COLUMBIA GAS
of Ohio

28

January 22, 1997

RECEIVED
JAN 22 1997
DOCKETING DIVISION
Public Utilities Commission of Ohio

Mr. Marty Hengely
Docketing Department
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Re: Case Number 96-1113-GA-ATA
Case Number ~~89-500-AU-TRF~~
Case Number 89-8003-GA-TRF

Dear Mr. Hengely:

In compliance with the Public Utilities Commission of Ohio's rules governing Tariff Filing Procedures in Case Number 89-500-AU-TRF and the Entry of January 16, 1997 in Case No. 96-1116-GA-ATA, Columbia Gas of Ohio, Inc. (Columbia) has enclosed for filing three final copies of tariff sheets for the following:

Sheet Number	Description
Fifteenth Revised Sheet No. 1a	Index
Eleventh Revised Sheet No. 1b	Index
Second Revised Sheet No. 22	Billing Adjustments .
Fourth Revised Sheet No. 26	SGS Temp. Base Rate Rev. Rider
Fourth Revised Sheet No. 27	GS Temp. Base Rate Rev. Rider
First Revised Sheet No. 33	Gas Transp. Serv. - Definitions
Original Sheet No's 33a-33b	Gas Transp. Serv. -Requirements
Original Sheet No's 68-69	Full Req. Sm. Gen. Trans. Serv.
Original Sheet No's 70-71	Full Req. Gen. Trans. Serv.
Original Sheet No's 72-83	Full Req. Aggregation Service
Original Sheet No. 84	GCR Transition Rider
Original Sheet No. 85	Stranded Costs Recovery Rider
Original Sheet No. 86	Optional Balancing Service

Also in compliance with the Commission's rules governing tariff filings, Columbia has enclosed for filing in its assigned Tariff Filing Docket 89-8003-GA-TRF one copy for each of the above-mentioned tariff sheets.

Very truly yours,

Larry W. Martin

Larry W. Martin
Director, Regulatory Planning

Enclosures

RECEIVED
JAN 22 1997
TARIFF DIVISION
Public Utilities Commission of Ohio

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
Technician [signature] Date Processed 1-23-97

Columbia Gas of Ohio, Inc., 200 Civic Center Drive, P.O. Box 117, Columbus, Ohio 43216-0117

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

INDEX

Filed pursuant to PUCO Entry dated January 16, 1997 in Case No. 96-1113-GA-ATA

ISSUED: January 22, 1997 EFFECTIVE: January 22, 1997

Issued By
G. W. Babin, Vice President

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

INDEX

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) Transportation Take-or-Pay Surcharge

(d) Temporary Base Rate Revenue Rider

(e) FERC Order 636 Transition Costs

(f) Temporary Weather Normalization Rider (WNA)

(g) UPL Customer Surcharge

(h) GCR Transition Rider

(i) Stranded Costs Recovery Rider

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SMALL GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

APPLICABILITY:

Applicable to all Small General Service sales volumes and volumes delivered under the Full Requirements Small General Transportation Service and the Small General Transportation Service schedules.

TEMPORARY BASE RATE REVENUE RIDER RATE:

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

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

GENERAL SERVICE TEMPORARY BASE RATE REVENUE RIDER

APPLICABILITY:

Applicable to all General Service sales volumes and all volumes delivered under the Full Requirements General Transportation Service and the General Transportation Service schedules.

TEMPORARY BASE RATE REVENUE RIDER RATE:

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

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

constraints and without adversely affecting the Company's ability to provide reliable service to its firm customers. Such areas shall be shown on maps maintained by the Company, as modified from time to time due to changes in operating conditions.

W. "**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.

X. "**Demand Curve**" means an equation relating the Daily Demand of a Customer Group to such explanatory variables as the daily temperature and the impacts of weekday, weekends and holidays. This equation will include daily temperature as an explanatory variable only during the heating months. Columbia will utilize a weather service vendor to provide the temperature data, both forecast and actual, and will provide these temperature data to the Marketers. The projected values of the explanatory variables and the demand curve equation together provide the projected Daily Demand of the Marketer's aggregate group. Columbia calculates the weighted average temperature for each Columbia Transmission operating area, based on the temperature for the individual weather stations. The demand curve uses this weighted average temperature.

Y. "**Daily Demand**" means customer or customer group demand on any day.

Z. "**Day**" means 24 hour period beginning at 8:00 a.m.

AA. "**Columbia Customer Choice Program**" means gas transportation service provided under Columbia's FRSGTS and FRGTS rate schedules in combination with Columbia's Full Requirements Aggregation Service.

BB. "**Marketer**" means gas supplier under the Columbia Customer Choice Program.

