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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval of Tariffs to Recover Through an Automatic Adjustment Clause Costs Associated with the Establishment of an Infrastructure Replacement Program and for Approval of Certain Accounting Treatment	)	Case No. 07-478-GA-UNC
In the Matter of the Application of Columbia Gas of Ohio, Inc. for Authority to Modify its Accounting Procedures to Provide for the Deferral of Expenses Related to the Commission's Investigation of the Installation, Use, and Performance of Natural Gas Risers	)	Case No. 07-237-GA-AAM

AMENDED STIPULATION AND RECOMMENDATION

Ohio Administrative Code ("OAC") § 4901-1-30 provides that any two or more parties to a proceeding may enter into a written or oral stipulation concerning the issues presented in any Commission proceeding. Pursuant to OAC § 4901-1-10(C), the Staff of the Commission ("Staff") is considered a party for the purposes of entering into a stipulation under OAC § 4901-1-30. This document reflects agreement between Columbia Gas of Ohio, Inc. ("Columbia"), Staff, The Office of the Ohio Consumers' Counsel ("OCC") and Ohio Partners for Affordable Energy ("OPAE") with regard to issues raised in PUCO Case No. 05-463-GA-COI, 07-237-GA-AAM and Case No. 07-478-GA-UNC.

The purpose of this document is to set forth the understanding of the parties who have signed below (Parties) and to recommend that the Public Utilities Commission of Ohio (Commission) approve and adopt, as part of its Opinion and Order in these proceedings, this Stipula-

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tion resolving all of the issues in the above captioned proceeding. This Stipulation is supported by adequate data and information; represents a just and reasonable resolution of all issues in this proceeding; violates no regulatory principle or precedent; and is the product of lengthy, serious bargaining among knowledgeable and capable parties in a cooperative process undertaken by the Parties to settle this case. While this Stipulation is not binding on the Commission, it is entitled to careful consideration by the Commission, where, as here, it is sponsored by Parties representing a wide range of interests, including Staff. For purposes of resolving all issues raised by these proceedings, the Parties stipulate, agree and recommend as set forth below.

Except for enforcement purposes, neither this Stipulation nor the information and data contained herein or attached, shall be cited as precedent in any future proceeding for or against any Party, or the Commission itself, if the Commission approves the Stipulation and Recommendation, other than a proceeding to enforce the terms of this Stipulation.[1] This Stipulation and Recommendation is a compromise involving a balancing of competing positions, and it does not necessarily reflect the position that one or more of the Parties would have taken if these issues had been fully litigated.

BACKGROUND

A. The Commission-Ordered Investigation

On April 13, 2005, the Commission issued an Entry in Case No. 05-463-GA-COI, initiating a Commission-ordered investigation into the type of gas service risers installed in the state, the conditions of installation, and their overall performance. In various entries issued in that

[1] The Office of the Ohio Consumers' Counsel does not, by nature of being a signatory party to the Stipulation, express its concurrence with the Background as presented in the Stipulation and contained in Sections A through E. The Office of the Ohio Consumers' Counsel's lack of aforementioned concurrence does not impact the terms of the agreement between all signatory parties as expressed in the Stipulation.

same docket the Commission directed the state's four large Local Distribution Companies ("LDCs"), including Columbia, to identify a sample number of installed risers, and to remove a number of risers for submission to a testing laboratory selected by the Commission.

On August 3, 2005, the Commission issued an Entry in Case No. 05-463-GA-COI in which it found that the measures taken in that case were necessary for the protection of public safety and directed that the costs of the investigation were to be borne by the LDCs. In recognition of these findings, the Commission indicated it would entertain applications for accounting deferrals for the cost of this investigation and review such applications on a case-by-case basis.

On November 24, 2006, Staff filed its Staff Report of Investigation in Case No. 05-463-GA-COI, in which it concluded that certain types of field-assembled, or "Design A" risers, were more prone to failure if not assembled and installed properly. This report further included a recommendation that distribution system operators conduct a riser inventory of their system for determination of the types and locations of risers in their system. The Commission permitted parties to file comments on the Staff Report. By letter dated January 2, 2007, the Chairman requested that parties address in their comments the additional question of whether LDCs should now assume responsibility for customer-owned service lines. Comments were filed by numerous parties in early February 2007. The Commission currently has the Staff recommendations, and comments thereon, under consideration.

Columbia filed its Comments on February 2, 2007. As part of those Comments Columbia agreed with the Staff's recommendation to conduct a riser inventory of its system. The Columbia riser inventory process began in March 2007, and included a complete leak survey of all cus-

tomer-owned service lines. Columbia has completed its initial survey and estimates that the survey will cost approximately $7.4 million in 2007[2].

Pursuant to the Chairman's request in his letter dated January 2, 2007, Columbia's Comments filed in Case No. 05-463-GA-COI addressed the issue of its assumption of ownership of customer service lines. Columbia noted that under Columbia's current tariff, the customer is unquestionably responsible for the maintenance, repair, and if necessary, replacement of the service line, while Columbia is responsible to periodically survey such facilities for leakage. Columbia commented that it has no common-law duty to maintain or repair the gas pipes owned by a customer or property owner. Columbia stated that its current obligation, upon discovery of leakage or other dangerous conditions involving customer-owned equipment, is to make the situation safe – including the disconnection of gas service where necessary – and to advise the customer to make the necessary repairs only through the use of an DOT Operator-Qualified ("OQ") plumber.

B. Columbia's Application for Approval of Accounting Deferrals

On March 2, 2007, Columbia filed an application in Case No. 07-237-GA-AAM in which it requested authority to revise its accounting procedures to provide for the deferral of costs already incurred, and for all future expenses resulting from compliance with the Commission's Entries issued in Case No. 05-463-GA-COI, with the appropriate level of recovery to be separately addressed. All deferred expenses for which Columbia seeks recovery will be separately identified, in a sub-account of Account 182, Other Regulatory Assets. Columbia will provide a detailed explanation of the various types of expenses for which it requests recovery in each annual IRP filing. The types of costs identified in Columbia's March 2, 2007 Application in Case No.

[2] Columbia will need to revisit those residences where the riser was inaccessible for various reasons – e.g., risers buried under pavement. This second phase of the survey will begin in 2007 but will not be completed until sometime in 2008.

07-237-GA-AAM for which Columbia requested authority to defer for consideration for recovery in a separate proceeding included:

a. Payments to the Commission for statistical analysis performed by consultants used to estimate Columbia's riser population by type.

b. Training development and training costs related to riser testing and performance of the survey.

c. Labor and expenses incurred in the collection of riser samples for the Commission's investigation.

d. Commission assessments for the testing of risers and preparation of the Staff report.

e. Contract and company labor costs incurred to conduct the survey.

f. Project management costs, including labor and expenses for survey management; data management; report generation and invoice process for contracted services.

g. Incremental expenses incurred at Columbia's contact center as a result of increased call volumes as customers inquired about the riser survey and related riser matters.

h. Mailing costs incurred to communicate with customers about riser related matters.

i. Carrying charges on the deferred balance.

The Commission granted the requested accounting authority for the deferral of costs related to Columbia's inventory of risers and related to approved changes in responsibility, as well as replacement of risers prone to failure in its July 11, 2007 Entry in Case No. 07-0478-GA-UNC.

C. Columbia's Infrastructure Replacement Program Application

Columbia believes that the most efficient means of addressing the problems identified in the November 24, 2006 Staff Report would be for Columbia to assume responsibility for: (1) the

future maintenance, repair and replacement of customer service lines that have been determined by Columbia to present an existing or probable hazard to persons and property; and, (2) the orderly and systematic replacement, over a period of approximately three years, of all Design-A risers that are prone to failure if not properly assembled and installed.

On the basis of statistical sampling, and the results of its own survey to date, Columbia estimates the survey of its customers could result in the identification of up to 320,000 Design A risers prone to failure, with an estimated replacement cost of $160,000,000. Columbia noted in its February 2, 2007 Comments that a situation in which thousands of customers need to make repairs within a very short time could lead to rapid increases in the price of such work, as well as difficulties in finding available DOT OQ plumbers.

To accomplish the objectives set forth above Columbia filed on April 25, 2007, an Application in Case No. 07-0748-GA-UNC. This Application set forth Columbia's proposed Infrastructure Replacement Program ("IRP"). The IRP application, filed pursuant to Rev. Code § 4929.11, sought approval of tariffs designed to recover, through an automatic adjustment mechanism, the following costs:

1. The costs associated with Columbia's riser testing program, pursuant to Commission orders in Case No. 05-463-GA-COI;
2. The costs associated with Columbia's inventory of risers;
3. The costs of replacing Design A risers that are identified as prone to failure;
4. The costs associated with reimbursement of customers for the replacement of risers and the repair or replacement of customer service lines subsequent to November 24, 2006; and,

5. The costs associated with the repair or replacement of customer-owned service lines that are constructed and installed by Columbia as risers or service lines are replaced.

The IRP application also sought accounting authority to permit capitalization of Columbia's investment in customer-owned service lines and risers as assumption of financial responsibility is assumed for these facilities and sought authority to defer related costs for subsequent recovery through an automatic adjustment mechanism.

On July 11, 2007, the Commission issued an Entry in Case No. 07-0748-GA-UNC that granted part of Columbia's IRP application and deferred consideration of the remainder of Columbia's IRP application. The Commission found that Columbia's proposal to initiate the IRP is not unjust or unreasonable[3] and authorized Columbia to replace risers identified as prone to failure, as well as service lines with hazardous leaks. Specifically, paragraph 23 of the Entry provided:

> [T]he proposal to initiate the IRP is not unjust or unreasonable, to the extent of repairs to, or replacement of, risers identified as prone to failure or service lines with hazardous leaks. Therefore, we will approve, (a) Columbia's assumption of financial responsibility for future repair and replacement of service lines (up to the meter) and risers where those service lines or risers are actually leaking and those leaks are determined by Columbia to be hazardous; Columbia's replacement, in an orderly and systematic method over a period of approximately three years, of all risers prone to failure, as so identified in the staff report filed on November 24, 2006, in the COI case; Columbia's reimbursement, within a reasonable period after submission of appropriate documentation, of those customers who have replaced risers or service lines since November 24, 2006, for actual, reasonable costs incurred, with the maximum reimbursement for the replacement of a riser being $500 and with the maximum reimbursement for the replacement of a customer service line being $1,000; and Columbia's assumption of appropriate rights and responsibilities related to any new risers and service lines as those risers and service lines are replaced or as reimbursement for replacements are paid and (b) accounting authority

[3] As noted in paragraph 16 of the July 11 Entry, "where a proposed tariff amendment proposes a new service, it is, as a matter of law, not for an increase in rates."

> for the deferral of costs related to Columbia's inventory of risers and related to the approved changes in responsibility, as well as the replacement of risers prone to failure. We are, however, making no determination at this time regarding the justness or reasonableness of, or our possible approval of, tariffs to recover, through an automatic adjustment mechanism or otherwise, costs associated with the Commission-ordered riser inventory and identification process or with Columbia's repair or replacement of service lines or risers. Thus, we are at this time neither granting nor denying Columbia's application under Section 4929.11, Revised Code. We are also making no determination at this time regarding Columbia's request for accounting authority to permit capitalization of Columbia's investment in service lines and risers, regarding responsibility for the need to repair risers, regarding the appropriate process for the remainder of this proceeding, or regarding any other issues mentioned by the parties as not being addressed by Columbia's proposal. Additionally, we are making no determination at this time with regard to Columbia's offer to assume responsibility for additional risers and service lines beyond those that Columbia is specifically authorized by this entry to repair or replace based on the need to address immediate safety issues. In light of the matters not yet determined, Columbia shall maintain separate accounting for the costs incurred pursuant to this order, such that all such items can be subsequently tracked.

The Entry directed Columbia to discuss with Staff many of the bifurcated items deferred for later consideration. Subsequent to that July 11 Entry, Columbia personnel have met with Staff on several occasions to discuss issues associated with the July 11 Entry.

D. September 12, 2007 Entry on Rehearing

Several parties filed applications for rehearing from the Commission's July 11, 2007 Entry. On September 12, 2007, the Commission issued an Entry on Rehearing which granted the applications for rehearing, in part, and modified part of the July 11 Entry.

Specifically, the Commission limited its initial authorization for Columbia's proposed IRP to the replacement of risers that are prone to failure and to associated service lines where an associated service line is determined by Columbia to have a hazardous leak.

The Commission also held that customers could arrange to make their own repairs of prone to failure risers and associated service lines with hazardous leaks, and that such repairs

would be reimbursable by Columbia even if the repairs or replacements are effected after July 11, 2007.

E. September 13, 2007 Entry

By Entry dated September 13, 2007, the Commission scheduled a hearing for October 17, 2007 to conduct a complete review of Columbia's application in this docket. By Entry dated October 4, 2007, the Commission continued the hearing until October 29, 2007.

STIPULATED AGREEMENT

As a result of the July 11 Entry and the subsequent discussions with Staff, the Signatory Parties have reached agreement on: (a) the establishment of Columbia's authority to assume responsibility for the repair or replacement of hazardous customer-owned service lines; (b) the establishment of accounting to be utilized by Columbia for investment related to the replacement of customer-owned risers and repair or replacement of hazardous customer owned service lines; and, (c) the establishment of a process to be used for recovery of IRP costs. Based upon the Signatory Parties' participation in ongoing settlement conferences and materials on file with the Commission in these proceedings, the Signatory Parties believe that these materials and the records, including the trial record, in this proceeding adequately support this Stipulation and Recommendation.

The Signatory Parties, by and through their respective counsel or officers, stipulate and recommend that the Commission issue an order in these dockets authorizing Columbia to amend its filed tariffs (*see* Attachment A) in accordance with the provisions of this Stipulation and Recommendation and the attachments hereto. Specifically, the Signatory Parties stipulate and recommend the following:

1. Columbia should be permitted to capitalize its investment incurred in the replacement of risers that are prone to failure and of its investment in repairing or replacing hazardous customer service lines. In order to relieve individual customers of the financial responsibility for the replacement of risers identified as prone to failure and hazardous customer-owned service line costs Columbia will be permitted to assume responsibility for: (1) the future maintenance, repair and replacement of hazardous service lines; and, (2) the orderly and systematic replacement, over a period of approximately three years, of all risers identified as prone to failure.[4] Columbia will work with interested stakeholders on the most expeditious timeline possible to identify appropriate, safe and cost-effective riser replacement techniques that will facilitate the replacement of risers prone to failure within the program implementation times contained within this agreement and the attached tariffs. The accounting to be used by Columbia for investment related to the replacement of risers and hazardous service lines is set forth in Attachment B hereto.

