

Large Filing Separator Sheet

Case Number: 06-1285-GA-EXM

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VECTREN ENERGY DELIVERY OF OHIO, INC.

TARIFF FOR GAS SERVICE

P.U.C.O. No. 2

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Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

Issued April 13, 2005

Issued by Jerrold L. Ulrey, Vice-President

Effective April 13, 2005

TARIFF SHEET INDEX

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Filed pursuant to the Entry dated August 16, 2006 in Case No. 06-755-GA-UEx of The Public Utilities Commission of Ohio.

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Filed pursuant to the Entry dated August 16, 2006 in Case No. 06-755-GA-UEx of The Public Utilities Commission of Ohio.

LOCATIONS SERVED

Anna
Ansonia
Arcanum
Beavercreek
Bellbrook
Belle Center
Bellefontaine
Bloomington
Botkins
Bowersville
Bradford
Brookville
Camden
Casstown
Castine
Cedarville
Centerville
Christiansburg
Clayton
Clifton
Corwin
Covington
Dayton
Degraff
Drexel *
Eaton
Eldorado
Englewood
Fairborn
Farmersville
Fort Loramie
Franklin
Frederick *
Germantown
Gettysburg
Gordon
Greenfield

Greenville
Hardin *
Hollansburg
Houston *
Huber Heights
Huntsville
Ithaca
Jackson Center
Jamestown
Jeffersonville
Kettering
Lakeview
Lebanon
Lewisburg
Lewistown *
London
Ludlow Falls
Medway *
Melvin *
Miamisburg
Minster
Moraine
Mt. Sterling
New Bremen
New Carlisle
New Holland
New Knoxville
New Lebanon
New Madison
New Paris
North Hampton
Oakwood
Palestine
Pancoastburg *
Park Layne Manor *
Phillipsburg
Piqua
Pleasant Hill

Port William
Quincy
Riverside
Reesville *
Russels Point
Russia
Sabina
Sedalia
Sidney
St. Paris
South Charleston
South Solon
Spring Valley
Springboro
Springfield
Staunton *
Tipp City
Trotwood
Troy
Union
Urbana
Vandalia
Versailles
Washington Court House
Waynesville
West Alexandria
West Carrollton
West Liberty
West Manchester
West Milton
Wilberforce *
Wilmington
Xenia
Yellow Springs

* Unincorporated

RATE 310 **RESIDENTIAL SALES SERVICE**

APPLICABILITY

This Rate Schedule shall be available to any Residential Customer electing service hereunder when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers. [Successor Rate Schedule to Small Gas Sales Service, for Residential Customers.]

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Sales Service. Gas Service provided hereunder shall be metered separately and all charges shall be calculated separately from Gas Service provided under any other Rate Schedule. The delivery pressure shall be that which is available at Customer's Premises.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$7.00 per meter

Distribution Charge:

\$0.11986 per Ccf for the first 50 Ccf, plus
\$0.10442 per Ccf for all Ccf over 50 Ccf

Riders:

The following Riders shall be applied monthly:

- Sheet No. 31 – Gas Cost Recovery Rider
- Sheet No. 35 – Migration Cost Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Charge

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

TERMS AND CONDITIONS

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

Filed pursuant to the Finding and Order dated April 11, 2007 in Case Nos. 04-220-GA-GCR and 05-220-GA-GCR and Entry dated April 25, 2007 in Case No. 07-434-GA-UNC of The Public Utilities Commission of Ohio.

RATE 315

RESIDENTIAL TRANSPORTATION SERVICE

APPLICABILITY

This Rate Schedule shall be available to any Residential Customer electing service hereunder when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers. However, this Rate Schedule shall not be available to any Customer whose utility service account is past due at the time Customer desires to initiate this service unless Customer has discharged, or entered into a payment arrangement to discharge all existing arrearages owed the Company. This Rate Schedule is also applicable to customers currently enrolled in the Company's Percentage of Income Payment Plan (PIPP) in the event that Company bids out the provision of commodity supply for the PIPP Customers as a Single Pool. [Successor Rate Schedule to Small Gas Transportation Service, for Residential Customers.]

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Gas Service provided hereunder shall be metered separately and all charges shall be calculated separately from Gas Service provided under any other Rate Schedule. The delivery pressure shall be that which is available at Customer's Premises.

Customer, except for PIPP Pool Customers, must enter into a contract for firm gas supplies with a Supplier who meets the requirements for participation in Pooling Service (Residential and General) under Rate 385. Company will maintain and make available a list of Suppliers participating in the Pooling Program. Such list shall be available by request and through the Company's website.

DEFINITIONS

Terms used in this Rate Schedule are defined in the Definitions section of Pooling Service Terms and Conditions (Residential and General) on Sheet No. 52.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$7.00 per meter

Distribution Charge:

\$0.11986 per Ccf for the first 50 Ccf, plus

\$0.10442 per Ccf for all Ccf over 50 Ccf

Riders:

The following Riders shall be applied monthly:

- Sheet No. 35 – Migration Cost Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Filed pursuant to the Finding and Order dated April 11, 2007 in Case Nos. 04-220-GA-GCR and 05-220-GA-GCR and Entry dated April 25, 2007 in Case No. 07-434-GA-UNC of The Public Utilities Commission of Ohio.

RATE 315

RESIDENTIAL TRANSPORTATION SERVICE

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Charge.

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

BILLING

Company shall bill Customer for all Gas Services provided by the Company. Suppliers have the option of either: (1) Company providing billing for Suppliers' services to Customer, or (2) the Supplier may bill for those services independently.

TERMS AND CONDITIONS

Supplier Selection:

In order to receive Gas Service under this Rate Schedule, Customer must join a Pool of a Supplier participating in the Company's Pooling Program. When Company receives appropriate notification of Customer's request to participate in the Pooling Program, the change shall become effective with Customer's next on-cycle meter reading after the Customer's Enrollment Processing Period.

Non-payment and Reversion To Sales Service Upon Disconnection:

Non-payment of the Supplier gas commodity portion of the bill shall subject Customers currently receiving Gas Service under this Rate Schedule, to disconnection as explained in Section 4 of the General Terms and Conditions.

If Customer is disconnected while receiving service under this Rate Schedule, the Agreement between the Supplier and the Customer shall be terminated and the Customer will revert to Residential Sales Service.

Customer Usage Information Release:

When Company receives a request from a Customer for its historic usage information, the usage information for the most recent twelve (12) months and payment information for the most recent twenty-four (24) months, if available, shall be provided to Customer.

Regulations:

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and the Commission's Regulations.

RATE 320 **GENERAL SALES SERVICE**

APPLICABILITY

This Rate Schedule shall be available to any Non-Residential Customer electing service hereunder whose Annual Usage is less than 150,000 Ccf when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers. [Successor Rate Schedule to Small Gas and General Gas Sales Services, for Non-Residential Customers.]