CC. "**Residential Customer**" means customer using gas in a single-family residential dwelling or unit for space heating, air conditioning, cooking, water heating, incineration,refrigeration, laundry drying, lighting, incidental heating, or other domestic purposes. Includes a tenant billed for natural gas consumption or use by other tenants at the same premises.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

DD. **"Commercial Customer"** is a customer using gas through a single meter in commercial activities such as apartment buildings, rooming and boarding dwellings, residential hotels, multifamily row housing, doubles, duplexes, combination commercial and residential accounts be considered commercial if usage is half or more than half of the total service, and for all other situations where gas is supplied to consumers in two or more dwelling units designed for the primary purposes of residences. Includes warehousing, distributing or selling commodities, providing professional services, wholesale and retail stores, offices, office buildings, hotels, clubs, lodges, associations, restaurants, railroad and bus stations, banks, laundries, dry cleaners, mortuaries, garages for commercial activity, gasoline stations, theaters, bowling alleys, billiard parlors, motor courts, camps, bars, grills, taverns, retail bakeries, hospitals, schools, churches, religious and charitable institutions, governmental agencies or the like.

EE. **"Industrial Customer"** means a customer using gas primarily in a process which either involves the extraction of raw or unfinished materials in another form or product through the application of heat or heat treating, steam agitation, evaporation, baking, extraction, drying, distilling, etc.

FF. **"Flowing Supply"** means gas delivered from sources other than storage, generally via of firm or interruptible transportation capacity.

GG. **"Design Temperature"** means the coldest daily temperature for which Columbia plans capacity and supply.

HH. **"Design Demand"** means customer demand on a day with Design Temperature.

43. REQUIREMENTS FOR TRANSPORTATION SERVICE

(A) **Conditions of Service.** All transportation customers or their agents must have a personal computer which is capable of receiving notices from Company of any consumption limitations or interruptions imposed pursuant to Parts 47 or 48, twenty-four hours a day, seven days a week. Pursuant to Part 49, all transportation customers must either subscribe to (1) Volume and Banking Balancing Service or (2) be placed on a daily cash out provision. Customer's election in this regard shall be set forth in Customer's Service Agreement.

(B) **Daily Measuring Device.** All customers that are required by Part 49 to install a daily measuring device, or who elect to install a daily measuring device, must pay all costs associated with the purchase and installation of a Daily Demand reading meter (i.e., a meter equipped with an electronic measurement (EM) or automatic meter reading (AMR) device) and associated telemetering

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

equipment. Such customers shall also provide and pay for a dedicated telephone line and the AC electric power necessary to operate such electronic measurement and telemetering equipment. The meter, electronic measurement device (EM or AMR), and associated telemetering equipment shall be and remain the property of the Company. All customers/customer groups without daily measurement devices are subject to the issuance of Operation Flow Orders pursuant to Part 63. All customers/customer groups with daily measurement devices are subject to the issuance of Operation Matching Orders pursuant to Part 64.

(C) **Electronic Bulletin Board.** Customer or Customer's agent shall have access to Company's Electronic Bulletin Board.

43a. SERVICE AGREEMENT

Before commencing service hereunder, Customer shall execute a service agreement in the form contained herein. The service agreement shall set forth: (1) the point(s) of receipt at which Company will accept delivery of Customer's gas; (2) the point(s) at which Company will redeliver gas to Customer's facilities; (3) Customer's maximum daily and annual transportation volumes; (4) daily meter reading service election and (5) the specific services and levels of such services for which customer has contracted. This provision does not apply to a customer that signs a service agreement with a Marketer for service under Columbia's Customer Choice Program.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

FULL REQUIREMENTS SMALL GENERAL TRANSPORTATION SERVICE (FRSGTS)

APPLICABILITY

Applicable in all of Lucas County and within the municipalities of Perrysburg, Rossford, Walbridge, Moline, Stony Ridge, Northwood, Genoa and Millbury served by Columbia and all PIPP customers located within Columbia's service territory.

AVAILABILITY

Available to any residential or commercial customer that meets the following requirements:

A. The customer must be part of a Customer Group, as the term is defined herein;

B. The Customer Group consists of either (1) a minimum of 200 residential customers; (2) a group of commercial customers with at least 20,000 Mcf of annual throughput; or (3) all PIPP customers; the Customer Group is served by a single Marketer; and the Marketer must have executed an "Full Requirements" aggregation service agreement with Columbia;

C. The Marketer must have acquired, or agreed to acquire, an adequate supply of natural gas of a quality acceptable to Columbia, including allowances for (1) retention required by applicable upstream transporters; and (2) lost and unaccounted-for gas to be retained by Columbia. The Marketer has made, or has caused to be made, arrangements by which gas supply can be transported directly to specified receipt points on the Columbia's distribution system; and,

