Informal Procurement Process:

The GSG and the Dominion Distribution Companies realize that the market for natural gas changes on a continuous basis. The natural gas spot market has evolved to the point that suppliers no longer provide formal bids for gas supplies purchased on a monthly or shorter-term basis. Once the quantity and location of required natural gas purchases have been determined, the GSG Gas Traders will contact suppliers and negotiate price and related terms and conditions. Typically this process will be conducted via telephone communication. It is recognized that offers not immediately accepted by the GSG Gas Traders are no longer available once the telephone communication has been terminated. The economics and other aspects of the natural gas supply alternatives will be continuously updated throughout the period during which supplies are sought to determine, at the particular point in time at which purchases are made, the alternatives(s) that provide the most aggregate value then available.

It is the responsibility of the GSG's Gas Traders to stay abreast of current market conditions and to make procurement decisions based upon the best available, current information. Natural gas will be purchased from the supplier(s) offering to provide the most aggregate value at the time of purchase.

Formal Procurement Process:

- (1) The GSG will provide suppliers with parameters for the nature and type of natural gas supply desired such as character of service, delivery point(s), quantity, etc. (Supply Parameters). The Supply Parameters will be conveyed to a sufficient number of qualified suppliers to achieve a high probability of receiving a minimum of three (3) bids and to assure such competition as is consistent with the nature of the supply requested. All Supply Parameters, and offers received in response to Supply Parameters, must be documented.

- (2) After receiving offers in response to Supply Parameters, the Gas Trader responsible for procuring the gas shall enter into negotiations with the supplier(s) whose initial offers provide the most aggregate value.
- (3) The gas shall be purchased from the supplier(s) whose final offer(s) provides the most aggregate value. If the supplier offering the most aggregate value is different from the supplier having the lowest offer, reasons for not selecting the lowest offer should be documented.

V. Procurement Procedure (for Storage, Transportation and Related Services)

A Distribution Company's Gas Supply Strategy may, from time-to-time, require that certain services be secured (derivatives, peaking, storage, transportation, etc.). Likewise, existing contracts for gas supply-related services may require extension, renegotiation or termination.

A formal procurement process shall be used whenever (i) such method is feasible and practical under then existing conditions and circumstances or (ii) the Dominion Distribution Company on whose behalf the services are being procured requests that a formal procurement process be used. Generally, a formal procurement process will only be used for transactions of more than twelve (12) months in duration. The formal procurement process for storage, transportation and related services shall be the same as that used for natural gas in Section IV. above. To the extent competitive alternatives are reasonably available, such alternatives will be evaluated and the alternative that provides the most aggregate value will be selected. However, regardless of whether a formal or informal procurement process is employed, it is recognized that the nature of the physical facilities associated with interstate pipeline systems and the Dominion Distribution Companies' distribution systems is such that access to competitive alternatives and offers may be limited or non-existent. Under such circumstances, GSG will negotiate the most favorable terms and conditions possible on behalf of the Dominion Distribution Company.

VI. Contract Administration (Outgoing Contracts)

Contracting Procedures:

Prior to GSG negotiating a Transaction involving a counterparty other than a pipeline company with which the GSG does not have a Master Agreement in place, a Master Agreement will be prepared by the Contract Administrator and sent to the counterparty. In order for the counterparty to be eligible for Transactions, the Master Agreement must be executed and returned to the GSG. Agreements with pipeline companies will be based upon the standard forms of service agreements contained in the respective pipeline Federal Energy Regulatory Commission approved tariffs, amended if

necessary to provide for any special terms and conditions. The Contract Administrator, GSG and an appropriate system attorney will coordinate efforts regarding negotiation of any amendments to the standard form of the Master Agreement proposed by the counterparty and any necessary amendments to standard pipeline service agreements.

If a situation exists wherein it may be necessary or advantageous for LDC Gas Supply to engage in a transaction with a counterparty with which it has not executed a Master Agreement, LDC Gas Supply will seek prior authorization for such transaction from the Dominion Management Risk Oversight Committee (MROC). If the MROC determines that circumstances warrant entering into the transaction, it will authorize LDC Gas Supply to proceed with the transaction. If authorized to proceed with the transaction, LDC Gas supply will document the transaction using a "Long-Form Confirmation" reviewed and approved by an attorney for such purpose that includes abbreviated terms and conditions in addition to identifying the specific terms of the transaction. This Long-Form Confirmation will substitute for the Master Agreement related Confirmation for purposes of the policies and procedures contained in this Approvals Policy

Short-Term/Conventional Transactions:

- (1) Short-Term/Conventional Transactions may be consummated by the GSG, in accordance with the agency agreements in place between the Dominion Distribution Companies and the GSG and the established Gas Supply Strategy, without the express consent of the Dominion Distribution Company on whose behalf the Transaction is being effectuated.
- (2) Immediately following any negotiation in which the GSG has tentatively agreed to enter into a Short-Term/Conventional Transaction on behalf of one or more of the Dominion Distribution Companies, the Gas Trader responsible for the Transaction will record the terms and conditions of the proposed Transaction on a Deal Sheet. Within twenty-four (24) hours of when the negotiation was concluded, the Gas Trader will use his or her best efforts to enter the terms and conditions of the Transaction into the gas management system (GMS) established and employed for that purpose, and deliver a copy of the Deal Sheet to the appropriate Enterprise Risk Management Department Process Assistant (Process Assistant). If the Deal Sheet is an e-ticket, the Deal Sheet will be electronically routed to the Process Assistant and a copy will be electronically archived by the e-ticket system. If the Deal Sheet is a paper form, the original of the Deal Sheet will be retained and filed by the Gas Trader. All Deal Sheets are sequentially numbered and the Process Assistant will provide blank Deal Sheets to the Gas Traders (keeping track of the number sequences provided to individual Gas Traders), and ensure that all Deal Sheets are accounted for by the Gas Traders. In the event a Deal Sheet is unaccounted for, the Process Assistant will bring the missing Deal Sheet to the attention of the Manager, LDC Gas Supply. The Manager, LDC Gas Supply will investigate and, if necessary, take appropriate action.

- (3) To the extent practicable, within twenty-four (24) hours of entry of the Transaction into the GMS, the following activities shall be completed:
- (A) The GMS will produce a Confirmation electronically accessible by the appropriate Gas Trader.
 - (B) The Gas Trader responsible for the Transaction will compare the Confirmation to the corresponding Deal Sheet and review it for accuracy. If there are no discrepancies, the Gas Trader will electronically sign the Confirmation. The Gas Trader's electronic signature constitutes affirmation that the Transaction is accurately recorded and conforms with both the Deal Sheet and the Gas Supply Strategy of the Distribution Company on whose behalf the Transaction is being effectuated. If a discrepancy exists, the Gas Trader will electronically identify the inaccurate Confirmation as rejected, input to the GMS appropriate corrections to the Transaction, and submit the corrections for processing and generation of an accurate Confirmation. The Process Assistant will delete from the GMS any Confirmations identified by the Gas Trader as rejected.
 - (C) In the absence of the appropriate Gas Trader, Confirmations can be approved and electronically executed by alternative GSG Gas Traders or the Manager, LDC Gas Supply.
 - (D) After electronically signing a Confirmation, the Gas Trader responsible for the Transaction will electronically submit the Confirmation to the Process Assistant. The Process Assistant will send the Confirmation via facsimile transfer to the counterparty for full execution.
- (4) The Process Assistant will electronically archive all Confirmations faxed to counterparties, and retain and file fully executed Confirmations received from counterparties in accordance with established contract administration/risk management policies and procedures.
- (5) In the event that an electronic Confirmation for a Transaction is not generated, a paper Confirmation will be generated and provided to the Gas Trader for manual signature and submission to the Process Assistant. All other provisions of the Confirmation process, excluding the electronic archiving of the Confirmation, will apply as stated herein.
- (6) The Manager, LDC Gas Supply will receive a report each business day summarizing individual gas purchases committed to by the Gas Traders during the previous business day. This report will summarize daily LDC Gas Supply gas purchasing activity for purposes of monitoring volumes purchased and comparing gas supply purchase prices to appropriate industry published market price indices. If potential inconsistencies or irregularities are identified, the

Manager, LDC Gas Supply will investigate the specific purchase(s), take corrective action as necessary, and report such to the appropriate Dominion Distribution Company management.

- (7) The Process Assistant shall follow-up on Confirmations not executed and returned by the counterparty in accordance with established contract administration/risk management policies and procedures
- (8) Upon return of a Confirmation by a counterparty, the Process Assistant will review the document to make sure that no changes, modifications, additions or deletions have been made to the document by the counterparty and that it is fully executed. If a Confirmation has been amended or is not executed it will be returned to the appropriate Gas Trader so that the Gas Trader can contact the counterparty and resolve any issues.
- (9) If a confirmation generated by a counterparty is received, the Process Assistant will compare the counterparty generated confirmation to the appropriate Deal Sheet and, if discrepancies exist, the counterparty generated confirmation will be provided to the Gas Trader responsible for the Transaction so that the Gas Trader can contact the counterparty and resolve any issues. If no discrepancies exist, the counterparty generated confirmation will be retained and filed by the Process Assistant.

Long-Term/Non-Conventional Transactions:

- (1) Long-Term/Non-Conventional Transactions will be brought to the attention of the Key Stakeholder or an individual designated by the Key Stakeholder as having appropriate authority (Designee) for the Dominion Distribution Company on whose behalf the Transaction is being entered into prior to consummation.
- (2) For any proposed Long-Term/Non-Conventional Transaction, a Transaction Summary will be prepared by the GSG and provided to the Key Stakeholder for the affected Dominion Distribution Company. The GSG will also provide the affected Dominion Distribution Company, via the Key Stakeholder or Designee, a summary of the alternatives considered in determining how to best meet the Dominion Distribution Company's gas supply needs.
- (3) The Key Stakeholder or Designee will review the Transaction Summary and alert the GSG of any terms and conditions that the Distribution Company finds objectionable. The Distribution Company, acting through the Key Stakeholder or Designee, will make reasonable efforts to provide feedback to the GSG, regarding the Transaction Summary, with all reasonable dispatch. The GSG will discuss any objectionable terms and conditions with the Key Stakeholder or Designee and/or negotiate with the counterparty as required to produce an agreement acceptable to the Distribution Company.

- (4) Immediately following the Dominion Distribution Company's approval of a proposed Transaction, the Gas Trader responsible for the Transaction will negotiate the Transaction with the counterparty and record the terms and conditions of the Transaction on a Deal Sheet. Within twenty-four (24) hours of when the negotiation of the Transaction was concluded, the Gas Trader will use his or her best efforts to enter the terms and conditions of the transaction into the gas management system (GMS) established and employed for that purpose and deliver a copy of the Deal Sheet to the appropriate Process Assistant. If the Deal Sheet is an e-ticket, the Deal Sheet will be electronically routed to the Process Assistant and a copy will be electronically archived by the e-ticket system. If the Deal Sheet is a paper form, the original of the Deal Sheet will be retained by the Gas Trader. All Deal Sheets are sequentially numbered and the Process Assistant will provide blank Deal Sheets to the Gas Traders (keeping track of the number sequences provided to individual Gas Traders), and ensure that all Deal Sheets are accounted for by the Gas Traders. In the event a Deal Sheet is unaccounted for, the Process Assistant will bring the missing Deal Sheet to the attention of the Manager, LDC Gas Supply. The Manager, LDC Gas Supply will investigate and, if necessary, take appropriate action.
- (5) To the extent practicable, within twenty-four (24) hours of entry of the Transaction into the GMS, the following activities shall be completed:
- (A) The GMS will produce a Confirmation electronically accessible by the appropriate Gas Trader.
 - (B) The Gas Trader responsible for the Transaction will compare the Confirmation to the corresponding Deal Sheet and review it for accuracy. If there are no discrepancies, the Gas Trader will electronically sign the Confirmation. The Gas Trader's electronic signature constitutes affirmation that the Transaction is accurately recorded and conforms with both the Deal Sheet and the Gas Supply Strategy of the Distribution Company on whose behalf the Transaction is being effectuated. If a discrepancy exists, the Gas Trader will electronically identify the inaccurate Confirmation as rejected, input to the GMS appropriate corrections to the Transaction, and submit the corrections for processing and generation of an accurate Confirmation. The Process Assistant will delete from the GMS any Confirmations identified by the Gas Trader as rejected.
 - (C) In the absence of the appropriate Gas Trader, Confirmations can be approved and electronically executed by alternative GSG Gas Traders or the Manager, LDC Gas Supply.
 - (D) After electronically signing a Confirmation, the Gas Trader responsible for the Transaction will electronically submit the Confirmation to the Process

Assistant The Process Assistant will send the Confirmation via facsimile transfer to the counterparty for full execution.

- (6) The Process Assistant will electronically archive all Confirmations faxed to counterparties, and retain fully executed Confirmations received from counterparties in accordance with established contract administration/risk management policies and procedures.
- (7) In the event that an electronic Confirmation for a Transaction is not generated, a paper Confirmation will be generated and provided to the Gas Trader for manual signature and submission to the Process Assistant. All other provisions of the Confirmation process, excluding the electronic archiving of the Confirmation, will apply as stated herein.
- (8) The Manager, LDC Gas Supply will receive a report each business day summarizing individual gas purchases committed to by the Gas Traders during the previous business day. This report will summarize daily LDC Gas Supply gas purchasing activity for purposes of monitoring volumes purchased and comparing gas supply purchase prices to appropriate industry published market price indices. If potential inconsistencies or irregularities are identified, the Manager, LDC Gas Supply will investigate the specific purchase(s), take corrective action as necessary, and report such to the appropriate Dominion Distribution Company management.
- (9) The Process Assistant shall follow-up on Confirmations not executed and returned by the counterparty in accordance with established contract administration/risk management policies and procedures.
- (10) Upon return of a Confirmation by a counterparty, the Process Assistant will review the document to make sure that no changes, modifications, additions or deletions have been made to the document by the counterparty and that it is fully executed. If a Confirmation has been amended or is not executed it will be returned to the appropriate Gas Trader so that the Gas Trader can contact the counterparty and resolve any issues.
- (11) If a confirmation generated by a counterparty is received, the Process Assistant will compare the counterparty generated confirmation to the appropriate Deal Sheet and, if discrepancies exist, the counterparty generated confirmation will be provided to the Gas Trader responsible for the Transaction so that the Gas Trader can contact the counterparty and resolve any issues. If no discrepancies exist, the counterparty generated confirmation will be retained and filed by the Process Assistant.

VII. Contract Administration (Externally-Generated Contracts)

- (1) Any Externally Generated Contract received by the GSG will be forwarded to the Manager, LDC Gas Supply.
- (2) Upon receipt of an Externally Generated Contract, the Manager, LDC Gas Supply shall assess whether it is a Short-Term/Conventional Transaction or a Long-Term/Non-Conventional Transaction and process as follows:

Short-Term/Conventional Transactions:

- (A) Short-Term/Conventional Transactions may be consummated by the GSG, in accordance with the agency agreements in place between the Dominion Distribution Companies and the GSG and the established Gas Supply Strategy, without the express consent of the Dominion Distribution Company on whose behalf the Transaction is being effectuated.
- (B) Short-Term/Conventional Transactions will be forwarded directly to the Contract Administrator who will coordinate with a system attorney to obtain legal review.

Long-Term/Non-Conventional Transactions:

- (A) Following any necessary negotiation of contractual terms and conditions, Long-Term/Non-Conventional Transactions will be brought to the attention of the Key Stakeholder or Designee for the Dominion Distribution Company on whose behalf the Transaction is being contemplated prior to consummation. For any proposed Long-Term/Non-Conventional Transaction, a written Transaction Summary will be prepared by the GSG and provided to the Key Stakeholder or Designee for the affected Dominion Distribution Company. The GSG will also provide the affected Dominion Distribution Company, via the Key Stakeholder or Designee, a summary of the alternatives considered in determining how to best meet the Dominion Distribution Company's gas supply needs.
- (B) The Key Stakeholder or Designee will review the Transaction Summary and alert the GSG of any terms and conditions that the Dominion Distribution Company finds objectionable. The Dominion Distribution Company, acting through the Key Stakeholder or Designee, will make reasonable efforts to provide feedback to the GSG regarding the Transaction Summary with all reasonable dispatch. The GSG will discuss any objectionable terms and conditions with the Key Stakeholder or Designee and/or negotiate with the counterparty as required to produce an agreement acceptable to the Dominion Distribution Company.