2. In order to recover the costs of the IRP program, the Signatory Parties agree that the Commission should authorize Columbia to capitalize its investment in risers and service lines as they are replaced (including those lines replaced by customers and for which customers are to be reimbursed pursuant to the July 11, 2007 Entry in Case No. 07-0478-GA-UNC and this Stipulation). Columbia will be permitted to record as a regulatory asset the related depreciation, incremental property taxes and the post in-service carrying charges ("PISCC") to be recovered through the IRP Rider described hereinafter.

3. For those customers who have contracted with a DOT OQ plumber to replace a prone to failure riser or a hazardous customer service line, with such repairs being completed be-

[4] Columbia's responsibility is limited to customers served under rate schedules SGS, SGTS, FRSGTS, MGS, MGTS, GS, GTS and FRGTS. These are the same schedules to which the IRP rider is applicable.

tween November 24, 2006 and February 28, 2008, Columbia will reimburse such customers for the costs of replacing their riser and repairing or replacing their service lines. Reimbursement will be for the actual costs incurred by the customer, as proved by a customer-provided receipt, with the maximum reimbursement for a natural gas riser being $500 and the reimbursement for replacement or repair of a hazardous customer service line being $1000. Reimbursement to customers will be made within sixty days of a customer's submission of a receipt for work performed through reimbursement check. Upon reimbursement to the customer for repair or replacement of a customer service line or natural gas riser, the customer service line or natural gas riser shall become the asset of the Columbia. Columbia will not process any requests for reimbursement received from customers after September 1, 2008.

4. By February 28, 2008 Columbia will file an application in this docket with schedules supporting the proposed IRP Rider based on actual costs accumulated through December 31, 2007. The IRP rider will provide for the recovery of testing and survey costs deferred by Columbia in its application filed in Case No. 07-237-GA-AAM; IRP customer notification and education costs; deferred PISCC costs; deferred depreciation; deferred property taxes; and related gross receipts taxes. See Attachment C hereto which sets forth the projected impact of the proposed recovery of costs resulting from Columbia's ownership of service lines and risers prone to failure.

5. Columbia will follow a similar schedule in subsequent years. By November 30, 2008, and succeeding Novembers, Columbia will file a pre-filing notice containing estimated IRP schedules for the IRP rider to become effective the following May. The estimated schedules will contain a combination of actual and projected data for the calendar year in which the pre-filing notice is filed. By the following February 28 Columbia will file an updated application in

this docket with schedules supporting the proposed IRP rider based on the costs accumulated through the end of the calendar year ending December 31, as adjusted for the associated gross receipts tax obligation.

6. Columbia will provide Staff with sufficient accounting and billing record details to enable it to analyze and audit the schedules. The Signatory Parties recommend that the Commission permit the proposed IRP rider, as adjusted each year, to become effective by May 1 following the February filing of an application as described herein unless: a) the Commission acts to otherwise delay the effective date of the IRP rider; b) the Staff determines that Columbia's application to increase the IRP rider is unjust or unreasonable; or, c) any other party granted intervention by the Commission in the 07-478-GA-UNC docket files an objection that is not resolved to the satisfaction of the Commission. The parties will not object to an expedited hearing process in order to effectuate, to the extent practicable, the implementation of the IRP rider by May 1, or the first billing cycle of the revenue month following the Commission's decision. Columbia will revise the IRP Rider each year through the use of a similar process with the exception that it will true-up revenues collected with revenues estimated in future filings.

7. Riser testing and riser survey costs recognized in determination of the revenue requirement shall be those amounts deferred by Columbia in accordance with its application filed in Case No. 07-237-GA-AAM, except that Columbia shall exclude from the IRP rider revenue requirement calculation, certain costs incurred during riser surveying, and riser and service line testing. This includes costs for work performed in the field that, while not directly recommended by the Staff's report in Case No. 05-463-GA-COI, namely leak surveying and atmospheric corrosion testing, were economical and practicable to perform while work crews were deployed in

the field. The excluded costs consist of activities that would have been conducted in 2007 absent the riser survey and are required under Pipeline Safety Regulations.

8. In the annual IRP filings annualized PISCC recognized in the determination of the revenue requirement shall be computed based on the life of the asset upon which it was accrued. PISCC shall be calculated and deferred on all investment between the dates the asset was placed into service and the date recovery of the investment commences.[5] The PISCC rate shall be determined annually based on the Columbia's weighted cost of debt. The rate shall be determined for the current year with appropriate adjustments as actual data becomes available. The PISCC rate shall be exclusive of the equity component and there will be no compounding of PISCC. PISCC shall be identified and segregated into special sub-accounts of the plant accounts until such amounts on Columbia's books are reviewed and verified by Staff during its investigation in an IRP or next base rate case proceeding. The methodology to be utilized to calculate the PISCC rate is set forth in Attachment D hereto.

9. Deferred property taxes shall be calculated on all eligible assets at Columbia's estimated composite property tax rate and deferred in special sub-accounts of Account 182-Other Regulatory Assets.

10. Deferred depreciation expense shall be calculated on all eligible assets at the applicable Commission-approved rates and recorded in special sub-accounts of Account 182-Other Regulatory Assets.

11. Columbia shall be authorized to modify its accounting to provide for the deferral of customer notification and education expenses in special sub-accounts of Account 182-Other Regulatory Assets for recovery through the IRP Rider. Columbia will provide Staff with suffi-

[5] The in-service date for the determination of PISCC on plant acquired through the reimbursement of customers will be the date that reimbursement is remitted to a customer.

cient accounting and billing record details to enable it to analyze all customer notification and education costs deferred for recovery through annual IRP filings. The parties agree that Staff retains the right to propose that IRP costs to be recovered through the IRP rider be amortized for recovery over a period longer than one year.

12. All deferred expenses for which Columbia seeks recovery will be separately identified in a sub-account of Account 182, Other Regulatory Assets, and will not be subject to any carrying charges. In each annual IRP filing Columbia will provide a detailed explanation of the various types of expenses for which it requests recovery.

13. Columbia's IRP revenue requirement will be recovered from customers through the billing of a monthly fixed charge to all customers served under rate schedules SGS, SGTS, FRSGTS, MGS, MGTS, GS, GTS and FRGTS. This fixed charge on customers shall be determined through the division of total program costs to be recovered by the total actual bills rendered to customers during the test year. The initial IRP rider tariff rate will be set at $0.00, and updated as appropriate pursuant to the Commission's orders in Columbia's annual IRP filings. Any costs recovered through Columbia's IRP rider tariff shall not be recovered through Columbia's distribution base rates.

14. In the annual IRP filings Columbia will perform a true-up of revenues collected with revenue estimated at the completion of each twelve-month recovery period with any variances between actual and estimated to be recognized in a subsequent IRP filing.

15. In all annual IRP filings that request recovery of costs, Columbia shall provide Staff, and the OCC with audited (either by Columbia's external auditor or an independent auditor selected by Staff) accounting and billing records in sufficient detail to enable Staff and the OCC to analyze Columbia's filing.

16. Columbia will work with Staff and the OCC on Columbia's plan for general customer notification in accordance with any Commission orders and on consumer education and notification of the IRP program, including changes in curb-to-meter responsibility; complaint handling; and reimbursement of customers. Columbia will provide Staff and the OCC with copies of consumer education materials prior to printing and distribution thereof, and will provide Staff and the OCC with an opportunity to participate in and/or provide other materials in any other meetings held to inform customers about this program.

17. When Columbia files a distribution rate case Columbia's distribution rate base will include its cumulative investment in net plant-in-service[6] including risers prone to failure and hazardous customer-owned service lines repaired or replaced by Columbia, and related deferrals through the date certain in the applicable rate case. Upon authorization by the Commission, Columbia's distribution base rates will provide for the recovery of the amortization of its deferred PISCC, deferred property taxes and deferred depreciation expense, as well as related gross receipts taxes, through the date certain. As a result, upon reflection of these costs in distribution base rates Columbia's IRP Rider will be adjusted to remove from the current IRP Rider the impact of Columbia's deferred PISCC, deferred property taxes and deferred depreciation expense, as well as related gross receipt taxes, through the date certain.

18. At the time Columbia files its next base rate case, currently estimated to be sometime during the first quarter of 2008, it may seek approval of a revised IRP formula that provides for return on and return of its investment in customer-owned service lines and risers as well as all related expenses. Columbia reserves the right to propose and seek Commission approval of any amendment or revision to the IRP, including the Riser Material Plan ("RMP"). All parties re-

[6] Includes plant in service acquired through the reimbursement of customers, as set forth earlier herein.

serve the right to intervene and litigate should Columbia seek such Commission approval of any amendment or revision to the IRP.

19. The parties agree that Columbia shall file tariffs in this case such that individual customers will continue to be responsible for the cost of initial installation of curb-to-meter service. Thereafter Columbia shall assume the financial responsibility for repair, replacement and maintenance of customer service lines that have been determined by Columbia to have hazardous customer service line leaks.

20. Effective March 1, 2008, only Columbia or its representative may repair or replace a customer service line leak evaluated, classified and documented by Columbia as a hazardous customer service line leak. Prior to March 1, 2008, customers may utilize DOT OQ plumbers to repair or replace any customer service line leak certified by Columbia as a hazardous customer service line.

21. After working with Staff, the OCC, and OPAE, Columbia agrees to submit a RMP for review no later than February 1, 2008. The RMP will summarize the riser materials Columbia will use in its riser replacement program under the IRP and its rationale for that decision. Columbia's decision regarding riser materials will primarily focus on safety. Full cost estimates, including but not limited to, material reliability, cost of remediation and operational flexibility, will also be considered. If Columbia selects more than one type of riser material (i.e. partial replacement versus a full replacement), Columbia will submit to Staff, the OCC and OPAE general criteria of the circumstances in which each riser material may be used. Any signatory party, or party already granted intervention by the Commission in the 07-478-GA-UNC docket, may file an objection relating to the costs or materials selected by Columbia as part of the RMP, on or before February 15, 2008. If any RMP issues remain unresolved among the par-

ties, then the parties will request that the Commission hold an expedited hearing regarding the reasonableness of the RMP in order to effectuate, to the extent practicable, the implementation of the IRP, including the RMP, by May 1. The submission of the RMP to Staff, the OCC and OPAE, or any aforementioned objection to the RMP, will not prevent the riser replacement program under the IRP from beginning on March 1, 2008. All parties retain their rights to make any arguments pertaining to the reasonableness of costs incurred by Columbia prior to any Commission Order relating to an aforementioned objection.

22. Unless otherwise agreed to by the parties and approved by the Commission, the accounting provisions contained within the Stipulation shall not apply to capital investment contemplated in this Stipulation that is incurred by Columbia after June 30, 2011. Capital investment incurred by Columbia after June 30, 2011 shall neither accrue PISCC nor shall any related costs be deferred (e.g., depreciation expense, property taxes or gross receipts taxes).

23. Because this Amended Stipulation and Recommendation is an integrated settlement, it is expressly conditioned upon the Commission adopting same in its entirety without material modification. If the Commission materially modifies all or any part of this Amended Stipulation and Recommendation, and such modifications are not acceptable to all the Parties, the Parties agree to convene immediately to work in good faith to attempt to formulate an alternative proposal that satisfies the intent of the Amended Stipulation and Recommendation, or represents a reasonable equivalent thereto, to be submitted to the Commission for its consideration through a joint application for rehearing filed by all the Parties.[7] If the Parties do not reach unanimous agreement with respect to such an alternative proposal, no alternative proposal shall be submitted, and any Party may, within thirty days of the Commission's order, file an application for re-

[7] The Commission Staff is not considered a signatory Party for purposes of requirements regarding rehearing applications.

hearing supporting the adoption of the Amended Stipulation and Recommendation as filed. No Party shall oppose an application for rehearing filed by any other Party pursuant to this provision. Upon the Commission's issuance of an entry on rehearing that does not adopt this Amended Stipulation and Recommendation in its entirety without material modification, or the alternative proposal, if one is submitted, a Party may terminate and withdraw from the Amended Stipulation and Recommendation by filing a notice with the Commission within thirty days of the Commission's entry on rehearing. No Party shall oppose the termination of the Amended Stipulation and Recommendation by any other Party. Upon notice of termination and withdrawal by any Party in accordance with the above procedure, this Amended Stipulation and Recommendation shall immediately and automatically become null and void and the case would be resumed at the point of the Parties filing briefs.

RECOMMENDATION

24. The Parties agree that the foregoing Amended Stipulation and Recommendation is in the best interests of all parties, and urge the Commission to adopt the same.

The undersigned respectfully join in requesting the Commission to issue its Opinion and Order approving and adopting this Amended Stipulation and Recommendation, in accordance with the terms set forth above.

AGREED, THIS 28th DAY OF DECEMBER 2007.

DANIEL A. CREEKMUR
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Columbia Gas of Ohio, Inc.

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ATTACHMENT A

TARIFFS

EXISTING

TARIFF SHEETS

Sixth Revised Sheet No. 1
Cancels
Fifth Revised Sheet No. 1

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVENING THE DISTRIBUTION AND SALE OF GAS

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Filed Pursuant to PUCO Entries Dated July 6, 1989 in Case No. 89-500-AU-TRF and January 12, 2005 in Case No. 04-1579-GA-ATA.

Issued: January 14, 2005

Effective: January 14, 2005

Issued By
J. W. Partridge Jr., President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVENING THE DISTRIBUTION AND SALE OF GAS

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Filed Pursuant to PUCO Entries dated July 6, 1989 in Case No. 89-500-AU-TRF.

Issued: December 26, 2007

Effective: With Bills Rendered January 2, 2008

Issued By
J. W. Partridge, Jr., President

COLUMBIA GAS OF OHIO, INC.

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Filed Pursuant to PUCO Entries dated July 6, 1989 in Case No. 89-500-AU-TRF and January 17, 2007 in Case No. 07-499-GA-UEX.

Issued: May 29, 2007

Effective: With Bills Rendered May 31, 2007

Issued By
J. W. Partridge, Jr., President

The utilization factor is the result obtained by dividing the heating value of a gas by the square root of its specific gravity. As sources and characteristics of natural gas supplies available to the Company change from time to time, the Company may find it necessary to modify such utilization factor of thirteen hundred (1300) and to amend this regulation accordingly.

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

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

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

9. **Customer's Responsibility.** Customer assumes all responsibility for property owned by the customer on customer's side of the point of delivery, generally the outlet side of the curb cock, or, if there is no curb cock, the property or lot line, for the service supplied or taken, as well as for the installation and appliances used in connection therewith, and will save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on customer's side of the point of delivery.

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

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

12. **Customer Indebted to Company.** Service will not be supplied to any premises, if at the time of application for service, the applicant is indebted to Company for service previously supplied at the same or other premises, until payment of such indebtedness or other arrangement satisfactory to the Company shall have been made. The Company shall follow the reconnection procedures established by Ohio Administrative Code Section 4901:1-18, and any subsequent amendments thereto, which section is incorporated herein by reference.