D. (1) The 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; or

(2) The PIPP 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. All customers who use less than 300 Mcf annually, and participating in Columbia's Percentage of Income Payment Plan, will be served under this rate schedule. All PIPP customers will be pooled into one aggregation, by Columbia Gas Transmission Corporation operating area, with Marketers bidding for the ability to serve the entire PIPP Aggregation Pool.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

TRANSFER OF SERVICE

Subject to any contrary provision of the agreement with the Marketer, residential customers may leave a Marketer's Customer Pool and join any other Customer Pool upon payment of a $5.00 switching fee billed to the succeeding Marketer by Columbia, or revert back to sales service from Columbia for which there will be no switching fee.

CHARACTER OF SERVICE

Service provided under this schedule shall be considered firm service.

DELIVERY CHARGE

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

All gas delivered per account per month $1.5828 per Mcf
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 Columbia and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

BILLING ADJUSTMENTS

For all gas delivered hereunder, the bill shall be computed to reflect applicable billing adjustments as set forth in Part 41 of the Columbia's Rules and Regulations governing the distribution and sale of gas.

UNACCOUNTED-FOR GAS

Columbia will retain a percentage of all volumes delivered to it for the account of Customer to offset gas which is unaccounted-for in transporting these volumes. The unaccounted-for percentage is based on the Columbia Gas of Ohio, Inc.'s system wide average for the twelve (12) months ending August 31 of each year and placed in effect as soon as practicable following the determination of the percentage.

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 Columbia's Rules and Regulations governing the distribution and sale of gas.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

FULL REQUIREMENTS GENERAL TRANSPORTATION SERVICE (FRGTS)

APPLICABILITY

Applicable in the area of all of Lucas County and within the municipalities of Perrysburg, Rossford, Walbridge, Moline, Stony Ridge, Northwood, Genoa and Millbury served by Columbia and all PIPP customers located within Columbia's service territory.

AVAILABILITY

Available to any residential or commercial customer that meets the following requirements:

A. The customer must be part of a Customer Group, as the term is defined herein;

B. The Customer Group consists of either (1) a minimum of 200 residential customers; (2) a group of commercial customers with at least 20,000 Mcf of annual throughput; (3) or all PIPP customers; the Customer Group is served by a single Marketer; and the Marketer must have executed an "Full Requirements" aggregation service agreement with Columbia;

C. The Marketer must have acquired, or agreed to acquire, an adequate supply of natural gas of a quality acceptable to Columbia, including allowances for (1) retention required by applicable upstream transporters; and (2) unaccounted-for gas to be retained by Columbia. The Marketer has made, or has caused to be made, arrangements by which gas supply can be transported directly to specified receipt points on the Columbia's distribution system; and,

D. (1) The customer consumes at least 300 Mcf but less than 2,000 Mcf per year between September 1 and August 31 or is a commercial human needs customer. Annual consumption for customers served hereunder will be reviewed each August 31st; or

(2) The PIPP 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. All customers which use at least 300 Mcf annually, and participating in Columbia's Percentage of Income Payment Plan, will be served under this rate schedule. All PIPP customers will be pooled into one aggregation, by Columbia Gas Transmission operating area, with Marketers bidding for the ability to serve the entire PIPP Aggregation Pool.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

TRANSFER OF SERVICE

Subject to any contrary provision of the agreement with the Marketer, residential customers may leave a Marketer's Customer Pool and join any other Customer Pool upon payment of a $5.00 switching fee billed to the succeeding Marketer by Columbia, or revert back to sales service from Columbia for which there will be no switching fee.

CHARACTER OF SERVICE

Service provided under this schedule shall be considered firm service.

DELIVERY CHARGE

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

First 25 Mcf per account per month $1.5250 per Mcf
Over 25 Mcf per account per month $1.4427 per Mcf

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 Columbia and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder.

BILLING ADJUSTMENTS

For all gas delivered hereunder, the bill shall be computed to reflect applicable billing adjustments as set forth in Part 41 of the Columbia's Rules and Regulations governing the distribution and sale of gas.

UNACCOUNTED-FOR GAS

Columbia will retain a percentage of all volumes delivered to it for the account of Customer to offset gas which is unaccounted-for in transporting these volumes. The unaccounted-for percentage is based on the Columbia Gas of Ohio, Inc.'s system wide average for the twelve (12) months ending August 31 of each year and placed in effect as soon as practicable following the determination of the percentage.