- (C) Immediately following the Dominion Distribution Company's approval of a proposed Long-Term/Non-Conventional Transaction, the Manager, LDC Gas Supply will forward the contract to the Contract Administrator who will coordinate with a system attorney to obtain legal review.
- (3) The reviewing attorney will work with the Contract Administrator and Manager, LDC Gas Supply as necessary to ensure that the contract is appropriate from a legal standpoint. If modifications made to the contract due to legal review materially alter the business terms of the contract as contained in the Transaction Summary, the Manager, LDC Gas Supply will discuss such modifications with the Key Stakeholder or Designee and/or negotiate with the counterparty as required to produce an agreement acceptable to the Dominion Distribution Company. When the document is appropriate from a legal standpoint, the reviewing attorney will initial the document adjacent to the signature block as evidence of review and approval as to legal terms, and return it to the Contract Administrator, or otherwise indicate to the Contract Administrator that the document has been reviewed and approved as to legal terms. If the reviewing attorney has approved the document as to legal terms but not initialed the signature block of the document, the Contract Administrator will initial the document to signify that appropriate legal review and approval has been obtained and will retain and file the alternative indication of approval provided by the reviewing attorney. The Contract Administrator will return the document to the Manager, LDC Gas Supply.
- (4) Upon receipt of the Externally-Generated Contract, Manager, LDC Gas Supply will review the document for accuracy. If the document is appropriate as to business terms, the Manager LDC Gas Supply will execute the Externally-Generated Contract. The Manager, LDC Gas Supply's execution of the document will also constitute affirmation that the Transaction has received the Dominion Distribution Company's approval.
- (7) Within twenty-four (24) hours after reviewing and executing an Externally-Generated Contract, the Manager, LDC Gas Supply will forward it to the Contract Administrator who will send it to the counterparty for full execution.
- (8) If an executed Externally-Generated Contracts is not received back from a counterparty within 20 days, the Contract Administrator shall contact the counterparty and request its return. Follow-up contacts shall be made every 15 successive days until such time as the Externally-Generated Contract is executed and returned.
- (9) Upon the GSG's receipt of an Externally-Generated Contract back from a counterparty, the Contract Administrator will review the Externally-Generated Contract to make sure that no changes, modifications, additions or deletions have been made to the Externally-Generated Contract by the counterparty and

that it is fully executed. The Contract Administrator will notify the Manager, LDC Gas supply that the fully executed Externally Generated Contract has been received and will retain and file the contract. If an Externally-Generated Contract has been amended or is not executed it will be returned to the Manager, LDC Gas Supply so that the counterparty can be contacted and any issues be resolved.

VIII. Invoices

- (1) Invoices for Transactions entered into by the GSG that have been reviewed and verified as to accuracy by LDC Gas Accounting will be directed to the attention of the Supervisor, LDC Gas Accounting for approval for payment, evidence of such approval to be provided by signature or initialing of the third party invoice and the GMS generated purchase statement and entering the appropriate approvals into the GMS.
- (2) In the absence of the Supervisor, LDC Gas Accounting, invoices reviewed and verified as to accuracy by LDC Gas Accounting requiring immediate payment can be approved by an alternate individual designated by LDC Gas Accounting in accordance with its internal policies and procedures.

IX. Telephone Recordation

- (1) All Gas Traders working in the GSG will be connected to an automatic telephone voice recording system (System). The System is voice-activated; therefore, recording begins automatically when communication is established. A periodic beeping sound will be audible to all parties on the line to alert parties to the conversation that a recording is in progress
- (2) Retrieval and access to information on the tapes will be permitted if there is a dispute as to the terms of a Transaction or other question as to an agreement made by the parties regarding trading, scheduling, or marketing. It may also be permitted in the event that there is reason to believe that information required by the GSG or Dominion to satisfy a legal duty may be obtained from the recordings or in compliance with established Dominion policy regarding monitoring of and access to recordings of transactional communications. Access to the recorded information will not be routine, but allowed only with the proper authorization and under the appropriate circumstances as determined in light of this policy and relevant Dominion policies and their stated purposes.
- (3) The Manager, LDC Gas Supply and the GSG's legal counsel shall have authority to evaluate and approve requests for retrieval of recorded information in accordance with the policy contained herein.

- (4) An Information Retrieval Form must be completed providing the following information to the extent that it is known: (i) the time and date of the communication; (ii) the phone from which the desired recording was made; (iii) the customer name and phone number, and (iv) the reason and need for the request. The completed form must be submitted for the approval of both the Manager, LDC Gas Supply and the GSG's legal counsel.
- (5) Upon approval by the Manager, LDC Gas Supply and the GSG's legal counsel, the request for retrieval shall be directed to the authorized Enterprise Risk Management Department contact, who will retrieve the relevant information from the appropriate storage medium.
- (6) If information from the recordings is sought to enable the GSG and/or Dominion to satisfy a legal duty or in accordance with established Dominion Policy, the request shall be submitted to (i) the Manager, LDC Gas Supply, (ii) the GSG's legal counsel and (iii) the Human Resources department for review and, as appropriate, approval. For example, retrieval may be allowed if there is reason, as determined by the GSG's legal counsel and the Human Resources Department, to believe the tapes contain information regarding a violation of a governmental statute, rule, order or regulation or Dominion policy.
- (7) Retrieved information will be in the form of a storage medium for replay or transcription, or it may be directed through the System to a port for playback over a telephone or other listening device.
- (12) The recording equipment and recordings will be maintained, stored and secured by Dominion's Telecommunications Department. The recordings will be stored for a period of one (1) year before being erased, or until a matter involving a recorded conversation is resolved.

X. Standards Of Conduct Compliance

All activities described herein shall be conducted in compliance with any applicable state Standards of Conduct. These Standards of Conduct can be accessed for reference either within the respective Dominion Distribution Company tariff or at the Dominion Corporate website (<http://d.dominionnet.com/ethics/>).

XI. Administration

A copy of this policy will be electronically furnished to all current GSG Employees, each new GSG Employee at the time of employment, the Contract Administrator, the Process Assistant, the Director, Trading Control, the Director, Credit Risk Management and each Key Stakeholder, and any revisions to this policy will be promptly distributed to these individuals. Each recipient will electronically acknowledge that they have received, read and understand the Approvals Policy and documentation of such acknowledgement shall be provided to and retained by the Manager, LDC Gas Supply. Electronic distribution and documentation of receipt will be conducted and maintained via use of the Trading and Marketing Policy System (TAMPS). If not otherwise distributed due to revision, at least once each year the Manager, LDC Gas Supply shall bring this policy to the attention of all Employees of the GSG.

DOMINION LDC GAS SUPPLY GROUP INFORMATION RETRIEVAL FORM

COUNTERPARTY NAME (COMPANY AND INDIVIDUAL CONTACT):

COUNTERPARTY TELEPHONE #:

DATE AND TIME OF CALL TO BE RETRIEVED:

GSG CALLER NAME AND DEPARTMENT:

GSG CALLER TELEPHONE #:

REASON FOR RETRIEVAL:

	By:	Title:	Date:
APPROVED	By:	Title:	Date:
COMMENTS			

Functional Areas Reporting to The President and Chief Executive Officer, Dominion Resource Services

* * *

Human Resources
Facilities & Real Estate
Corporate Security
Supply Chain Management
Administrative & Corporate Services/Data Processing

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: HUMAN RESOURCES

FUNCTION(S): (f)

I. Policy and Goal Setting / Strategic Planning

The strategic direction for all Human Resources ("HR") functions is set by the Senior Vice President of HR. The strategic direction for each function is then articulated by the appropriate Director. The Compensation, Governance and Nominating Committee represents the Dominion Board of Directors (Board) in discharging its oversight responsibilities relating to executive compensation, corporate governance, the identification and nomination of qualified director candidates, and the evaluation of the Board as a whole.

The Director of each HR functional area provides strategic direction to their work groups, following policies and goals established by the Board, the CEO, the President of the Services Company and the Senior Vice President of Human Resources. Policies are established in conjunction with and in support of other internal policies. Goals are established at a corporate level and at functional level.

Policies and goals are communicated for each HR functional area and distributed to all employees via e-mail and through regularly scheduled meetings. The director of each HR functional area is charged with communicating, training and monitoring these goals and policies. Changes in the plans are determined by the President of the Services Company and/or the Senior Vice President of Human Resources.

II. Internal and External Communication

The Manager, HR Communications develops and coordinates the HR communications strategies, processes and schedules to support the design and introduction of HR programs, policies, and procedures. This position also identifies HR communications and informational needs across functional HR and company lines. Human Resources uses a variety of communication media and channels including e-mail, telephone, face-to-face meetings, print communications and letters mailed to employees homes, the company intranet, and print and electronic news vehicles managed by the company's Corporate Communications group.

Monthly staff meetings are held as well as day-to-day discussions and meetings, as needed. For the purpose of disseminating information within the company, meetings are held as needed. Interaction occurs most frequently between the various HR functions and each of the business unit customers.

Communication with external groups uses many of the aforementioned media. The Manager, HR Communication relies on the Corporate Communications department to oversee a comprehensive program of external and internal communications for Dominion, its business units, and the services company. Corporate Communications coordinates and implements strategies for a consistent image for Dominion and is responsible for most company-wide news vehicles.

III. Organizational Structure

The various departments within the HR Department are led by HR directors who report to the Senior Vice President, HR who reports to the President and CEO of Dominion Resource Services, Inc. Of the total 227 HR employees as of April 30, 2007, there are approximately 18 who directly or indirectly support the East Ohio Gas Company based on a direct organizational assignment and allocation using the total number of East Ohio employees to total Dominion employees. Human Resources employees who support East Ohio comprise the following:

- Director HR
- Manager HR
- Manager Labor Relations
- HR Consultant
- HR Specialist
- HR Generalist
- HR Representative
- Payroll Administrator

Business is conducted at all Ohio field locations and offices, including the East 55th Street office in Cleveland, as well as other locations, including Richmond, Virginia, and Clarksburg, West Virginia.

IV. Responsibilities

HR handles numerous responsibilities, including the following:

Total Compensation Strategies – Responsible for the measurement, analysis, development, implementation and management of compensation, benefits and payroll programs and services. This includes employee's health and welfare plans, pension and savings plans, stock plans, annual incentive plans, job evaluation and associated compensation structures, as well as base pay guidelines.

HR Planning and Workforce Diversity – Develop recommendations and long-term workforce planning initiatives for the business units. Responsible for workforce analysis, succession planning, performance management, staffing and workforce diversity. Identifies and evaluates where resources can best be allocated within the business unit to maximize productivity. Develops and maintains HR measurement systems and develops strategies for leveraging technology and systems in delivering HR products and services.

Workforce Relations – Responsible for the measurement, analysis and management of employee and labor relations. This includes employee policies, labor contracts, safety, employee assistance, and investigations. This HR functional area works with the business units on the development and management of the corporate-level labor relations strategy and the development of collective bargaining strategies and consensus-building for changes or actions to support business unit objectives. They provide training services to employees, relocation benefits, corporate safety and health services including regulatory compliance and fitness for duty.

HR also utilizes outside consultants in carrying out its responsibilities, including firms that assist it in developing non-craft staff augmentation plans, affirmative-action plans, web-based applicant tracking system for the entire company, and pre-employment testing, to name a few.

V. Practices and Procedures

HR complies with numerous policies governing its practices and procedures, including the following:

- Diversity Statement Policy and Procedure Manual
- Disabled Veterans
- EEO & AA
- Job Postings Policy
- Equal Employment Opportunity Policy
- Pre-employment Testing Policy

VI. Decision Making and Control

Human Resources is responsible for the establishment, interpretation and administration of all human resource policies and procedures for Dominion. This group is guided by the Senior Vice President of HR and reports to the President of Dominion Resource Services. Decision making is typically made at the lowest feasible level. Decisions are monitored by managers and directors. The director is ultimately accountable to senior management, in particular, the Senior Vice President of HR.

Decisions are also monitored by the Office of Federal Contractor Compliance Programs (OFCCP), Equal Employment Opportunity Commission (EEOC), and the Department of Homeland Security. These agencies also establish standards of conduct. Changes in direction are provided by the directors of the functional human resource areas. The managers of the various HR departments monitor the performance of the employees and company programs and policies. Supervisory power is provided by the managers of each of the human resource departments.

Compliance is monitored and reported through affirmative-action plans, routine AAP desk audits and on-site audits, EEO-1 and VETS-100 annual reporting, and any other investigations required by the EEOC. I-9 forms promulgated by the Department of Homeland Security are required to be produced in the event of an audit for verification. Department of Labor standards, as well as various state laws, also apply.

VII. Goal Attainment and Quantification

Annual incentive measurements are established annually and performance goals are established by each work group and monitored during the year. These vary by department and are established at the beginning of the year by the Director of the department. Employees are evaluated annually by using a performance appraisal.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: FACILITIES AND REAL ESTATE

FUNCTION(s): (a)(i), (e)(i), (e)(vi)–(vii)

I. Policy and Goal Setting / Strategic Planning

Facilities provides many services year round to keep Dominion facilities and grounds clean, safe and well maintained. In Ohio, 24 facilities encompassing 633,250 square feet provide daily workspace for over 1,400 employees. That space provides service to both internal and external customers and is an integral part of Dominion's ability to provide utility service.

In addition to utilizing employees and contractors, Facilities provides services ranging from janitorial, landscaping and pest control. The department manages construction of new office space, whether that is renovating existing space or moving employees into newly constructed space. Providing space planning, maintaining consistent office space standards and completing preventative maintenance are all incorporated into Facilities business plan.

The strategic direction for Facilities is set by the Director of Facilities Management who oversees facilities operation across Dominion's footprint. This allows for standardization and consistency where practical. Supported facilities include operation centers, call centers, corporate offices and transmission facilities. In Ohio, these facilities are primarily gas operation centers and call centers serving end-use customers. The Director and his reporting staff in Ohio (Manager of Facilities North and Supervisors) set facilities-related direction for the business unit.

Policies are set primarily to support specific business-unit goals, regulatory compliance and customers' needs and objectives. These policies, goals and objectives are reviewed at least quarterly by the Director's staff for compliance, consistency and ensuring that an efficient and effective business approach is being followed. The business unit's objectives is internally communicated and an extensive sharing of this information with other business unit's staffs is done to ensure the needs of all customers are met. A cost review of the operation of each facility is compared to Building Owners and Manager's Association (BOMA) standards. In addition, best practice benchmarking is also used to evaluate performance.

II. Internal and External Communications

Internal Facilities communications follow traditional business methods. A weekly call with staff is held and depending on the subject matter other team members are included. Quarterly update meetings are held with all employees to review yearly objectives and goals and solicit employees' input in performance. The overall objective is continuous improvement and enhanced customer service. E-mails and phone conversations occur daily.

External to the Department, the Manager or his Supervisors attend the staff and operation meetings of other business units, and are involved in each site's safety and business meetings. Information can be e-mailed to all employees, specific to each site if necessary or posted within a location. External to Dominion, Facilities maintains interactions with area businesses, State agencies, local safety and fire units, and other area utilities.

III. Organizational Structure

Facilities reside in the Dominion Services Company. It reports ultimately to the Services Company CEO through Shared Services and Facilities Management. The Team is lead by a Manager of Facilities and has 29 employees throughout Ohio. These employees are strategically located to provide timely service to multiple locations. In addition to full-time employees, Facilities uses over 58 contractors who provide services such as Janitorial, Trash removal, Pest control, Landscaping, Snow Removal, and Food and Vending.

Facilities North Breakdown by Classification

Salary		Union	
Facility Project Coordinator	1	Building Maintenance Person	3
Manager, Facilities	1	Millwright	10
Planning & Design Specialist II	1	Millwright B	1
Process Assistant IV	3	Technical Service Specialist	6
Supervisor, Facilities	3		
Total Salary	9	Total Union	20

Real Estate Breakdown by Classification

Salary		Union	
Paralegal	1		
Real Estate Coordinator	1		
Sr. Real Estate Administrator	1		
Total Salary	3	Total Union	0

**Record Management
Breakdown by Classification**

Salary		Union	
Coordinator Office Services	1	City Plant Clerk	
Total Salary	1	Total Union	1

IV. Responsibilities

A. Janitorial, Landscaping, and Pest Control Services

Facilities Services provides many services year round to keep our buildings and grounds clean and well maintained. From janitorial, landscaping, refuse pickup, recycling, pest control, interior plants to tree maintenance, these activities are performed by experienced contractors and monitored by Dominion's contract coordinators to get the most cost effective result.