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Sales Service. Gas Service provided hereunder shall be metered separately and all charges shall be calculated separately from Gas Service provided under any other Rate Schedule. The delivery pressure shall be that which is available at Customer's Premises.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$10.00 per Group 1 Meter, or
\$25.00 per Group 2 Meter

Distribution Charge:

\$0.12879 per Ccf for the first 50 Ccf, plus
\$0.10497 per Ccf for all Ccf over 50 Ccf

Riders:

The following Riders shall be applied monthly:

- Sheet No. 31 – Gas Cost Recovery Rider
- Sheet No. 35 – Migration Cost Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Charge.

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

RATE 320 **GENERAL SALES SERVICE**

CURTAILMENT

Customer shall limit gas usage as directed by Company pursuant to the Curtailment Procedures of Company's General Terms and Conditions. Except in emergencies, Company will endeavor to give four hours advance notice of such Curtailment. Company shall not be liable in damages or otherwise to Customer for any loss of production or because of the lack of advance notice to Customer.

If Customer uses gas in excess of the volume authorized during any Curtailment Period, an Unauthorized Gas Usage Charge as set forth in Sheet No. 30, Miscellaneous Charges, shall be assessed to Customer.

In the event Customer fails to comply with Company's direction to curtail, Company reserves the right to discontinue Gas Service to Customer.

TERMS AND CONDITIONS

Return from a Transportation Service:

If Customer voluntarily returns to this Sales Service from a Transportation Service, all incremental gas procurement and upstream transportation and storage costs incurred by Company in order to return Customer to Sales Service may be charged to Customer.

Regulations:

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

RATE 325

GENERAL TRANSPORTATION SERVICE

APPLICABILITY

This Rate Schedule shall be available to any Non-Residential Customer electing service hereunder whose Annual Usage is less than 150,000 Ccf when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers. However, this Rate Schedule shall not be available to any Customer whose utility service account is past due at the time Customer desires to initiate this service unless Customer has discharged, or entered into a payment arrangement to discharge all existing arrearages owed the Company. [Successor Rate Schedule to Small Gas and General Gas Transportation Services, for Non-Residential Customers.]

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Gas Service provided hereunder shall be metered separately and all charges shall be calculated separately from Gas Service provided under any other Rate Schedule. The delivery pressure shall be that which is available at Customer's Premises.

Customer must enter into a contract for firm gas supplies with a Supplier who meets the Company's requirements for participation in Pooling Service (Residential and General) under Rate 385. Company will maintain and make available a list of Suppliers participating in the Pooling Program. Such list shall be available by request and through the Company's website.

DEFINITIONS

Terms used in this Rate Schedule are defined in the Definitions section of the Pooling Service Terms and Conditions (Residential and General) on Sheet No. 52.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$10.00 per Group 1 Meter, or
\$25.00 per Group 2 Meter

Distribution Charge:

\$0.12879 per Ccf for the first 50 Ccf, plus
\$0.10497 per Ccf for all Ccf over 50 Ccf

Riders:

The following Riders shall be applied monthly:

- Sheet No. 35 – Migration Cost Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Filed pursuant to the Finding and Order dated April 11, 2007 in Case Nos. 04-220-GA-GCR and 05-220-GA-GCR and Entry dated April 25, 2007 in Case No. 07-434-GA-UNC of The Public Utilities Commission of Ohio.

RATE 325

GENERAL TRANSPORTATION SERVICE

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Charge.

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

BILLING

Company shall bill Customer for all services provided by the Company. Suppliers have the option of either: (1) Company providing billing to Customer for Suppliers' services, or (2) the Supplier may bill for those services independently.

TERMS AND CONDITIONS

Supplier Selection:

In order to receive Gas Service under this Rate Schedule, Customer must join a Pool of a Supplier participating in the Company's Pooling Program. When Company receives appropriate notification of Customer's request to participate in the Pooling Program, the change shall become effective with Customer's next on-cycle meter reading after the Customer's Enrollment Processing Period.

Return to Sales Service:

If Customer voluntarily returns to the Company's Sales Service, all incremental gas procurement, upstream transportation and storage costs incurred by Company in order to return Customer to such service may be charged to Customer.

Non-payment and Reversion To Sales Service Upon Disconnection:

Non-payment of the Supplier gas commodity portion of the bill shall subject Customers currently receiving Gas Service under this Rate Schedule, to disconnection as explained in Section 4 of the General Terms and Conditions.

If Customer is disconnected while receiving service under the Rate Schedule, the Agreement between the Supplier and the Customer shall be terminated and the Customer will revert to General Sales Service.

Customer Usage Information Release:

When Company receives a request from Customer for its historic usage information, the usage information for the most recent twelve (12) months and the payment information for the most recent twenty-four (24) months, if available, shall be provided to Customer.

RATE 325

GENERAL TRANSPORTATION SERVICE

Metering:

If Company determines that remote meter reading equipment is needed to monitor Customer's usage on a daily basis in order to ensure reasonable accuracy for Company's forecast of the Peak Design Day Demand, Expected Demand, and corresponding Directed Delivery Quantity of the Pool containing such Customer, then Company shall install such remote meter reading equipment and provide the necessary interface with its meters. Customer shall be responsible for the installation and operating and maintenance costs of electric and telephone services, as specified by Company. The availability of the necessary electric and telephone service equipment must be present at Customer's meter location prior to the installation of Company's remote meter reading equipment. Failure by Customer to adequately install and maintain the necessary electric and telephone service will result in termination of its Gas Service under this Rate Schedule.

Regulations:

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

CURTAILMENT

Customer shall limit gas usage as directed by Company pursuant to the Curtailment Procedures of Company's General Terms and Conditions. Except in emergencies, Company will endeavor to give four hours advance notice of such Curtailment. Company shall not be liable in damages or otherwise to Customer for any loss of production or because of the lack of advance notice to Customer.

If Customer uses gas in excess of the volume authorized during any Curtailment Period, an Unauthorized Gas Usage Charge as set forth in Sheet No. 30, Miscellaneous Charges, shall be assessed to Customer.

In the event Customer fails to comply with Company's direction to curtail, Company reserves the right to discontinue Gas Service to Customer.

RATE 330 **LARGE GENERAL SALES SERVICE**

APPLICABILITY

This Rate Schedule shall be available to any Non-Residential Customer electing service hereunder whose Annual Usage is 150,000 Ccf or more when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers. [Successor Rate Schedule to Large Gas Sales Service.]

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Sales Service. Gas Service provided hereunder shall be metered separately and all charges shall be calculated separately from Gas Service provided under any other Rate Schedule. The delivery pressure shall be that which is available at Customer's Premises.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$100.00 per Meter

Distribution Charge:

\$0.12990 per Ccf for the first 1000 Ccf, plus
\$0.11062 per Ccf for the next 14,000 Ccf, plus
\$0.07691 per Ccf for all Ccf over 15,000 Ccf

Riders:

The following Riders shall be applied monthly:

- Sheet No. 31 – Gas Cost Recovery Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Charge.

Miscellaneous Charges:

Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

Filed pursuant to the Finding and Order dated April 11, 2007 in Case Nos. 04-220-GA-GCR and 05-220-GA-GCR of The Public Utilities Commission of Ohio.

RATE 330

LARGE GENERAL SALES SERVICE

CONTRACT

Customer must contract for Gas Service under this Rate Schedule for an initial term of one (1) year, or longer if necessary in the judgment of Company to justify the construction costs required to supply Gas Service. At the expiration of its initial term such contract shall continue from year to year thereafter, unless such contract is cancelled by either party by six (6) months prior written notice.