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 Columbia's Rules and Regulations governing the distribution and sale of gas.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

SECTION VI - Full Requirements Aggregation Service

67. AGGREGATION SERVICE

(A) **Availability.** This service is available to Marketers delivering gas, on a firm basis, to the Company's city gates on behalf of customers receiving transportation service from the Company under Rate Schedules FRSGTS and FRGTS. Service hereunder allows Marketers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the requirements of customer groups participating in Columbia's Customer Choice Program.

(B) **Aggregation Pool.** Marketers will be allowed to establish one or more customer pools for aggregation purposes. Customers within an aggregation pool must be located within the same Columbia Gas Transmission Corporation operating area. The aggregation pool referred to herein shall mean the Customer Group the Marketer establishes, for provision of service, under the Company's FRSGTS and FRGTS rate schedules.

(C) **Aggregation Agreement.** Before commencing service hereunder, Marketer(s) must have executed a service agreement with the Company and must provide for each Customer Group: (1) a list of all customers included in the Customer Group; and (2) a copy of the consent form between each customer and the Marketer. One master agreement will be allowed for multiple aggregations.

The benefits and obligations of this service agreement shall begin when the Company commences to supply gas service. It shall inure to and be binding upon the successors and assigns, survivors and executors or administers as the case may be, or the original parties thereto, respectively, for the full term thereof. However, no agreement for service may be assigned or transferred without the written consent of or approval of the Company which shall not be unreasonably withheld.

(D) **Requirements for Participation.** Marketers desiring to participate in the Columbia Choice Customer Choice will be evaluated to establish credit levels acceptable to the Company. Marketers not meeting the necessary credit level will be required, at Columbia's option, to provide additional security in the form of a letter of credit, surety bond, cash deposit, and/or appropriate guaranty to participate.

In order for Columbia to complete the evaluation, Marketers will be required to provide the following information:

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

1. Current financial statements prepared in the last 12 months;
2. Most recent annual report, 10K or 10Q;
3. List of parent company and other affiliates;
4. Names, addresses, and telephone numbers of 3 trade references; and
5. Names, addresses, and telephone numbers of banking institution contacts.

Evaluations will be based on standard credit factors such as previous customer history, Dun & Bradstreet financial and credit ratings, trade references, bank information, unused line of credit, and financial information. Columbia shall have sole discretion to determine credit worthiness based on the above criteria but will not deny credit worthiness without reasonable cause.

A fee of $50.00 will be assessed for each evaluation. Columbia reserves the right to conduct evaluations during the course of the program when information has been received by Columbia that indicates the credit worthiness of a Marketer may have deteriorated or that the Marketer's program is exceeding the credit level previously approved by Columbia.

(E) Code of Conduct: Each Marketer participating in Columbia's Customer Choice Program shall:

1. communicate to residential and participating commercial customers, in clear understandable terms, the customers' rights and responsibilities. This communication shall include (a) the Marketer's customer service address and telephone number; (b) a statement describing the Marketer's dispute resolution procedures; (c) a statement the Marketer must provide, to the maximum extent possible, the customer with 30 days written notice prior to discontinuing service; and (d) notice that the continuation of this program is subject to the Commission's approval.

2. provide in writing to residential and participating commercial customers pricing and payment terms that are clear and understandable;

3. refrain from engaging in communications or practices with residential and participating commercial customers which are fraudulent, deceptive, or misleading;

4. deliver gas to Columbia on a firm basis, on behalf of the Marketer's residential and participating commercial customers in accordance with the requirements of the Aggregation Agreement.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

If Marketer fails to deliver gas in accordance with its aggregation customers' full service requirements for natural gas, Company shall supply natural gas temporarily to the affected aggregation customers, and shall bill Marketer the higher of either 1) the fair market price for that period, or 2) the highest incremental cost of gas for that period that actually was paid by Columbia, including transportation and all other applicable charges.

5. undergo a credit evaluation, at the Marketer's expense, to assure that the Marketer is sufficiently credit-worthy to protect against damages resulting from any failure to deliver gas in accordance with the requirements of the program, and to assure payment of any PUCO-approved charges for any such failure.

6. provide residential and participating commercial customers during the first contract year of the Columbia Customer Choice Program, the right to terminate or renegotiate their gas supply contract after one full year of service. The Marketer shall notify the customer of this right.

7. provide residential and commercial customers participating in the Columbia Customer Choice program, a "regulatory out" provision in all contracts which allows contracts to be terminated without penalty should the program be terminated prior to the end of the contract.

8. to the maximum extent possible provide Columbia and the customer at least 30 days notice prior to the end of the customer contract term of the Marketer's intent to discontinue service to the customer.

9. to the maximum extent possible attempt to resolve disputes between the Marketer and residential customers participating in Columbia's Customer Choice program.