B. Preventive Maintenance and Repair Work

The staff of facilities technicians and their administrative support are dedicated to providing a safe and suitable work environment for all Dominion employees. This includes preventive maintenance and repair to all Facility structures and equipment, from heating and cooling equipment, electrical, lighting and plumbing systems to roofs and parking lots.

C. Project Management

Whether it's planning and constructing a new office, replacing a leaking roof, sealing an asphalt parking lot, or coordinating a move of employees from one location to another, the Project Management section stands ready to provide expert coordination and oversight.

D. Space Planning/Office Standards/Furniture Specifications

In order to make the most efficient use of the company's facilities and to best serve the needs of each organization, proficient space planning using office space standards is a necessity. Facilities Services closely coordinates the services of skilled consultants that provide this expertise or uses qualified in-house personnel. Facilities Services works closely with Supply Chain Management in the purchase of office furniture.

E. Records Management

Records Management provides record service to internal Customers at Dominion which includes in house record storage, record destruction and

advisement on following approved practices. The retained records are stored locally and provided upon request in a timely manner. Customers manage the required records based on state regulation or other regulatory requirements. All records are bar coded and indexed for accessibility.

F. Facilities Core Duties:

- Safety: Employee Personal Protection Equipment (PPE), Building Occupancy Safety and Evacuation plans, Pre-Job Briefings, Safety Tailgates, Safety Meetings and accident reviews.
- Facility Infrastructure: Roofs, Doors & Windows, HVAC, Plumbing, Electrical, Lighting, Painting, Carpet & Tile, Parking Lots, Sidewalks, Underground Storage Tanks, NGV Stations, Fencing, Signage,
- Repair vs replace decisions
- Utilities - Electric, Water and Gas
- Preventive Maintenance of equipment
- Customer Requests - Room Setups, Office Moves
- Services: Janitorial, Trash, Pest Control, Landscaping, Snow Removal.
- Service Contract Administration
- Food & Vending Services
- Space Planning, Furniture and Office Standards
- Surplus Furniture warehousing and disposition
- Project Management – New Building, Remodeling, Coordination between IT, Telecom, Security and various departments & business units
- Ensure contractors adhere to contract & scope of work
- Supply Chain involvement
- Budget Planning and Management - O&M and Capital, Cost Benchmarking
- Environmental laws & regulations adherence
- Communicate and update customers
- Facility Invoice coding, processing and approval

- Support for Meetings, Activities and Special Events
- Comply with Sarbanes-Oxley
- Adhere to Code of Conduct & Ethics programs

V. Practices and Procedures

Facilities employees are expected to follow all Dominion policies and procedures. In addition, they take responsibility to ensure our contractors throughout the system also comply. Those policies include, but are not limited to, Dominion Code of Ethics, the Conflict of Interest policy and expectations of employees. All have been provided to the employees for their review and compliance. Contractors have received those as appropriate.

Policies that are routinely communicated are all safety requirements and important documents such as emergency and evacuation plans.

VI. Decision Making and Control

Facilities Management makes daily decisions that impact the operation of facilities and the employees who work at such locations. Safety and providing a suitable work environment are always in the forefront of those decisions. The Manager of Facilities work with area Supervisors and their employees to ensure both consistency and safe practices are met. The Management Team monitors daily decisions and discusses them on a weekly basis when appropriate.

The Director oversees this process to ensure that Dominion's corporate objectives are being met. There are three area Supervisors who handle daily operations and oversee both contractors and employees. These operations are consistent with departmental objectives and customer requests.

VII. Goal Attainment and Qualification

Goals are established annually and are formulated to support a 3-year business plan. Final approval of goals rests with Vice President of Shared Services. Goals must be measurable and metrics are tracked, reviewed and communicated back to employees. The goals are measurable and monthly metrics are tracked and communicated to employees. Broad categories of goals for Facilities include, but are not limited to: Safety, Six Sigma, Supplier Diversity, Budgets, and meeting Customer requests.

Quarterly results are provided to employees, and in some cases goals such as measuring/ meeting Customer requests are provided monthly. Employees are provided annual evaluations and are provided feedback on their process towards achieving those goals on a quarterly basis.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: CORPORATE SECURITY

FUNCTION(s): (e)(vi)

I. Policy and Goal Setting / Strategic Planning

As a Dominion Company, DEO is an owner and operator of important, and often critical, national and state infrastructure facilities. Dominion takes its responsibility to secure these facilities seriously. Corporate Security is assigned this responsibility and provides a multidimensional security program as a shared service across the Dominion enterprise. This permits consistency in the application of security practices, while leveraging the security value across all Dominion companies. Corporate Security provides an effective security program designed to protect these assets, as well as its employees and customers, from unacceptable security risks.

The Manager-Security provides strategic direction to this group following corporate direction and security risk assessments and reviews. Service levels are determined utilizing a risk based approach. Security best practices, industry standards, as well as regulatory requirements, are all used in the determination of security approaches.

Corporate Security organizational goals are established by the Manager-Security, who also supports corporate operational and stewardship goals.

II. Internal and External Communication

Internal security communications are handled by traditional communication methods and protocols. A viable system for the reporting of security issues, incidents and concerns is in place. This provides for the timely communication of such issues to Corporate Security by employees and contractors within the Company.

External communications are two way, with a variety of methods for security concerns to reach Corporate Security, as well as methods for the communication of security issues to outside agencies and entities.

Corporate Security maintains close contact and liaison with a multitude of federal, state and local agencies, and departments with interest in and responsibility for security matters.

III. Organizational Structure

Corporate Security resides in the Dominion Services Company. It reports ultimately to the Services Company CEO throughout the Shared Services and Facilities organizations. The Corporate Security organization is led by the Manager-Security and consists of 45 regular full-time Dominion employees, augmented by approximately 50 contract security personnel. One Security Compliance Manager is located in Ohio and works out of the DEO Cleveland office.

IV. Responsibilities

Corporate Security is primarily responsible for the planning and implementation of a corporate security program that is consistent across the various Dominion Companies and provides the appropriate level of security services.

These responsibilities include a physical security function, which incorporates sensible technology and a 24 x 7 x 365 centralized security control center; a rigid background screening program for all employees and contractors; a security compliance function to ensure focus and compliance on all regulatory security requirements; and an internal investigative function. Each component of this program is provided to DEO based upon risk assessment and need.

Consistent security policies and practices are ensured by managing these responsibilities at a corporate level. Implementation of the security program at DEO is accomplished effectively and efficiently with the approval and support of DEO senior leadership.

V. Practices and Procedures

Corporate Security policies and procedures are embedded within corporate policies and within individual business unit policies and procedures. Other policies and procedures are developed internally by Corporate Security and may describe requirements or drive daily security operations.

Corporate Security policies and procedures are all based upon formal and informal security planning. This planning addresses the overall security needs for daily operations, as well as for emergencies based upon anticipated risk.

VI. Decision Making and Control

Corporate Security makes the day to day decisions regarding the application of security practices such as authorization for access to Dominion property and information. In many cases, these practices and decisions are driven by long standing corporate expectations. Other times, they are the result of an advice and consent dialogue with senior company management.

The Corporate Security organization is led by the Manager-Security, with supervisory personnel representing various functional areas within the department.

Corporate Security is either primarily responsible for, or plays a role in, compliance with a number of regulatory requirements. These include security regulations implemented by a host of state and federal agencies. Corporate security likewise provides an investigative function for information received alleging violations of the corporate ethics policy, or indications of non-compliance with other rules of conduct.

VII. Goal Attainment and Quantification

Corporate Security's success and effectiveness is measured by the evaluation of performance based upon goals and objectives. Security processes, by their nature require accuracy and precision in their application. As such, zero deficiencies are often the basis for measurement.

The department's operational goals support the security practice, as well as the financial mission of the corporation and individual business units. They are measured carefully and are paramount to corporate success.

These goals and objectives are then the basis for the establishment of performance expectations within each of the security functional groups. As these groups formulate their plans for success, they ensure that the overall objectives are placed within individual performance plans and are a component of individual expectations discussions. As such, individual success, which is evaluated continuously and formally evaluated annually, contributes ultimately to the success of the organization and the company.

DOMINION EAST OHIO

SCHEDULE: S-4.2, MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION

DEPARTMENT: SUPPLY CHAIN MANAGEMENT (PURCHASING AND INVENTORY MANAGEMENT)

FUNCTION(S): (b)(v)

I. Policy and Goal Setting / Strategic Planning

Supply Chain policies have been established in accordance with Gas Delivery's business requirements and in support of other internal policies. The Director, Supply Chain Management provides strategic direction to this group and establishes goals and practices ensuring commitment to the Dominion Stewardship goals established by the Chief Executive Officer and Vice President of Shared Services and to Gas Delivery's critical business requirements. Goals are established and reviewed annually and are communicated to employees via e-mail and staff meetings. The Director, Supply Chain Management, Manager, Supply Chain Services and Supervisor, Supply Chain Services are charged with communicating, training others in, and monitoring compliance with these goals and policies.

Dominion utilizes an Integrated Supplier for ordering, warehousing and delivering material to all operating locations. Utilization of an Integrated Supplier is a best practice in Supply Chain and allows Dominion to reduce inventory and all associated costs. In addition, contractor supplied material, project kitting and truck stocking are also used and considered a best practice in Supply Chain.

II. Internal and External Communication

Within Supply Chain, internal communications occur formally and informally. Informal communications such as corporate e-mail, ad hoc meetings, face to face discussions and phone calls occur on a daily basis. Formal internal communications such as monthly staff meetings, a monthly newsletter and monthly reports are distributed to employees via e-mail and the corporate intranet.

Internal communications with other departments in the company primarily occur with Gas Delivery and Accounting. Informal communication such as corporate e-mail, ad hoc meetings, face-to-face discussions and phone calls occur on a daily basis as needed. Formal communications occur through regular attendance at various Gas Delivery monthly staff meetings and through distributing various reports, correspondence, and monthly information via e-mail and the corporate intranet.

III. Organizational Structure

Supply Chain Management includes the purchasing and inventory management functions and resides in Dominion Resources Services Company reporting to the Director, Supply Chain Management, the Vice President of Shared Services and the President and CEO Dominion Resources Services Company, all located in Richmond. Supply Chain support for Dominion East Ohio is provided by the following employees:

1.3	Manager, Supply Chain Services
1	Supervisor, Supply Chain Services
3	Senior Materials Specialist
2	Supply Chain Advisor
1	Senior Sourcing Specialist
1	Field Clerk
5	Field Clerk B1988

Employees in Ohio are located in Ashtabula, Canton, Randall, West Park, Lima, Akron and Cleveland. Other employees work out of Pittsburgh and Richmond, Virginia.

IV. Responsibilities

Supply Chain Management is responsible for numerous tasks, including the following:

- providing quality and reliable gas materials and services at a competitive price that meets identified standards,
- ensuring purchasing policies and procedures are followed in the procurement of goods and services,
- managing the gas material inventory and ensuring control and transaction processing according to policy,
- ensuring accurate reporting of inventory,
- ensuring adherence to Sarbanes Oxley compliance,
- actively working with suppliers to ensure a high level of performance,
- assisting internal customers in resolving any issues related with material, services, inventory and purchasing processes, transactions and suppliers,
- preparing inventory and usage analyses and establishing appropriate inventory levels,
- reporting of inventory and various metrics identified in monitoring the inventory management and purchasing functions,

- identifying and implementing process improvements through participation in Six Sigma, and
- training employees in policies and procedures and SAP.

V. Practices and Procedures

A number of practices and procedures have been developed to carry out the department's responsibilities. These are outlined in the Supply Chain Management Policies & Procedures.

VI. Decision Making and Control

Materials Management analyzes inventory usage and makes recommendations for adjusted inventory levels. Changes are made with Gas Delivery's agreement. In addition, through analysis of data, the department identifies inventory process improvements and implements identified changes. Identified changes are made in compliance with corporate policies. Six Sigma Methodology is also used to facilitate process improvements. Operations metrics are reviewed by the supervisor and manager who provides directions for changes. Direct supervision for any changes is provided by the Supervisor, Supply Chain Services and Manager, Supply Chain Services, with oversight by the Director, Supply Chain Management.

No external agencies establish compliance standards specifically for Supply Chain Management. Supply Chain is indirectly affected by numerous regulations and specifications, such as those established by the Department of Transportation, ANSI, ASTM, OPS (Office of Pipeline Safety), and the Federal Energy Regulatory Commission because Dominion's engineering personnel design specifications per the foregoing requirements and pass the material spec information on to Supply Chain.

When executing a procurement document, the responsibility for ensuring compliance with federal, state, and local laws, rules or regulations rest with the procurement individual and other agents of the Company delegated signature authority for procurement documents. Legal counsel continually monitors changes in such laws and regulations affecting procurement activities and advises the Supply Chain Management Organization.

Compliance with policies and procedures for the purchasing and inventory management and control functions are monitored by performing spot checks of transactions entered, performing analyses, and preparing reports on various requirements. Internal audits are also performed.

Dominion has established the Dominion Ethics Program and adopted a Code of Ethics to promote lawful and ethical behavior by all employees and to prevent improper conduct by our companies and employees. The Ethics Program coordinates compliance oversight activities company-wide and establishes processes to assist employees in obtaining guidance and resolving questions regarding ethical and compliance issues.

To assist the company on a regular basis in identifying any potential conflicts of interest, and in keeping with the Company's Code of Ethics/Code of Conduct policies, each member of company management, all individuals with procurement responsibility, and other individuals who may influence procurement decisions complete a conflict of interest questionnaire statement once each year and submit it to the appropriate officer.

VII. Goal Attainment and Quantification

Qualitative and quantitative goals are created by Supply Chain Management each year ensuring commitment to Dominion Stewardship goals established by the Chief Executive Officer and Vice President of Shared Services and commitment to our primary customer's (Gas Delivery) critical business requirements. Department goals are rolled into individual employee Performance Management goals and/or Annual Incentive Plan goals. The majority of goals have a quantitative goal target. Performance is monitored throughout the year to the quantitative goal target and posted on the Supply Chain intranet site and reviewed with employees during staff meetings on a quarterly basis.

Individual performance is also reviewed with employees through the performance management review process. In addition, supervisors and managers provide feedback on an ongoing basis as employees carry out the identified goal initiatives. Once the year is completed, a final performance management review takes place reviewing the employees performance. Evaluations can be either objective and subjective, depending on the circumstance.



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Dominion Policies and Procedures

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Department(s):	Supply Chain Management	Effective Date: July 2006
Contact(s):	Director-Strategic Sourcing	
Cross Reference:	N/A	Project No.: 1595
Formerly:	N/A	©2006 Dominion Resources Services, Inc.

Policy It is the policy of the company that all Procurement individuals, and other agents of the Company delegated signature authority for procurement documents, will endeavor to obtain the most favorable procurement terms for all transactions. All such employees should comply with all legal constraints and all relevant company policies and procedures.

Procurement Document Signature Authority Only procurement individuals and other agents of the Company with properly delegated procurement document signature authority, may sign or issue a procurement document in the name of the company.

Policy Applicability This policy applies to all procurement activities of the company except:

- A. Acquisition, sale or transfer of any interest in real estate.
- B. Purchase and sale of power, energy and fuels.
- C. Small Dollar Procurements (see the section of this manual pertaining to Expenditure Control for further information).
- D. Sales by the company of goods and/or services.
- E. Any specific procurement excluded and documented by the Vice President of Shared Services.

The following non-traditional areas of procurement are exempt from this policy but will be supported by the Supply Chain Management Organization upon request:

- A. Corporate Legal Counsel
- B. Underwriters
- C. Stock Registrars
- D. Auditors (selected by the Board of Directors and ratified by the stockholders)
- E. Transfer agents
- F. Fiscal agents and trustees (for bond issuance's, mortgages, pension plans, etc.)
- G. Banks and banking services
- H. The Board of Directors, the chairman, or president and chief executive officer will regard the procurement of certain categories of recurring professional services as appointments. Such appointments will be subject to periodic review as deemed appropriate by the appointing authority.

The Supply Chain Management Organization, except as otherwise stated in this manual, must authorize all procurement activities.