CURTAILMENT

Customer shall limit gas usage as directed by Company pursuant to the Curtailment Procedures of Company's General Terms and Conditions. Except in emergencies, Company will endeavor to give four hours advance notice of such Curtailment. Company shall not be liable in damages or otherwise to Customer for any loss of production or because of the lack of advance notice to Customer.

If Customer uses gas in excess of the volume authorized during any Curtailment Period, an Unauthorized Gas Usage Charge as set forth in Sheet No. 30, Miscellaneous Charges, shall be assessed to Customer.

In the event Customer fails to comply with Company's direction to curtail, Company reserves the right to discontinue Gas Service to Customer.

TERMS AND CONDITIONS

Return from a Transportation Service:

If Customer voluntarily returns to this Sales Service from a Transportation Service, all incremental gas procurement and upstream transportation and storage costs incurred by the Company in order to return Customer to Sales Service may be charged to Customer.

Regulations:

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

RATE 340

INTERRUPTIBLE SALES SERVICE

APPLICABILITY

This Rate Schedule is available to any Non-Residential Customer electing service hereunder when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Interruptible Sales Service. The delivery pressure shall be that which is available at Customer's Premises.

RATES AND CHARGES

The Monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$100.00 per meter

Distribution Charge:

\$0.04977 per Ccf for all Ccf

Riders:

The following Riders shall be applied monthly:

- Sheet No. 31 – Gas Cost Recovery Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Minimum Monthly Charge:

For the billing months of June, July, August, September, and October, the Minimum Monthly Charge shall be \$2000.00, plus the Gas Cost Recovery Charge computed on the gas actually metered during such month. For all other billing months, the Minimum Monthly Charge shall be the Customer Charge.

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

RATE 340

INTERRUPTIBLE SALES SERVICE

CONTRACT

Customer must contract for Gas Service under this Rate Schedule for an initial term of one (1) year, or longer if necessary in the judgment of Company to justify the construction costs required to supply Gas Service. At the expiration of its initial term such contract shall continue from year to year thereafter, unless such contract is cancelled by either party by six (6) months prior written notice.

CURTAILMENT

Customer shall limit gas usage as directed by Company pursuant to the Curtailment Procedures of Company's General Terms and Conditions. Except in emergencies, Company will endeavor to give four hours advance notice of such Curtailment. Company shall not be liable in damages or otherwise to Customer for any loss of production or because of the lack of advance notice to Customer.

If Customer uses gas in excess of the volume authorized during any Curtailment Period, an Unauthorized Gas Usage Charge as set forth in Sheet No. 30, Miscellaneous Charges, shall be assessed to Customer.

In the event Customer fails to comply with Company's Curtailment, Company reserves the right to discontinue Gas Service to Customer.

TERMS AND CONDITIONS

Gas Service rendered under this Rate Schedule shall be subject to the Company's General Terms and Conditions and Commission's Regulations.

RATE 341

DUAL FUEL SALES SERVICE

APPLICABILITY

This Rate Schedule is available to any Non-Residential Customer electing service hereunder whose Spaceheating equipment has a rated input in excess of 2,500,000 Btu per hour when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers.

CHARACTER OF SERVICE

This Rate Schedule is applicable to the provision of Dual Fuel Sales Service, as described in the Dual Fuel Terms and Conditions below. Gas Service under this Rate Schedule shall be metered separately and all charges shall be calculated separately from Gas Service provided under any other Rate Schedule. The delivery pressure shall be that which is available at Customer's Premises. Customer, and owner if other than Customer, shall enter into and comply with the terms and conditions of a contract with Company.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$30.00 per meter

Distribution Charge:

\$0.06050 per Ccf for all Ccf of Process or Base Deliveries (as defined below), plus

\$0.02687 per Ccf for all Ccf of Dual Fuel Deliveries (as defined below)

Riders:

The following Riders shall be applied monthly:

- Sheet No. 31 – Gas Cost Recovery Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Rider
- Sheet No. 42 – S. B. 287 Excise Tax Rider

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Charge.

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

RATE 341

DUAL FUEL SALES SERVICE

PROCESS OR BASE DELIVERIES

1. The process or base deliveries for billing purposes shall mean Customer's average monthly use during the four consecutive summer billing months beginning with the June billing month.
2. Process or base deliveries for billing purposes shall be recalculated annually. In the case of a Customer whose process or base gas using equipment was not operated during the preceding summer process or base delivery period in a manner representative of its requirements in the remaining eight months, a process or base use value shall be estimated by Company.

DUAL FUEL DELIVERIES

Dual fuel deliveries for billing purposes shall mean all deliveries in excess of Customer's process or base deliveries, and shall be limited to deliveries made during the eight consecutive billing months following the close of Customer's summer process or base delivery period.

CONTRACT

Customer must contract for Gas Service under this Rate Schedule for an initial term of one (1) year, or longer if necessary in the judgment of Company to justify the construction costs required to supply Gas Service. At the expiration of its initial term such contract shall continue from year to year thereafter, unless such contract is cancelled by either party by six (6) months prior written notice.

DUAL FUEL TERMS AND CONDITIONS

Upon written application, any gas Customer whose Spaceheating equipment for any single structure or occupancy unit has a rated input in excess of 2,500,000 Btu per hour will be authorized, subject to the conditions set forth below, to use gas in Spaceheating equipment which is designed to use natural gas supplied by Company for Spaceheating during the warmer weather of the winter and an alternate fuel (either liquefied petroleum (propane) gas or oil) during the colder weather of the winter and which equipment will be switched from one fuel to the other automatically by a temperature control actuated by outside temperature.

- A. Before natural gas supplied by Company may be used by Customer for Spaceheating under Company's Dual Fuel Rate Schedule:
 1. Customer must have installed storage facilities and must maintain therein a quantity of alternate fuel, which will be sufficient, in the opinion of Company, to supply Customer's spaceheating requirements on a dual fuel basis for each heating season.
 2. Customer must have installed dual fuel Spaceheating equipment of a type approved by Company.
 3. Customer must have installed automatic outside temperature control equipment to be sealed by the Company, of a type approved by Company and at a point selected by Company, and set to switch automatically Customer's Spaceheating equipment from natural gas to an alternate fuel when the outside temperature is below a certain predetermined temperature to be established by Company, and to switch such Spaceheating equipment from such alternate fuel to natural gas when the outside temperature is approximately five degrees above such predetermined temperature.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

RATE 341

DUAL FUEL SALES SERVICE

4. All such dual fuel Spaceheating and outside temperature control equipment, storage facilities and necessary piping shall be installed in such a manner as to comply with the requirements of all applicable state and local laws, ordinances and codes and shall have been approved under all applicable state and local inspection laws, ordinances, rules and regulations.
- B. Customer will maintain and keep in proper operating condition such Spaceheating and temperature control equipment, and Company will not be responsible for the proper operation of the same.
- C. Customer will not, without the consent of Company, change, manipulate, or tamper with such Spaceheating and temperature control equipment in such a way that the Spaceheating equipment is not automatically switched to and from the alternate fuel at the predetermined temperatures.
- D. In the event that Customer's control equipment shall fail, because of mechanical failure, human interference, or otherwise, to switch Customer's Spaceheating equipment from and to natural gas supplied by Company, Customer may be charged by Company for all Gas Service until the next heating season under the Company's otherwise applicable Sales Service Rate Schedule instead of this Rate Schedule.
- E. Upon breach by Customer of any of the above covenants and conditions relating to the use of natural gas for Spaceheating, Company shall have the right to cancel such approval for the use of gas for Spaceheating on a dual fuel basis at said Premises and upon such cancellation all Gas Service to Customer at said location shall be paid for at the applicable Sales Service Rate Schedule until proper steps approved by Company have been taken by Customer to assure that natural gas supplied by Company will be used by Customer at said Premises in accordance with the foregoing Dual Fuel Terms and Conditions.