If a Marketer fails to deliver gas in accordance with the requirements of the Columbia Customer Choice Program, or otherwise fails to comply with Paragraph (67E) above, Columbia shall have the discretion to suspend temporarily or terminate such Marketer's participation in the Columbia Customer Choice Program. If the Marketer is suspended or expelled from Columbia's Customer Choice Program, customers in the Marketer's pool shall revert to Columbia sales service, unless and until said customer joins another customer pool.

In the event Columbia seeks to suspend or terminate a Marketer from the Columbia Customer Choice Program, Columbia shall first notify the Marketer of the alleged violations which merit suspension or termination. Such notice shall be in writing and sent to the Marketer at the fax number listed in the Aggregation Agreement ten business days prior to the suspension or termination.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

(F) Dispute Resolution.

1. **Customer Inquiries and Disputes.** Each Marketer shall cooperate with Columbia, the Commission's Consumer Services Department (CSD), and the Ohio Consumers' Counsel (OCC) to answer inquiries and resolve disputes for all customers participating in the Customer Choice Program. As part of this ongoing cooperation:

   a) Marketer must provide a telephonic means for customers participating in Columbia's Customer Choice Program to obtain information on their account and a method to resolve disputes with the Marketer. The Marketer shall provide a copy of the method to resolve disputes to the CSD and the OCC (as it pertains to residential customers), and the name and phone number of a contact person from the Marketer whom the Commission's CSD, Columbia, or the OCC may contact concerning customer complaints.

   b) Each participating customer bill shall list the CSD's local or toll free number and TDD/TTY number, and the OCC's phone number on each billing statement as well as the Marketer's consumer service local or toll free phone number. Participating customers may contact the CSD or the OCC (as to residential matters) with any problem(s) they are experiencing with the Columbia Customer Choice Program.

   c) For the Commission's use in complaint handling, Marketer will, upon the request of the CSD, provide copies of all informational materials and standard contracts, including updates to these materials if substantially changed. Marketer will also provide copies of individual contracts to the CSD, as needed, in order to resolve customer complaints.

   d) Each Marketer shall cooperate with Columbia, the Commission, and OCC to answer inquiries and resolve disputes. Marketers must provide a contact person to work with the Commission's CSD Staff and OCC with the authority to resolve customer complaints and inquiries received by the CSD Staff and OCC. If a Marketer fails to negotiate or resolve customer disputes that arise from the contract, complaints may be brought to the Commission through its normal complaint handling procedures. The Commission may order Columbia to impose sanctions against the marketer for violating the Code of Conduct.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

2. **Termination of Service.** The written agreement between the Marketer and the residential customer shall be terminated for non-payment of the customer gas cost provided the Marketer has given no less than a thirty (30) day notice of termination of service.

(G) **Customer Sign-Up Procedure.** Customers participating in Columbia's Customer Choice Program, must execute a "Customer Consent Form" which states that the customer has agreed to participate in the Program and has signed a written agreement with the Marketer which states the terms and conditions covering the customer's gas supply purchase. The format of the consent form may be designed by the Marketer but must include the information shown on Original Sheet No. 83. Marketers must provide a copy of each completed and executed Customer Consent Form to Columbia no later than 30 days after the Marketer has notified Columbia of the customer's intent to participate in the program. Marketers will provide a computer spreadsheet listing all of their accounts via electronic means suitable to Columbia. The listing shall include customers' sixteen digit account number. The Marketer will be responsible for verifying the eligibility of each customer.

Columbia will verify the listing with its database and then provide the Marketer a normalized monthly volumetric profile and Demand Curve for the customers in the aggregate as well as an exceptions report. In the event that a customer attempts to join more than one Customer Pool, with more than one Marketer, the computer listing first processed by Columbia will be used to determine which Customer Pool the customer will be assigned.

Any incomplete submittal will be returned to the Marketer for completion.

Marketers will be provided with a diskette listing their customers no later than the 20th of each month. Columbia will provide an accompanying letter listing the capacity assignment, monthly volumetric profile, and the demand curve.

(H) **Billing Options.** Marketers may choose from two billing options in rendering a bill to a residential or participating commercial customer. The Marketer may opt to (1) have Columbia issue the total bill; or (2) the Marketer may bill their portion of the bill with Columbia continuing to bill the non-gas cost portion of the bill. Columbia exclusively must issue the total bill for all PIPP customers.

(I) **Optional Assignment of Capacity.** Marketers participating in Columbia's Choice Program may elect the assignment of firm capacity under Columbia Gas Transmission's rate schedules Firm Transportation Service (FTS), Firm Storage Service (FSS) including Storage Service Transportation (SST) and Columbia Gulf Transmission Corporation's Rate Schedules FTS-1 and FTS-2. Capacity is offered in the same proportion as contracted for by Columbia to serve its existing peak day requirements.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI - Full Requirements Aggregation Service

Total capacity offered will be equal to the customer group peak day demand as estimated by Columbia. Marketers may elect to take less than the maximum capacity offered.

