

John Zornes

From: cschindler@nisource.com
Sent: Monday, April 16, 2012 9:43 AM
To: John Zornes
Cc: dvair@nisource.com
Subject: Re: FW: Financial Guarantee Bond for ECO

Hi John-

I received the response below from our Credit Department:

Your request to have NiSource re-evaluate Columbia's credit exposure for Energy Cooperative has been conducted. As a result of the most recent credit review, Energy Cooperative's exposure will need to be covered by collateral. We have agreed to lower the amount of the collateral from \$650,000.00 to \$100,000.00. As you know, the market is quite volatile, and should your level of exposure increase, we will need to seek a higher level of collateral. We ask that Energy Cooperative remain flexible and willing to adjust by an amendment of the Surety Bond if and when the market situation changes.

We value our good working relationship with Energy Cooperative. Please let me know if you have any additional questions or concerns.

Carrie Schindler
Choice Analyst, Gas Transportation
614-460-5555 (Phone)
614-460-4291 (Fax)

From: "John Zornes" <jzornes@ohioenergycoop.org>
To: <cschindler@nisource.com>
Date: 04/10/2012 02:14 PM
Subject: FW: Financial Guarantee Bond for ECO

Carrie,

A couple months ago, I sent you an email requesting information on our credit requirements with Columbia Gas. Our payment for this bond is coming up and I was trying to see if we could reduce the amount of the bond that we carry. Currently the amount is \$650,000. Can you find out how much this will be going forward?

My original email is attached (below).

Thanks for your help,

John M. Zornes
Energy Cooperative of Ohio
790B Windmill Drive
Pickerington, OH 43147

Phone: 614-328-2957
Fax: 614-328-2958
Cell: 614-940-8039

-----Original Message-----

From: John Zornes [<mailto:jzornes@ohioenergycoop.org>]
Sent: Wednesday, March 14, 2012 11:26 AM
To: 'cschindler@nisource.com'
Subject: RE: Financial Guarantee Bond for ECO

Carrie,

Did you find anything out about our credit requirement per the message I sent on February 8, 2012? I wasn't sure if I had received an email since then and was following up on it. Let me know what you find out.

Thanks,

John

-----Original Message-----

From: cschindler@nisource.com [<mailto:cschindler@nisource.com>]
Sent: Thursday, February 09, 2012 3:09 PM
To: John Zornes
Subject: Re: Financial Guarantee Bond for ECO

Hi John-

I will check with our Credit Dept. and let you know as soon as possible.

Carrie Schindler
Choice Analyst, Gas Transportation
614-460-5555 (Phone)
614-460-4291 (Fax)

From: "John Zornes" <jzornes@ohioenergycoop.org>
To: <cschindler@nisource.com>
Date: 02/08/2012 02:30 PM
Subject: Financial Guarantee Bond for ECO

(Embedded image moved to file: pic17708.gif) Carrie,

Each year we renew a Guarantee Bond (currently for \$650,000) to cover our credit requirements for Columbia Gas. We wanted to review this amount to see if we can reduce the amount that we need to pay to cover this based on the reduction of our load and lower prices. Can you tell me what our current credit requirements are for Energy Cooperative of Ohio? This information may have been sent to us at an earlier date, but neither I or Kevin Smith can locate any copies of the last correspondence related to credit for us.

Thanks for your consideration in this matter,

John

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John M. Zornes
Energy Cooperative of Ohio
790B Windmiller Drive
Pickerington, OH 43147

Phone: 614-328-2957
Fax: 614-328-2958
Cell: 614-940-8039

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Version: 2012.0.1913 / Virus Database: 2112/4798 - Release Date: 02/09/12

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Version: 2012.0.1913 / Virus Database: 2411/4934 - Release Date: 04/13/12

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10/17/2012 5:17:15 PM

in

Case No(s). 02-1891-GA-CRS

Summary: Text Confirmation of reduction of surety bond for Columbia Gas for PUCO
Certification electronically filed by Mr. John M Zornes on behalf of Energy Cooperative of Ohio
and Zornes, John M Mr.