Any remittance received by mail at any office of the Company bearing U.S. Postal Office cancellation date corresponding with or previous to the last date of the net payment period will be accepted by the Company as within the net payment period.

21. **Removal By, and Change in Financial Status of Customer.** At the option of the Company, the Company shall have the right to shut off the gas and to remove its property from the customer's premises and the Company shall have the further right, independent of or concurrent with the right to shut off, to demand immediate payment for all gas theretofore delivered to the customer and not paid for, which amount shall become due and payable immediately upon such demand, when the customer vacates the premises, becomes bankrupt or a receiver, trustee, guardian, or conservator is appointed for the assets of the customer, or the customer makes assignment for the benefit of creditors.

22. **Bill Format and Billing Procedure.** The Company's policy on bill format and billing procedure shall comply with Sections 4901:1-18-09 and 4901:1-29-12 of the Ohio Administrative Codes as amended from time to time.

SECTION III - PHYSICAL PROPERTY

23. **Service Lines.** The general term "service pipe" or "service line" is commonly used to designate the complete line or connection between the Company main up to and including the meter connection. It consists of two distinct parts, (a) the service line connection, and (b) the customer service line.

    (a) **Service Line Connection.** The service line connection consists of the connection at the main, necessary pipe and appurtenances to extend to the property line or the curb cock location, curb cock and curb box. This connection shall be made by the Company, or its representative, without cost to the customer and it remains the property of the Company.

    (b) **Customer Service Line.** The customer service line consists of the pipe from the outlet of the curb cock or, if there is no curb cock, from the property or lot line, to and including the meter connection. The customer shall own and maintain the customer service line. The Company shall have the right to prescribe the size, location and termination points of the customer's service line. The Company shall have no obligation to install, maintain or repair said customer service line.

24. **Pressure Regulators.** Where service is provided from intermediate or medium pressure distribution lines, the Company shall furnish the necessary regulator or regulators, which regulator or regulators shall remain the property of the Company.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

Where service is provided from a high pressure transmission line, the customer shall, at his expense, provide, install and maintain a suitable regulator or regulators for reducing the pressure. The regulator or regulators shall be installed in the manner required by the Company.

The customer shall install and maintain, at his expense, substantial housing acceptable to the Company in size and design for the regulator or regulators and the meter in order to protect them from the weather and molestation.

If it becomes necessary to construct, operate, and maintain a heater on the inlet side of the high pressure regulator to maintain satisfactory operation of the regulator or regulators, the gas used in such heater shall be at the expense of the customer and shall be taken from the outlet side of meter serving the customer.

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

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

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

28. **House Piping.** The customer shall own and maintain the house piping from the outlet of the meter to gas burning appliances. The Company shall have no obligation to install, maintain or repair said piping.

29. **Appliances.** The customer shall own and maintain all gas-burning appliances. The Company shall have no obligation to install, maintain, or repair appliances.

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30. **Standards for Customer's Property.** The customer's service line, house lines, fittings, valve connections and appliance venting shall be installed with materials and workmanship which meet the reasonable requirements of the Company and shall be subject to inspection or test by the Company. The Company shall have no obligation to establish service until after such inspection and test demonstrates compliance with such requirements of the Company with respect to the facilities in place at the time of the test.

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

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

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

33. **Inspection of Altered Piping.** It shall be the duty of the customer to notify the Company promptly of any additions, changes, alterations, remodeling or reconstruction affecting gas piping on the customer's premises.

34. **Extension of Distribution Mains.** For the purposes of this provision applicants for domestic service shall be divided into classes, as follows:

    An applicant who will utilize gas as the major source of energy for air conditioning and space heating and for base load such as water heating, cooking, refrigeration, incineration or drying (hereinafter referred to as a "Class 1 Applicant"); and

    Any applicant within the "Lake Mohawk Project Area," which is defined as the area shown on the map set forth on Sheet No. 30b. All extensions in that area shall be made in accordance with the terms of the agreement between Columbia and Utility Pipeline Limited ("UPL") or its successor(s) and assigns approved by the Public Utilities Commission in Case No. 96-422-GA-AEC, et al. All persons commencing service in that area for the first time shall pay UPL a contribution in aid of construction, in the amount of $486.00, prior to the time service is commenced.

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SMALL GENERAL SERVICE (SGS)

APPLICABILITY:

Applicable in all territories served by Company.

AVAILABILITY:

Available to all customers provided that Customer consumes less than 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st.

GENERAL SALES RATE:

All gas consumed per account per month 13.669¢ per 100 cubic feet
A 'Customer Charge' of $6.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

GROSS RECEIPTS TAX RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's gross receipts tax liability on the gas cost portion of said bills through the application of the gross receipts tax rider specified on Sheet 30 of this tariff. This gross receipts tax rider shall not be applied to the bills of customers that are statutorily exempt from payment of the gross receipts tax.

EXCISE TAX RIDER

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.

Issued: April 19, 2004

Effective: April 29, 2004

Issued By
J. W. Partridge, President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

MURPHY GENERAL SERVICE (MGS)

APPLICABILITY:

Applicable in all territories formerly served by Murphy Gas Company.

AVAILABILITY:

Available to all customers located in the service territory previously served by Murphy Gas Company.

GENERAL SALES RATE:

All gas consumed per account per month $.7514 per Mcf
A 'Customer Charge' of $3.25 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of- way.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

EXCISE TAX RIDER

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

BILLING ADJUSTMENTS:

For all gas sold hereunder, the bill shall be computed to reflect applicable billing adjustments as set forth in Part No. 41 of the Company's Rules and Regulations governing the distribution and sale of gas.

LATE PAYMENT CHARGE:

Upon next scheduled billing date, one and one-half percent (1-1/2%) will be applied to the unpaid balance of $2,000 or more, as provided in Part No. 40 of the Company's Rules and Regulations governing the distribution and sales of gas.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.

Issued: April 19, 2004

Effective: April 29, 2004

Issued By
J. W. Partridge, President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

GENERAL SERVICE (GS)

APPLICABILITY:

Applicable in all territories served by Company.

AVAILABILITY:

Available to all customers provided that Customer consumes at least 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st.

GENERAL SALES RATE:

First 25,000 Cubic Feet per account per month 13.607¢ per 100 cubic feet
Over 25,000 Cubic Feet per account per month 12.784¢ per 100 cubic feet
A 'Customer Charge' of $16.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

In the event that Customer no longer qualifies for service hereunder, Company may terminate service hereunder and commence service under its Small General Service schedule.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

GROSS RECEIPTS TAX RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's gross receipts tax liability on the gas cost portion of said bills through the application of the gross receipts tax rider specified on Sheet 30 of this tariff. This gross receipts tax rider shall not be applied to the bills of customers that are statutorily exempt from payment of the gross receipts tax.

EXCISE TAX RIDER

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.

Issued: April 19, 2004

Effective: April 29, 2004

Issued By
J. W. Partridge, President

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

41. Billing Adjustments

The following adjustment(s) to the billing rates are presented on the succeeding sheet(s):

(a) Gas Cost Recovery Rate (GCR)

(b) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider

(c) Temporary Base Rate Revenue Rider

(d) UPL Customer Surcharge

(h) GCR Transition Rider

(i) Gross Receipts Tax Rider

(j) Excise Tax Rider

(k) CRNGS Surcredit Rider

(l) Uncollectible Expense Rider

(m) CHOICE^{SM} Program Sharing Credit

Filed Pursuant to PUCO Entry on Rehearing dated March 11, 2004, Entry on Rehearing dated May 5, 2004 and Entry dated August 25, 2004 in Case Nos. 94-987-GA-AIR, 96-1113-GA-ATA, 98-222-GA-GCR, 03-1459-GA-ATA and Entry dated July 6, 1989 in Case No. 89-500-AU-TRF.

Issued: April 7, 2006

Effective: With bills rendered on and after May 1, 2006

Issued By
J. W. Partridge, President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SMALL GENERAL TRANSPORTATION SERVICE (SGTS)

APPLICABILITY

Applicable in all territories served by Company.

AVAILABILITY

Available to any commercial or industrial end-use customer provided that service can be rendered within the limits of Company's operating conditions and facilities, and provided that Customer consumes less than 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st. Service is subject to the Rules and Regulations as set forth in Part Nos. 42 through 60.

CHARACTER OF SERVICE

On any day, Company shall deliver Customer's Authorized Daily Volume of gas (as defined in Part 47 hereof) on a firm basis, with no planned interruption. However, Customer's Authorized Daily volume is interruptible when such interruption is necessary due to force majeure conditions, or where service to human needs customers is threatened. In addition, where Customer-owned gas is being delivered to the Company at a city gate which does not serve the market area in which Customer's facilities are located, that portion of Customer's Authorized Daily Volume is interruptible as described in Part 48 hereof.

DELIVERY CHARGE

The Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

All gas delivered per account per month $1.3669 per Mcf
A Customer Charge of $6.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

The above rates are also subject to adjustment for recovery of Take-or-Pay and FERC Order 636 Transition costs, as approved by the PUCO, plus associated excise tax effect.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.

Issued: April 19, 2004 Effective: April 29, 2004

Issued By
J. W. Partridge, President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

GENERAL TRANSPORTATION SERVICE (GTS)

APPLICABILITY

Applicable in all territories served by Company.

AVAILABILITY

Available to any non-residential customer provided that service can be rendered within the limits of Company's operating conditions and facilities, and provided that customer consumes at least 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st. Service is subject to the Rules and Regulations as set forth in Part Nos. 42 through 60.

CHARACTER OF SERVICE

On any day, Company shall deliver Customer's Authorized Daily Volume of gas (as defined in Part 47 hereof) on a firm basis, with no planned interruption. However, Customer's Authorized Daily volume is interruptible when such interruption is necessary due to force majeure conditions, or where service to human needs customers is threatened. In addition, where Customer-owned gas is being delivered to the Company at a city gate which does not serve the market area in which Customer's facilities are located, that portion of Customer's Authorized Daily Volume is interruptible as described in Part 48 hereof.

DELIVERY CHARGE

The Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

First 25 Mcf per account per month	$1.3607 per Mcf
Over 25 Mcf per account per month	$1.2784 per Mcf

A Customer Charge of $16.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to total Company fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.

Issued: April 19, 2004 Effective: April 29, 2004

Issued By
J. W. Partridge, President

SECTION VII
PART 25 - FULL REQUIREMENTS SMALL GENERAL TRANSPORTATION SERVICE (FRSGTS)

25.4 Character of Service

Service provided under this schedule shall be considered firm service.

25.5 Delivery Charge

The maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed are:

1) All gas delivered per account per month $1.3669 per Mcf
2) A Customer charge of $6.50 per account per month

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

25.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in Section VII, Part 29 this tariff:

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) Small General Service Temporary Base Rate Revenue Rider;
3) Excise Tax Rider;
4) Competitive Retail Natural Gas Surcredit Rider;
5) CHOICE® Program Sharing Credit; and
6) Uncollectible Expense Rider.

25.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to: (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than 2,000.

SECTION VII
PART 26 - FULL REQUIREMENTS MURPHY GENERAL TRANSPORTATION SERVICE (FRMGTS)

26.5 Delivery Charge

The maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed are:

1) All gas delivered per account per month $0.5941 per Mcf
2) A Customer charge of $3.25 per account per month

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

26.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in this tariff:

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) Excise Tax Rider;
3) Competitive Retail Natural Gas Surcredit Rider;
4) CHOICE® Program Sharing Credit; and
5) Uncollectible Expense Rider.

26.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than $2,000.

SECTION VII
PART 27 - FULL REQUIREMENTS GENERAL TRANSPORTATION SERVICE (FRGTS)

27.5 Delivery Charge

Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

1) First 25 Mcf per account per month $1.3607 per Mcf
2) Over 25 Mcf per account per month $1.2784 per Mcf
3) A Customer charge of $16.50 per account per month, regardless of gas consumed.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

27.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in this tariff.

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) General Service Temporary Base Rate Revenue Rider;
3) Excise Tax Rider;
4) Competitive Retail Natural Gas Surcredit Rider;
5) CHOICE® Program Sharing Credit; and
6) Uncollectible Expense Rider.

27.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than $2,000.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

INTERIM, EMERGENCY AND TEMPORARY
PIP PLAN TARIFF SCHEDULE RIDER

29.1 Applicability

To all volumes delivered under rate schedules FRSGTS, FRMGTS, FRGTS and FRLGTS.

29.2 Rate

A PIP Plan base rate rider of $ .04004 per Ccf will apply to all tariff volumes of applicable customers.

Filed under the authority of the Public Utilities Commission of Ohio in Case No. 05-1427-PIP.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

SMALL GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.3 Applicability

Applicable to all customers delivered under the Company's Full Requirements Small General Transportation Service schedule.

29.4 Temporary Base Rate Revenue Rider Rate

All gas consumed per account per month $.0063 per Mcf.

Filed Pursuant to PUCO Entries dated July 6, 1989 in Case No. 89-500-AU-TRF and January 12, 2005 in Case No. 04-1579-GA-ATA.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.5 Applicability

Applicable to all volumes delivered under the Company's Full Requirements General Transportation Service schedule.

29.6 Temporary Base Rate Revenue Rider

All gas consumed per account per month $.0058 per Mcf.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

LARGE GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.7 Applicability

Applicable to all volumes delivered under the Fixed Delivery Charge provision of the Company's Full Requirements Large General Transportation Service schedule.

29.8 *Temporary Base Rate Revenue Rider Rate*

All gas consumed per account per month $.010 per Mcf.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

HELD FOR FUTURE USE

SECTION VII
PART 29 - BILLING ADJUSTMENTS

EXCISE TAX RIDER

29.11 Applicability

Applicable to all customers except flexed customers served under Rate Schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.12 Rates

First 100 Mcf per account per month	$.1593 per Mcf
Next 1900 Mcf per account per month	$.0877 per Mcf
Over 2000 Mcf per account per month	$.0411 per Mcf

29.13 Applicability

Applicable to all customers being flexed served under Rate Schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.14 Rates

All bills rendered to a flex customer, as defined by 5727.80 (N) of the Ohio Revised Code, shall be adjusted to provide for recovery of this tax at a rate of $.02 per Mcf on all volumes delivered with a corresponding reduction to the flexed base rate(s) being billed the account.