CURTAILMENT

Customer shall limit gas usage as directed by Company pursuant to the Curtailment Procedures of Company's General Terms and Conditions. Except in emergencies, Company will endeavor to give four hours advance notice of such Curtailment. Company shall not be liable in damages or otherwise to Customer for any loss of production or because of the lack of advance notice to Customer.

If Customer uses gas in excess of the volume authorized during any Curtailment Period, an Unauthorized Gas Usage Charge as set forth in Sheet No. 30, Miscellaneous Charges, shall be assessed to Customer.

In the event Customer fails to comply with Company's Curtailment, Company reserves the right to discontinue Gas Service to Customer.

GENERAL TERMS AND CONDITIONS

Gas Service rendered under this Rate Schedule shall be subject to the Company's General Terms and Conditions and Commission's Regulations.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

RATE 345

LARGE GENERAL TRANSPORTATION SERVICE

APPLICABILITY

This Rate Schedule is available to any Non-Residential Customer electing service hereunder whose Annual Usage is greater than 50,000 Ccf and certain other Non-Residential Customers who were receiving service hereunder prior to March 1, 2005, when, in the judgment of Company, its service facilities are adequate to render Gas Service to Customer without impairing the quality of Company's Gas Service to other Customers. [Successor Rate Schedule to Natural Gas Transportation Service.]

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Gas Service hereunder shall be metered separately and all charges shall be calculated separately from Gas Service provided under any other Rate Schedule. The delivery pressure shall be that which is available at Customer's Premises.

Company shall provide Transportation Service from existing pipeline delivery points specified by Company to Customer on a non-discriminatory basis subject to the capacity of Company's Operational Systems.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service under this Rate Schedule shall be:

Customer Charge:

\$100.00 per meter

Distribution Charge:

\$0.12990 per Ccf for the first 1000 Ccf, plus
\$0.11062 per Ccf for the next 14,000 Ccf, plus
\$0.07691 per Ccf for all Ccf over 15,000 Ccf

Riders:

The following Riders shall be applied monthly:

- Sheet No. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Charge.

Additional Services Charges:

Customer shall pay the appropriate rates and charges for any additional service provided by Company, as described in the Transportation Terms and Conditions (Large General), and any charge assessed in accordance with orders issued by Commission relating to take-or-pay, transition, or other costs.

RATE 345

LARGE GENERAL TRANSPORTATION SERVICE

Competitive Flexibility:

The above Rates and Charges may be reduced, in Company's reasonable discretion, as necessary to retain or attract Customer's gas load.

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

CONTRACT

Customer must contract for Gas Service under this Rate Schedule for an initial term of one (1) year or longer if necessary in the judgment of Company to justify the construction costs required to supply the Gas Service. At the expiration of its initial term such contract shall continue from year to year thereafter, unless either party cancels such contract by six (6) months prior written notice.

TRANSPORTATION TERMS AND CONDITIONS

Gas Service provided under this Rate Schedule shall be subject to the Transportation Terms and Conditions (Large General) contained in Sheet No. 50 and the Nomination and Balancing Provisions (Large General and Pool Operator) contained in Sheet No. 51.

MEASUREMENT REQUIREMENT

Customer shall provide and maintain on the Premises at the meter location telephone service as required for Company's electronic gas measurement devices and related communications equipment.

CURTAILMENT

Customer shall limit gas usage as directed by Company pursuant to the Curtailment Procedures of Company's General Terms and Conditions. Except in emergencies, Company will endeavor to give four hours advance notice of such Curtailment. Company shall not be liable in damages or otherwise to Customer for any loss of production or because of the lack of advance notice to Customer.

If Customer uses gas in excess of the volume authorized during any Curtailment Period, an Unauthorized Gas Usage Charge as set forth in Sheet No. 30, Miscellaneous Charges, shall be assessed to Customer.

In the event Customer fails to comply with Company's Curtailment, Company reserves the right to discontinue Gas Service to Customer.

GENERAL TERMS AND CONDITIONS

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

RATE 380
POOLING SERVICE
(LARGE GENERAL)

APPLICABILITY

This Pooling Service is applicable to Pool Operator, and any Transportation Customer under Rate 345 that designates a Pool Operator to manage its gas supplies as part of an aggregated Customer Pool.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Pooling Service for Rate 345 Transportation Customers. Pool Operator and electing Transportation Customer are subject to provisions of this Rate Schedule.

Pool Operator shall deliver to Company gas supplies needed to satisfy the daily and monthly usage requirements of Pool Operator's Pool Customers in accordance with the requirements set forth in this Rate Schedule, Nomination and Balancing Provisions (Large General and Pool Operator) contained in Sheet No. 51, and in the Pooling Agreement described in this Rate Schedule. Pooling will not be permitted across multiple Operational Systems unless approved in advance by Company.

Pool Operator shall provide nominations for its aggregated Pool Customers' deliveries. For purposes of calculating daily and monthly imbalances, the usages of all Customers within a Pool will be combined into a single Pool usage total, which will be matched against the Pool Operator's total pipeline deliveries for such Pool.

Pool Operator shall be responsible for complying with Operational Flow Orders, daily and monthly balancing, and the payment of any daily and monthly imbalance charges. Transportation Customer shall remain responsible for all charges applicable under Rate 345.

CHARGES

Pool Operator's Bill shall be rendered monthly, and shall consist of the following charges, as applicable:

Nomination and Balancing Charges: All nomination and balancing charges and imbalance trading charges associated with Pool Operator's Pool, including those listed in Sheet No. 51, Nomination and Balancing Provisions (Large General and Pool Operator), shall be billed to Pool Operator each month.

Related Charges: Pool Operator shall reimburse Company for all charges incurred in connection with interstate pipeline transportation of Pool Operator-Delivered Gas including any gas costs, penalty charges, or Cashouts.

Riders: The following Riders shall be applied monthly:

- Sheet No. 37 – Gross Receipts Excise Tax Rider

RATE 380
POOLING SERVICE
(LARGE GENERAL)

Late Payment Charge: Payment of the total Bill amount due must be received by Company or an authorized agent by the due date shown on Pool Operator's invoice. If Pool Operator does not pay the total amount due by the date shown, an additional amount equal to one and one half percent (1.5%) of the total unpaid balance shall also become due and payable.