Marketers may elect the assignment of firm transportation and storage capacity, provided capacity is assigned in accordance with the following provisions:

(1) Each Customer Group must be located within a single Columbia Gas Transmission operating area for purposes of assignment.

(2) Assignment of firm capacity on Columbia Gulf Transmission will be provided only if the Marketer accepts an equal amount of firm transportation capacity on Columbia Gas Transmission Corporation, adjusted for retention. Marketers that elect Columbia Gulf FTS-2 must also elect Columbia Gulf FTS-1.

(3) The Marketers must elect at least the minimum storage capacity required for daily balancing as determined by the Company to be eligible for assignment of firm storage capacity.

(4) Firm Storage Service Capacity (FSS) will be assigned in the same ratio of seasonal contract quantity (SCQ) to maximum daily storage quantity (MDSQ) as contained in the Company's contract with Columbia Gas Transmission Corporation. Marketers must also elect equal levels of Columbia Gas Transmission Corporation's SST capacity and MDSQ. Marketers which elect storage assignment must meet minimum prescribed storage inventory of 98% at November 1; a minimum inventory level of 30% at February 11th; and a minimum of 2% on April 1. Marketers must pre-authorize Columbia Gas Transmission Corporation to provide this inventory information to Columbia on these dates.

(5) Capacity assignment, if any, will be for a period of twelve months.

(6) Marketers assigned capacity are subject to the terms and conditions of the tariffs of those transmission companies on whose facilities capacity was assigned.

(7) A Marketer which elects assignment of storage capacity may serve the daily demands of its customers through any combination of Flowing Supply and storage withdrawals, subject only to limitations of the pipeline tariffs. A Marketer which does not elect storage assignment must instead serve the demands of its customers through the Daily Balancing Option described in Paragraph (67L). Columbia may recall capacity to resume service to customers in any instance where a Marketer fails to serve the daily demands of its customers.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI - Full Requirements Aggregation Service

Columbia will adjust, at the Marketer's request, firm transportation capacity assignments monthly to reflect changes in peak day requirements resulting from gains or losses of customers. Columbia will adjust, at the Marketer's request, the assignment of storage capacity five days prior to close of bidding for the November billing month, to be effective November 1. If the storage assignment changes on November 1, Columbia and the Marketer will make a corresponding inventory transfer at the applicable LIFO rate, plus excise taxes. If additional customers join a Marketer's Customer Pool, so that the assignment to the Marketer increases, the Marketer will pay Columbia for the storage capacity charges Columbia incurred during the period April through October on the incremental capacity, including both FSS and SST. If the Marketer loses customers so that storage capacity is returned, Columbia will pay the Marketer the storage capacity charges it incurred on the returned capacity during the period April through October.

(J) **Return of Capacity and Storage Inventory.** If a Marketer who has elected storage capacity assignment in the prior year elects, effective April 1, to return the storage capacity to Columbia or third party, the Marketer may choose how to dispose of any inventory remaining in storage. The Marketer will have the option to sell the inventory to Columbia at 95 percent of the difference of 1) the Mid-Atlantic City Gate Columbia Gas Price Index reported for the first trading day of April in Gas Daily, minus 2) Columbia Gas Transmission Corporation SST commodity and fuel charges.

If the Marketer elects to quit the Columbia Customer Choice Program on April 1, Columbia shall have the right to recall any capacity assigned to the Marketer, and the Marketer shall have the right to return the capacity. The Marketer will have the option to sell the inventory to Columbia at 95 percent of the difference of 1) the Mid-Atlantic City Gate Columbia Gas Price Index reported for the first trading day of April in Gas Daily, minus 2) Columbia Gas Transmission Corporation SST commodity and fuel charges.

If the Marketer has elected capacity assignment and subsequently, is excluded from the further participation in the Program, as provided in the Code of Conduct Paragraph (67E) of the Rules and Regulations in the Company's tariff, then Columbia will recall the capacity. However, the Marketer shall remain responsible for the difference between the market value of the assigned capacity for the remaining year and the full demand charges. Columbia shall have the option to buy the storage inventory held by the Marketer for its Customer Group. Columbia's purchase price will equal 95 percent of the difference of 1) the Mid-Atlantic City Gate Columbia Gas Price Index reported for the prior trading day in the Gas Daily published on the day Columbia issues its decision, minus 2) Columbia Gas Transmission Corporation SST commodity and fuel charges.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI - Full Requirements Aggregation Service

(K) Reassignment of Capacity. Marketers may reassign capacity subject to recall by the Company. The assignee shall remain subject to all operational flow orders and recall provisions invoked by Columbia. The assignee continues to be responsible to Columbia for payment of all upstream pipeline charges associated with the assigned capacity, including, but not limited to demand and commodity charges, shrinkage, injection and withdrawal charges, GRI charges, cash outs, transition costs, pipeline overrun, actual cost adjustments and all other applicable charges.