Filed Pursuant to PUCO Entry dated July 6, 1989 in Case No. 89-500-AU-TRF January 12, 2005 in Case No. 04-1579-GA-ATA.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

TRANSPORTATION PROGRAM COST RIDER

Reserved For Future Use

SECTION VII
PART 29 - BILLING ADJUSTMENTS

CHOICE[SM] PROGRAM SHARING CREDIT

29.15 **APPLICABILITY**

Applicable to all Customers served under rate schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.16 **DESCRIPTION**

Credit per Mcf for the sharing of off-system sales and capacity release revenues, to the extent Columbia is required to share such revenues with Customers pursuant to an order or entry of the Public Utilities Commission of Ohio. This credit shall further provide for the pass back of any amounts deferred as a regulatory liability to offset Net Choice Program Costs pursuant to the Commission's Entries issued March 11, 2004 and May 5, 2004 in Case No. 94-987-GA-AIR, et al that remains on Columbia's books at October 31, 2008. When applicable, Columbia shall commence the flow through of this credit to customers within ninety days of the closure of its books each year. This credit shall be calculated on the basis of annual consumption and remain in effect until all amounts deferred by Columbia have been flowed through to customers.

29.17 **RATE**

	Credit Per Mcf
All gas consumed per account per month	$.0939

Filed Pursuant to PUCO Entry on Rehearing dated March 11, 2004, Entry on Rehearing dated May 5, 2004 and Entry dated August 25, 2004 in Case Nos. 94-987-GA-AIR, 96-1113-GA-ATA, 98-222-GA-GCR, 03-1459-GA-ATA and Entry dated July 6, 1989 in Case No. 89-500-AU-TRF.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS, FRGTS and FRMGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

An additional charge of $.1631 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover cost associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

COMPETITIVE RETAIL NATURAL GAS SURCREDIT RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.19 RATE

($.005837) per Mcf for all volumes delivered during the billing month.

Filed Pursuant to PUCO Entries dated July 6, 1989 in Case No. 89-500-AU-TRF and January 12, 2005 in Case No. 04-1579-GA-ATA.

Issued: January 14, 2005 Effective: January 14, 2005

Issued By
J. W. Partridge, Jr., President

"RED-LINED"

TARIFF SHEETS

~~Sixth~~Seventh Revised Sheet No. 1
Cancels
~~Fifth~~Sixth Revised Sheet No. 1

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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Filed Pursuant to PUCO Entries Dated ~~July 6, 1989 in Case No. 89-500-AU-TRF and January 12, 2005 in Case No. 04-1579-GA-ATA.~~

Issued: ~~January 14, 2005~~ Effective: ~~January 14, 2005~~

Issued By
J. W. Partridge Jr., President

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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Filed Pursuant to PUCO Entries dated ~~July 6, 1989 in Case No. 89-500-AU-TRF.~~

Issued: ~~December 26, 2007~~ Effective: With Bills Rendered ~~January 2, 2008~~

Issued By
J. W. Partridge, Jr., President

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

The utilization factor is the result obtained by dividing the heating value of a gas by the square root of its specific gravity. As sources and characteristics of natural gas supplies available to the Company change from time to time, the Company may find it necessary to modify such utilization factor of thirteen hundred (1300) and to amend this regulation accordingly.

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

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

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

9. **Customer's Responsibility.** Customer assumes all responsibility for ~~property owned by the customer on customer's side of the point of delivery, generally~~ house piping downstream from the outlet side of the ~~curb cock, or, if there is no curb cock, the property or lot line,~~ meter, and for ~~the service supplied or taken, as well as for~~ the installation and use of appliances ~~used~~ in connection therewith~~, and~~. Customer will save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on customer's side of the point of delivery.

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

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

12. **Customer Indebted to Company.** Service will not be supplied to any premises, if at the time of application for service, the applicant is indebted to Company for service previously supplied at the same or other premises, until payment of such indebtedness or other arrangement satisfactory to the Company shall have been made. The Company shall follow the reconnection procedures established by Ohio Administrative Code Section 4901:1-18, and any subsequent amendments thereto, which section is incorporated herein by reference.

~~Second~~Third Revised Sheet No. 6
Cancels
~~First~~Second Revised Sheet No. 6

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

Any remittance received by mail at any office of the Company bearing U.S. Postal Office cancellation date corresponding with or previous to the last date of the net payment period will be accepted by the Company as within the net payment period.

21. **Removal By, and Change in Financial Status of Customer.** At the option of the Company, the Company shall have the right to shut off the gas and to remove its property from the customer's premises and the Company shall have the further right, independent of or concurrent with the right to shut off, to demand immediate payment for all gas theretofore delivered to the customer and not paid for, which amount shall become due and payable immediately upon such demand, when the customer vacates the premises, becomes bankrupt or a receiver, trustee, guardian, or conservator is appointed for the assets of the customer, or the customer makes assignment for the benefit of creditors.

22. **Bill Format and Billing Procedure.** The Company's policy on bill format and billing procedure shall comply with Sections 4901:1-18-09 and 4901:1-29-12 of the Ohio Administrative Codes as amended from time to time.

SECTION III - PHYSICAL PROPERTY

23. **Service Lines.** The general term "service pipe" or "service line" is commonly used to designate the complete line or connection between the Company main up to and including the meter connection. It consists of two distinct parts, (a) the ~~service line connection~~Service Line Connection, and (b) the ~~customer service line~~Customer Service Line.

(a) **Service Line Connection.** The ~~service line connection~~Service Line Connection consists of the connection at the main, necessary pipe and appurtenances to extend to the property line or the curb ~~cock location, curb cock and curb box.~~valve. This connection shall be made by the Company, or its representative, without cost to the customer and it remains the property of the Company.

(b) **Customer Service Line.** The ~~customer service line~~Customer Service Line consists of the pipe from the outlet of the curb ~~cock~~ valve or, if there is no curb ~~cock~~valve, from the property or lot line, to and including the Natural Gas Riser and the meter connection. ~~The customer shall own and maintain the customer service line.~~ The Company shall have the right to prescribe the size, location and termination points of the ~~customer's service line. The Company shall have no obligation to install, maintain or repair said customer service line~~Customer Service Line.

~~24. **Pressure Regulators.** Where service is provided from intermediate or medium pressure distribution lines, the Company shall furnish the necessary regulator or regulators, which regulator or regulators shall remain the property of the Company.~~

(1) **Natural Gas Riser.** A Natural Gas Riser is the vertical portion of the Customer Service Line that connects the balance of the Customer Service Line to the meter setting. A Natural Gas Riser can also be used to connect the balance of the Customer Service Line to the customer service regulator setting. Pursuant to Commission orders in Case No. 07-0478-GA-UNC, the Company has assumed responsibility for the replacement of existing prone to failure risers, as identified in PUCO Case No. 05-0463-GA-COI.

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COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

(2) **Responsibility for Repair or Replacement of Customer Service Line.** The Customer Service Line shall be repaired or replaced by the Company, or its representative, in those cases where a leak or condition in or on the Customer Service Line is determined by the Company to be a "Hazardous Customer Service Line Leak." Upon repair or replacement of a Customer Service Line by the Company or its representative, the Customer Service Line shall become the property of the Company.

(3) **Definition of Hazardous Customer Service Line Leak.** A Hazardous Customer Service Line Leak is a condition that is identified on the Customer Service Line and which, as determined by the Company, presents either: an existing or probable hazard to persons or property; or, requires a scheduled repair or replacement based upon severity or location.

(4) **Treatment of Hazardous Customer Service Line Leaks.** The Company will immediately take action to repair or replace, or schedule for repair or replacement, Hazardous Customer Service Line Leaks based on the severity of the leak and the probable hazard to persons and property.

(5) **Performing Hazardous Customer Service Line Leak Repair Work.** Effective March 1, 2008, only the Company or its representative may repair or replace a Customer Service Line leak evaluated, classified and documented by the Company as a Hazardous Customer Service Line Leak. Prior to March 1, 2008, Customers may utilize DOT Operator-Qualified plumbers to repair or replace any Customer Service Line leak evaluated, classified and documented by the Company as a Hazardous Customer Service Line Leak.

(6) **Reimbursement to Customers.** The Company shall reimburse any Customer who repairs or replaces a Natural Gas Riser or a Customer Service Line with a Hazardous Customer Service Line Leak, using the services of a DOT Operator-Qualified plumber, between November 24, 2006 and March 1, 2008. Reimbursement will be at actual costs incurred by the Customer, as proven by the Customer-provided receipt, with the maximum reimbursement for replacement of a Natural Gas Riser being $500 per Natural Gas Riser and the maximum reimbursement for a Customer Service Line being $1,000. Reimbursement to a Customer will be made within 60 days of the Customer's submission of a receipt for work performed, through reimbursement check. Upon reimbursement to the Customer for repair or replacement of a Customer Service Line or Natural Gas Riser, the Customer Service Line or Natural Gas Riser shall become the property of the Company. The Company will not process any requests for reimbursement received from Customers after September 1, 2008.

(7) **Company Rights and Responsibilities.** The Company assumes financial responsibility for repair or replacement of all Hazardous Customer Service Line Leaks or replacement of Natural Gas Risers prone to failure as of March 1, 2008. Ownership of each Customer Service Line will continue to remain with the Customer until such time a repair or replacement of these facilities is required. At that point, any investment made by the Company in the repair or replacement of the facilities will be the property of the Company. The Company may terminate gas service where the Customer has refused access to the premises for the repair or replacement of a Hazardous Customer Service Line Leak or replacement of Natural Gas Risers prone to failure.

(8) **Customer's Rights and Responsibilities.** The Customer shall be responsible at all times for the safekeeping of Customer Service Lines installed on Customer's premise, and to that end shall give no one, except the Company's authorized employees or its representatives, access to such property. The Customer or Customer's agent shall be liable for the cost of repairs for damage done to the Customer Service Line due to negligence or misuse by the Customer or Customer's agent on the Customer's premises.

(c) Testing and Certification of Results. The Company is responsible for the testing of the Service Line Connection and the Customer Service Line at no cost to the Customer and is also responsible for the evaluation, classification and documentation of the type of leaks in those cases where leaks are identified or conditions where repair or replacement are warranted.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

24. **Pressure Regulators.** Where service is provided from intermediate or medium pressure distribution lines, the Company shall furnish the necessary regulator or regulators, which regulator or regulators shall remain the property of the Company.

    Where service is provided from a high pressure transmission line, the customer shall, at his expense, provide, install and maintain a suitable regulator or regulators for reducing the pressure. The regulator or regulators shall be installed in the manner required by the Company.

    The customer shall install and maintain, at his expense, substantial housing acceptable to the Company in size and design for the regulator or regulators and the meter in order to protect them from the weather and molestation.

    If it becomes necessary to construct, operate, and maintain a heater on the inlet side of the high pressure regulator to maintain satisfactory operation of the regulator or regulators, the gas used in such heater shall be at the expense of the customer and shall be taken from the outlet side of meter serving the customer.

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

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

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

28. **House Piping.** The customer shall own and maintain the house piping from the outlet of the meter to gas burning appliances. The Company shall have no obligation to install, maintain or repair said piping.

29. **Appliances.** The customer shall own and maintain all gas-burning appliances. The Company shall have no obligation to install, maintain, or repair appliances.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

30. **Standards for Customer's Property.** The customer's service line, house lines, fittings, valve connections and appliance venting shall be installed with materials and workmanship which meet the reasonable requirements of the Company and shall be subject to inspection or test by the Company. The Company shall have no obligation to establish service until after such inspection and test demonstrates compliance with such requirements of the Company with respect to the facilities in place at the time of the test.

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

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

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

33. **Inspection of Altered Piping.** It shall be the duty of the customer to notify the Company promptly of any additions, changes, alterations, remodeling or reconstruction affecting gas piping on the customer's premises.

34. **Extension of Distribution Mains.** For the purposes of this provision applicants for domestic service shall be divided into classes, as follows:

    An applicant who will utilize gas as the major source of energy for air conditioning and space heating and for base load such as water heating, cooking, refrigeration, incineration or drying (hereinafter referred to as a "Class 1 Applicant"); and

    Any applicant within the "Lake Mohawk Project Area," which is defined as the area shown on the map set forth on Sheet No. 30b. All extensions in that area shall be made in accordance with the terms of the agreement between Columbia and Utility Pipeline Limited ("UPL") or its successor(s) and assigns approved by the Public Utilities Commission in Case No. 96-422-GA-AEC, et al. All persons commencing service in that area for the first time shall pay UPL a contribution in aid of construction, in the amount of $486.00, prior to the time service is commenced.

~~Third~~ Fourth Revised Sheet No. 16
Cancels
~~Second~~ Third Revised Sheet No. 16

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SMALL GENERAL SERVICE (SGS)

APPLICABILITY:

Applicable in all territories served by Company.

AVAILABILITY:

Available to all customers provided that Customer consumes less than 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st.

GENERAL SALES RATE:

All gas consumed per account per month 13.669¢ per 100 cubic feet

A 'Customer Charge' of $6.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

GROSS RECEIPTS TAX RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's gross receipts tax liability on the gas cost portion of said bills through the application of the gross receipts tax rider specified on Sheet 30 of this tariff. This gross receipts tax rider shall not be applied to the bills of customers that are statutorily exempt from payment of the gross receipts tax.

EXCISE TAX RIDER:

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

UNCOLLECTIBLE EXPENSE RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30d of this tariff.

~~Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.~~

Issued: ~~April 19, 2004~~

Effective: ~~April 29, 2004~~

Issued By
J. W. Partridge, President

~~Second~~ Third Revised Sheet No. 17a
Cancels
~~First~~ Second Revised Sheet No. 17a

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

MURPHY GENERAL SERVICE (MGS)

APPLICABILITY:

Applicable in all territories formerly served by Murphy Gas Company.

AVAILABILITY:

Available to all customers located in the service territory previously served by Murphy Gas Company.

GENERAL SALES RATE:

All gas consumed per account per month $.7514 per Mcf

A 'Customer Charge' of $3.25 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of- way.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

EXCISE TAX RIDER

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

BILLING ADJUSTMENTS:

For all gas sold hereunder, the bill shall be computed to reflect applicable billing adjustments as set forth in Part No. 41 of the Company's Rules and Regulations governing the distribution and sale of gas.

LATE PAYMENT CHARGE:

Upon next scheduled billing date, one and one-half percent (1-1/2%) will be applied to the unpaid balance of $2,000 or more, as provided in Part No. 40 of the Company's Rules and Regulations governing the distribution and sales of gas.

UNCOLLECTIBLE EXPENSE RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30 d of this tariff.

~~Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.~~

Issued: ~~April 19, 2004~~

Effective: ~~April 29, 2004~~

Issued By
J. W. Partridge, President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

GENERAL SERVICE (GS)

APPLICABILITY:

Applicable in all territories served by Company.

AVAILABILITY:

Available to all customers provided that Customer consumes at least 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st.

GENERAL SALES RATE:

First 25,000 Cubic Feet per account per month 13.607¢ per 100 cubic feet
Over 25,000 Cubic Feet per account per month 12.784¢ per 100 cubic feet
A 'Customer Charge' of $16.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

In the event that Customer no longer qualifies for service hereunder, Company may terminate service hereunder and commence service under its Small General Service schedule.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

GROSS RECEIPTS TAX RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's gross receipts tax liability on the gas cost portion of said bills through the application of the gross receipts tax rider specified on Sheet 30 of this tariff. This gross receipts tax rider shall not be applied to the bills of customers that are statutorily exempt from payment of the gross receipts tax.