Returned Check Charge: The Returned Check Charge contained on Sheet No. 30, Miscellaneous Charges, shall be added to Pool Operator's account each time a check is returned by the financial institution for insufficient funds.

Unauthorized Gas Usage Charge: The Unauthorized Gas Usage Charge set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Pool Operator, if applicable.

PROVISIONS AND REQUIREMENTS FOR TRANSPORTATION CUSTOMER PARTICIPATION

Transportation Customer shall comply with the following provisions and requirements:

Contract: Customer shall enter into a contract with Company that designates its selected Pool Operator from a list of approved Pool Operators that have signed Pooling Agreements with Company and who comply with the provisions of this Rate Schedule. Such elections will carry over from month to month unless Customer and Pool Operator notify Company of any change at least ten (10) business days prior to the start of a new month.

Initiation of Pooling Service: An existing Rate 345 Transportation Customer that desires to begin utilizing Pooling Service under this Rate Schedule shall do so effective with Customer's next meter reading date.

Customer's prior delinquencies must be cured prior to commencing participation in Pooling Service.

Customer shall eliminate any existing over-delivery or under-delivery quantities via a Cashout with Company prior to commencing participation in Pooling Service, as follows:

- (1) If Customer has an ending under-delivery quantity, Customer shall pay Company for each Dekatherm of under-delivery quantity at a price equal to the "Monthly Contract Index" price for "Columbia Gas Transmission Corp, Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines" for the month prior to commencing participation, plus the pipeline transportation commodity rate including fuel and surcharges, plus applicable taxes.
- (2) If Customer has an ending over-delivery quantity, Company shall pay Customer for each Dekatherm of over-delivery quantity at a price equal to the "Monthly Contract Index" prices for "Columbia Gas Transmission Corp, Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines" for the month prior to commencing participation, plus the pipeline transportation commodity rate including fuel and surcharges.

RATE 380
POOLING SERVICE
(LARGE GENERAL)

Transfer to a new Pool: If Customer elects to transfer to a new Pool and the previous Pool Operator served more than one customer, it will be assumed that Customer has no month-end imbalance; any imbalance will remain with the previous Pool.

PROVISIONS AND REQUIREMENTS FOR POOL OPERATOR PARTICIPATION

Pool Operator shall comply with the following provisions and requirements:

Contract:

Pool Operator must enter into a written Pooling Agreement with Company. Such Pooling Agreement shall set forth specific covenants and obligations undertaken by Company and Pool Operator under this Rate Schedule on behalf of the Pool's Customers. The Pooling Agreement shall have an initial term of not less than one year and shall automatically extend for succeeding annual terms thereafter subject to cancellation by either party after written notice submitted not less than six (6) months prior to the end of the initial term or any succeeding annual term. However, in no event shall the Pooling Agreement expire during the Winter Season, unless such mid-winter termination date is mutually agreed upon, or Pool Operator fails to perform its responsibilities hereunder and Company elects to terminate Pool Operator's participation hereunder.

Creditworthiness Standards and Requirements:

In order to qualify for participation under Pooling Service, Pool Operator must pass an initial financial evaluation performed by Company, and any such subsequent evaluation(s) deemed appropriate by Company, to ensure that Pool Operator possesses sufficient resources to perform its responsibilities and to ensure financial performance under this Rate Schedule. In addition, if Pool Operator's participation in the Pooling Service was previously terminated due to Pool Operator's non-compliance, Pool Operator shall provide information acceptable to Company that such cause for non-compliance has been corrected and will be avoided in the future. All prior delinquencies must be cured prior to commencing participation in Pooling Service. Moreover, any and all charges from previous non-compliance shall be corrected prior to participation in Pooling Service.

Pool Operator must complete and sign Company's Pool Operator Registration Form and Credit Application to be considered for participation in the Pooling Service. A Pool Operator desiring to participate in the Pooling Service will be evaluated by Company to establish credit levels acceptable to Company. Company will apply, on a non-discriminatory basis, reasonable financial standards to assess and examine Pool Operator's creditworthiness. These standards will take into consideration the scope of the operations of Pool Operator and the level of risk to Company. In order to pass Company's financial evaluation, Pool Operator may be required to provide security, the form and amount of which shall be specified by Company. Company shall determine creditworthiness, and will not deny Pool Operator's participation in the Pooling Service without reasonable cause.

RATE 380
POOLING SERVICE
(LARGE GENERAL)

Company reserves the right to conduct a financial re-evaluation of Pool Operator from time to time. Such re-evaluation may be initiated either by a request from Pool Operator, or by Company if Company reasonably believes that the creditworthiness of Pool Operator may have changed or that the operating environment or other conditions may have changed that may have increased the risks posed by operations of the Pool. Based on such re-evaluation, Pool Operator's level of participation may be increased or decreased, additional security may be required, or Pool Operator may be removed from further participation in the Pooling Service.

Nomination and Balancing Provisions:

Pool Operator shall be subject to the Nomination and Balancing Provisions (Large General and Pool Operator) in Sheet No. 51.

Curtailment Procedures:

Pool Operator shall be subject to the Curtailment Procedures in Company's General Terms and Conditions.

Required Regulatory Approvals:

Pool Operator must have obtained all required regulatory approvals related to the transportation of the Pool Operator-Delivered Gas.

Termination of Pooling Service Participation:

A Pool Operator that ceases participation in Pooling Service shall eliminate any existing over-delivery or under-delivery quantities via a Cashout with Company, as follows:

- (1) If Pool Operator has an ending net under-delivery quantity, Pool Operator shall pay Company for each Dekatherm of under-delivery quantity at a price equal to the "Monthly Contract Index" price for "Columbia Gas Transmission Corp, Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines" for the month prior to ceasing participation, plus the pipeline transportation commodity rate including fuel and surcharges, plus applicable taxes.
- (2) If Pool Operator has an ending over-delivery quantity, Company shall pay Pool Operator for each Dekatherm of over-delivery quantity at a price equal to the "Monthly Contract Index" price for "Columbia Gas Transmission Corp, Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines" for the month prior to ceasing participation, plus the pipeline transportation commodity rate including fuel and surcharges.

TERMS AND CONDITIONS

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

RATE 385
POOLING SERVICE
(RESIDENTIAL AND GENERAL)

APPLICABILITY

This Pooling Service is applicable to any Supplier delivering firm gas supplies to Company's Operational Systems on behalf of Customers receiving Residential Transportation Service under Rate 315 or General Transportation Service under Rate 325.

Several terms and conditions contained within this Rate Schedule differ depending on whether a Supplier Pool is comprised entirely of Non-Mercantile Customers, or if such Pool contains any Mercantile Customers. As appropriate, the various sections within this Rate Schedule shall identify such differing requirements.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Pooling Service for Rate 315 or 325 Transportation Customers. Supplier shall deliver to Company gas supplies needed to satisfy the usage requirements of Supplier's Pool Customers, all in accordance with the rules set forth in this Rate Schedule, the Pooling Service Terms and Conditions (Residential and General) contained in Sheet No. 52, and Supplier's Pooling Agreement, a form of which is reflected in Sheet No. 53.

