Energy Distribution Group Legal

RECEIVED-DOCKETING DIV

MISOURCE Corporate Services

200 Civic Center Drive Columbus, OH 43215 (614) 460.6000 Fax: (614) 460.6986

2008 MAR 24 PM 3: 03

PUCO

March 24, 2008

Ms. Reneé J. Jenkins, Secretary Public Utilities Commission of Ohio 180 East Broad Street Columbus, OH 43215

RE: PUCO Case No. 91-1992-GA-ORD

Dear Ms. Jenkins.

On December 28, 2007, a Joint Stipulation and Recommendation was filed in Case Nos. 05-221-GA-GCR, 04-221-GA-GCR and 96-1113-GA-ATA. The Commission approved the Joint Stipulation and Recommendation in an Opinion and Order dated January 23, 2008. As set forth in Paragraph 36 of the Stipulation, Columbia agreed to document its curtailment/emergency gas confiscation procedures, as required by Rule 4901:5-25-02, OAC, and to docket the procedures in Case No. 91-1992-GA-ORD within sixty days after the issuance of the Commission order adopting the Stipulation. Pursuant to the Paragraph 36 of the Stipulation and the Commission Order adopting the Stipulation, attached for filing are Columbia's curtailment/emergency gas confiscation procedures. Thank you.

Sincerely.

Stephen B. Seiple

Attorney for

Columbia Gas of Ohio, Inc.

B Sasle

cc: Parties of Record in Case Nos. 05-221-GA-GCR, 04-221-GA-GCR and 96-1113-GA-ATA

## Columbia Gas of Ohio, Inc. Emergency Curtailment Plan March 24, 2008

Pursuant to the provisions of Ohio Administrative Code ("OAC") Chapter 4901:5-25, Columbia Gas of Ohio, Inc. ("Columbia") shall implement the following curtailment plan ("Plan") in response to a gas emergency that has been declared by the governor, at the directive of the Commission, or in response to a natural gas supply disruption that may affect service to a substantial number customers.

Attachment A is a description of the Curtailment Sequence that Columbia will follow in response to any such gas emergency. Columbia's curtailment of each class of customers will be performed based on its obligation to serve and the rate schedule under which service is being provided.

Attachment B contains the definitions of the terms used in Attachment A.

Attachment C describes the procedures that Columbia will use if circumstances require Columbia to divert gas supplies delivered into its system by a lower priority customer, or class of customers, to a higher priority group of customers.

There is no differentiation in the Plan between supply-related and capacity-related scenarios because both situations have a similar impact with regard to potential disruptions of service. There is no differentiation in the Plan between a customer class based upon the supplier of the commodity apart from supplier performance issues that may affect service to customers receiving service under the aforementioned rate schedules.

Curtailment of priority use customers shall be implemented only after all reasonable efforts have been made to curtail sufficient non-priority usage to restore or maintain operating pressures in the affected areas of Columbia's system. In the event the curtailment of priority use customers is necessary, Columbia shall utilize appropriate media and governmental resources to request voluntary reductions in usage and/or curtailments by all customers, with particular emphasis on non-priority use customers.

## COLUMBIA GAS OF OHIO, INC. ATTACHMENT A CURTAILMENT/INTERRUPTION SEQUENCE

Columbia will attempt to minimize the curtailment of higher priority customers resulting from temporary or long-term gas supply disruptions. Curtailment may be limited to a specific local usage area or may be statewide. The continuation of service to a lower priority class of customers in other local service areas may take place in those instances where curtailment is limited to a local usage area. Columbia's curtailment of each class of customers will be performed based on its obligation to serve and rate schedule under which service is being provided. The use of obligation to serve and rate schedules to facilitate the curtailment of customer(s) provides for ease of identification of the various classes of customers based on need for firm service and size of customer. This Curtailment/Interruption Sequence is as follows:

Stage 1	Curtailment of Interruptible Service
	Interruption of all Gas Transportation Service Volumes that Exceed Authorized Daily Volumes
Stage 2	Volumes consumed by or delivered to customers under Rate LGS, FRLGTS and LGTS
Stage 3	Volumes consumed by or delivered to customers under Rate GS, FRGTS, FRCTS and GTS
Stage 4	Volumes consumed by or delivered under Rate SGS, MGS, SGTS, FRSGTS and FRMGTS
Stage 5	Human Needs Customers

<sup>&</sup>lt;sup>1</sup> See Attachment B, Definitions.