EXCISE TAX RIDER:

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

UNCOLLECTIBLE EXPENSE RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30 d of this tariff.

~~Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.~~

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

41. Billing Adjustments

The following adjustment(s) to the billing rates are presented on the succeeding sheet(s):

(a) Gas Cost Recovery Rate (GCR)

(b) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider

(c) Temporary Base Rate Revenue Rider

(d) UPL Customer Surcharge

(h) GCR Transition Rider

(i) Gross Receipts Tax Rider

(j) Excise Tax Rider

(k) CRNGS Surcredit Rider

(l) Uncollectible Expense Rider

(m) CHOICE[SM] Program Sharing Credit

(n) Infrastructure Replacement Program Rider

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

APPLICABILITY

Applicable to all Customers served under rate schedules SGS, SGTS, MGS, GS and GTS.

DESCRIPTION

An additional charge per account per month, regardless of gas consumed, to recover costs associated with: Columbia's Natural Gas Riser testing, inventory and identification process; customer notification and education; the replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure; and, the maintenance, repair and replacement of hazardous customer-owned service lines. This Rider shall be calculated annually pursuant to a Notice filed no later than November 30 of each year based on nine months of actual data and three months of estimated data for the calendar year. The filing shall be updated by no later than February 28 of the following year to reflect the use of actual calendar year data. Such adjustments to the Rider will become effective with bills rendered on and after May 1 of each year.

RATE

Rate SGS, Small General Service	$0.00 / Month
Rate SGTS, Small General Transportation Service	$0.00 / Month
Rate MGS, Murphy General Service	$0.00 / Month
Rate GS, General Service	$0.00 / Month
Rate GTS, General Transportation Service	$0.00 / Month

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SMALL GENERAL TRANSPORTATION SERVICE (SGTS)

APPLICABILITY

Applicable in all territories served by Company.

AVAILABILITY

Available to any commercial or industrial end-use customer provided that service can be rendered within the limits of Company's operating conditions and facilities, and provided that Customer consumes less than 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st. Service is subject to the Rules and Regulations as set forth in Part Nos. 42 through 60.

CHARACTER OF SERVICE

On any day, Company shall deliver Customer's Authorized Daily Volume of gas (as defined in Part 47 hereof) on a firm basis, with no planned interruption. However, Customer's Authorized Daily volume is interruptible when such interruption is necessary due to force majeure conditions, or where service to human needs customers is threatened. In addition, where Customer-owned gas is being delivered to the Company at a city gate which does not serve the market area in which Customer's facilities are located, that portion of Customer's Authorized Daily Volume is interruptible as described in Part 48 hereof.

DELIVERY CHARGE

The Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

All gas delivered per account per month $1.3669 per Mcf
A Customer Charge of $6.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

The above rates are also subject to adjustment for recovery of Take-or-Pay and FERC Order 636 Transition costs, as approved by the PUCO, plus associated excise tax effect.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30d of this tariff.

~~Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.~~

Issued: ~~April 19, 2004~~ Effective: ~~April 29, 2004~~

Issued By
J. W. Partridge, President

~~Second~~Third Revised Sheet No. 53
Cancels
~~First~~ Second Revised Sheet No. 53

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

GENERAL TRANSPORTATION SERVICE (GTS)

APPLICABILITY

Applicable in all territories served by Company.

AVAILABILITY

Available to any non-residential customer provided that service can be rendered within the limits of Company's operating conditions and facilities, and provided that customer consumes at least 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st. Service is subject to the Rules and Regulations as set forth in Part Nos. 42 through 60.

CHARACTER OF SERVICE

On any day, Company shall deliver Customer's Authorized Daily Volume of gas (as defined in Part 47 hereof) on a firm basis, with no planned interruption. However, Customer's Authorized Daily volume is interruptible when such interruption is necessary due to force majeure conditions, or where service to human needs customers is threatened. In addition, where Customer-owned gas is being delivered to the Company at a city gate which does not serve the market area in which Customer's facilities are located, that portion of Customer's Authorized Daily Volume is interruptible as described in Part 48 hereof.

DELIVERY CHARGE

The Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

First 25 Mcf per account per month	$1.3607 per Mcf
Over 25 Mcf per account per month	$1.2784 per Mcf

A Customer Charge of $16.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to total Company fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30d of this tariff.

~~Filed Pursuant to PUCO Entries dated April 7, 2004 in Case No. 03-2572-GA-ATA and July 6, 1989 in Case No. 89-8003-GA-TRF.~~

Issued: ~~April 19, 2004~~

Effective: ~~April 29, 2004~~

Issued By
J. W. Partridge, President

SECTION VII
PART 25 - FULL REQUIREMENTS SMALL GENERAL TRANSPORTATION SERVICE (FRSGTS)

25.4 Character of Service

Service provided under this schedule shall be considered firm service.

25.5 Delivery Charge

The maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed are:

1) All gas delivered per account per month $1.3669 per Mcf
2) A Customer charge of $6.50 per account per month

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

25.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in Section VII, Part 29 this tariff:

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) Small General Service Temporary Base Rate Revenue Rider;
3) Excise Tax Rider;
4) Competitive Retail Natural Gas Surcredit Rider;
5) CHOICE® Program Sharing Credit; ~~and~~
6) Uncollectible Expense Rider~~.~~; and
7) Infrastructure Replacement Program Rider.

25.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to: (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than 2,000.

~~Filed Pursuant to PUCO Entries dated July 6, 1989 in Case No. 89-500-AU-TRF and May 9, 2007 in Case No. 07-496-GA-ATA.~~

SECTION VII
PART 26 - FULL REQUIREMENTS MURPHY GENERAL TRANSPORTATION SERVICE (FRMGTS)

26.5 Delivery Charge

The maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed are:

1) All gas delivered per account per month $0.5941 per Mcf
2) A Customer charge of $3.25 per account per month

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

26.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in this tariff:

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) Excise Tax Rider;
3) Competitive Retail Natural Gas Surcredit Rider;
4) CHOICE® Program Sharing Credit; ~~and~~
5) Uncollectible Expense Rider~~;~~; And
6) Infrastructure Replacement Program Rider.

26.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than $2,000.

SECTION VII
PART 27 - FULL REQUIREMENTS GENERAL TRANSPORTATION SERVICE (FRGTS)

27.5 Delivery Charge

Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

1) First 25 Mcf per account per month $1.3607 per Mcf
2) Over 25 Mcf per account per month $1.2784 per Mcf
3) A Customer charge of $16.50 per account per month, regardless of gas consumed.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

27.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in this tariff.

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) General Service Temporary Base Rate Revenue Rider;
3) Excise Tax Rider;
4) Competitive Retail Natural Gas Surcredit Rider;
5) CHOICE® Program Sharing Credit; ~~and~~
6) Uncollectible Expense Rider~~.~~; and
7) Infrastructure Replacement Rider.

27.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than $2,000.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

INTERIM, EMERGENCY AND TEMPORARY
PIP PLAN TARIFF SCHEDULE RIDER

29.1 Applicability

To all volumes delivered under rate schedules FRSGTS, FRMGTS, FRGTS and FRLGTS.

29.2 Rate

A PIP Plan base rate rider of $ .04004 per Ccf will apply to all tariff volumes of applicable customers.

~~Filed under the authority of the Public Utilities Commission of Ohio in Case No. 05-1427-PIP.~~

Issued: ~~February 28, 2006~~ Effective: With bills rendered on and after ~~March 2, 2006~~

Issued By
J. W. Partridge, Jr., President

SECTION VII
PART 29 - BILLING ADJUSTMENTS

SMALL GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.3 Applicability

Applicable to all customers delivered under the Company's Full Requirements Small General Transportation Service schedule.

29.4 Temporary Base Rate Revenue Rider Rate

All gas consumed per account per month $.0063 per Mcf.

~~Filed Pursuant to PUCO Entries dated July 6, 1989 in Case No. 89-500-AU-TRF and January 12, 2005 in Case No. 04-1579-GA-ATA.~~

SECTION VII
PART 29 - BILLING ADJUSTMENTS

GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.5 Applicability

Applicable to all volumes delivered under the Company's Full Requirements General Transportation Service schedule.

29.6 Temporary Base Rate Revenue Rider

All gas consumed per account per month $.0058 per Mcf.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

LARGE GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.7 Applicability

Applicable to all volumes delivered under the Fixed Delivery Charge provision of the Company's Full Requirements Large General Transportation Service schedule.

29.8 Temporary Base Rate Revenue Rider Rate

All gas consumed per account per month $.010 per Mcf.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

HELD FOR FUTURE USE

SECTION VII
PART 29 - BILLING ADJUSTMENTS

EXCISE TAX RIDER

29.11 Applicability

Applicable to all customers except flexed customers served under Rate Schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.12 Rates

First 100 Mcf per account per month	$.1593 per Mcf
Next 1900 Mcf per account per month	$.0877 per Mcf
Over 2000 Mcf per account per month	$.0411 per Mcf

29.13 Applicability

Applicable to all customers being flexed served under Rate Schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.14 Rates

All bills rendered to a flex customer, as defined by 5727.80 (N) of the Ohio Revised Code, shall be adjusted to provide for recovery of this tax at a rate of $.02 per Mcf on all volumes delivered with a corresponding reduction to the flexed base rate(s) being billed the account.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

TRANSPORTATION PROGRAM COST RIDER

Reserved For Future Use

SECTION VII
PART 29 - BILLING ADJUSTMENTS

CHOICE[SM] PROGRAM SHARING CREDIT

29.15 APPLICABILITY

Applicable to all Customers served under rate schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.16 DESCRIPTION

Credit per Mcf for the sharing of off-system sales and capacity release revenues, to the extent Columbia is required to share such revenues with Customers pursuant to an order or entry of the Public Utilities Commission of Ohio. This credit shall further provide for the pass back of any amounts deferred as a regulatory liability to offset Net Choice Program Costs pursuant to the Commission's Entries issued March 11, 2004 and May 5, 2004 in Case No. 94-987-GA-AIR, et al that remains on Columbia's books at October 31, 2008. When applicable, Columbia shall commence the flow through of this credit to customers within ninety days of the closure of its books each year. This credit shall be calculated on the basis of annual consumption and remain in effect until all amounts deferred by Columbia have been flowed through to customers.

29.17 RATE

	Credit Per Mcf
All gas consumed per account per month	$.0939

~~Filed Pursuant to PUCO Entry on Rehearing dated March 11, 2004, Entry on Rehearing dated May 5, 2004 and Entry dated August 25, 2004 in Case Nos. 94-987-GA-AIR, 96-1113-GA-ATA, 98-222-GA-GCR, 03-1459-GA-ATA and Entry dated July 6, 1989 in Case No. 89-500-AU-TRF.~~

Issued: ~~March 30, 2007~~

Effective: With bills rendered on and after ~~May 1, 2007~~

Issued By
J. W. Partridge, Jr., President

SECTION VII
PART 29 - BILLING ADJUSTMENTS

UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS, FRGTS and FRMGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

An additional charge of $.1631 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover cost associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

COMPETITIVE RETAIL NATURAL GAS SURCREDIT RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.19 RATE

($.005837) per Mcf for all volumes delivered during the billing month.

SECTION VII
PART 29 – BILLING ADJUSTMENTS

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

29.22 Applicability

To all customers service under rate schedules FRSGTS, FRGTS and FRMGTS.

29.23 Infrastructure Replacement Program Rider

An additional charge per account per month, regardless of gas consumed, to recover costs associated with: Columbia's Natural Gas Riser testing, inventory and identification process; customer notification and education; the replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure; and, the maintenance, repair and replacement of hazardous customer-owned service lines. This Rider shall be calculated annually pursuant to a Notice filed no later than November 30 of each year based on nine months of actual data and three months of estimated data for the calendar year. The filing shall be updated by no later than February 28 of the following year to reflect the use of actual calendar year data. Such adjustments to the Rider will become effective with bills rendered on and after May 1 of each year.

29.24 Rate

Rate FRSGTS, Firm Requirements Small General Transportation Service	$0.00 / Month
Rate FRGTS, Firm Requirements General Transportation Service	$0.00 / Month
Rate FRMGTS, Firm Requirements Murphy General Transportation Service	$0.00 / Month

PROPOSED

TARIFF SHEETS

Seventh Revised Sheet No. 1
Cancels
Sixth Revised Sheet No. 1

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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Filed Pursuant to PUCO Entries Dated

Issued: Effective:

Issued By
J. W. Partridge Jr., President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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Filed Pursuant to PUCO Entries dated

Issued:

Effective: With Bills Rendered

Issued By
J. W. Partridge, Jr., President

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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The utilization factor is the result obtained by dividing the heating value of a gas by the square root of its specific gravity. As sources and characteristics of natural gas supplies available to the Company change from time to time, the Company may find it necessary to modify such utilization factor of thirteen hundred (1300) and to amend this regulation accordingly.

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

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

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

9. **Customer's Responsibility.** Customer assumes all responsibility for house piping downstream from the outlet side of the meter, and for the installation and use of appliances in connection therewith. Customer will save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on customer's side of the point of delivery.

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

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

12. **Customer Indebted to Company.** Service will not be supplied to any premises, if at the time of application for service, the applicant is indebted to Company for service previously supplied at the same or other premises, until payment of such indebtedness or other arrangement satisfactory to the Company shall have been made. The Company shall follow the reconnection procedures established by Ohio Administrative Code Section 4901:1-18, and any subsequent amendments thereto, which section is incorporated herein by reference.

Any remittance received by mail at any office of the Company bearing U.S. Postal Office cancellation date corresponding with or previous to the last date of the net payment period will be accepted by the Company as within the net payment period.

21. **Removal By, and Change in Financial Status of Customer.** At the option of the Company, the Company shall have the right to shut off the gas and to remove its property from the customer's premises and the Company shall have the further right, independent of or concurrent with the right to shut off, to demand immediate payment for all gas theretofore delivered to the customer and not paid for, which amount shall become due and payable immediately upon such demand, when the customer vacates the premises, becomes bankrupt or a receiver, trustee, guardian, or conservator is appointed for the assets of the customer, or the customer makes assignment for the benefit of creditors.

22. **Bill Format and Billing Procedure.** The Company's policy on bill format and billing procedure shall comply with Sections 4901:1-18-09 and 4901:1-29-12 of the Ohio Administrative Codes as amended from time to time.

SECTION III - PHYSICAL PROPERTY

23. **Service Lines.** The general term "service pipe" or "service line" is commonly used to designate the complete line or connection between the Company main up to and including the meter connection. It consists of two distinct parts, (a) the Service Line Connection, and (b) the Customer Service Line.