FEES AND CHARGES

Supplier shall be assessed the following fees and charges, on a non-discriminatory basis, based upon Supplier's election, Company's initiation and/or Supplier's balancing activities:

Financial Evaluation Fee:

\$50 for the initial and each subsequent Supplier financial evaluation performed by Company.

Eligible Customer List Fee:

Under the annual option, \$.08 for each name included on the initial list, with updated lists provided the three subsequent quarters at no additional cost. Under the quarterly option, \$.05 for each name included on the list. Such lists shall be produced quarterly; if Supplier desires the list more frequently, Supplier shall reimburse Company for any costs incurred in addition to this per-customer rate.

DDQ Non-Compliance Charge:

\$1 per Dth on days in which no Operational Flow Order (OFO) is in effect (provided no alternate arrangements are made with Company) against: 1) the daily difference between the Pool's DDQ and aggregate deliveries, 2) the daily difference between the minimum allowable volume identified by Company that may be delivered by a specific interstate pipeline or to a specific Company city gate on a Pool's behalf and the Pool's actual deliveries by that interstate pipeline or to that city gate greater than such minimum allowable volume for that day, and 3) the

RATE 385
POOLING SERVICE
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difference between the maximum allowable volume identified by Company that may be delivered by a specific interstate pipeline or to a specific Company city gate on a Pool's behalf and the actual deliveries by that interstate pipeline or to that city gate less than the maximum allowable volume for that day.

OFO Non-Compliance Charge:

\$30 per Dth applied to the difference between Supplier's DDQ and actual deliveries if Supplier over-delivers on days in which a low demand OFO is in effect or under-delivers on days in which a high demand OFO is in effect.

Pool-to-Pool Transfer Fee:

\$10.00 shall be assessed to the selling party for each transaction.

Peaking Supplies Charge:

All peaking supplies (including but not limited to vaporized propane) provided by Company for Supplier's Pool as set out in the Allocation of Peaking Supplies section of the Pooling Service Terms and Conditions (Residential and General) shall be billed to Supplier at Company's fully allocated cost of such supply.

Additional Service Charges:

Fees and Charges for any other service shall be established by Company and assessed on a non-discriminatory basis. If Supplier desires a billing service or custom rate that is not readily available in Company's billing system, Supplier and Company shall negotiate a fee that shall include all programming costs associated with such custom billing requirements.

Riders:

The following Riders shall be applied monthly:

- Sheet No. 36 – Balancing Cost Rider
- Sheet No. 37 – Gross Receipts Excise Tax Rider

Late Payment Charge:

Payment of the total Bill amount due must be received by Company or an authorized agent by the due date shown on Supplier's invoice. If Supplier does not pay the total amount due by the date shown, an additional amount equal to one and one half percent (1.5%) of the total unpaid balance shall also become due and payable.

Returned Check Charge:

The Returned Check Charge contained on Sheet No. 30, Miscellaneous Charges, shall be added to Supplier's account each time a check is returned by the financial institution for insufficient funds.

REQUIREMENTS FOR SUPPLIER PARTICIPATION

In order to qualify for participation under the Pooling Program, Supplier must: 1) pass an initial financial evaluation performed by Company, and any such subsequent evaluation(s) deemed appropriate by Company, to ensure that Supplier possesses sufficient resources to perform its responsibilities and to ensure financial performance hereunder; 2) achieve and maintain a

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

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minimum level of at least 100 Customers or 10,000 Mcf annual projected Customer sales per Pool; 3) sign a Supplier Pooling Agreement with Company; 4) maintain comparable firm capacity as set out in the Pooling Service Terms and Conditions (Residential and General); 5) adhere to the terms and conditions of this Rate Schedule and 6) have a computer and telephone line necessary to access Company's EBB. In addition, if Supplier's participation in the Program was previously terminated due to Supplier's default, Supplier shall provide information acceptable to Company that such cause for default has been corrected and will be avoided in the future. Also, for any Non-Mercantile Pool, Supplier must provide a copy of the certificate demonstrating that Supplier is certified by the PUCO to provide retail natural gas service, and maintain such certification status.

All Suppliers must complete and sign Company's Supplier Registration Form and Credit Application to be considered for participation in the Program. Suppliers desiring to participate in the Program will be evaluated by Company to establish credit levels acceptable to Company. Company will apply, on a non-discriminatory basis, reasonable financial standards to assess and examine a Supplier's creditworthiness. These standards will take into consideration the scope of the operations of the Supplier and the level of risk to Company.

Financial evaluations will be based on standard credit factors such as financial and credit ratings, trade references, bank information, unused line of credit, Pool Customer payment history, and related financial information that has been independently audited, if available. Company shall determine creditworthiness based on the above criteria, and will not deny Supplier's participation in the Program without reasonable cause. In order to pass Company's financial evaluation, a Supplier may be required to provide additional security, the form and format of which shall be specified by Company.

Company reserves the right to conduct re-evaluations of Supplier's financial standing from time to time. Such re-evaluation may be initiated either by a request from Supplier or by Company, if Company reasonably believes that the creditworthiness or operating environment of Supplier may have changed. Based on such re-evaluation, Supplier's level of participation may be increased or decreased, additional security may be required or Supplier may be removed from further participation in the Program.

Company shall maintain a list of Suppliers currently meeting the requirements for Program participation and shall make such list available by request and via Company's website.

POOLING SERVICE TERMS AND CONDITIONS

Supplier shall be subject to the Pooling Service Terms and Conditions (Residential and General) as set forth in Sheet No. 52.

GENERAL TERMS AND CONDITIONS

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

MISCELLANEOUS CHARGES

APPLICABILITY

The following Miscellaneous Charges shall be applied to Customer's Bill if appropriate based on the referenced circumstances.

MISCELLANEOUS CHARGES

<u>Charge</u>	<u>Reference</u>	<u>Amount</u>
Gas Meter Testing Charge	(Sheet No. 62, Section 3.A.)	\$ 40.00
Remote Meter Installation Charge	(Sheet No. 62, Section 3.B.5.)	\$ 80.00
Investigation Fee	(Sheet No. 63, Section 4.A.6.)	
Ordinary Investigation Fee		\$125.00
Extensive Investigation Fee		\$ 35.00 per hour worked
Reconnection Charge	(Sheet No. 62, Section 3.C. and Sheet No. 63, Section 4.D. and Sheet No. 67, Section 8.D.)	
Reconnection at the meter		\$ 40.00
Reconnection at the service line		\$ 50.00

After Hours Charge

When gas service is initially connected, reconnected or disconnected after normal business hours at Customer's request, Customer shall be charged an After Hours Charge of \$22.00 in addition to any other applicable charges for each connection, reconnection or disconnection.