**Policy Deviations
and Revisions**

Where individual circumstances warrant deviation from approved procurement policies, the proposed deviation and its justification must be documented in writing. The Vice President of Shared Services, or his or her designee, must approve the deviation in writing. Approval must be obtained prior to initiating the particular procurement activity. Any revisions to the approved procurement policies must also be approved by the Vice President of Shared Services, or his or her designee.

**Procurement
Objectives**

The procurement objectives of the company are to:

- A. Strategically source goods and services on a total cost of ownership basis that enhances value to the company.
- B. Comply with all legal and regulatory requirements in the procurement process.
- C. Procure goods and services that satisfy safety requirements of the company.
- D. Provide opportunities for Diverse Businesses (Minority, Small Disadvantaged, Women-owned businesses, HUBZone businesses, Veterans and Service Disabled Veteran-Owned businesses, businesses owned by disabled people, and other small businesses) to participate in procurement activities.

**Procurement
Ethics Policy**

All procurement activities will be undertaken in a manner consistent with the highest ethical, moral, and legal standards.

All procurement decisions made on behalf of the company will be made by individuals representing solely the interest of the company (i.e., at an "arm's length" of any supplier or potential supplier). Any individual with procurement responsibility, having reason to believe a conflict of interest may exist in connection with a specific procurement, will report this to management without delay. If management determines that a conflict does exist, the appropriate management and the individual will eliminate the conflict.

To assist the company on a regular basis in identifying any potential conflicts of interest, and in keeping with the Company's Code of Ethics/Code of Conduct policies, each member of company management, all individuals with procurement responsibility, and other individuals who may influence procurement decisions will complete a conflict of interest questionnaire statement once each year and submit it to the appropriate officer.

To avoid the appearance of impropriety, where competition exists, the company will not knowingly solicit bids from nor award a procurement to any supplier, the majority interest of which is owned or that is controlled by an employee of the company or a member of their family.

If any company employee discovers circumstances which suggest (imply) collusion among bidders or between a bidder and a company employee, the situation will be reported to the officer responsible for the department engaged in the procurement activity. That officer will then report the situation to the Vice President of Shared Services. Upon receipt of such a report, the Vice President of Shared Services will conduct an investigation and notify such other company officials or the Security Department as the circumstances warrant.



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Requisitioning Goods and Services

Any department within the company may initiate a requisition. All requisitions must be approved by an individual having budgetary responsibility and requisition approval authority for the particular area.

The ultimate responsibility, for determining the company's requirements for procurement of goods and services, rests with the user department and more specifically with the individual who has budgetary responsibility for the goods and/or services.

The user department is responsible for identifying the specifications and scope of work for the required goods or services in a timely manner and in sufficient detail to enable the appropriate Supply Chain Management department to solicit the marketplace via requests for quotations or other means, to lead the negotiation of the appropriate terms and conditions, including price, or to prepare an appropriate procurement document. Except where approval of an exception to the competitive bid requirements has been received (see Exceptions to Competitive Bids later in this Policy), bid specifications will not be written to conform to a particular supplier's product or service to the exclusion of other suppliers.

Equipment Leasing

The Supply Chain Management Organization should evaluate requisitions for the lease of equipment relative to the lease purchase option. In addition, certain leases must be reported to or approved by the Virginia State Corporation Commission (SCC). Refer to the policy in this manual regarding the leasing of equipment, SCC approval or reporting, and the requirements for a lease versus purchase analysis. SCM individuals considering lease purchase agreements should coordinate their activities with Treasury-Corporate Finance

Splitting Procurement Requirements

It is a policy of the company not to divide one requirement into a number of smaller procurements to avoid review and approval by a higher level of approval authority. However, to ensure and maintain or establish secondary sources for essential equipment, materials, or services the procurement individual, and other agents of the Company delegated signature authority for procurement documents, may award parts of a single procurement to multiple suppliers.

Modifications to Existing Procurement Documents

All changes must be supported by properly approved documentation. This documentation should reference the procurement document and explain the necessary changes.

Methods of Procurement

The company's primary method of procurement is a written (electronic or paper based) procurement document. In limited circumstances, goods or services may be purchased in accordance with the Expenditure Control and Purchasing Card Program Policies (see the section of this manual pertaining to Expenditure Control and Purchasing Card Program).

**Confidentiality of
Suppliers
Information and
Communications
with Suppliers**

All dealings with individual bidders, suppliers and potential suppliers are strictly confidential and in no case may a bidder be advised of any of the details of any other bidder's proposal or the price of the successful bid.

When a procurement document has been executed, there may be legal requirements or supplier requests for public disclosure. The appropriate procurement individual shall coordinate such disclosure with the company's External Affairs and Corporate Communications Department, the requisitioning department, and if appropriate, legal counsel. Release of confidential information after a procurement document has been executed will be governed by the terms and conditions of the procurement document.

During the course of the procurement process or procurement discussions, all company correspondence and communications will be channeled through the appropriate procurement individuals. This does not preclude communication by other personnel with potential suppliers before the bidding cycle has begun (for discussion of equipment specifications, etc.), but specific negotiation, of any kind, shall not be conducted without the involvement of a procurement individual.

Also, during the course of administering the procurement document, all contractual communications with the supplier will similarly be coordinated with or channeled through the responsible procurement individuals. This is not meant to preclude communication by non-SCM personnel with the Supplier after contract award where such communications are part of the normal day-to-day application of the procurement document within Dominion.

**Participation by
Supplier's
Representative**

When a supplier's representative is requested to furnish assistance for the formulation of bid specifications to be subsequently utilized by the company in a procurement, the supplier will be reimbursed by the company commensurate with the effort expended in such assistance. A procurement document will be awarded to describe the scope of the assistance and the payment therefor. The supplier will be clearly apprised of the use to be made of the information furnished to the company and advised that such assistance and information will in no way obligate the company to the supplier regarding any related solicitations or procurements.

Similarly, when a supplier's representative enters a company facility for the purpose of furnishing assistance connected with the observance, inspection, testing, maintenance, repair, installation or removal of material or equipment, such assistance will be authorized, and compensated for, by the issuance of the appropriate procurement document, unless the procurement of the material or equipment specifically included the provision of such services.

**Bidding Process
- Requirements
for Competitive
Bidding**

To the extent practicable, all procurements (with exceptions noted below) will be undertaken on the basis of competitive bidding. In most procurements, it is not economically feasible to solicit bids from all qualified suppliers. The appropriate procurement individual should ensure that a variety of qualified, new and existing suppliers are solicited, and that suppliers are treated equally and fairly. In general, two or more responses to a solicitation of proposals will be considered competitive. When fewer than two responses to a solicitation of proposals are received from qualified bidders, the situation shall be documented in writing.



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Bidding Process - Requirements for Competitive Bidding (Contd.)

Dominion Virginia Power is subject to the Code of Virginia Section 56-233.1, which states that a public utility "shall use competitive bidding to the extent practicable in its purchasing and construction practices." Additionally, the State Corporation Commission (SCC) has the authority to impose a fine on individuals and corporations for failure to comply with any provision of the Virginia Code or order of the SCC.

Exceptions to Competitive Bidding

Following are exceptions to the competitive bidding requirements:

- A. The procurement individual may authorize exceptions to the competitive bid requirements for items under \$100,000.00. However, with such procurements, care should be taken to ensure that competitive prices are being achieved by a periodic testing of the marketplace.
- B. The procurement individual may approve exceptions to the competitive bid requirements for unique items available only through a single source.
- C. A Supply Chain Management Director may approve exceptions to the competitive bid requirements for a specific procurement requirement when such exception will foster the growth and development of a Minority or Women-owned business. The company must be able to judge the reasonableness of the price of materials and/or services provided.
- D. Any other non-competitive bid requirements must be documented and approved by the individual with budgetary and requisition approval authority as identified in (1) the Expenditure Control Policy, (2) Requisitioning Goods and Services (see the section in this manual referred to as Expenditure Control, and this Policy respectively) and (3) reviewed with the cognizant procurement individual.

The Supply Chain Management Organization is responsible for ensuring that exceptions to the competitive bid requirements are in the best interest of the company.

The justification and approval of exceptions to the competitive bid requirements will be documented and placed in the procurement file.

Bid Shopping

The company does not engage in "Bid Shopping."

"Bid Shopping" is the practice of soliciting a lower price from one or more bidders for the purpose of changing the relative standing of the bidders. An example would be indicating to a bidder a price that must be either met or lowered in relation to another bidder in order to obtain further consideration. This policy is not intended to restrict formal e-commerce auction bidding or target pricing techniques.

Best and Final Offer

The company expects best and final offers to its procurement requests. However, changes or clarifications to either quantity, quality, specifications, terms or the selection of alternatives or options may require negotiation relative to the consideration of those amendments, target pricing techniques, alternatives, or options. Such negotiations do not violate this policy.



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**Responsibility
for Compliance
with Applicable
Federal, State
and Local
Regulations**

When executing a procurement document, the responsibility for ensuring compliance with federal, state, and local laws, rules or regulations rests with the procurement individual and other agents of the Company delegated signature authority for procurement documents. Legal counsel shall continually monitor changes in such laws and regulations affecting procurement activities and advise the Supply Chain Management Organization.

**Legal Review of
Procurement
Documents**

Legal review for procurement documents is required for all joint ventures, foreign or international agreements, agency agreements, disputed procurement claims settlement agreements, creation of new standard terms and conditions and material deviations, that significantly add cost or increase risk, from approved standard terms and conditions. Legal review shall be documented in the procurement file. A Supply Chain Management Director may waive legal review.

**Insurance
Review of
Procurement
Documents**

All procurement documents are to be reviewed by the procurement individual for potential risk to the company. For those procurement documents with significant potential risk or with indeterminable risk or liability, the procurement individual should review the procurement document and potential risks and liabilities with the Corporate Risk Management Department. All deviations to the standard insurance requirements that significantly increase the Company's risk exposure for a specific procurement must be agreed to by Corporate Risk Management and documented in the procurement file.

**Opportunities for
Diverse
Businesses**

The company procures goods and services from various suppliers without regard to age, race, sex, national origin or religion. The Supplier Diversity Program Director within the Supply Chain Management Organization is responsible for developing, implementing, and managing company-wide programs to enhance the company's involvement in the development of Minority, Small, Small Disadvantaged, and Women-owned businesses. All practical efforts shall be made to solicit Minority, Small, Small Disadvantaged, and Women-owned businesses on each procurement opportunity.

In accordance with federal law, the company has a Subcontracting Plan approved by the United States General Services Administration. This plan states the company's procurement objectives and obligations concerning small and diverse businesses.

General Terms and Conditions – Services – Rev. 02-01-07

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General Terms and Conditions - Services – Rev. 02-01-07

1. Scope of Attachment

These General Terms and Conditions provide the terms and conditions by which Supplier agrees to sell and deliver and Purchaser agrees to purchase and receive the services specified in a purchase order (the "Services"). "Agreement" means the integrated contract between Purchaser and Supplier, consisting of the procurement document that, among other things, identifies the Purchaser and Supplier, the Services to be performed, and the compensation to be paid (each, a "Purchase Order"), and the language or graphic depiction describing the start date, any intermediate milestone dates and the completion date by which Supplier is required to perform its various obligations (the "Schedule") and all documents listed in, attached to and/or incorporated into the Purchase Order by reference.

2. Non-binding Counteroffer

If Purchaser issues a firm offer to purchase from Supplier pursuant to a Purchase Order, and if Supplier responds to Purchaser's offer with a counteroffer, no contract will exist between the parties on the terms proffered by Supplier unless and until Purchaser accepts the counteroffer in writing. Any performance by Supplier prior to Purchaser's written acceptance of the terms of the counteroffer will be under the terms originally issued by Purchaser.

3. Invoices and Payments

(a) Invoices. Except as otherwise provided in this Agreement, Supplier will submit invoices upon Supplier's completion of all Services. Each invoice shall be submitted by Supplier to the location shown in the Purchase Order, and shall include: (i) this Agreement number, (ii) invoice number and date, (iii) remittance address, (iv) an itemization of the specific Services provided by Supplier; (v) the date of performance for the Services; (vi) an itemization of the unit prices, if applicable, for which payment or partial payment is invoiced; (vii) the total invoice amount; (viii) the Purchaser's name and location at or for which the Services have been performed, (ix) Supplier Vendor Number, (x) release number, (xi) date range worked (xii) hours worked per invoice period, (xiii) charges for hours worked, and (xiv) separate amounts for labor, equipment, per diem and miscellaneous charges. If Supplier is providing Services or materials to Purchaser under more than one agreement, then Supplier will issue separate invoices for each agreement.

(b) Payment. Except as otherwise provided in this Agreement, Purchaser shall pay for all Services provided by Supplier within 30 days following the later of: (i) the date performance is completed; or (ii) the date of Purchaser's actual receipt from Supplier of an invoice conforming to the requirements of the Invoices Section and accurately reflecting the terms and conditions of the Purchase Order to which it relates.

(c) Retention. Notwithstanding anything to the contrary in this Agreement, Purchaser may withhold from payments due or to become due to Supplier: (i) ten percent of all

invoiced amounts pending receipt of any documentation that may be specified in this Agreement, and (ii) an amount sufficient to protect Purchaser completely from any and all breaches, claims, liens, losses, damages or expenses actually incurred or reasonably anticipated to be incurred by Purchaser in connection with any agreement between Purchaser and Supplier, including without limitation this Agreement, until the breach, loss, damage or expense has been cured or has been satisfied, terminated or released to Purchaser's satisfaction.

(d) Setoff. Purchaser shall have the additional right to set-off against payments made to Supplier pursuant to this Agreement for amounts owed by Supplier to Purchaser, whether or not pursuant to this Agreement.

4. Subcontractors.

(a) Use of Subcontractors. Supplier may engage a third party, but only with Purchaser's approval, to provide raw materials or to assist the Supplier with meeting its obligations pursuant to this Agreement (each, a "Subcontractor"). Supplier shall not be relieved of any duty or liability under this Agreement by reason of subcontracting and shall remain responsible to Purchaser for the full performance of the Agreement.

(b) Requirements of Subcontracts. All contracts with Subcontractor will be subject to review by the Purchaser to ensure that they meet the requirements of this Agreement. Portions of any Subcontract that do not need to be shown to the Purchaser for that review, including but not limited to pricing and credit, may be redacted from the Subcontract before it is delivered to Purchaser for Purchaser's review. Each Subcontract shall include: (i) an indemnity provision substantially the same as the Article entitled Indemnity and pursuant to which the Subcontractor will agree to indemnify Supplier and Purchaser; (ii) an insurance provision substantially the same as in the Article entitled Insurance; (iii) a confidentiality provision substantially the same as the Article entitled Confidential Information; (iv) miscellaneous provisions substantially the same as the Article entitled Miscellaneous; and (v) other provisions as Purchaser may reasonably require as a condition of approving Supplier's contract with a Subcontractor.

(c) Notification Regarding Subcontractors. Supplier shall provide a complete list of proposed Subcontractors upon Purchaser's request, and Purchaser reserves the right, in its sole discretion, to disapprove any proposed Subcontractor.

5. Waiver of Liens

(a) Waiver. Supplier waives, and shall require its Subcontractors and suppliers of any tier to waive, any and all liens and claims, and the right to file and enforce or otherwise assert any such liens and claims, against Purchaser or Purchaser's property or facilities for Services performed pursuant to this Agreement. Supplier shall include and shall require its Subcontractors to include this lien waiver provision in all agreements with Subcontractors.

(b) Discharge. If any liens or claims are filed or asserted against Purchaser or Purchaser's property or facilities for Services performed by Supplier or its

Subcontractors of any tier in connection with this Agreement, Supplier shall promptly discharge or remove any such lien or claim and shall notify Purchaser promptly when it has done so. If Supplier does not cause such lien or claim to be released or discharged by payment, or if Supplier fails to provide a bond in lieu thereof within 30 days of the filing of such lien or claim, Purchaser shall have the right, but shall not be obligated, to pay all sums necessary to obtain such releases and discharges and to deduct all amounts so paid from any amounts due Supplier.

(c) Release and Certificate of Payment. Prior to making final payment to any Subcontractor, Supplier shall require each and every Subcontractor to execute a Subcontractor's Release and Certificate of Payment, attached hereto and incorporated herein as Exhibit 1. Supplier shall complete and execute a Supplier's Release and Certificate of Payment, attached hereto and incorporated herein as Exhibit 2. Supplier may not receive final payment unless Supplier has provided to Purchaser: (i) an executed Exhibit 2, and (ii) an executed Exhibit 1 from each and every Subcontractor.