(a) **Service Line Connection**. The Service Line Connection consists of the connection at the main, necessary pipe and appurtenances to extend to the property line or the curb valve. This connection shall be made by the Company, or its representative, without cost to the customer and it remains the property of the Company.

(b) **Customer Service Line**. The Customer Service Line consists of the pipe from the outlet of the curb valve or, if there is no curb valve, from the property or lot line, to and including the Natural Gas Riser and the meter connection. The Company shall have the right to prescribe the size, location and termination points of the Customer Service Line.

(1) **Natural Gas Riser.** A Natural Gas Riser is the vertical portion of the Customer Service Line that connects the balance of the Customer Service Line to the meter setting. A Natural Gas Riser can also be used to connect the balance of the Customer Service Line to the customer service regulator setting. Pursuant to Commission orders in Case No. 07-0478-GA-UNC, the Company has assumed responsibility for the replacement of existing prone to failure risers, as identified in PUCO Case No. 05-0463-GA-COI.

(2) **Responsibility for Repair or Replacement of Customer Service Line.** The Customer Service Line shall be repaired or replaced by the Company, or its representative, in those cases where a leak or condition in or on the Customer Service Line is determined by the Company to be a "Hazardous Customer Service Line Leak." Upon repair or replacement of a Customer Service Line by the Company or its representative, the Customer Service Line shall become the property of the Company.

(3) **Definition of Hazardous Customer Service Line Leak.** A Hazardous Customer Service Line Leak is a condition that is identified on the Customer Service Line and which, as determined by the Company, presents either: an existing or probable hazard to persons or property; or, requires a scheduled repair or replacement based upon severity or location.

(4) **Treatment of Hazardous Customer Service Line Leaks.** The Company will immediately take action to repair or replace, or schedule for repair or replacement, Hazardous Customer Service Line Leaks based on the severity of the leak and the probable hazard to persons and property.

(5) ***Performing Hazardous Customer Service Line Leak Repair Work.*** Effective March 1, 2008, only the Company or its representative may repair or replace a Customer Service Line leak evaluated, classified and documented by the Company as a Hazardous Customer Service Line Leak. Prior to March 1, 2008, Customers may utilize DOT Operator-Qualified plumbers to repair or replace any Customer Service Line leak evaluated, classified and documented by the Company as a Hazardous Customer Service Line Leak.

(6) **Reimbursement to Customers.** The Company shall reimburse any Customer who repairs or replaces a Natural Gas Riser or a Customer Service Line with a Hazardous Customer Service Line Leak, using the services of a DOT Operator-Qualified plumber, between November 24, 2006 and March 1, 2008. Reimbursement will be at actual costs incurred by the Customer, as proven by the Customer-provided receipt, with the maximum reimbursement for replacement of a Natural Gas Riser being $500 per Natural Gas Riser and the maximum reimbursement for a Customer Service Line being $1,000. Reimbursement to a Customer will be made within 60 days of the Customer's submission of a receipt for work performed, through reimbursement check. Upon reimbursement to the Customer for repair or replacement of a Customer Service Line or Natural Gas Riser, the Customer Service Line or Natural Gas Riser shall become the property of the Company. The Company will not process any requests for reimbursement received from Customers after September 1, 2008.

(7) **Company Rights and Responsibilities.** The Company assumes financial responsibility for repair or replacement of all Hazardous Customer Service Line Leaks or replacement of Natural Gas Risers prone to failure as of March 1, 2008. Ownership of each Customer Service Line will continue to remain with the Customer until such time a repair or replacement of these facilities is required. At that point, any investment made by the Company in the repair or replacement of the facilities will be the property of the Company. The Company may terminate gas service where the Customer has refused access to the premises for the repair or replacement of a Hazardous Customer Service Line Leak or replacement of Natural Gas Risers prone to failure.

(8) **Customer's Rights and Responsibilities.** The Customer shall be responsible at all times for the safekeeping of Customer Service Lines installed on Customer's premise, and to that end shall give no one, except the Company's authorized employees or its representatives, access to such property. The Customer or Customer's agent shall be liable for the cost of repairs for damage done to the Customer Service Line due to negligence or misuse by the Customer or Customer's agent on the Customer's premises.

(c) Testing and Certification of Results. The Company is responsible for the testing of the Service Line Connection and the Customer Service Line at no cost to the Customer and is also responsible for the evaluation, classification and documentation of the type of leaks in those cases where leaks are identified or conditions where repair or replacement are warranted.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

24. **Pressure Regulators.** Where service is provided from intermediate or medium pressure distribution lines, the Company shall furnish the necessary regulator or regulators, which regulator or regulators shall remain the property of the Company.

    Where service is provided from a high pressure transmission line, the customer shall, at his expense, provide, install and maintain a suitable regulator or regulators for reducing the pressure. The regulator or regulators shall be installed in the manner required by the Company.

    The customer shall install and maintain, at his expense, substantial housing acceptable to the Company in size and design for the regulator or regulators and the meter in order to protect them from the weather and molestation.

    If it becomes necessary to construct, operate, and maintain a heater on the inlet side of the high pressure regulator to maintain satisfactory operation of the regulator or regulators, the gas used in such heater shall be at the expense of the customer and shall be taken from the outlet side of meter serving the customer.

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

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

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

28. **House Piping.** The customer shall own and maintain the house piping from the outlet of the meter to gas burning appliances. The Company shall have no obligation to install, maintain or repair said piping.

29. **Appliances.** The customer shall own and maintain all gas-burning appliances. The Company shall have no obligation to install, maintain, or repair appliances.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

30. **Standards for Customer's Property.** The customer's service line, house lines, fittings, valve connections and appliance venting shall be installed with materials and workmanship which meet the reasonable requirements of the Company and shall be subject to inspection or test by the Company. The Company shall have no obligation to establish service until after such inspection and test demonstrates compliance with such requirements of the Company with respect to the facilities in place at the time of the test.

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

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

32. **No Responsibility for Material or Workmanship.** The Company is not responsible for maintenance of, or any imperfect material or defective or faulty workmanship in, the customer's house lines, fittings, valve connections, equipment or appliances and is not responsible for any loss or damage arising from inadequate or improper maintenance or from imperfect material or defective or faulty workmanship.

33. **Inspection of Altered Piping.** It shall be the duty of the customer to notify the Company promptly of any additions, changes, alterations, remodeling or reconstruction affecting gas piping on the customer's premises.

34. **Extension of Distribution Mains.** For the purposes of this provision applicants for domestic service shall be divided into classes, as follows:

    An applicant who will utilize gas as the major source of energy for air conditioning and space heating and for base load such as water heating, cooking, refrigeration, incineration or drying (hereinafter referred to as a "Class 1 Applicant"); and

    Any applicant within the "Lake Mohawk Project Area," which is defined as the area shown on the map set forth on Sheet No. 30b. All extensions in that area shall be made in accordance with the terms of the agreement between Columbia and Utility Pipeline Limited ("UPL") or its successor(s) and assigns approved by the Public Utilities Commission in Case No. 96-422-GA-AEC, et al. All persons commencing service in that area for the first time shall pay UPL a contribution in aid of construction, in the amount of $486.00, prior to the time service is commenced.

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SMALL GENERAL SERVICE (SGS)

APPLICABILITY:

Applicable in all territories served by Company.

AVAILABILITY:

Available to all customers provided that Customer consumes less than 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st.

GENERAL SALES RATE:

All gas consumed per account per month 13.669¢ per 100 cubic feet

A 'Customer Charge' of $6.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

GROSS RECEIPTS TAX RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's gross receipts tax liability on the gas cost portion of said bills through the application of the gross receipts tax rider specified on Sheet 30 of this tariff. This gross receipts tax rider shall not be applied to the bills of customers that are statutorily exempt from payment of the gross receipts tax.

EXCISE TAX RIDER:

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

UNCOLLECTIBLE EXPENSE RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30d of this tariff.

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

MURPHY GENERAL SERVICE (MGS)

APPLICABILITY:

Applicable in all territories formerly served by Murphy Gas Company.

AVAILABILITY:

Available to all customers located in the service territory previously served by Murphy Gas Company.

GENERAL SALES RATE:

All gas consumed per account per month $.7514 per Mcf

A 'Customer Charge' of $3.25 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

EXCISE TAX RIDER

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

BILLING ADJUSTMENTS:

For all gas sold hereunder, the bill shall be computed to reflect applicable billing adjustments as set forth in Part No. 41 of the Company's Rules and Regulations governing the distribution and sale of gas.

LATE PAYMENT CHARGE:

Upon next scheduled billing date, one and one-half percent (1-1/2%) will be applied to the unpaid balance of $2,000 or more, as provided in Part No. 40 of the Company's Rules and Regulations governing the distribution and sales of gas.

UNCOLLECTIBLE EXPENSE RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30 d of this tariff.

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

GENERAL SERVICE (GS)

APPLICABILITY:

Applicable in all territories served by Company.

AVAILABILITY:

Available to all customers provided that Customer consumes at least 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st.

GENERAL SALES RATE:

First 25,000 Cubic Feet per account per month 13.607¢ per 100 cubic feet
Over 25,000 Cubic Feet per account per month 12.784¢ per 100 cubic feet
A 'Customer Charge' of $16.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

In the event that Customer no longer qualifies for service hereunder, Company may terminate service hereunder and commence service under its Small General Service schedule.

GAS COST RECOVERY:

In addition to the above rates, all gas consumed is subject to the Gas Cost Recovery Provision of Ohio Administrative Code Section 4901:1-14, and any subsequent amendments thereto, which section is incorporated herein by reference.

GROSS RECEIPTS TAX RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's gross receipts tax liability on the gas cost portion of said bills through the application of the gross receipts tax rider specified on Sheet 30 of this tariff. This gross receipts tax rider shall not be applied to the bills of customers that are statutorily exempt from payment of the gross receipts tax.

EXCISE TAX RIDER:

Effective July 1, 2001 all bills rendered will be adjusted to provide for recovery of Columbia's excise tax liability on all volumes billed by, or on behalf of, the Company as specified on Sheet 30 of this tariff.

UNCOLLECTIBLE EXPENSE RIDER:

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30 d of this tariff.

41. Billing Adjustments

The following adjustment(s) to the billing rates are presented on the succeeding sheet(s):

(a) Gas Cost Recovery Rate (GCR)

(b) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider

(c) Temporary Base Rate Revenue Rider

(d) UPL Customer Surcharge

(h) GCR Transition Rider

(i) Gross Receipts Tax Rider

(j) Excise Tax Rider

(k) CRNGS Surcredit Rider

(l) Uncollectible Expense Rider

(m) CHOICE^{SM} Program Sharing Credit

(n) Infrastructure Replacement Program Rider

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

APPLICABILITY

Applicable to all Customers served under rate schedules SGS, SGTS, MGS, GS and GTS .

DESCRIPTION

An additional charge per account per month, regardless of gas consumed, to recover costs associated with: Columbia's Natural Gas Riser testing, inventory and identification process; customer notification and education; the replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure; and, the maintenance, repair and replacement of hazardous customer-owned service lines. This Rider shall be calculated annually pursuant to a Notice filed no later than November 30 of each year based on nine months of actual data and three months of estimated data for the calendar year. The filing shall be updated by no later than February 28 of the following year to reflect the use of actual calendar year data. Such adjustments to the Rider will become effective with bills rendered on and after May 1 of each year.

RATE

Rate SGS, Small General Service	$0.00 / Month
Rate SGTS, Small General Transportation Service	$0.00 / Month
Rate MGS, Murphy General Service	$0.00 / Month
Rate GS, General Service	$0.00 / Month
Rate GTS, General Transportation Service	$0.00 / Month

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SMALL GENERAL TRANSPORTATION SERVICE (SGTS)

APPLICABILITY

Applicable in all territories served by Company.

AVAILABILITY

Available to any commercial or industrial end-use customer provided that service can be rendered within the limits of Company's operating conditions and facilities, and provided that Customer consumes less than 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st. Service is subject to the Rules and Regulations as set forth in Part Nos. 42 through 60.

CHARACTER OF SERVICE

On any day, Company shall deliver Customer's Authorized Daily Volume of gas (as defined in Part 47 hereof) on a firm basis, with no planned interruption. However, Customer's Authorized Daily volume is interruptible when such interruption is necessary due to force majeure conditions, or where service to human needs customers is threatened. In addition, where Customer-owned gas is being delivered to the Company at a city gate which does not serve the market area in which Customer's facilities are located, that portion of Customer's Authorized Daily Volume is interruptible as described in Part 48 hereof.

DELIVERY CHARGE

The Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

All gas delivered per account per month $1.3669 per Mcf
A Customer Charge of $6.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

The above rates are also subject to adjustment for recovery of Take-or-Pay and FERC Order 636 Transition costs, as approved by the PUCO, plus associated excise tax effect.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30d of this tariff.

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

GENERAL TRANSPORTATION SERVICE (GTS)

APPLICABILITY

Applicable in all territories served by Company.

AVAILABILITY

Available to any non-residential customer provided that service can be rendered within the limits of Company's operating conditions and facilities, and provided that customer consumes at least 300 Mcf per year between September 1 and August 31. Annual consumption for Customers served hereunder will be reviewed each August 31st. Service is subject to the Rules and Regulations as set forth in Part Nos. 42 through 60.

CHARACTER OF SERVICE

On any day, Company shall deliver Customer's Authorized Daily Volume of gas (as defined in Part 47 hereof) on a firm basis, with no planned interruption. However, Customer's Authorized Daily volume is interruptible when such interruption is necessary due to force majeure conditions, or where service to human needs customers is threatened. In addition, where Customer-owned gas is being delivered to the Company at a city gate which does not serve the market area in which Customer's facilities are located, that portion of Customer's Authorized Daily Volume is interruptible as described in Part 48 hereof.

DELIVERY CHARGE

The Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

First 25 Mcf per account per month	$1.3607 per Mcf
Over 25 Mcf per account per month	$1.2784 per Mcf

A Customer Charge of $16.50 per account per month, regardless of gas consumed.

An "account" includes all gas consumption which (1) is consumed by the same individual, governmental, or corporate entity, including subsidiaries and affiliates, and (2) occurs on property which is either contiguous or is separated by no more than the width of a public or private right-of-way.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to total Company fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

UNCOLLECTIBLE EXPENSE RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's uncollectible expenses through the application of the Uncollectible Expense Rider specified on Sheet 29 of this tariff.

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

All bills rendered pursuant to this tariff will be adjusted to provide for the recovery of Columbia's infrastructure replacement program costs through the application of the Infrastructure Replacement Program Rider specified on Sheet 30d of this tariff.