Trip and Labor Charges

Trip and Labor Charges shall be added to Customer's account when Customer requests Company to investigate "no gas" or "low pressure" circumstances at Customer's Premises when, upon investigation, the problem(s) causing the condition are not on Company's system. The charges that will apply are:

During Normal Business Hours

Trip Charge \$12.00
Labor Charge \$ 9.00 per 15 minutes

After Normal Business Hours

Trip Charge \$15.00
Labor Charge \$13.00 per 15 minutes

MISCELLANEOUS CHARGES

Late Payment Charge

Payment of the total amount due must be received by Company or an authorized agent by the due date shown on the Bill. If Customer does not pay the total amount due to Company by the due date shown, an additional amount equal to one and one half percent (1.5%) of the total unpaid balance shall also become due and payable. This provision is not applicable to unpaid account balances of Customers enrolled in income payment plans pursuant to OAC Rule 4901:1-18-04, ORC Section 4933.28 or other Company or PUCO approved payment plan arrangements.

Returned Check Charge

The Returned Check Charge of \$25.00 shall be added to Customer's account each time a check is returned unpaid by the financial institution. Any Customer receiving a Bill from Company containing charges for more than one Gas Service will be assessed a maximum of one (1) Returned Check Charge per check returned.

Unauthorized Gas Usage Charge

Gas usage by Customer during a Curtailment Period in excess of the quantity allowed pursuant to the Curtailment Procedures shall be considered Unauthorized Gas Usage and shall be subject to the Unauthorized Gas Usage Charge of three (\$3) per Ccf.

GAS COST RECOVERY RIDER

APPLICABILITY

The Gas Cost Recovery ("GCR") Rider is applicable to any Sales Service Customer.

DESCRIPTION

The Gas Cost Recovery Charge shall be the product of the billing Ccf and the GCR Rate.

The Gas Cost Recovery Rate (GCR Rate) will be determined pursuant to the requirements of Chapter 4901:1-14 of the Ohio Administrative Code and applicable Commission Orders.

GCR RATE

The GCR Rate for January 2008 is \$0.90321/Ccf.

Filed pursuant to the Finding and Order dated April 11, 2007 in Case Nos. 04-220-GA-GCR and 05-220-GA-GCR of The Public Utilities Commission of Ohio.

Issued December 17, 2007

Issued by Jerrold L. Ulrey, Vice-President

Effective January 1, 2008

BACKUP SALES SERVICE RIDER

APPLICABILITY

The Backup Sales Service Rider is applicable to the following customers being served under Rate 345, Large General Transportation Service: "Human Needs and Public Welfare Customers" as defined by the Commission in Case No. 85-800-GA-COI and certain other "non-Human Needs" Customers who were receiving such service prior to April 16, 2004.

DESCRIPTION

The Backup Sales Service Rider Rate shall be applied to each Ccf of applicable Customer's billed usage each month.

The Backup Sales Service Rider Rate shall be recalculated coincident with Company's quarterly Gas Cost Recovery filings and shall reflect the per unit cost of pipeline storage capacity maintained by Company to provide Backup Sales Service to applicable Customers.

All Backup Sales Service Rider revenues recovered shall be credited to the GCR gas costs.

GAS COST RECOVERY RECONCILIATION RIDER

APPLICABILITY

The Gas Cost Recovery (GCR) Reconciliation Rider is applicable to any Customer served under the Rate Schedules identified below.

- Rate 310 – Residential Sales Service
- Rate 315 - Residential Transportation Service
- Rate 320 – General Sales Service
- Rate 325 - General Transportation Service
- Rate 330 - Large General Sales Service
- Rate 340 - Interruptible Sales Service
- Rate 341 - Dual Fuel Sales Service

DESCRIPTION

Consistent with the Opinion and Order in PUCO Cases Nos. 04-220-GA-GCR and 05-220-GA-GCR dated April 11, 2007, the GCR Reconciliation Rider shall be \$0.00 effective September 1, 2007.

The GCR Reconciliation Rider may be applied in future periods as required to reverse with interest, in whole in or in part, the refunds made to customers served pursuant to the applicable Rate Schedules in the event that the Commission's order in Case No. 02-220-GA-GCR requiring these refunds is overturned.

GAS COST RECOVERY RECONCILIATION RIDER RATE

The GCR Reconciliation Rider Rate is \$0.0000 per Ccf.

MIGRATION COST RIDER

APPLICABILITY

The Migration Cost Rider is applicable to any Customer served under the following Rate Schedules:

- Rate 310 – Residential Sales Service
- Rate 315 – Residential Transportation Service
- Rate 320 – General Sales Service
- Rate 325 – General Transportation Service

DESCRIPTION

The Migration Cost Rider Rate shall be applied to each Ccf of Customer's billed usage each month.

The Migration Cost Rider recovers all costs incurred for Company's gas supply commitments that are no longer required due to Customers migrating from Residential or General Sales Services to Residential or General Transportation Services, including but not limited to the costs of no longer needed pipeline capacity entitlements.

MIGRATION COST RIDER RATE

The Migration Cost Rider Rate is \$0.00 per Ccf.

BALANCING COST RIDER

APPLICABILITY

The Balancing Cost Rider shall be applicable to Suppliers served under Rate 385 – Pooling Service (Residential and General).

DESCRIPTION

Each month, Supplier shall be assessed the Balancing Cost Rider Rate for all billed Ccf of its Pool Customers for the associated cycle month.

This Rider recovers the costs incurred by Company for interstate pipeline transportation and storage services and any other services needed to provide operational balancing to Suppliers' Pools.

Company shall adjust this Rider annually effective November 1st of each year to reflect changes in the costs to be recovered.

All Balancing Cost Rider revenues recovered shall be credited to the GCR gas costs.

BALANCING COST RIDER RATE

The Balancing Cost Rider Rate for Pool Customer's billed Ccf on and after November 1, 2007 is \$.00327 per Ccf.

GROSS RECEIPTS EXCISE TAX RIDER

APPLICABILITY

The Gross Receipts Excise Tax Rider is applicable to all Rates, Fees, Charges and Riders billed by Company to Customers, Pool Operators, and Suppliers served under Company's Rate Schedules, except for the Charges and Fees contained in Sheet No. 30, and the cost of gas billed by Company on Supplier's behalf under the Residential or General Transportation Services (Rates 315 or 325). Further, this Rider shall not be billed to any Customer statutorily exempted from the payment of gross receipts taxes.

DESCRIPTION

All applicable charges shall be adjusted for the Ohio gross receipts excise tax at a rate of 4.8767%.

UNCOLLECTIBLE EXPENSE RIDER

APPLICABILITY

Applicable to all Customers responsible for payment of Company's Percentage of Income Payment Plan Rider on Sheet No. 40.

DESCRIPTION

The Uncollectible Expense Rider Rate shall be applied to all billed Ccf for Gas Service rendered to Customers served under the applicable Rate Schedules.

The Rider shall recover costs associated with uncollectible accounts arising from those Customers in those Rate Schedules responsible for paying the Uncollectible Expense Rider.

The Company's actual uncollectible expense for the applicable Rate Schedules, including carrying charges, shall be reconciled annually, with any over or under collection being reflected as a charge or credit in a subsequent update of the Rider Rate.

Company shall file an application with the Commission requesting approval to change the Uncollectible Expense Rider Rate if Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under collections.

UNCOLLECTIBLE EXPENSE RIDER RATE

The Uncollectible Expense Rider Rate is \$0.01882 per Ccf.