(d) Payment of Labor, Supplies and Materials. Supplier shall apply all payments made by Purchaser first to the payment of its Subcontractors before using the compensation for any other purpose. Supplier's failure to pay its Subcontractors shall not transfer any responsibility to Purchaser for applying such payments. Supplier shall, as often as requested by Purchaser, furnish an affidavit showing the names and addresses of all persons or firms who have furnished labor, supplies or materials for the performance of the Services and the amount due or to become due to each person or firm. Payments may, in the discretion of Purchaser, be made in the form of checks payable jointly to Supplier and Subcontractors. If Supplier fails to pay promptly, when due, amounts for all labor, supplies and materials furnished in connection with the performance of the Services, Purchaser may, upon five days written notice to Supplier, pay the amount of such liabilities and recover the amount thereof from Supplier directly or by set-off against any portion of the compensation due or becoming due to Supplier.

6. Records and Right to Audit

With respect to Services performed on a time and materials basis, Supplier shall keep accurate and complete records related to the performance of this Agreement and maintain accounting procedures and practices sufficient to reflect its direct and indirect costs incurred in performing this Agreement. Purchaser or its representatives shall have the right to inspect and audit those records and interview Supplier personnel at reasonable times upon reasonable notice. These records shall be made available at Supplier's offices, at all reasonable times, for inspection, audit and reproduction, until the later of the expiration of three years from the date of Purchaser's final payment or the final settlement or disposition of any claim made pursuant to this Agreement. Each party shall bear its own costs incurred in connection with any audit.

7. Acceptance

Acceptance occurs upon the completion of the Services to the satisfaction of Purchaser. Acceptance of the Services, or any portion thereof, by Purchaser shall not relieve

Supplier of its obligation to comply in all respects with the requirements of the Agreement. Payment shall not constitute Acceptance.

8. Changes

(a) Change Orders. Purchaser may, at any time, by written change order make changes in, additions to or deletions from the Services to be performed pursuant to this Agreement. If any such change increases or decreases the time required for the performance of the Services, an equitable adjustment shall be made in the Schedule. If this Agreement is being performed on a fixed-price basis, and if any such change increases or decreases the cost to Supplier of performing the Services, then there shall be an equitable adjustment in the compensation.

(b) Equitable Adjustment. Supplier's right to an equitable adjustment in compensation, Schedule, or both, as a result of any change initiated by Purchaser pursuant to this Article, is expressly conditioned upon Supplier providing Purchaser with a written request for adjustment within ten days after receipt of Purchaser's change order. Supplier's request for an equitable adjustment in compensation, Schedule, or both, shall include a statement setting forth in detail, Supplier's estimate of the change in its costs, if any, together with any proposed adjustment in compensation, Schedule, or both.

9. Specifications, Plans and Drawings

(a) Incorporation into Agreement. Specifications, plans and drawings, both general and detailed, attached to the Purchase Order or referenced in this Agreement are incorporated into this Agreement.

(b) Prior Examination. Supplier agrees that its execution of this Agreement shall be deemed conclusive evidence of the prior examination by Supplier of the specifications, plans and drawings and confirmation that they are sufficient and appropriate for their intended purpose. Detailed drawings shall take precedence over general drawings for the same part of the Services.

(c) Conflicts Among Specifications and the Law. Supplier shall notify Purchaser of all conflicts among the applicable plans, specifications and drawings and any laws that come to Supplier's attention.

(d) Conflicts Among Specifications and Site Conditions. Any discrepancies, inconsistencies, or ambiguities discovered by Supplier among the specifications, plans, drawings and site conditions shall be promptly reported to Purchaser.

(e) Conditions Affecting Services. Supplier acknowledges that it has investigated and satisfied itself as to the conditions affecting the Services, including but not limited to those bearing upon: (i) the transportation, disposal, handling and storage of wastes and Materials, (ii) the availability of labor, utilities, and forms of transportation, including roads, (iii) the uncertainties of weather, river stages, tides or similar physical conditions as pertains to the Services, (iv) the conformation and condition of the ground, (v) the

character of the equipment and facilities needed preliminary to and during performance of the Services, and (vi) the character, quality and quantity of surface and subsurface materials or obstacles to be encountered. Any failure by Supplier to acquaint itself with the available information shall not relieve it from responsibility for properly estimating the difficulty or cost of successfully performing the Services. Purchaser assumes no responsibility for any conclusions or interpretations made by Supplier on the basis of the information made available by Purchaser, other than information contained in or referenced in this Agreement.

(f) Differing Site Conditions. Supplier shall promptly, and before conditions are disturbed, notify Purchaser in writing of subsurface or latent physical conditions at the site differing materially from those indicated in this Agreement or unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement. Purchaser shall promptly investigate the conditions, and if it finds that such conditions do materially so differ and cause an increase or decrease in Supplier's cost of, or time required for, performance of the Services as affected by any such conditions, an equitable adjustment shall be made in the Compensation, Schedule, or both. No claim for equitable adjustment by Supplier hereunder shall be considered unless Supplier has given timely notice, pursuant to the Article entitled Changes.

10. Cleaning Up

Supplier shall, at all times, keep its work area, including storage areas, free from wastes or rubbish. Prior to Acceptance of all Services, Supplier shall remove wastes and rubbish, together with all tools, scaffolding, equipment and materials that are not the property of Purchaser. Upon Acceptance of all Services, Supplier shall leave the premises in a clean, neat and workmanlike condition satisfactory to Purchaser.

11. Inspection and Expediting

Supplier shall grant, and shall cause its Subcontractors to grant Purchaser reasonable access to Supplier's and its Subcontractor's manufacturing, design, and other facilities, both on and off-site, for the purpose of auditing compliance with Supplier's quality control and assurance programs, inspecting any materials used in the performance of Services, and expediting performance of this Agreement. The access to be granted by Supplier and its Subcontractors will include but not be limited to access to Supplier's and its Subcontractor's engineering offices, shops, and working areas, at all reasonable times. Purchaser shall have the right to confirm that the applicable specifications are being met. If the specifications require Purchaser to witness, perform, or verify certain actions during fabrication or otherwise, Supplier shall advise Purchaser of its fabrication schedule in sufficient time to allow Purchaser to conduct such inspections. No inspection by Purchaser will relieve Supplier of its obligation to comply in all respects with this Agreement.

12. Delays

(a) Force Majeure. Neither Purchaser nor Supplier be responsible or liable for or deemed in breach of this Agreement because of any delay in the performance of their respective obligations pursuant to this Agreement due solely to circumstances beyond their reasonable control and without the fault or negligence of the party experiencing the delay, including, but not limited to, acts of God; unusually severe weather conditions; strikes or other labor difficulties; war; riots; terrorism; requirements, actions or failures to act on the part of governmental authorities; inability despite due diligence to obtain required permits or licenses; accident; fire; flood; damage to or breakdown of necessary facilities; or transportation delays or accidents (such causes hereinafter called "Force Majeure"). A party experiencing the Force Majeure shall exercise due diligence in endeavoring to overcome any Force Majeure impediment to its performance, but settlement of its labor difficulties will be entirely within its discretion. A party experiencing Force Majeure shall promptly give oral notification to the other party. Oral notifications shall be confirmed in writing within five days after such party has learned of the Force Majeure and every 30 days thereafter. Written notifications shall give a full and complete explanation of the Force Majeure, its cause, the resulting delay, the status of the Force Majeure, and the actions the party effected by the Force Majeure is taking and proposes to take to overcome the Force Majeure. The party experiencing the delay shall undertake reasonable measures to make up for the time lost through delay without additional compensation. If performance by either party is delayed due to Force Majeure, the Schedule shall be extended for a period of time reasonably necessary to overcome the effect of the delay, subject to Purchaser's right to terminate this Agreement in whole or in part.

(b) Delays Caused by Purchaser. If Purchaser delays Supplier's performance, then there shall be an equitable adjustment in the Schedule. If Supplier's performance is delayed due solely to acts constituting intentional interference by Purchaser, and if Purchaser is not excused for such delay pursuant to the Force Majeure Section, there shall be an equitable adjustment in the compensation and/or the Schedule. Supplier shall not be entitled to an adjustment in the rate of compensation for any delay caused by Purchaser if this Agreement is being performed on a cost-reimbursable or time and materials basis. Supplier shall give Purchaser prompt written notice of the delay and shall submit a written request for an equitable adjustment in compensation or Schedule, or both, within ten days after the end of the delay and shall provide supporting documentation pursuant to the Article entitled Changes. Failure to submit a timely notice of delay and a request for an equitable adjustment shall be deemed a waiver of Supplier's right to an equitable adjustment. Except as provided in this Delays Article, Purchaser shall not be liable for any increased costs incurred by Supplier due to any delay in Supplier's performance.

(c) Delays Caused By Supplier. If Supplier falls behind schedule to the extent that the completion date or any intermediate milestone date is in jeopardy as determined by Purchaser, Supplier shall recover the Schedule at no additional cost to Purchaser. The means for Schedule recovery include, but are not limited to, overtime, increased manning, multiple shifts, additional materials and equipment, or any combination of those means. Supplier shall submit a Schedule recovery plan that demonstrates that the

proposed course of action will ensure that the Services are finished by the scheduled date.

(d) Suspension of Services. Purchaser may, without cause, order Supplier in writing, to suspend performance of the Services, in whole or in part, for such period of time as Purchaser may determine. Purchaser shall not be liable for the cost of any unauthorized Services performed by Supplier during any such period of suspension, and Supplier shall not place further orders or enter into further subcontracts relating to the suspended Services.

(e) No Suspension of Performance. Under no circumstances, including but not limited to, the pendency of any dispute, may Supplier terminate, suspend, or limit performance of the Services, unless and until Purchaser agrees in writing to such termination, suspension, or limitation, or until a final order of a court of competent jurisdiction determines Supplier is permitted to do so.

(f) Allocation of Resources. Whenever as a result of Force Majeure or other disaster Supplier allocates resources between or among Supplier's customers, subject to applicable law or governmental order, Supplier must provide Purchaser priority equal to the highest priority accorded to Supplier's other customers.

13. Warranties

(a) Quality of Services. Supplier warrants and represents that the Services shall: (i) be performed in a good and workmanlike manner in accordance with professional industry standards (with the level of skill, knowledge and judgment required or reasonably expected of providers of comparable services), (ii) meet the terms of this Agreement, (iii) comply with the specifications, and (iv) be free from defects. This warranty for quality of Services shall be effective for two years after Acceptance of all Services.

(b) Warranty Claims. Upon receipt of oral or written notice from Purchaser of a warranty claim, Supplier shall, if required by Purchaser, at Supplier's sole expense, promptly reperform all portions of the Services that fail to conform to these warranties. Supplier shall also perform such tests as Purchaser may reasonably require to verify that the reperformed Services comply with the requirements of this Agreement. The expense of all work incidental to any reperformance will be borne solely by Supplier. If Supplier fails within a reasonable time or refuses to reperform any Services as required by Purchaser, Purchaser may, in its sole discretion, retain a third party to reperform the Services or take other reasonable remedial action. The parties agree that if Purchaser does not require reperformance, then Purchaser may make a corresponding reduction in the compensation.

(c) Personnel. Supplier warrants that it shall employ, or obtain the services of, such competent and qualified personnel as may be required to perform the Services. If requested by Purchaser, Supplier shall furnish Purchaser with evidence of the qualifications, education and experience of its personnel. Purchaser shall have the right

to require the removal of any of Supplier's or its subcontractor's personnel from the Services, if, in the sole judgment of Purchaser, such removal is in Purchaser's best interest. Any of Supplier's or its subcontractor's personnel judged unsatisfactory by Purchaser shall be promptly removed from the Services and other qualified personnel assigned to the Services at no additional cost to Purchaser.

(d) Non-exclusive Remedies. **THE REMEDIES SET FORTH IN THIS ARTICLE ARE IN ADDITION TO, AND NOT IN LIEU OF, SUCH OTHER REMEDIES AS MAY BE AVAILABLE TO PURCHASER AT LAW OR IN EQUITY. SUPPLIER SHALL NOT BE EXCUSED FROM ITS OBLIGATIONS UNDER THIS ARTICLE BY PURCHASER'S FAILURE TO INSPECT, FAILURE TO DISCOVER DEFECTIVE SERVICES, APPROVAL OF OR PAYMENT FOR THE SERVICES OR ANY PORTION THEREOF.**

(e) Subcontractor Warranties and Representations. Should Supplier receive from any Subcontractor warranties and/or representations of broader or greater scope than those above, then Supplier shall provide the same to Purchaser. Supplier shall include provisions in its subcontracts that pass through all such warranties and representations to Purchaser and obligate the Subcontractor directly to Purchaser under the subcontract.

14. Breach and Default

(a) Supplier's Breach. If Supplier breaches this Agreement, then upon reasonable notice to Supplier, Purchaser may, at its option, either remedy the breach or terminate this Agreement. If Purchaser elects to remedy Supplier's breach, Purchaser may use whatever persons, entities, equipment, and materials it deems necessary and Supplier will pay all of Purchaser's direct and indirect costs incurred or reasonably anticipated to be incurred by Purchaser to remedy the breach ("Remedial Costs") to the extent that those costs exceed the amount of compensation that would have been paid but for Supplier's breach.

(b) Cure. Except in the event of stoppage, delay or interference, Supplier shall have a period of three business days from the date of Purchaser's notice of termination to cure its breach of this Agreement prior to termination by Purchaser.

(c) Remedies Cumulative. In the event of Supplier's breach, Purchaser may recover from Supplier the amount of any costs, loss, or damage, suffered or incurred as a result of or in connection with Supplier's breach, including but not limited to reasonable attorneys' fees, penalties, and increased costs ("Damages"). Purchaser may deduct and withhold from payments otherwise due Supplier the amount of any Damages and Remedial Costs. The remedies set forth in this Article entitled Breach and Default are distinct, separate and cumulative, and are in addition to and not in lieu of any other rights and remedies given elsewhere in this Agreement or available to Purchaser at law or in equity.

(d) Supplier's Remedies. Except as otherwise specified in this Agreement, Supplier has the rights and remedies available to it at law or in equity for Purchaser's default of its

payment obligations or other material breach of this Agreement, but Supplier's remedies are contingent upon Supplier, within one week of Purchaser's alleged default or breach, giving Purchaser written notice with specific details describing the alleged default or breach.

15. Indemnity

Supplier agrees to indemnify, hold harmless and, at Purchaser's sole option, defend Purchaser, Purchaser's Affiliates (defined below), and each of their respective directors, officers, employees, contractors, and agents from and against any and all claims, demands, lawsuits, or other proceedings brought or threatened by any third party, including Purchaser's and Supplier's employees, contractors, and agents, and including any government entity (each, a "Claim"), and to pay all of Purchaser's costs in connection with, arising from, or relating to any Claim, including but not limited to, any judgment, amounts paid in settlement, fines, penalties, forfeitures, and expenses (including reasonable attorneys' fees through final appeal), whether at law, in equity, or administrative in nature, in any manner arising out of, resulting from, caused by, or in connection with: (a) this Agreement; (b) Supplier's breach of this Agreement; (c) personal injury or death; (d) property damage; or (e) violation of law. Supplier will not be liable for any injuries, deaths, or damage to the extent that they are caused by Purchaser's negligence or willful misconduct. "Affiliate" means any parent or subsidiary of a party, any company that has a parent company in common with a party, any person or entity that holds, directly or indirectly, an ownership interest of more than 50% of a party, any person or entity that controls or directs the management of a party, any entity in which a party holds, directly or indirectly, an ownership interest of more than 50%, or any entity with respect to which a party controls or directs the management.

16. Insurance

(a) Coverage. Supplier shall obtain and maintain, and require any Subcontractors to obtain and maintain, with responsible insurance carriers with a Best's Insurance Reports rate of "B+" or better and a financial size category of "IX" or higher, the following policies of insurance during the term hereof:

(i) Workers Compensation. Workers compensation as required by the statutory benefit laws of the state where the Services are to be performed or as required by any other state where the employee performing the Services is normally employed.

(ii) Employers Liability. Employers liability insurance with a total limit of at least \$2,000,000 each accident for bodily injury by accident and \$2,000,000 each employee for bodily injury by disease.