SECTION VII
PART 25 - FULL REQUIREMENTS SMALL GENERAL TRANSPORTATION SERVICE (FRSGTS)

25.4 Character of Service

Service provided under this schedule shall be considered firm service.

25.5 Delivery Charge

The maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed are:

1) All gas delivered per account per month $1.3669 per Mcf
2) A Customer charge of $6.50 per account per month

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

25.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in Section VII, Part 29 this tariff:

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) Small General Service Temporary Base Rate Revenue Rider;
3) Excise Tax Rider;
4) Competitive Retail Natural Gas Surcredit Rider;
5) CHOICE® Program Sharing Credit;
6) Uncollectible Expense Rider; and
7) Infrastructure Replacement Program Rider.

25.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to: (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than 2,000.

SECTION VII
PART 26 - FULL REQUIREMENTS MURPHY GENERAL TRANSPORTATION SERVICE (FRMGTS)

26.5 Delivery Charge

The maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed are:

1) All gas delivered per account per month $0.5941 per Mcf
2) A Customer charge of $3.25 per account per month

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

26.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in this tariff:

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) Excise Tax Rider;
3) Competitive Retail Natural Gas Surcredit Rider;
4) CHOICE® Program Sharing Credit;
5) Uncollectible Expense Rider; And
6) Infrastructure Replacement Program Rider.

26.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than $2,000.

SECTION VII
PART 27 - FULL REQUIREMENTS GENERAL TRANSPORTATION SERVICE (FRGTS)

27.5 Delivery Charge

Company will charge the following maximum rates for all Customer-owned volumes delivered by Company to Customer's facility where gas is being consumed:

1) First 25 Mcf per account per month $1.3607 per Mcf
2) Over 25 Mcf per account per month $1.2784 per Mcf
3) A Customer charge of $16.50 per account per month, regardless of gas consumed.

The minimum rate shall not be less than the variable cost of providing service hereunder plus some contribution to fixed costs. Unless otherwise agreed by Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

27.6 Billing Adjustments

For all gas delivered hereunder, the bill shall be computed to reflect the following billing adjustments as set forth in this tariff.

1) Interim Emergency and Temporary PIP Plan Tariff Schedule Rider;
2) General Service Temporary Base Rate Revenue Rider;
3) Excise Tax Rider;
4) Competitive Retail Natural Gas Surcredit Rider;
5) CHOICE® Program Sharing Credit;
6) Uncollectible Expense Rider; and
7) Infrastructure Replacement Rider.

27.7 Late Payment Charge

Upon next scheduled billing date, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Customer's total obligation.

This provision is not applicable to (1) unpaid account balances of Customers enrolled in payment plans pursuant to Section 4901:1-18-04 of the Ohio Administrative Code, or (2) unpaid account balances of less than $2,000.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

INTERIM, EMERGENCY AND TEMPORARY
PIP PLAN TARIFF SCHEDULE RIDER

29.1 Applicability

To all volumes delivered under rate schedules FRSGTS, FRMGTS, FRGTS and FRLGTS.

29.2 Rate

A PIP Plan base rate rider of $ .04004 per Ccf will apply to all tariff volumes of applicable customers.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

SMALL GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.3 Applicability

Applicable to all customers delivered under the Company's Full Requirements Small General Transportation Service schedule.

29.4 Temporary Base Rate Revenue Rider Rate

All gas consumed per account per month $.0063 per Mcf.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.5 Applicability

Applicable to all volumes delivered under the Company's Full Requirements General Transportation Service schedule.

29.6 Temporary Base Rate Revenue Rider

All gas consumed per account per month $.0058 per Mcf.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

LARGE GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

29.7 Applicability

Applicable to all volumes delivered under the Fixed Delivery Charge provision of the Company's Full Requirements Large General Transportation Service schedule.

29.8 Temporary Base Rate Revenue Rider Rate

All gas consumed per account per month $.010 per Mcf.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

HELD FOR FUTURE USE

SECTION VII
PART 29 - BILLING ADJUSTMENTS

EXCISE TAX RIDER

29.11 Applicability

Applicable to all customers except flexed customers served under Rate Schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.12 Rates

First 100 Mcf per account per month	$.1593 per Mcf
Next 1900 Mcf per account per month	$.0877 per Mcf
Over 2000 Mcf per account per month	$.0411 per Mcf

29.13 Applicability

Applicable to all customers being flexed served under Rate Schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.14 Rates

All bills rendered to a flex customer, as defined by 5727.80 (N) of the Ohio Revised Code, shall be adjusted to provide for recovery of this tax at a rate of $.02 per Mcf on all volumes delivered with a corresponding reduction to the flexed base rate(s) being billed the account.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

TRANSPORTATION PROGRAM COST RIDER

Reserved For Future Use

SECTION VII
PART 29 - BILLING ADJUSTMENTS

CHOICE[SM] PROGRAM SHARING CREDIT

29.15 **APPLICABILITY**

Applicable to all Customers served under rate schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.16 **DESCRIPTION**

Credit per Mcf for the sharing of off-system sales and capacity release revenues, to the extent Columbia is required to share such revenues with Customers pursuant to an order or entry of the Public Utilities Commission of Ohio. This credit shall further provide for the pass back of any amounts deferred as a regulatory liability to offset Net Choice Program Costs pursuant to the Commission's Entries issued March 11, 2004 and May 5, 2004 in Case No. 94-987-GA-AIR, et al that remains on Columbia's books at October 31, 2008. When applicable, Columbia shall commence the flow through of this credit to customers within ninety days of the closure of its books each year. This credit shall be calculated on the basis of annual consumption and remain in effect until all amounts deferred by Columbia have been flowed through to customers.

29.17 **RATE**

	Credit Per Mcf
All gas consumed per account per month	$.0939

SECTION VII
PART 29 - BILLING ADJUSTMENTS

UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS, FRGTS and FRMGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

An additional charge of $.1631 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover cost associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

COMPETITIVE RETAIL NATURAL GAS SURCREDIT RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS, FRGTS, FRMGTS and FRLGTS.

29.19 RATE

($.005837) per Mcf for all volumes delivered during the billing month.

SECTION VII
PART 29 – BILLING ADJUSTMENTS

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

29.22 Applicability

To all customers service under rate schedules FRSGTS, FRGTS and FRMGTS.

29.23 Infrastructure Replacement Program Rider

An additional charge per account per month, regardless of gas consumed, to recover costs associated with: Columbia's Natural Gas Riser testing, inventory and identification process; customer notification and education; the replacement of hazardous customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure; and, the maintenance, repair and replacement of customer-owned service lines. This Rider shall be calculated annually pursuant to a Notice filed no later than November 30 of each year based on nine months of actual data and three months of estimated data for the calendar year. The filing shall be updated by no later than February 28 of the following year to reflect the use of actual calendar year data. Such adjustments to the Rider will become effective with bills rendered on and after May 1 of each year.

29.24 Rate

Rate FRSGTS, Firm Requirements Small General Transportation Service	$0.00 / Month
Rate FRGTS, Firm Requirements General Transportation Service	$0.00 / Month
Rate FRMGTS, Firm Requirements Murphy General Transportation Service	$0.00 / Month

ATTACHMENT B

ACCOUNTING

Columbia Gas of Ohio, Inc.
Infrastructure Replacement Program
Accounting

Background: On April 13, 2005, the Public Utilities Commission of Ohio ("Commission") issued an entry initiating a Commission-ordered investigation into the type of gas service risers[1] being installed in the state of Ohio, the conditions of installation, and their overall performance. This investigation was triggered by multiple riser failures throughout Ohio. Local distribution companies ("LDC") were required to identify a sample number of installed risers, remove said risers and submit them to a testing laboratory. The Commission directed the large LDC to bear the costs associated with the riser investigation but indicated that they would entertain applications for accounting deferrals related to the cost of the investigation.

On November 24, 2006, the Commission Staff filed its Staff Report of Investigation in which it concluded that certain types of field-assembled risers were more prone to failure if not assembled and installed properly. As a result, the report recommended that distribution system operators conduct a riser inventory of their system to determine the types and locations of all risers in their system. In addition, the Commission Chairman requested, via a letter to gas distribution companies, that the LDCs address the question of whether those companies should assume responsibility for customer-owned service lines.

On March 2, 2007, COH filed a request for authority to revise its accounting procedures to provide for the deferral of costs incurred and to be incurred in connection with the Commission's investigation of natural gas service risers. On April 25, 2007, COH incorporated this request into an application to recover costs for an Infrastructure Replacement Program ("IRP") that also addresses the Commission Chairman's request regarding the ownership of customer owned service lines. Specifically, the application requests recovery of costs associated with:

- The Commission–ordered riser inventory and identification process,
- The assumption of financial responsibility for replacement of customer-owned risers prone to failure, and
- The assumption of financial responsibility for the replacement of customer-owned service lines.

The application requests "such accounting authority as may be required to permit capitalization of COH's investment in customer-owned service lines and risers through the assumption of financial responsibility for these facilities and the deferral of related costs for subsequent recovery through an automatic adjustment mechanism." In order to recover the costs of the IRP program, COH proposed to do the following:

1. Assume ownership and capitalize its investment in risers and customer-owned service lines as replaced,
2. Capitalize associated post in-service carrying charges ("PISCC")[2] until the investment in customer-owned service lines is included in rate base,

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[1] A riser is a piece of piping that connects the gas service line to the gas meter.
[2] PISCC will be calculated based on COH's average investment each month during the calendar year. The PISCC rate will be determined annually based on COH's weighted cost of debt. For recovery purposes, PISCC will be amortized over the life of the assets upon which it is accrued.

3. Record a regulatory asset for the related depreciation and incremental property taxes,
4. Recover the testing and survey costs in accordance with its application filed earlier, and
5. Recover all associated gross receipts tax.

Actual Costs Incurred as of 7/31/07:

▪ Riser Survey	$ 227,635
▪ Riser Identification	$2,710,381
▪ Riser Replacement	$ 183,228
	$3,121,244

Columbia Gas of Ohio, Inc.
Illustration of the Accounting for the Infrastructure Replacement Program
2007 PLANT ADDITIONS

ASSUMPTIONS & CALCULATIONS

	Hypothetical Rates	
PISCC Rate:	5.47%	Annual
	0.4558%	Monthly
Property Tax	2.0000%	Annual Composite
	0.1667%	Monthly
Depreciation	3.0000%	Annual
	0.2500%	Monthly
Plant Activity	see column 2 below	

	BB	*Hypothetical* Plant Activity	EB	Average	PISCC Rate	PISCC	Cum. PISCC	Depr. Rate	Depreciation	Deferred Depr.	Depr. Recognized	Prop Tax Rate	Property Taxes
	(1)	(2)	(3) = (1)+(2)	(4) = (3)/(2)	(5)	(6) = (5)x(4)	(7)	(8)	(9)=((4)+(7))x(8)	(10)	(11)	(12)	(13) see note
September, 2007	0	$ -	$ -	$ -	0.4558%	$ -	$ -	0.2500%	$ -	$ -	$ -	0.1667%	$ -
October	$ -	$ -	$ -	$ -	0.4558%	$ -	$ -	0.2500%	$ -	$ -	$ -	0.1667%	$ -
November	$ -	$ 11,089,000.00	$ 11,089,000.00	$ 5,544,500.00	0.4558%	$ 25,273.68	$ 25,273.68	0.2500%	$ 13,924.43	$ 13,924.43	$ -	0.1667%	$ -
December	$ 11,089,000.00	$ 11,089,000.00	$ 22,178,000.00	$ 16,633,500.00	0.4558%	$ 75,821.04	$ 101,094.72	0.2500%	$ 41,836.49	$ 41,836.49	$ -	0.1667%	$ -
Total 2007		$ 22,178,000.00				$ 101,094.72			$ 55,760.92	$ 55,760.92	$ -		
January, 2008	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 202,189.44	0.2500%	$ 55,950.47	$ 55,950.47	$ -	0.1667%	$ 36,963.33
February	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 303,284.16	0.2500%	$ 56,203.21	$ 56,203.21	$ -	0.1667%	$ 36,963.33
March	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 404,378.88	0.2500%	$ 56,455.95	$ 56,455.95	$ -	0.1667%	$ 36,963.33
April	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 505,473.60	0.2500%	$ 56,708.68	$ 56,708.68	$ -	0.1667%	$ 36,963.33
May	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 606,568.32	0.2500%	$ 56,961.42	$ 56,961.42	$ -	0.1667%	$ 36,963.33
June	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 707,663.04	0.2500%	$ 57,214.16	$ 57,214.16	$ -	0.1667%	$ 36,963.33
July	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 808,757.76	0.2500%	$ 57,466.89	$ 57,466.89	$ -	0.1667%	$ 36,963.33
August	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 909,852.48	0.2500%	$ 57,719.63	$ 57,719.63	$ -	0.1667%	$ 36,963.33
September	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 1,010,947.20	0.2500%	$ 57,972.37	$ 57,972.37	$ -	0.1667%	$ 36,963.33
October	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.4558%	$ 101,094.72	$ 1,112,041.92	0.2500%	$ 58,225.10	$ 58,225.10	$ -	0.1667%	$ 36,963.33
November	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.0000%	$ -	$ 1,112,041.92	0.2500%	$ 58,225.10	$ -	$ 58,225.10	0.1667%	$ 36,963.33
December	$ 22,178,000.00	$ -	$ 22,178,000.00	$ 22,178,000.00	0.0000%	$ -	$ 1,112,041.92	0.2500%	$ 58,225.10	$ -	$ 58,225.10	0.1667%	$ 36,963.33
Total 2008		$ -				$ 1,010,947.20			$ 687,328.08	$ 570,877.88	$ 116,450.20		$ 443,560.00

Note: Property taxes are calculated on based on plant balances at the end of the previous year (exclusive of PISCC) and are recorded monthly on a straight line basis. Therefore, property taxes, based on this illustration, would not be recorded until the following year.