## COLUMBIA GAS OF OHIO, INC. ATTACHMENT B DEFINITIONS

"Obligation to Serve" means Columbia is authorized to serve on a firm service basis; (1) 100 percent of Residential customers, (2) 100 percent of the remaining Human Needs customers and (3) 100 percent of the remaining Firm Service customers. Together the above customers constitute Columbia's "Core Market."

- (1) Human Needs Customer. The category "Human Needs" includes any service account where the use of natural gas is for space heating of a permanent residence or for use by a governmental agency or public service organization that provides emergency or life support services. Human needs customers shall include hospitals, nursing homes, and residential correctional institutions, but shall exclude hotels and motels.
- (2) Remaining Firm Service Customers. This category includes all Non-Residential and Human Needs customers that require Full Requirements Service except for transportation customers who have elected transportation service as of June 3, 1994. All Non-Residential customers using less than 2,000 Mcf per year must be classified as Remaining Firm Service. Customers on this service can choose either firm sales or firm transportation service.

"Authorized Daily Volume" means Customer's Authorized Daily Volume on any day consists of the sum of Customer's transported volumes (as determined herein) plus any Backup Service for which Customer has contracted, plus any additional volumes that Company, in its sole discretion, authorizes Customer to use on that day. Delivery of Customer's Authorized Daily Volume is firm, with no planned interruptions, except as provided in Part 48 hereof. Consumption at Customer's facility in excess of the Authorized Daily Volume is interruptible service, and upon notice to Customer, Columbia may require Customer to reduce consumption to Customer's Authorized Daily Volume whenever Columbia, in its discretion, deems it necessary to do so. Columbia may, at its option, require such reductions in consumption by Large General Transportation Service Customers prior to imposing similar reductions on Small General and General Transportation Service Customers. The Authorized Daily Volume for that portion of a Customer Group located in a given Local Usage Area shall equal the sum of the Authorized Daily Volumes (including Backup Service) for each group member located within such Local Usage Area.

"High Priority" means the Customer has contracted for a better quality of service. The order of interruption, which determines the quality of service, is as follows: (1) All volumes exceeding Authorized Daily Volumes; (2) volumes consumed by or delivered to customers served under Rate Schedules LGS and LGTS; (3) volumes consumed by or delivered to customers served under Rate Schedules GS and GTS; (4) volumes consumed by or delivered to customers served under Rate Schedules SGS, MGS, SGTS and FRMGTS; and (5) Human Needs Customers.

"Standby Service" means a type of backup service available to Large General Transportation Service Customers which will make gas available at all times except when interruption is necessary due to force majeure conditions or where service to Human Needs Customers is threatened.

"Firm Sales Volumes" means the portion of a Customer's requirements that Customer has chosen to purchase gas under a published sales rate schedule from Columbia on a firm regular basis,

"Full Requirements Service" means a type of backup service available to General Transportation Service Customers which will make gas available at all times, for 100% of Customer's Annual and Maximum Daily Transportation volumes, except when interruption is necessary due to force majeure conditions or where service to Human Needs Customers is threatened.

"Partial Full Requirements Service" means a type of backup service available to General Transportation Service Customers which will make gas available at all times, for a set percentage of Customer's Maximum Daily Transportation volume, except when interruption is necessary due to force majeure conditions or where service to Human Needs Customers is threatened.

"Small General Service (SGS)" means a type of sales service available to any customer that consumes less than 300 Mcf per year between September 1 and August 31 each year.

"Murphy General Service (MGS)" means a type of sales service available to any customer located in the territory formerly served by Murphy Gas Company.

"General Service (GS)" means a type of sales service available to any customer that consumes lat least 300 Mcf per year between September 1 and August 31 each year.