(iii) Commercial General Liability. Commercial general liability insurance with a total limit of at least \$2,000,000 per occurrence (occurrence form policy). Such insurance shall include, but not be limited to, specific coverage for: (1) contractual liability encompassing the Article entitled Indemnity, (2) personal

injury and property damage liability, (3) products/completed operations liability, and (4) where applicable, explosion, structure and ground collapse, and underground hazards coverage.

(iv) Automobile Liability. Automobile liability insurance covering bodily injury and property damage with a total limit of at least \$2,000,000 per accident. Such insurance shall cover liability arising out of any auto (including owned, hired and non-owned autos).

(b) Umbrella Policy. The amount of coverage required may be satisfied, at Supplier's option, through a separate excess umbrella liability policy together with lower limit primary underlying insurance. The coverage required above shall provide for claims by one insured against another such that, except for the limits of insurance, the insurance will apply separately to each insured against whom a claim is made or suit is brought.

(c) Waiver. Supplier waives and will require its insurers to waive all rights against the Purchaser and its Affiliates, and their directors, officers and employees, whether in contract or tort (including negligence and strict liability) for recovery of damages to the extent these damages are covered by the insurance required in this Insurance Article. The insurance required in this Insurance Article shall be amended to waive any rights by the insurer to subrogate against the Supplier, all Subcontractors and Vendors, the Purchaser, and its affiliates, and their directors, officers and employees.

(d) Named Insurance. Supplier will cause its insurers providing the coverage required in this Insurance Article, and will require any subcontractors engaged to fulfill any of Supplier's obligations under this Insurance Agreement to cause each of their insurers providing coverage required in this Insurance Article to name Purchaser, Purchaser's affiliates and each of their officers, directors, employees, contractors, and agents, as additional insureds to the coverages required above as it attaches with respect to liability arising out of the Services or Supplier's performance of its obligations pursuant to this Agreement.

(e) Primary Coverage. Supplier and Supplier's insurer agree that each of these policies is primary with respect to any other similar insurance maintained by Purchaser. These policies may not be canceled, nonrenewed or materially changed without giving 30 days prior written notice to Purchaser.

(f) Certificates of Insurance. Before beginning performance, Supplier shall provide certificates of insurance to Purchaser from Supplier's and any Subcontractor's insurers, certifying that the Supplier's or Subcontractor's insurance coverage is in the form and amount required by this Agreement and that the applicable insurance policy will not be materially altered or terminated without 30 days prior written notice to Purchaser. Failure of Purchaser to demand certificate of insurance or other evidence of full compliance with these insurance requirements or failure of Purchaser to identify a deficiency from evidence that is provided shall not be construed as a waiver of Supplier's obligation to maintain such insurance and will in no way relieve or limit Supplier's obligations and liabilities under this or any other provisions of this agreement.

(g) Substitute Coverage. If Supplier's or any Subcontractor's insurance coverage is materially changed or if it terminates, then Purchaser may procure, on Supplier's or Subcontractor's behalf, insurance that meets the requirements of this Insurance Article. Any premiums or other costs or fees (including without limitation fees paid to any insurance broker or agent) incurred as a result of procuring substitute coverage may be charged to Supplier.

17. Termination

(a) Termination for Convenience. Purchaser may, without cause, terminate this Agreement at any time, in whole or in part, by providing written notice of termination to Supplier. The termination will be effective as specified in Purchaser's notice of termination, but not earlier than one day after Supplier's receipt of the notice. Supplier shall deliver to Purchaser those Materials for which Purchaser has made payment, including all Materials in manufacture, but not yet completed, within 15 days of termination date specified in the notice of termination.

(b) Audit of Termination Cost Summary. Within 30 days after the effective date of termination, Supplier shall provide Purchaser with a summary, detailed and documented to Purchaser's reasonable satisfaction, of the costs incurred by Supplier in the performance of its obligations prior to termination, together with direct costs reasonably and prudently incurred by Supplier incidental to termination ("Termination Costs"). The Termination Costs will be subject to audit and verification by Purchaser in accordance with the Article entitled Records and Right to Audit. Any audit of Supplier's determination of the Termination Costs shall be initiated within 90 days after Purchaser receives from Supplier the summary, detailed and documented to Purchaser's reasonable satisfaction, of the Termination Costs.

(c) Calculation of Termination Costs. The Termination Costs will not include compensation paid to Supplier and allocable to Materials delivered to Purchaser prior to the termination date or incident to the termination. If the payments previously made to Supplier by Purchaser exceed the Termination Costs, then Supplier shall pay the difference to Purchaser, and no Termination Costs will be owed by Purchaser.

(d) No Further Payment Required. Upon termination and payment by Purchaser of any Termination Costs due, Purchaser shall have no further payment obligation to Supplier pursuant to this Agreement.

18. Compliance with Laws

(a) Nondiscrimination and Utilization of Small Businesses. Supplier shall comply with all laws applicable to this Agreement, the Services, and Supplier's performance hereunder. Supplier agrees to comply with all applicable provisions, and successor provisions of Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended; and implementing regulations set forth in 41 C.F.R. Sections 60-1, 60-250 and 60-741 and the applicable provisions relating to the use of small and

minority business concerns as set forth in 15 U.S.C. Section 637, as amended. Supplier agrees that the equal opportunity clause set forth in 41 C.F.R. Section 60-1.4, the affirmative action clauses set forth in 41 C.F.R. Sections 60-250.4 and 60-741.5, and the clauses relating to the use of small and minority business concerns set forth in 15 U.S.C. Section 637(d)(3) and 48 C.F.R. Section 52.219.8, are incorporated by reference into and made a part of this Agreement. If this Agreement has a value of more than \$500,000, then Supplier shall adopt and comply with a small business and small disadvantaged business subcontracting plan that conforms to the requirements set forth in 15 U.S.C. Section 637(d)(6). The provisions of this Section will apply to Supplier only to the extent that they are required of Supplier under existing law, Supplier is not otherwise exempt from them, and compliance with them is consistent with and does not violate 42 U.S.C. Section 2000(e) et seq., 42 U.S.C. Section 1981 et seq., or other acts of Congress.

(b) Disadvantaged and Women-Owned Small Businesses. Purchaser is committed to the development of disadvantaged and women-owned small businesses. Purchaser requires that disadvantaged and women-owned small businesses be provided maximum practicable opportunities to participate in any subcontracts awarded by Supplier. If this Agreement is valued at \$500,000 or more, the Supplier shall report on actual disadvantaged and women-owned small business Subcontractors on a quarterly basis to Purchaser on a form provided by Purchaser.

(c) Fines. Supplier will be solely responsible for and shall pay all costs and expenses associated with all fines or other penalties incurred by Purchaser or Supplier for Supplier's or any of its Subcontractors' noncompliance with any law or any costs (including Purchaser's reasonable attorneys' fees) arising from, in connection with, or relating to delays or stop work orders imposed by a government agency or court due to Supplier's noncompliance with law. This Section is not intended to limit Supplier's right to make claims against any Subcontractor with respect to the Subcontractor's failure to comply with law, but Supplier shall not condition any payment to Purchaser on the existence of any claim against any Subcontractor.

19. Permits, Licenses and Registrations

Except as otherwise provided in this Agreement, Supplier shall obtain, and shall require any Subcontractors to obtain, any licenses, permits, and registrations that it or they may be required by law to hold in order to perform its or their obligations under this Agreement. Supplier and any Subcontractors shall hold and maintain those licenses and permits for so long as this Agreement remains in effect and shall provide copies of them to Purchaser, if so requested.

20. Ownership of Intellectual Property

Purchaser shall retain ownership of all information, designs, materials and data provided to Supplier unless otherwise provided herein.

21. Intellectual Property Infringement

(a) Intellectual Property Indemnity. In addition to and not in lieu of the remedies provided to Purchaser in the Article entitled Indemnity, Supplier shall, at its own expense defend, indemnify and hold harmless Purchaser and Purchaser's Affiliates, and each of their respective directors, officers, employees, contractors, and agents from and against any and all Claims or allegations that all or any portion of the Services, infringes any patent, copyright, trademark, or trade secret, including without limitation, payment of all damages and costs awarded or paid in settlement, reasonable attorneys' fees, and costs for providing information and assistance to Supplier for defense or settlement of any Claim or allegation. Supplier's indemnification obligations under this Intellectual Property Infringement Article will not apply to the extent that the infringement is the result of modifications to the Services by Purchaser.

(b) Intellectual Property Remedy. At Purchaser's option and at no cost to Purchaser, Supplier shall reperform the Services so that they are noninfringing or refund the compensation paid for the infringing Services.

22. Confidential Information

(a) Confidentiality Information Defined. For purposes of this Agreement, the term "Confidential Information" shall mean each party's proprietary and confidential information including, without limitation, the following:

(i) Any trade secret, know-how, invention, software program, application, documentation, schematic, procedure, contract, information, knowledge, data, process, technique, design, drawing, program, formula or test data, work in progress, engineering, manufacturing, marketing, financial, sales, supplier, customer, employee, investor, or business information, whether in oral, written, graphic or electronic form; or

(ii) Any document, diagram, photograph, drawing, computer program or other communication that is either conspicuously marked "confidential", known or reasonably should have been known by the other party to be confidential, or is of a proprietary nature, and is learned or disclosed in the course of discussions, studies or other work undertaken between the parties.

(iii) Any memoranda, notes, correspondence, facsimile transmissions, e-mail messages, recordings, and all other materials that contain, summarize, or describe any portion of that which is mentioned in Subsection (i) or (ii) above.

(b) Limited Use. The parties acknowledge that they are to be given access to the other's Confidential Information only for purposes of performing their respective obligations under this Agreement ("Authorized Use") and that they shall maintain the Confidential Information in the strictest confidence. Each of the parties agrees that it will not, without first obtaining the express prior written permission of the other, which consent may be withheld in such party's absolute and sole discretion: (i) directly or indirectly utilize such Confidential Information in its business; (ii) manufacture and/or sell any product that is based in whole or in part on the Confidential Information; (iii) copy or modify

Confidential Information, or any copy or portion thereof; or (iv) disclose the Confidential Information to any third party except as permitted by this Agreement. Each party shall limit its disclosure of the other's Confidential Information to employees within its own organization who could be reasonably expected to have a legitimate need to receive such Confidential Information in order to accomplish the Authorized Use. Without limiting the foregoing, in performing its obligations under this Agreement, each party, its employees and its agents shall conduct themselves in accordance with the highest standards established by law with respect to the duties of a person in a position of trust.

(c) Proprietary Protection. Each party shall have sole and exclusive ownership of all right, title and interest in and to the Confidential Information disclosed to the other, including without limitation ownership of all copyrights and trade secrets pertaining to the Confidential Information, subject only to the rights and privileges expressly granted by the discloser. The Confidential Information is considered to include valuable trade secrets belonging to each party.

(d) Consultants. Prior to disclosure of any Confidential Information received by either party to a Subcontractor, consultant, agent, or other non-employee engaged by such party in any capacity where such non-employee shall have access to the other party's Confidential Information, such party shall first obtain a written agreement from the non-employee: (i) to hold all Confidential Information in confidence and not to use such information for any purpose except as it relates to discussions between the parties or any subsequent business relationship between the parties; and (ii) to return all Confidential Information received immediately after such non-employee has completed its work to the party from whom the Confidential Information was received.

(e) Return of Confidential Information. Upon termination of the discussions and/or business relationship between the parties, each party shall: (i) deliver promptly to the other party any and all Confidential Information of the other in its possession or under its control that is in tangible form; and (ii) permanently destroy (including deletion of permanent and temporary files, if any, stored on computers or other electronic devices) all Confidential Information of the other in its possession that is in electronic or other intangible form. If requested by either party, the other shall deliver a certificate certifying that it has satisfied the requirements of this Section entitled Return of Confidential Information. Notwithstanding the foregoing, to the extent it would be unreasonably costly or cumbersome, neither party shall be required to delete intangible copies of Confidential Information that is made as part of such party's routine systems back-up procedures.

(f) Non-protected Information. Each party's covenant not to disclose Confidential Information shall not apply to any information, data or other materials imparted to the extent that any of the following conditions apply:

(i) At the time access is gained, the information is already in the other party's possession or available to it or its employees from any other source having no obligation to the party asserting ownership.

(ii) The information is, or any time hereafter becomes, available to the public without breach of this Agreement by the receiving party.

(iii) After access is gained to the disclosure, the information is at any time obtained by the receiving party from any other person, firm or company having no obligation to or relationship with the party asserting ownership.

(g) Security. Each party shall safeguard and maintain the confidentiality of the Confidential Information of the other in at least the same manner in which it protects its own confidential and proprietary information of like kind and sensitivity, but in no event shall a party use less than reasonable care. Each party shall assume full responsibility for breaches of this Agreement by any of its employees, Subcontractors, agents, or non-employees. Upon either party's request at any time, the other party shall provide a list (including electronic mail addresses) of all recipients authorized to receive Confidential Information.

(h) Court-Ordered Disclosure. Neither party shall be liable for disclosure of Confidential Information if made in response to a valid order of a court or authorized agency of government; provided that ten days' notice first be given to the other party so it may seek a protective order, if appropriate. If the party asserting ownership of the Confidential Information decides to seek a protective order, the other party shall cooperate, at the owning party's expense, in seeking such protective order.

(i) No Conveyance or License. Nothing in this Agreement shall be construed to convey to either party any right, title, interest or copyright in any Confidential Information, or any license to use, sell, exploit, copy or further develop any such Confidential Information.

(j) Injunctive Relief. The parties agree that either party's breach of the provisions of this Article will cause the other irreparable damage for which recovery of money damages would be inadequate. The non-breaching party shall, therefore, be entitled to obtain timely injunctive relief to protect its rights under this Article in addition to any and all remedies available at law without the need to post a bond or other undertaking.

23. Protecting Personal Information

(a) Definitions. "Consumer Information" means any and all information that relates in any way to any of Purchaser's or Purchaser's Affiliates' customers or employees.

(b) Restrictions on Use. Any Consumer Information disclosed by Purchaser to Supplier or with which Supplier otherwise comes in contact with while performing the Services will be deemed Confidential Information, regardless of whether it is labeled or designated as such. Supplier shall not (i) use Consumer Information for any purpose other than as reasonably necessary to fulfill the terms of the Agreement; (ii) disclose Consumer Information to any third party without prior written consent of Purchaser, unless the third party requires access to Consumer Information to assist Supplier with

performing the Services.; (iii) make Consumer Information available to any employees, contractors, subcontractors of any tier, agents, or other representatives of Supplier except those with a need to know.

(c) Security. Supplier shall implement appropriate measures to ensure the security and confidentiality of all Consumer Information in its possession, including protecting against any threats or hazards that Supplier should reasonably have anticipated to the security or integrity of the Consumer Information and protecting against unauthorized access to or use of the Consumer Information. Supplier will immediately notify Purchaser if any breach of Supplier's systems for protecting Consumer Information is detected or suspected. Supplier will immediately notify Purchaser of any unauthorized disclosure of Consumer Information by Supplier, its directors, officers, employees, contractors, subcontractors of any tier, agents or other representatives. Supplier will, as reasonably requested from time to time by Purchaser, give Purchaser written certification of compliance with this Addendum.

24. Taxes

(a) General. All taxes, including but not limited to, property, license, privilege, excise, gross receipts, value added or other similar taxes that may be imposed on this transaction or on any Services performed by Supplier will be paid by Supplier and will be deemed included in the compensation.

(b) Unemployment Insurance Taxes, Contributions and Assessments. Supplier shall pay all taxes associated with its employees and Subcontractors and shall comply with all laws applicable to compensation paid to its employees and Subcontractors.

(c) Minimizing Tax Burden. Supplier shall be responsible for obtaining the benefit of any provision of law, which exempts any portion of the transaction from any tax, custom or duty, (including but not limited to sales and use taxes). Upon request of Purchaser, Supplier shall provide documentation of sales and use taxes allocated to any Services provided to Purchaser under this transaction. If required by law, Supplier shall register with the applicable governmental body as a retailer to obtain exemption from sales and use tax when procuring materials to be resold to Purchaser as tangible personal property under this transaction. Supplier shall purchase and resell to Purchaser all materials identified as tangible personal property without paying or charging Purchaser sales and use tax so long as Purchaser has provided to Supplier a properly executed tax exemption certificate. Supplier shall separately identify all Services, materials, and labor on any invoice or billing document sent to Purchaser. For any Services billed, Supplier shall include the location where such Services were performed. The parties agree to cooperate and implement all such arrangements as are reasonably necessary to legally minimize the taxes imposed on Supplier or Purchaser in compliance with and to the extent required by law.