2007 Journal Entries (Cumulative)

1. To transfer costs incurred to survey and identify risers and to educate customers from expense to a regulatory asset

182-Deferred Survey Costs	$ xx,xxx.xx	
182-Deferred Identification Costs	$ xx,xxx.xx	
182-Deferred Cust. Education Costs	$ xx,xxx.xx	
O&M Expense		$ (xx,xxx.xx)

2. To record 2007 charges to the blanket work order, PISCC, and depreciation

101- Gas Plant in Service	$	22,178,000.00		
Cash			$	(22,178,000.00)
101-Gas Plant in Service (PISCC)	$	101,094.72		
432 - PISCC			$	(101,094.72)
403-Depreciation Expense	$	55,760.92		
108 - Accumulated Depreciation			$	(55,760.92)
182 - Deferred Depreciation Expense	$	55,760.92		
403 - Depreciation Expense			$	(55,760.92)

2008 Journal Entries for 2007 Plant Additions (Cumulative)

3. To record 2008 charges for PISCC, depreciation and property taxes.

101-Gas Plant in Service (PISCC)	$	1,010,947.20		
432 - PISCC			$	(1,010,947.20)
403-Depreciation Expense	$	687,328.08		
108 - Accumulated Depreciation			$	(687,328.08)
182 - Deferred Depreciation Expense	$	570,877.88		
403 - Depreciation Expense			$	(570,877.88)
408-Taxes Other than Income	$	443,560.00		
23x - Accrued Taxes			$	(443,560.00)
182 - Deferred Property Taxes	$	369,633.33		
408 - Taxes Other than Income			$	(369,633.33)

(November & December would not be deferred as they will be included in base rates are effective 11/1/08)

On May 1, 2008, an IRP rate will go into effect to recover costs (including applicable gross receipts tax) associated with surveying and identifying risers and customer education as well as deferred PISCC and depreciation associated with 2007 expenditures that were deferred during 2007. The rate would continue to recover these costs through October 31, 2008 as new base rates will become effective November 1, 2008. After such time, the IRP will be reduced by the amount associated with the PISCC and depreciation deferred in 2007 for 2007 plant additions as those amounts will be reflected in base rates.

4. To record the revenues billed and the associated recoveries for the aforementioned costs for the period beginning May 1, 2008 and ending October 31, 2008.

14x - Accounts Receivable	$	xx,xxx.xx		
48x - Revenue			$	(xx,xxx.xx)
O&M Expense	$	xx,xxx.xx		
403 - Depreciation Expense	$	xx,xxx.xx		
182 - IRP Regulatory Asset			$	(xx,xxx.xx)
408 - Gross Receipts Tax	$	xx,xxx.xx		
236 - Accrued Taxes			$	(xx,xxx.xx)
409 - Federal Income Tax Expense	$	xx,xxx.xx		
236 - Accrued Taxes			$	(xx,xxx.xx)

On November 1, 2008 base rates would go into effect to recover costs associated with the remaining balances of the 2007 deferred charges associated with 2007 plant additions. The IRP rider would continue to collect amounts associated with the rider survey, identification and customer education costs reflected in the IRP filing effective May 1, 2008.

5. To record the revenues billed and the associated recoveries for the aforementioned costs for the period beginning November 1, 2008 and ending December 31, 2008.

14x - Accounts Receivable	$	xx,xxx.xx		
48x - Revenue			$	(xx,xxx.xx)
O&M Expense	$	xx,xxx.xx		
403 - Depreciation Expense	$	xx,xxx.xx		
182 - IRP Regulatory Asset			$	(xx,xxx.xx)
408 - Gross Receipts Tax	$	xx,xxx.xx		
236 - Accrued Taxes			$	(xx,xxx.xx)
409 - Federal Income Tax Expense	$	xx,xxx.xx		
236 - Accrued Taxes			$	(xx,xxx.xx)

ATTACHMENT C

ESTIMATED IMPACT

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Estimated Rate Impact of Proposed Riser Program Rate
Effective May 2008

Line No.		Year 2008	Reference
1	**Return on Investment**		
2	Plant In-Service		
3	Additions	22,178,000	Schedule No. 3
4	Retirements	-	Schedule No. 5
5	Total Plant In-Service	22,178,000	
6	Less: Accumulated Provision for Depreciaiton		
7	Depreciation Expense	55,445	Schedule No. 6
8	Cost of Removal	-	Schedule No. 4
9	Retirements	-	Schedule No. 5
10	Total Accumulated Provision for Depreciation	55,445	
11	Net Deferred Depreciation	55,445	Schedule No. 7
12	Net Regulatory Asset - PISCC	101,095	Schedule No. 8
13	Net Deferred Tax Balance - Property Taxes	-	Schedule No. 13
14	Deferred Taxes on Liberalized Depreciation	(370,478)	Schedule No. 9
15	Net Rate Base	21,908,616	
16	Approved Pre-tax Rate of Return	0.00%	
17	Annualized Return on Rate Base	-	
18	**Operating Expenses**		
19	Annualized Depreciation		
20	Risers	-	Schedule No. 10
21	Services - Customer	-	Schedule No. 10
22	Total	-	
23	Deferred Depreciation Amortization	1,663	Schedule No. 7
24	Deferrred PISCC Amortization	3,033	Schedule No. 8
25	Annualized Property Tax Expense	-	Schedule No. 12
26	Deferred Property Tax Expense Amortization	-	Schedule No. 13
27	Amortization of Survey & Customer Education Costs	7,413,977	Schedule No. 14
28	Total Program Costs Before Gross Receipts	7,418,673	
29	Gross Receipts Tax @ 4.9296%	365,711	
30	**Total Program Costs**	7,784,384	
31	Estimated Number of Customers	1,445,247	
32	Annual Cost Per Customer	5.39	
33	Cost Per Month Per Customer	0.45	

Schedule 2

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Plant Additions

Line		2007
1	**Services - Customer**	
2	Risers	17,778,000
3	Service Lines	4,400,000
4	Total	22,178,000
5		

Schedule 3

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Cummulative Plant Additions

Line No.	Cummulative	2007
1	**Services - Customer**	
2	Risers	17,778,000
3	Service Lines	4,400,000
4	Total	22,178,000

Schedule 4

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Cost of Removal

Line No.	Annual	2007
1	**Services - Customer**	
2	Risers	-
3	Service Lines	-
4	Total	-

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Cummulative Cost of Removal

Line No.	Cummulative	2007
1	**Services - Customer**	
2	Risers	-
3	Service Lines	-
4	Total	-

Schedule 5

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Retirements

Line No.	Cummulative	2007
1	**Services - Customer**	
2	Risers	-
3	Service Lines	-
4	Total	-

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Cummulative Retirements

Line No.	Cummulative	2007
1	**Services - Customer**	
2	Risers	-
3	Service Lines	-
4	Total	-

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Annualized Depreciation - Retirements

Line No.	Cummulative	Depreciation Rate	2007
1	**Services - Customer**		
2	Risers	3.00%	-
3	Service Lines	3.00%	-
4	Total		-

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Annual Provision for Depreciation

Line No.	Cummulative	Rate	2007
1	**Services - Customer**		
2	Risers	3.00%	44,445
3	Service Lines	3.00%	11,000
4	Total		55,445

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Cummulative Provision for Depreciation

Line No.	Cummulative	2007
1	**Services - Customer**	
2	Risers	44,445
3	Service Lines	11,000
4	Total	55,445

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Annualized Depreciation

Line No.	Cummulative	Rate	2007
1	**Services - Customer**		
2	Risers	3.00%	-
3	Service Lines	3.00%	-
4	Total		-

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Deferred Depreciation - Gross

Line No.	Cummulative	2007	2008
1	**Services - Customer**		
2	Risers	44,445	
3	Service Lines	11,000	
4	Total	55,445	

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Cummulative Deferred Depreciation - Gross

Line No.	Cummulative	2007	2008
1	**Services - Customer**		
2	Risers	44,445	
3	Service Lines	11,000	
4	Total	55,445	

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Deferred Depreciation - Amortization

Line No.	Cummulative	Dep Rate	2007	2008
1	**Services - Customer**			
2	Risers	3%	-	1,333
3	Service Lines	3%	-	330
4	Total		-	1,663

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Deferred Depreciation - Cummulative Amortization

Line No.	Cummulative	2007	2008
1	**Services - Customer**		
2	Risers	-	1,333
3	Service Lines	-	330
4	Total	-	1,663

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Deferred Depreciation Balance - Net

Line No.	Cummulative	2007	2008
1	**Services - Customer**		
2	Risers	44,445	43,112
3	Service Lines	11,000	10,670
4	Total	55,445	53,782

Schedule 8

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Gross PISCC Asset

Line No.	Regulatory Asset - Deferrals		2007	2008
1	Account			
2	182-2007-05	2007 Customer Risers	81,038	810,381
3	182-2007-06	2007 Customer Services	20,057	200,567
4	182-2008-05	2008 Customer Risers	-	-
5	182-2008-06	2008 Customer Services	-	-
6	182-2009-05	2009 Customer Risers	-	
7	182-2010-06	2009 Customer Services	-	
8	182-2009-05	2010 Customer Risers		
9	182-2010-06	2010 Customer Services		
10	182-2009-05	2011 Customer Risers		
11	182-2010-06	2011 Customer Services		
12	182-2009-05	2012 Customer Risers		
13	182-2010-06	2012 Customer Services		
14	182-2009-05	2013 Customer Risers		
15	182-2010-06	2013 Customer Services		
16	182-2009-05	2014 Customer Risers		
17	182-2010-06	2014 Customer Services		
18	182-2009-05	2015 Customer Risers		
19	182-2010-06	2015 Customer Services		
20	182-2009-05	2016 Customer Risers		
21	182-2010-06	2016 Customer Services		
22		Total	101,095	1,010,947
23		PISCC Rate	5.47%	5.47%

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Cummulative Gross PISCC Asset Before FIT

Line No.	Regulatory Asset - Deferrals		Year 2007	2008
1	Account			
2	182-2007-05	2007 Customer Risers	81,038	891,419
3	182-2007-06	2007 Customer Services	20,057	220,623
4	182-2008-05	2008 Customer Risers	-	-
5	182-2008-06	2008 Customer Services	-	-
6	182-2009-05	2009 Customer Risers	-	
7	182-2009-06	2009 Customer Services	-	
8	182-2010-05	2010 Customer Risers		
9	182-2010-06	2010 Customer Services		
10	182-2009-05	2011 Customer Risers		
11	182-2010-06	2011 Customer Services		
12	182-2009-05	2012 Customer Risers		
13	182-2010-06	2012 Customer Services		
14	182-2009-05	2013 Customer Risers		
15	182-2010-06	2013 Customer Services		
16	182-2009-05	2014 Customer Risers		
17	182-2010-06	2014 Customer Services		
18	182-2009-05	2015 Customer Risers		
19	182-2010-06	2015 Customer Services		
20	182-2009-05	2016 Customer Risers		
21	182-2010-06	2016 Customer Services		
22		Total	101,095	1,112,042

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Gross PISCC Asset Amotrization

Line No.	Regulatory Asset - Deferrals		Year 2007	2008
1	Account			
2	182-2007-05	2007 Customer Risers		2,431
3	182-2007-06	2007 Customer Services		602
4	182-2008-05	2008 Customer Risers		
5	182-2008-06	2008 Customer Services		
6	182-2009-05	2009 Customer Risers		
7	182-2009-06	2009 Customer Services		
8	182-2010-05	2010 Customer Services		
9	182-2010-06	2010 Customer Risers		
10	182-2009-05	2011 Customer Risers		
11	182-2010-06	2011 Customer Services		
12	182-2009-05	2012 Customer Risers		
13	182-2010-06	2012 Customer Services		
14	182-2009-05	2013 Customer Risers		
15	182-2010-06	2013 Customer Services		
16	182-2009-05	2014 Customer Risers		
17	182-2010-06	2014 Customer Services		
18	182-2009-05	2015 Customer Risers		
19	182-2010-06	2015 Customer Services		
20	182-2009-05	2016 Customer Risers		
21	182-2010-06	2016 Customer Services		
			-	3,033
22		Cummulative Amortization	-	3,033
		Net Balance Before FIT	101,095	1,109,009

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Net Deferred Tax - liberalized Depreciation

Line No. (1)	Tax Rate Life Rates		Year (2)	2007 Additions (3) ($)	Annual Tax Depreciation (23) ($)	Book Deprec. 1/ 2/ (24) ($)	Difference (2) ($)	Difference Tax @ 35.00% (2) ($)	Accumulatec Deferred Inc. Taxes (2) ($)
				22,279,095	0	22,279,095			
				Tax Depreciation					
2	0.05	0.0375	1	1,113,955	1,113,955	55,445	1,058,510	370,478	370,478

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Annualized Depreciation on Plant Additions

Line No.		Rates	2008
1	**Services - Customer**		
2	Risers	3.00%	533,340
3	Service Lines	3.00%	132,000
	Total		665,340

Schedule 11

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Annualized Depreciation on Plant Retirements

Line No.	Cummulative	Rates	2008
1	**Services - Customer**		
2	Risers	3.00%	-
3	Service Lines	3.00%	-
4	Total		-

Schedule 12

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Annualized Property Tax Calculation

Line No.		TY 2008 Total 2007
1	**Property Tax (Amounts Exclude PISCC)**	
2	Date Certain Investment.	22,178,000.00
3	Less: AFUDC In-Service	-
4	Less: Drawing Costs	-
5	Net Cost of Taxable Property	22,178,000.00
6	Percent Taxable	96.7%
7	True Value of Taxable Propoerty	21,446,126.00
8	Valuation Percentage	25%
9	Total Taxable Value	5,361,531.50
10	Retired Net Taxable Main @ End of Year	-
11	Net Property Tax Valuation	5,361,531.50
12	Annualized Property Tax	478,897.36
13	Average Property Tax Rate Per $1000	89.321

Schedule 13

Infrastructure Tracker Mechanism
Deferred Property Taxes - Gross

Line No.	Cummulative	Year 2007	2008
1	Total	0	478,897

Infrastructure Tracker Mechanism
Deferred Property Taxes - Cummulative

Line No.	Cummulative	Year 2007	2008
1	Total	0	478,897

Infrastructure Tracker Mechanism
Deferred Property Taxes - Amortization

Line No.	Cummulative	Amortization Rate	Year 2007	2008
1	Total	3.00%	0	-

Infrastructure Tracker Mechanism
Deferred Property Taxes - Cummulative Amortization

Line No.	Cummulative	Year 2007	2008
1	Total	0	-

Infrastructure Tracker Mechanism
Deferred Property Taxes - Net Before FIT Offset

Line No.	Cummulative	Year 2007	2008
1	Total	0	478,897

Infrastructure Tracker Mechanism
Deferred Property Taxes - Net FIT Offset

Line No.	Cummulative	Year 2007	2008
1	Total	-	311,283

Columbia Gas of Ohio, Inc.
Infrastructure Tracker Mechanism
Amortization of O&M Expenses

Line No.		Year 2008
1	Commission Investigation Costs	227,635
2	Survey Expenses	6,964,520
3	Customer Notification & Education Exp.	221,822
4	Total	7,413,977

ATTACHMENT D

CALCULATION OF PISCC RATE

Computation of the Initial Year PISCC Rate
For the Year 2007

	Amount ($000)	Capitalization Ratio	Cost Rate	Weighted Cost Rate
13 Month Average Short Term Debt *	30,942	6.93%	3.00%	0.21%
13 Month Average Long Term Debt *	415,576	93.07%	5.65%	5.26%
Total Average Debt *	446,518	100.00%	N/A	5.47%

* Based on Columbia Gas of Ohio's 2007 7+5 Financial Plan