(L) Daily Balancing Option. Marketers which do not elect assignment of minimum storage requirements for daily balancing purposes must pay Columbia for daily balancing service in accordance with the following provisions:

(1) Deliveries will be made pursuant to a demand curve for each customer group. Marketers must deliver to the city gate each day the volume projected by that demand curve, unless otherwise directed by Columbia. Columbia may revise the demand curve as it deems necessary. Columbia will provide daily balancing service for the difference between actual demand and the demand projected by the Demand Curve. Any Marketer which fails to deliver gas volumes in accordance with the projected demand curve may be excluded from participation in the program.

(2) Marketers that subscribe for this service will be billed the Optional Balancing Charge rate per Mcf set forth on Original Sheet No. 86 on all volumes delivered to the customer group each billing month. This rate will be updated concurrent with the Company's Gas Cost Recovery filings to reflect changes in the rates of those suppliers whose services underlie the provision of this service.

(3) Columbia may modify downward the demand curve during the calendar months of October and November to provide for deliveries by the Marketer of less gas than the projected consumption level of the customer group.

Columbia may modify the Demand Curve upward during the months of May through August to offset under-deliveries in the months of October and November. Columbia will notify Marketers by April 15 of all volumes to be delivered in excess of the Demand Curve requirements during the months of May through August.

Marketers which elect this service are subject to Operational Flow Orders issued by Columbia as described in Paragraph (67O) of this tariff. Columbia may suspend from this program any Marketer which does not comply with an Operational Flow Order.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

(M) **Measurement of Delivered Volumes.** Monthly volumes billed to participating customers shall be considered actual volumes delivered, whether the meter reading is actual or calculated.

(N) **Quarterly Reconciliation.** Columbia will reconcile imbalances on a quarterly basis, for each Marketer, through determination of the difference between (1) the Marketer's deliveries for the prior quarter and (2) the actual consumption of the Marketer's aggregate Customer Group, adjusted for recognition of all adjustments applicable to a prior quarter.

Marketers will have the option to eliminate the imbalance through either 1) payment from Columbia for excess deliveries or billed from Columbia for under-deliveries at the average for the three months of the quarter of the midrange of the Mid-Atlantic Citygate Columbia Gas price index reported for the first trading day of the month in Gas Daily or 2) the exchange of gas with Columbia via a storage inventory transfer or delivery over the next 30 days. All elections must be made at the time the Marketer contracts with Columbia for Aggregation Service.

(O) **Operational Flow Orders.** Marketers are subject to the Company's issuance of operational flow orders which will direct each Marketer to adjust scheduled volumes to match the Customer Group's estimated usage. However, on days with projected temperature colder than the design winter peak day temperature, the Marketer will have two options. The Marketer may: 1) deliver to Columbia the volume of gas equal to the projected demand; or 2) the Marketer may deliver to Columbia only that volume equal to the design peak day demand, and rely on Columbia to acquire the incremental volume, the difference of the projected demand minus the design peak day demand. If the Marketer selects the second option, the Marketer will pay Columbia for its costs in obtaining the incremental supply. Failure of the Marketer to deliver volume in accordance with their selected option shall be grounds for expulsion from Columbia's Customer Choice Program.

Failure to comply with an Operational Flow Order will result in the billing of the following charges to the OFO shortfall which is to be defined as the difference between the daily OFO volume and actual daily deliveries:

(1) the payment of a gas cost equal to the highest incremental cost paid by Columbia on the date of non-compliance;

(2) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any thirty day period; and

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

(3) the payment of all other charges incurred by Columbia on the date of the OFO shortfall.

(P) **Standards of Conduct.** In operation of the Columbia Customer Choice Program, the Company will adhere to the following Standards of Conduct for Marketing Affiliates and Internal Merchant Operations:

(1) Columbia must apply any tariff provision relating to transportation services in the same manner to the same or similarly situated persons if there is discretion in the application of the provision.

(2) Columbia must strictly enforce a tariff provision for which there is no discretion in the application of the provision.