"Large General Service (LGS)" means a type of sales service available to any customer that consumes during one of the two most recent Annual Periods (November through October billing cycles) at least 18,000 Mcf, or Customer presents evidence demonstrating to Columbia's satisfaction that it will consume at least 18,000 Mcf per year during future Annual Periods. In addition, at least 50% of Customer's annual consumption must be consumed in the seven billing months of April through October, or Customer has previously executed a Commercial or Industrial Gas Service Agreement with Columbia, which was in effect immediately prior to the initiation of service hereunder.

"Small General Transportation Service (SGTS)" means a type of transportation service available to any commercial or industrial end use customer that consumes less than 300 Mcf per year between September 1 and August 31 each year. On any day, Columbia shall deliver Customer's Authorized Daily Volume of gas 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 Columbia 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 Columbia's tariff.

"General Transportation Service (GTS)" means a type of transportation service available to any commercial or industrial customer that consumes lat least 300 Mcf per year between September 1 and August 31 each year. On any day, Columbia shall deliver Customer's Authorized Daily Volume of gas 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 Columbia at a city gate that 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 Columbia's tariff.

"Large General Transportation Service (LGTS)" means a type of transportation service available to any commercial or industrial customer that consumes during one of the two most recent Annual Periods (November through October billing cycles) at least 18,000 Mcf, or Customer presents evidence demonstrating to Columbia's satisfaction that it will consume at least 18,000 Mcf per year during future Annual Periods. In addition, at least 50% of Customer's annual consumption must be consumed in the seven billing months of April through October, or Customer has previously executed a Commercial or Industrial Gas Service Agreement with Columbia, which was in effect immediately prior to the initiation of service hereunder.

"Full Requirements Small General Transportation Service (FRSGTS)" means a type of transportation service available to any end use customer participating in Columbia's CHOICE® Program in accordance with the terms of Columbia's tariff, and where the customer consumes less than 300 Mcf per year between September 1 and August 31 each year.

"Full Requirements Murphy General Transportation Service (FRMGTS)" means a type of transportation service available to any end use customer formerly served by Murphy Gas Company that is participating in Columbia's CHOICE® Program in accordance with the terms of Columbia's tariff.

"Full Requirements General Transportation Service (FRGTS)" means a type of transportation service available to any customer participating in Columbia's CHOICE<sup>®</sup> Program in accordance with the terms of Columbia's tariff, and where the customer consumes at least 300 Mcf, but less than 2,000 Mcf per year between September 1 and August 31, or the Customer is a Human Needs Customer that consumes at least 300 Mcf per year and is not otherwise eligible for service under rate schedule FRLGTS.

"Full Requirements Large General Transportation Service (FRLGTS)" means a type of transportation service available to any customer participating in Columbia's CHOICE® Program in accordance with the terms of Columbia's tariff that is a Human Needs Customer, and Customer's consumption during one of the two most recent Annual Periods (November through October billing cycles) was a least 18,000 Mcf, or Customer presents evidence demonstrating to Columbia's satisfaction that it will consume at least 18,000 Mcf per year during future annual periods.

"Full Requirements Cooperative Transportation Service (FRCTS)" means a type of transportation service available to any Cooperative that meets the availability requirements set forth in Section VII, Original Sheet 41, Part 41.2, Availability, of Columbia's tariff.

"Curtailment" means to cut-off; abbreviate; lessen or reduce the delivery of gas to lower priority customer(s) in an emergency in order to maintain service to a higher priority group of customers.

## ATTACHMENT C RIGHT TO DIVERT GAS SUPPLIES

During periods of curtailment of customers resulting from temporary or long-term gas supply disruptions, Columbia may divert gas supplies delivered into its system by a lower priority customer, or class of customers, to a higher priority group of customers to minimize the impact of the curtailment on the higher priority group of customers. In the absence of a contractual agreement for the purchase of this gas Columbia will reimburse the customer or its supplier for the cost of gas that was diverted at rate equal to 110% of the midpoint price, under the heading, "Columbia Gas, Appalachia," as reported in the Daily Price Survey table, in *Gas Daily* for the date(s) of flow of gas supplies diverted.