25. Assignment

(a) Supplier. Unless Purchaser grants prior written consent, Supplier shall not assign any rights or delegate any duties or obligations pursuant to this Agreement or transfer or otherwise dispose of this Agreement or any part of it or its rights, title, and interest in it,

nor assign any monies due or to become due under it. Any assignment or delegation made without the express written approval of Purchaser will be without effect. Any assignment of this Agreement consented to by Purchaser will not relieve Supplier of its responsibility for the due and full performance of it. Supplier will be liable to Purchaser for all acts and omissions of its assignees or other transferees.

(b) Purchaser. This Agreement, and any portion hereof it will at all times be assignable by Purchaser.

26. Electronic Format and Signature

The parties acknowledge and agree that this Agreement may be recorded in an electronic format and may be signed electronically and that each party has the capacity to electronically review and store this signature and to receive the other party's electronic signature. :

27. Miscellaneous

(a) Governing Law; Jurisdiction. The parties intend that this Agreement be governed by Virginia law without giving effect to Virginia's choice of laws principles. The parties irrevocably submit to jurisdiction in the Commonwealth of Virginia with respect to any dispute between them arising out of, relating to, or in connection with this Agreement, and venue will lie in the Circuit Court for the County of Chesterfield or the United States District Court for the Eastern District of Virginia, Richmond Division. The parties waive their rights to trial by jury.

(b) Non-Waiver of Rights. The failure of either party to demand strict performance of the terms of or to exercise any right conferred by this Agreement is not intended by the parties to be construed as a waiver or relinquishment of its right to assert or rely upon any term or right in the future, or as a consent to any continuing or subsequent failure or breach.

(c) Severability. If any provision or any part or portion of any provision of this Agreement becomes or is declared to be unlawful, invalid, void, or otherwise unenforceable, the rights and obligations of the parties will be reduced only as much as is required to remove the unenforceability. The balance of this Agreement will remain in effect.

(d) Survival. Neither performing nor Accepting the Services, nor any termination, expiration, or cancellation of this Agreement, will be deemed to relieve either party of any obligations under it that by their nature survive termination, including but not limited to all warranties, guarantees, promises of indemnity, and confidentiality obligations.

(e) Headings. Article and Section headings are inserted for convenience and are not intended to have any effect on the interpretation or construction of this Agreement.

(f) Publicity. No information relative to this Agreement shall be released by Supplier for publication, advertising, or for any other purpose without the prior written approval

of Purchaser, which approval is entirely within Purchaser's discretion.

(g) Independent Contractor. Supplier's relationship to Purchaser is that of an independent contractor, and neither Supplier nor any of its Subcontractors, nor any employees of Supplier or its Subcontractors are employees of Purchaser. Supplier assumes sole and complete responsibility for the employment, compensation, control, and conduct of its employees. This Agreement does not create an agency relationship, partnership, or joint venture between the parties.

(h) Non-exclusivity. Nothing herein shall prevent Purchaser from providing for itself or obtaining from any third party, at any time during the Term or thereafter: (i) Services in any way analogous, similar, or comparable to the Services performed hereunder, or (ii) or any other services related to the Services. In no event shall this Agreement be construed as a requirements contract or requiring any minimum volume of purchases or spending by Purchaser.

(i) Non-Collusion. Supplier hereby affirms that neither it nor any person or entity acting or purporting to act on its behalf has entered into any combination, conspiracy, agreement or other form of collusive arrangement with any person, corporation, partnership or other entity, which directly or indirectly has to any extent lessened competition between Supplier and any other person or entity for the award of any Purchase Order by Purchaser hereunder.

(j) Successors and Assigns. This Agreement will be binding on the parties and their directors, officers, agents, successors and permitted assigns.

(k) Notices. Notices to the parties concerning this Agreement will be effective only if they are in writing and delivered personally, by fax, email, or overnight courier, to the person and at the address, fax number, or email address designated in the Purchase Order. Either party may change the person to receive notice or the applicable contact information by providing notice to the other. Properly delivered notices will be deemed to have been received when they are sent.

(l) Cooperation With Others. Purchaser reserves the right to require Supplier to schedule the order of performance of its obligations under this Agreement in such a manner as will minimize interference with performance by other parties at the job site.

(m) Integration, Entirety, and Amendment. This Agreement, together with all attachments and incorporated references, is the entire agreement between the parties with respect to the Services and supersedes any prior or contemporaneous agreement or understanding between the parties regarding its subject matter. The parties will not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind or nature not set forth or provided for in this Agreement. No prior course of dealing, usage of trade, or course of performance is intended by either party to be used to supplement or explain any term, condition, or instruction used in this Agreement or to effect any amendment to it. No revision or amendment to this Agreement will be effective unless it is signed by the parties.

EXHIBIT 1

SUBCONTRACTOR'S RELEASE AND CERTIFICATE OF PAYMENT

With reference to the Contract between _____
("Contractor") and _____ ("Subcontractor"), dated _____
_____, 20__, as amended, (the "Contract") for work done by Subcontractor as a
supplier to Contractor under Purchase Order No. _____, between Contractor and [Insert
Dominion entity name] (the "Agreement"), Subcontractor hereby certifies that, except for final
payment now due in the amount specified below, Subcontractor has been paid in full for all
work done, services performed, and materials and equipment furnished in connection with its
work under the Contract.

Subcontractor further certifies that it has made full payment to each of its subcontractors and
materialmen for all work done, services performed, and materials and equipment furnished in
connection with Subcontractor's work under the Contract.

Subject to payment by Contractor of \$_____ as full and final payment under the
Contract, Subcontractor hereby unconditionally releases and forever discharges Contractor and
[Insert Dominion entity name] and the officers, directors, employees and agents of both of them
from and against all claims and liens arising out of or connected with Subcontractor's work
under the Contract.

Executed this _____ day of _____, 20__

(Subcontractor)

BY: _____

TITLE: _____

EXHIBIT 2

SUPPLIER'S RELEASE AND CERTIFICATE OF PAYMENT

With reference to Purchase Order No. _____, effective as of _____, 20____, as amended, between Supplier and Purchaser (the "Agreement"), Supplier hereby certifies that it has made full payment of all costs, charges, expenses, taxes and assessments incurred by it or on its behalf for Services, Materials and Equipment supplied at the premises or any other locations and used in connection with its Services under the Agreement.

Supplier further certifies that to the best of its knowledge and belief, each of its subcontractors and materialmen has made full payment of all costs, charges, expenses, taxes and assessments incurred by them or on their behalf for Services, Materials and Equipment supplied to the premises and used by them in connection with Supplier's Services under the Agreement.

Subject to payment by Company of \$ _____ as full and final payment under the Agreement, Supplier hereby unconditionally, releases and forever discharges Purchaser and its property and premises from all claims, liens and obligations of every nature arising out of or connected with the performance of said Agreement and all amendments thereto.

As additional consideration for the final payment, Supplier agrees to indemnify and save harmless Purchaser from and against all costs, losses, damages, claims, causes of action, judgments and expenses, including attorney's fees, arising out of or connected with claims against Purchaser, which claims arise out of the performance of the Services under the Agreement and which may be asserted by Supplier, or any of Supplier's employees, suppliers, subcontractors or any of their representatives, officers, agents or employees.

The foregoing shall not relieve Supplier of any obligations under the Agreement that by their nature survive completion of the Services, including but not limited to all warranties, guarantees, promises of indemnity, and confidentiality obligations. The capitalized terms herein shall have the same meaning as ascribed in the Agreement.

Executed this _____ day of _____, 20____

(Supplier)

BY: _____

TITLE: _____

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General Terms and Conditions - Materials – Rev. 02-01-07

1. Scope of Attachment

These General Terms and Conditions provide the terms and conditions by which Supplier agrees to sell and deliver and Purchaser agrees to purchase and receive any and all materials, goods, and/or equipment specified in a purchase order, (the "Materials"). "Agreement" means the integrated contract between Purchaser and Supplier, consisting of the procurement document that, among other things, identifies the Purchaser and Supplier, the Materials to be delivered, and the compensation to be paid (each, a "Purchase Order"), and the language or graphic depiction describing the start date, any intermediate milestone dates and the completion date by which Supplier is required to perform its various obligations (the "Schedule") and all documents listed in, attached to and/or incorporated into the Purchase Order by reference.

2. Non-binding Counteroffer

If Purchaser issues a firm offer to purchase from Supplier pursuant to a Purchase Order, and if Supplier responds to Purchaser's offer with a counteroffer, no contract will exist between the parties on the terms proffered by Supplier unless and until Purchaser accepts the counteroffer in writing. Any performance by Supplier prior to Purchaser's written acceptance of the terms of the counteroffer will be under the terms originally issued by Purchaser.

3. Invoices and Payment

(a) Invoices. Except as otherwise provided in this Agreement, Supplier will submit invoices upon Supplier's delivery of all Materials. Each invoice shall be submitted by Supplier to the location shown in the Purchase Order, and shall include: (i) this Agreement number; (ii) invoice number and date; (iii) remittance address; (iv) an itemization of the specific Materials delivered by Supplier; (v) the dates of delivery for the Materials itemized in the invoice; (vi) an itemization of the unit prices, if applicable, for the Materials itemized in the invoice; (vii) the total invoice amount; (viii) the Purchaser's name and location to which the Materials have been delivered; (ix) Supplier Vendor Number, (x) release number, and (xi) separate amounts for labor, equipment, per diem and miscellaneous charges. If Supplier is delivering Materials to Purchaser under more than one agreement, then Supplier will issue separate invoices for each agreement.

(b) Payment. Except as otherwise provided in this Agreement, Purchaser shall pay for all Materials delivered by Supplier within 30 days following the later of: (i) the date of delivery of Materials; or (ii) the date of Purchaser's actual receipt from Supplier of an invoice conforming to the requirements of the Invoices Section and accurately reflecting the terms and conditions of the Purchase Order to which it relates.

(c) Retention. Notwithstanding anything to the contrary in this Agreement, Purchaser may withhold from payments due or to become due to Supplier: (i) ten percent of all invoiced amounts pending receipt of any documentation that may be specified in this

Agreement, and (ii) an amount sufficient to protect Purchaser completely from any and all breaches, claims, liens, losses, damages or expenses actually incurred or reasonably anticipated to be incurred by Purchaser in connection with any agreement between Purchaser and Supplier, including without limitation this Agreement, until the breach, loss, damage or expense has been cured or has been satisfied, terminated or released to Purchaser's satisfaction.

(d) Setoff. Purchaser may set-off against payments made to Supplier pursuant to this Agreement for amounts owed by Supplier to Purchaser, whether or not pursuant to this Agreement.

4. Subcontractors

(a) Use of Subcontractors. Supplier may engage a third party, but only with Purchaser's approval, to provide raw materials for the Materials, provide engineering or design services with respect to the Materials, manufacture components comprising the Materials, transport raw materials or components comprising the Materials, package and transport the Materials, develop or produce specifications, drawings, plans, or documentation relating to the materials, or otherwise provide goods or services to the Supplier relating to the Materials or to assist the Supplier with meeting its obligations pursuant to this Agreement (each, a "Subcontractor"). Supplier shall not be relieved of any duty or liability under this Agreement by reason of subcontracting and shall remain responsible to Purchaser for the full performance of the Agreement.

(b) Requirements of Subcontracts. All contracts with Subcontractor will be subject to review by the Purchaser to ensure that they meet the requirements of this Agreement. Portions of any Subcontract that do not need to be shown to the Purchaser for that review, including but not limited to pricing and credit, may be redacted from the Subcontract before it is delivered to Purchaser for Purchaser's review. Each Subcontract shall include: (i) an indemnity provision substantially the same as the Article entitled Indemnity and pursuant to which the Subcontractor will agree to indemnify Supplier and Purchaser; (ii) an insurance provision substantially the same as in the Article entitled Insurance; (iii) a confidentiality provision substantially the same as the Article entitled Confidential Information; (iv) miscellaneous provisions substantially the same as the Article entitled Miscellaneous; and (v) other provisions as Purchaser may reasonably require as a condition of approving Supplier's contract with a Subcontractor.

(c) Notification Regarding Subcontractors. Supplier shall provide a complete list of proposed Subcontractors and, upon Purchaser's request, a list of all Subcontractors providing raw materials, components, or other parts of the Materials. Purchaser may disapprove any Subcontractor.

5. Records and Right to Audit

Supplier shall keep accurate and complete records related to the performance of this Agreement and maintain accounting procedures and practices sufficient to reflect its direct and indirect costs incurred in performing this Agreement. Purchaser or its representatives shall have the right to inspect and audit those records and interview Supplier personnel at reasonable times upon reasonable notice. These records shall be made available at Supplier's offices, at all reasonable times, for inspection, audit and reproduction, until the later of the expiration of three years from the date of Purchaser's final payment or the final settlement or disposition of any claim made pursuant to this Agreement. Each party shall bear its own costs incurred in connection with any audit.

6. Acceptance

"Acceptance" occurs upon receipt of the Materials, or any portion of them, to the satisfaction of Purchaser. Acceptance of the Materials or any portion of them will not relieve Supplier of its obligation to comply in all respects with the requirements of this Agreement. Payment will not constitute Acceptance of the Materials. Unless otherwise specified, title and risk of loss for the Materials will pass to Purchaser upon delivery.

7. Changes

(a) Change Orders. Purchaser may, at any time, by written change order make changes in, additions to, or deletions from the Materials to be delivered pursuant to this Agreement. An equitable adjustment in compensation will be made, as applicable. If any such change significantly increases or decreases the time required for the performance of Supplier's obligations, an equitable adjustment will be made in the Schedule.

(b) Equitable Adjustment. Supplier's right to an equitable adjustment in compensation, Schedule, or both, as a result of any change initiated by Purchaser pursuant to this Article is expressly conditioned upon Supplier providing Purchaser with a written request for adjustment within ten days after receipt of Purchaser's change order. Supplier's request for an equitable adjustment in compensation, Schedule, or both, shall include a statement setting forth in detail Supplier's estimate of the change in its costs, if any, together with any proposed adjustment in compensation, Schedule, or both.

8. Specifications, Plans and Drawings

(a) Incorporation into Agreement. Specifications, plans and drawings, both general and detailed, attached to or referenced in this Agreement are incorporated into this Agreement.

(b) Prior Examination. Supplier agrees that its execution of this Agreement shall be deemed conclusive evidence of the prior examination by Supplier of the specifications, plans, and drawings and confirmation that they are sufficient and appropriate for their

intended purpose. Detailed drawings shall take precedence over general drawings for the same Materials.

(c) Conflicts Among Specifications and the Law. Supplier shall notify Purchaser of all conflicts among the applicable plans, specifications, and drawings and any laws that come to Supplier's attention.

9. Inspection and Expediting

Supplier shall grant, and shall cause its Subcontractors to grant Purchaser reasonable access to Supplier's and its Subcontractor's manufacturing, design, and other facilities, both on and off-site, for the purpose of auditing compliance with Supplier's quality control and assurance programs, inspecting the Materials, and expediting performance of this Agreement. The access to be granted by Supplier and its Subcontractors will include but not be limited to access to Supplier's and its Subcontractor's engineering offices, shops, and working areas, at all reasonable times. Purchaser shall have the right to inspect material during fabrication and prior to release for shipment to Supplier, another Subcontractor, or to Purchaser to confirm that the applicable specifications are being met. If the specifications require Purchaser to witness, perform, or verify certain actions during fabrication or otherwise, Supplier shall advise Purchaser of its fabrication schedule in sufficient time to allow Purchaser to conduct such inspections. No inspection by Purchaser will relieve Supplier of its obligation to comply in all respects with this Agreement.