(3) Columbia may not, through a tariff provision or otherwise, give its marketing affiliate or customers of its affiliate preference over non-affiliated gas Marketers or customers of marketers in matters, rates, information, or charges relating to transportation service including, but not limited to, scheduling, balancing, metering, storage, standby service or curtailment policy. For purposes of Columbia's Customer Choice program, any ancillary service provided by Columbia, e.g. billing and envelope service, that is not tariffed will be priced uniformly for affiliated and non-affiliated companies and available to all equally.

(4) Columbia must process all similar requests for transportation in the same manner and within the same approximate period of time.

(5) Columbia shall not disclose to anyone other than a Columbia Gas of Ohio employee any information regarding an existing or proposed gas transportation arrangement, which Columbia receives from (i) a customer or Marketer, (ii) a potential customer or Marketer, (iii) any agent of such customer or potential customer, or (iv) a Marketer or other entity seeking to supply gas to a customer or potential customer, unless such customer, agent, or Marketer authorizes disclosure of such information.

(6) If a customer requests information about Marketers, Columbia should provide a list of all Marketers operating on its system, but shall not endorse any Marketer nor indicate that any Marketer will receive a preference because of a corporate relationship.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

(7) Before making customer lists available to any Marketer, including any Columbia marketing affiliate, Columbia will post on its electronic bulletin board a notice of its intent to make such customer list available. The notice shall describe the date the customer list will be made available, and the method by which the customer list will be made available to all marketers.

(8) To the maximum extent practicable, Columbia's operating employees and the operating employees of its marketing affiliate must function independently of each other. This includes complete separation of the gas or natural gas Company's procurement activities from the affiliated marketing company's procurement.

(9) Columbia shall not condition or tie its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas supplier, customer or other third party in which its marketing affiliate is involved.

(10) Columbia and its marketing affiliate shall keep separate books of accounts and records.

(11) Neither Columbia nor its marketing affiliate personnel shall communicate to any customer, Marketer or third party the idea that any advantage might accrue for such customer, Marketer or third party in the use of Columbia's service as a result of that customer's, Marketer's or other third party's dealing with its marketing affiliate.

(12) Columbia shall establish a complaint procedure for issues concerning compliance with these standards of conduct. All complaints, whether written or verbal, shall be referred to the general counsel of Columbia. The general counsel shall orally acknowledge the complaint within five (5) working days of receipt. The general counsel shall prepare a written statement of the complaint which shall contain the name of the complainant and a detailed factual report of the complaint, including all relevant dates, companies involved, employees involved, and specific claim. The general counsel shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received including a description of any course of action which was taken. The General Counsel shall keep a file with all such complaint statements for a period of not less than three years.

(Q) **Other Rules and Regulations.** Except to the extent superseded herein, Section I through V of the Company's Rules and Regulations Governing the Distribution and Sale of Gas and such other Commission rules as are applicable shall apply to all gas transportation service provided hereunder.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

SECTION VI- Full Requirements Aggregation Service

CUSTOMER CONSENT FORM

I have signed a written agreement for the purchase of natural gas supply containing the terms and conditions of my service with my Marketer, ______________________.
I understand and agree to those terms, and agree to participate in the program as a transportation delivery service customer. My Marketer is entitled to obtain my historic and current gas usage data from Columbia Gas.

______________________ ______________________
Signature of Customer Date

____
Print or Type Name

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS

68. GCR Transition Rider

APPLICABILITY:
Applicable to all customers served under rate schedules FRSGTS and FRGTS.

GCR TRANSITION RIDER

Each customer shall pay a surcharge of $ .2753 per Mcf that shall be applied to all volumes transported under rate schedules FRSGTS and FRGTS for pass through of Columbia's Quarterly Actual Cost Adjustment, Balance Adjustment and Refund Adjustment during the first twelve months each customer participates in Columbia's Customer Choice Program. These rates will be updated concurrent with Gas Cost Recovery filings to reflect changes in the Quarterly Actual Cost, Balance and Refund Adjustments.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

69. Stranded Costs Recovery Rider

APPLICABILITY:

Applicable to all sales and transportation customers.

STRANDED COSTS RECOVERY RIDER

A surcharge of $ .0234 per Mcf shall be applied to all volumes for recovery of stranded costs resulting from the Columbia Customer Choice Program.

To meet competition and retain throughput, Columbia may be required to flex the level of the Stranded Costs Recovery Rider to customers subject to this tariff.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

70. Optional Balancing Service

APPLICABILITY:

Applicable to all Marketers participating in Columbia's Customer Choice Program that do not elect assignment of Columbia Transmission FSS.

RATE:

$ .3223 per Mcf for all volumes delivered to the Marketer's Customer Group during the billing month. These rates will be updated concurrent with the Company's Gas Cost Recovery filings to reflect changes in supplier rates.