10. Delays

(a) Force Majeure. Neither Purchaser nor Supplier will be responsible or liable for, or deemed in breach of this Agreement because of any delay in the performance of their respective obligations pursuant to this Agreement due solely to circumstances beyond their reasonable control and without the fault or negligence of the party experiencing the delay, including, but not limited to, acts of God; unusually severe weather conditions; strikes or other labor difficulties; war; riots; terrorism; requirements, actions or failures to act on the part of governmental authorities; inability despite due diligence to obtain required permits or licenses; accident; fire; flood; damage to or breakdown of necessary facilities; or transportation delays or accidents (such causes hereinafter called "Force Majeure"). A party experiencing Force Majeure shall exercise due diligence in endeavoring to overcome any Force Majeure impediment to its performance, but settlement of its labor difficulties will be entirely within its discretion. A party experiencing the Force Majeure shall promptly give oral notification to the other party. Oral notifications shall be confirmed in writing within five days after such party has learned of the Force Majeure and every 30 days thereafter. Written notifications shall give a full and complete explanation of the Force Majeure, its cause, the resulting delay, the status of the Force Majeure, and the actions the party effected by the Force Majeure is taking and proposes to take to overcome the Force Majeure. The party experiencing the delay shall undertake reasonable measures to make up for the time lost through the delay without additional compensation. If performance by either party is delayed due to Force Majeure, the Schedule shall be extended for a period of time reasonably necessary to

overcome the effect of the delay, subject to Purchaser's right to terminate this Agreement in whole or in part.

(b) Delays Caused by Purchaser. If Purchaser delays Supplier's performance, then there shall be an equitable adjustment in the Schedule. If Supplier's performance is delayed due solely to acts constituting intentional interference by Purchaser, and if Purchaser is not excused for such delay pursuant to the Force Majeure Section, there shall be an equitable adjustment in the compensation and/or the Schedule. Supplier shall not be entitled to an adjustment in the rate of compensation for any delay caused by Purchaser if this Agreement is being performed on a cost-reimbursable or time and materials basis. Supplier shall give Purchaser prompt written notice of the delay and shall submit a written request for an equitable adjustment in compensation or Schedule, or both, within ten days after the end of the delay and shall provide supporting documentation pursuant to the Article entitled Changes. Failure to submit a timely notice of delay and a request for an equitable adjustment shall be deemed a waiver of Supplier's right to an equitable adjustment. Except as provided in this Delays Article, Purchaser shall not be liable for any increased costs incurred by Supplier due to any delay in Supplier's performance.

(c) Delays Caused By Supplier. If Supplier falls behind schedule to the extent that the date specified for delivery of Materials or any intermediate milestone date is in jeopardy as determined by Purchaser, then Supplier shall recover the Schedule at no additional cost to Purchaser. The means for Schedule recovery include, but are not limited to, overtime, increased manning, multiple shifts, additional materials, and equipment, or any combination of those means. Supplier shall submit a Schedule recovery plan that demonstrates that the proposed course of action will ensure that the Materials are delivered by the scheduled date for delivery.

(d) Suspension of Materials. Purchaser may, without cause, order Supplier in writing, to suspend delivery of, or any other work to be performed in connection with, the Materials, in whole or in part, for such period of time as Purchaser may determine. Purchaser shall not be liable for the cost of any unauthorized delivery of Materials by Supplier during any such period of suspension, and Supplier shall not place further orders or enter into further subcontracts relating to the suspended Materials.

(e) Allocation of Resources. Whenever as a result of Force Majeure or other disaster Supplier allocates resources between or among Supplier's customers, subject to applicable law or governmental order, Supplier must provide Purchaser priority equal to the highest priority accorded to Supplier's other customers.

11. Warranties

(a) Quality of Goods. Supplier warrants and represents to Purchaser that the Materials delivered pursuant to this Agreement will: (i) strictly conform to the requirements of this Agreement; (ii) be free from defects in workmanship, materials, and design; (iii) be merchantable; (iv) be fit for their intended use; and (v) be new. Unless

otherwise stated in the Purchase Order, no surplus, rebuilt, reconditioned, or used Materials will be delivered by Supplier.

(b) Warranty Claims. Upon receipt of oral or written notice from Purchaser of a warranty claim, Supplier shall, if required by Purchaser, at Supplier's sole expense, promptly correct, remove, repair, or replace, as determined by Purchaser, all portions of the Materials that fail to conform to the warranties. Supplier shall also perform such tests as Purchaser may reasonably require to verify that the repairs or replacements comply with the requirements of this Agreement. The expense of all work incidental to any correction, removal, repair, replacement, or testing will be borne solely by Supplier. If Supplier fails within a reasonable time or refuses to remove, repair or replace any Materials as required by Purchaser, Purchaser may, in its sole discretion, remove, repair, or replace the Materials or take other reasonable remedial action. The parties agree that if Purchaser does not require removal, repair, or replacement, then Purchaser may make a corresponding reduction in the compensation.

(c) Title. Supplier warrants and represents to Purchaser that it owns all right, title and interest in and to the Materials, or if it is not the owner, that Supplier has full authority from the owner of the Materials to sell the Materials to Purchaser. Supplier further warrants and represents to Purchaser that the Materials are free from any and all security interests, claims, demands, liens, or other encumbrances. If the Materials fail to conform to this warranty of title, then Supplier shall defend the title to them and shall, at Purchaser's option and at no cost to Purchaser, promptly remove, or cause to be removed, any security interest, claim, demand, lien, or other encumbrance, or shall replace the Materials with substantially similar Materials conforming to this warranty of title.

(d) Non-Exclusive Warranties. The warranties described in this Warranties Article are in addition to, and not in lieu of, any other warranties available to Purchaser, whether express or implied.

(e) Non-Exclusive Remedies. **THE REMEDIES SET FORTH IN THIS ARTICLE ARE IN ADDITION TO AND NOT IN LIEU OF, SUCH OTHER REMEDIES AS MAY BE AVAILABLE TO PURCHASER AT LAW OR IN EQUITY. SUPPLIER WILL NOT BE EXCUSED FROM ITS OBLIGATIONS UNDER THIS WARRANTIES ARTICLE BY PURCHASER'S FAILURE TO INSPECT, FAILURE TO DISCOVER DEFECTS, ACCEPTANCE OF MATERIALS, OR PAYMENT FOR MATERIALS.**

(f) Subcontractor Warranties and Representations. Should Supplier receive from any Subcontractor warranties and/or representations of broader or greater scope than those above, then Supplier shall provide the same to Purchaser. Supplier shall include provisions in its subcontracts that pass through all such warranties and representations to Purchaser and obligate the Subcontractor directly to Purchaser under the subcontract.

12. Breach and Default

(a) Supplier's Breach. If Supplier breaches this Agreement, then upon reasonable notice to Supplier, Purchaser may, at its option, either remedy the breach or terminate this

Agreement. If Purchaser elects to remedy Supplier's breach, Purchaser may use whatever persons, entities, equipment, and materials it deems necessary and Supplier will pay all of Purchaser's direct and indirect costs incurred or reasonably anticipated to be incurred by Purchaser to remedy the breach ("Remedial Costs") to the extent that those costs exceed the amount of compensation that would have been paid but for Supplier's breach.

(b) Cure. Except in the event of stoppage, delay or interference, Supplier shall have a period of three business days from the date of Purchaser's notice of termination to cure its breach of this Agreement prior to termination by Purchaser.

(c) Remedies Cumulative. In the event of Supplier's breach, Purchaser may recover from Supplier the amount of any costs, loss, or damage, suffered or incurred as a result of or in connection with Supplier's breach, including but not limited to reasonable attorneys' fees, penalties, and increased costs ("Damages"). Purchaser may deduct and withhold from payments otherwise due Supplier the amount of any Damages and Remedial Costs. The remedies set forth in this Article entitled Breach and Default are distinct, separate and cumulative, and are in addition to and not in lieu of any other rights and remedies given elsewhere in this Agreement or available to Purchaser at law or in equity.

(d) Supplier's Remedies. Except as otherwise specified in this Agreement, Supplier has the rights and remedies available to it at law or in equity for Purchaser's default of its payment obligations or other material breach of this Agreement, but Supplier's remedies are contingent upon Supplier, within one week of Purchaser's alleged default or breach, giving Purchaser written notice with specific details describing the alleged default or breach.

(e) No Suspension of Use. Under no circumstances, including but not limited to, the pendency of any dispute, may Supplier repossess or disable the Materials, or render the Materials unusable, unless and until Purchaser agrees in writing to such termination, suspension, or limitation, or until a final order of a court of competent jurisdiction determines Supplier is permitted to do so.

13. Indemnity

Supplier agrees to indemnify, hold harmless and, at Purchaser's sole option, defend Purchaser, Purchaser's Affiliates (defined below), and each of their respective directors, officers, employees, contractors, and agents from and against any and all claims, demands, lawsuits, or other proceedings brought or threatened by any third party, including Purchaser's and Supplier's employees, contractors, and agents, and including any government entity (each, a "Claim"), and to pay all of Purchaser's costs in connection with, arising from, or relating to any Claim, including but not limited to, any judgment, amounts paid in settlement, fines, penalties, forfeitures, and expenses (including reasonable attorneys' fees through final appeal), whether at law, in equity, or administrative in nature, in any manner arising out of, resulting from, caused by, or in connection with: (a) this Agreement; (b) Supplier's breach of this Agreement; (c) personal injury or death; (d) property damage; or (e) violation of law. Supplier will not be liable for any injuries, deaths, or damage to the extent that they are caused by

Purchaser's negligence or willful misconduct. "Affiliate" means any parent or subsidiary of a party, any company that has a parent company in common with a party, any person or entity that holds, directly or indirectly, an ownership interest of more than 50% of a party, any person or entity that controls or directs the management of a party, any entity in which a party holds, directly or indirectly, an ownership interest of more than 50%, or any entity with respect to which a party controls or directs the management.

14. Insurance

(a) Coverage. Supplier shall obtain and maintain, and require any Subcontractors to obtain and maintain, with responsible insurance carriers with a Best's Insurance Reports rate of "B+" or better and a financial size category of "IX" or higher, the following policies of insurance during the term hereof:

(i) Workers Compensation. Workers compensation as required by the statutory benefit laws of the state where the employee fulfilling obligations under this Agreement is normally employed.

(ii) Employers Liability. Employers liability insurance with a total limit of at least \$2,000,000 each accident for bodily injury by accident and \$2,000,000 each employee for bodily injury by disease.

(iii) Commercial General Liability. Commercial general liability insurance with a total limit of at least \$2,000,000 per occurrence (occurrence form policy). Such insurance shall include, but not be limited to, specific coverage for: (1) contractual liability encompassing the Article entitled Indemnity, (2) personal injury and property damage liability, (3) products/completed operations liability, and (4) where applicable, explosion, structure and ground collapse, and underground hazards coverage.

(iv) Automobile Liability. Automobile liability insurance covering bodily injury and property damage with a total limit of at least \$2,000,000 per accident. Such insurance shall cover liability arising out of any auto (including owned, hired and non-owned autos).

(b) Umbrella Policy. The amount of coverage required may be satisfied, at Supplier's option, through a separate excess umbrella liability policy together with lower limit primary underlying insurance. The coverage required above shall provide for claims by one insured against another such that, except for the limits of insurance, the insurance will apply separately to each insured against whom a claim is made or suit is brought.

(c) Waiver. Supplier waives and will require its insurers to waive all rights against the Purchaser and its Affiliates, and their directors, officers and employees, whether in contract or tort (including negligence and strict liability) for recovery of damages to the extent these damages are covered by the insurance required in this Insurance Article. The insurance required in this Insurance Article shall be amended to waive any rights by the insurer to subrogate against the Supplier, all Subcontractors and Vendors, the Purchaser, and its affiliates, and their directors, officers and employees.

- (d) Named Insurance. Supplier will cause its insurers providing the coverage required in this Insurance Article, and will require any subcontractors engaged to fulfill any of Supplier's obligations under this Insurance Agreement to cause each of their insurers providing coverage required in this Insurance Article to name Purchaser, Purchaser's affiliates and each of their officers, directors, employees, contractors, and agents, as additional insureds to the coverages required above as it attaches with respect to liability arising out of the Materials or Supplier's performance of its obligations pursuant to this Agreement.
- (e) Primary Coverage. Supplier and Supplier's insurer agree that each of these policies is primary with respect to any other similar insurance maintained by Purchaser. These policies may not be canceled, nonrenewed or materially changed without giving 30 days prior written notice to Purchaser.
- (f) Certificates of Insurance. Before beginning performance, Supplier shall provide certificates of insurance to Purchaser from Supplier's and any Subcontractor's insurers, certifying that the Supplier's or Subcontractor's insurance coverage is in the form and amount required by this Agreement and that the applicable insurance policy will not be materially altered or terminated without 30 days prior written notice to Purchaser. Failure of Purchaser to demand certificate of insurance or other evidence of full compliance with these insurance requirements or failure of Purchaser to identify a deficiency from evidence that is provided shall not be construed as a waiver of Supplier's obligation to maintain such insurance and will in no way relieve or limit Supplier's obligations and liabilities under this or any other provisions of this agreement.
- (g) Substitute Coverage. If Supplier's or any Subcontractor's insurance coverage is materially changed or if it terminates, then Purchaser may procure, on Supplier's or Subcontractor's behalf, insurance that meets the requirements of this Insurance Article. Any premiums or other costs or fees (including without limitation fees paid to any insurance broker or agent) incurred as a result of procuring substitute coverage may be charged to Supplier.

15. Termination

- (a) Termination for Convenience. Purchaser may, without cause, terminate this Agreement at any time, in whole or in part, by providing written notice of termination to Supplier. The termination will be effective as specified in Purchaser's notice of termination, but not earlier than one day after Supplier's receipt of the notice. Supplier shall deliver to Purchaser those Materials for which Purchaser has made payment, including all Materials in manufacture, but not yet completed, within 15 days of the termination date specified in the notice of termination.
- (b) Audit of Termination Cost Summary. Within 30 days after the effective date of termination, Supplier shall provide Purchaser with a summary, detailed and documented to Purchaser's reasonable satisfaction, of the costs incurred by Supplier in the performance of its obligations prior to termination, together with direct costs reasonably and prudently incurred by Supplier incidental to termination ("Termination Costs"). The

Termination Costs will be subject to audit and verification by Purchaser in accordance with the Article entitled Records and Right to Audit. Any audit of Supplier's determination of the Termination Costs shall be initiated within 90 days after Purchaser receives from Supplier the summary, detailed and documented to Purchaser's reasonable satisfaction, of the Termination Costs.

(c) Calculation of Termination Costs. The Termination Costs will not include compensation paid to Supplier and allocable to Materials delivered to Purchaser prior to the termination date or incident to the termination. If the payments previously made to Supplier by Purchaser exceed the Termination Costs, then Supplier shall pay the difference to Purchaser, and no Termination Costs will be owed by Purchaser.

(d) No Further Payment Required. Upon termination and payment by Purchaser of any Termination Costs due, Purchaser shall have no further payment obligation to Supplier pursuant to this Agreement.

16. Compliance with Laws

(a) Nondiscrimination and Utilization of Small Businesses. Supplier shall comply with all laws applicable to this Agreement, the Materials, and Supplier's performance hereunder. Supplier agrees to comply with all applicable provisions, and successor provisions of Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended; and implementing regulations set forth in 41 C.F.R. Sections 60-1, 60-250 and 60-741 and the applicable provisions relating to the use of small and minority business concerns as set forth in 15 U.S.C. Section 637, as amended. Supplier agrees that the equal opportunity clause set forth in 41 C.F.R. Section 60-1.4, the affirmative action clauses set forth in 41 C.F.R. Sections 60-250.4 and 60-741.5, and the clauses relating to the use of small and minority business concerns set forth in 15 U.S.C. Section 637(d)(3) and 48 C.F.R. Section 52.219.8, are incorporated by reference into and made a part of this Agreement. If this Agreement has a value of more than \$500,000, then Supplier shall adopt and comply with a small business and small disadvantaged business subcontracting plan that conforms to the requirements set forth in 15 U.S.C. Section 637(d)(6). The provisions of this Section will apply to Supplier only to the extent that they are required of Supplier under existing law, Supplier is not otherwise exempt from them, and compliance with them is consistent with and does not violate 42 U.S.C. Section 2000(e) et seq., 42 U.S.C. Section 1981 et seq., or other acts of Congress.

(b) Disadvantaged and Women-Owned Small Businesses. Purchaser is committed to the development of disadvantaged and women-owned small businesses. Purchaser requires that disadvantaged and women-owned small businesses be provided maximum practicable opportunities to participate in any subcontracts awarded by Supplier. If this Agreement is valued at \$500,000 or more, the Supplier shall report on actual disadvantaged and women-owned small business Subcontractors on a quarterly basis to Purchaser on a form provided by Purchaser.

(c) Fines. Supplier will be solely responsible for and shall pay all costs and expenses associated with all fines or other penalties incurred by Purchaser or Supplier for