PERCENTAGE OF INCOME PAYMENT PLAN RIDER

APPLICABILITY

The Percentage of Income Payment Plan ("PIPP") Rider shall be applicable to all Customers served under the following Rate Schedules and to certain other Customers pursuant to contract:

- Rate 310 – Residential Sales Service
- Rate 315 – Residential Transportation Service
- Rate 320 – General Sales Service
- Rate 325 – General Transportation Service
- Rate 330 – Large General Sales Service
- Rate 340 – Interruptible Sales Service
- Rate 341 – Dual Fuel Sales Service

DESCRIPTION

The PIPP Charge shall be the product of the monthly billing Ccf and the PIPP Rider Rate.

The PIPP Rider Rate shall be updated from time-to-time in accordance with the Entry in Case No. 99-751-GE-PIP.

PIPP RIDER RATE

The PIPP Rider Rate is \$0.02377 per Ccf.

S. B. 287 EXCISE TAX RIDER

APPLICABILITY

The S. B. 287 Excise Tax Rider shall be applicable to all Customers receiving Gas Service from Company, except for Federal Government Customers.

DESCRIPTION

The S. B. 287 Excise Tax Rider Rate shall be assessed to all volumes billed to applicable Customers by, or on behalf of, Company on or after July 1, 2001, pursuant to the provisions of Section 5727.811, Ohio Revised Code.

S.B.287 EXCISE TAX RIDER RATE

The following rates shall be assessed on all applicable volumes. However, Flex customers as defined by Section 5727.80, Ohio Revised Code, shall be assessed an excise tax rate of \$.00200 per Ccf.

<u>Monthly Usage</u>	<u>Rate per Ccf</u>
First 1,000 Ccf	\$0.01593
Next 19,000 Ccf	\$0.00877
Over 20,000 Ccf	\$0.00411

SALES RECONCILIATION RIDER (SRR)

APPLICABILITY

The Sales Reconciliation Rider shall be applicable to all Customers served under the following Rate Schedules:

Rate 310 – Residential Sales Service and Rate 315 – Residential Transportation Service

Rate 320 – General Sales Service and Rate 325 – General Transportation Service

DESCRIPTION

The Sales Reconciliation Rider (SRR) shall recover the differences between Actual Base Revenues and Adjusted Order Granted Base Revenues for the applicable Rate Schedules.

Actual Base Revenues are defined as weather-normalized monthly base revenues for such Rate Schedules, prior to the SRR adjustment.

Adjusted Order-Granted Base Revenues are defined as the monthly base revenues for the applicable Rate Schedules as approved by the Commission's Order in Company's last base rate case, as adjusted to reflect the change in number of customers from the levels approved by the Commission. To reflect the change in number of customers, Order-granted base revenue per customer is multiplied by the net change in number of customers since the like month during the test year, with the product being added to the Order-granted base revenues for such month.

Company shall defer the calculated differences between Actual Base Revenues and Adjusted Order Granted Base Revenues for the applicable Rate Schedules for subsequent return or recovery via the SRR. Company shall reflect in a revised SRR effective November 1st of each year the accumulated monthly differences between Actual Base Revenues and Adjusted Order Granted Base Revenues.

The accumulated monthly differences for each Rate Schedule shall be divided by projected sales volumes to determine the applicable SRR. Projected and actual recoveries by Rate Schedule under the SRR are reconciled, with any under or over recovery being recovered or returned via the SRR over the next twelve months.

SALES RECONCILIATION RIDER RATE

The applicable Sales Reconciliation Rider Rate below shall be applied to each Ccf of metered gas usage each month.

<u>Rate Schedules</u>	Rates in \$/Ccf
	(B)
	<u>Sales Reconciliation</u>
	<u>Rider</u>
310 and 315	\$0.00000
320 and 325	\$0.00000

TRANSPORTATION TERMS AND CONDITIONS **(LARGE GENERAL)**

APPLICABILITY

Unless otherwise provided for in a written contract between Company and Customer, these Terms and Conditions apply to any Customer receiving Gas Service under Rate 345, Large General Transportation Service.

SECTION 1 - SERVICE AND CAPACITY:

- 1.1 Company and Customer shall agree to the service and capacity levels by completing a contract ("Service Agreement"). Service will be provided in accordance with these Transportation Terms and Conditions.
- 1.2 Company shall, at all times, deliver volumes of natural gas delivered to Company's gas system on Customer's behalf, less the Unaccounted For Gas Percentage in Sheet No. 54, up to the maximum daily volume defined under Section 1.3 of these Transportation Terms and Conditions and the Service Agreement.
- 1.3 The maximum daily volume of gas that may be delivered on Customer's behalf and transported on Company's gas system shall be Customer's Maximum Daily Delivery Obligation ("MDDO"). The MDDO agreed to and specified in the Service Agreement will be set such that an adequate volume of gas may be delivered to and transported on Company's gas system to meet Customer's peak day gas requirements. Company will serve demand above Customer's MDDO only on a best efforts basis.
- 1.4 Upon notice, Customer may choose to increase its MDDO under this Schedule by requesting an increase in writing. Company will accommodate the request when Company has sufficient capacity to serve Customer's increased MDDO. The increase shall take effect in the next billing month.
- 1.5 If necessary to ensure that an adequate volume of gas may be delivered to meet Customer's peak day gas requirements, Company may increase Customer's MDDO to match any actual gas usage that exceeds Customer's then-existing MDDO on any day. Company shall not be required to deliver any volumes in excess of the current or agreed to increased MDDO.
- 1.6 If Customer demonstrates a significant and substantial reduction in peak day gas usage due to reasons other than seasonal or weather-related gas requirements, Company will, at Customer's request, reduce Customer's MDDO to a reasonable level agreed to by both parties. Customer's MDDO reduction shall take effect in the first billing month after the billing month in which the parties agree to the MDDO reduction.
- 1.7 This Transportation Service relates only to gas received by Company at the applicable Interstate city gate(s), to be used for delivery to Customer Meter Number(s) specified in Customer's Service Agreement with Company. Unless otherwise agreed to in a separate contract, Company shall not be obligated to provide Customer any other service.
- 1.8 If Customer's gas requirement exceeds the capacity of Company's gas system, Company will only deliver gas at the incremental cost of providing said service.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

TRANSPORTATION TERMS AND CONDITIONS **(LARGE GENERAL)**

Section 2 - INTERSTATE PIPELINE CAPACITY RELEASE SERVICE:

- 2.1 If Customer is a Sales Service Customer prior to receiving Transportation Service, Customer agrees to accept Company's assignment of Company's firm interstate gas pipeline capacity as specified and if offered by Company to Customer. Customer or its supplier shall enter into a separate Capacity Release and Assignment Agreement with Company for any firm capacity that will be provided. Company and Customer shall agree upon the pipeline's identity and amount of capacity that Company will assign. This amount shall be sufficient to supply Customer's MDDO and may be adjusted in accordance with the provisions of Section 1 of these Transportation Terms And Conditions.
- 2.2 Customer shall pay the maximum applicable interstate pipeline tariff rate for the capacity assigned hereunder. Customer shall retain title to this capacity and use it throughout the term of Customer's Service Agreement to transport natural gas to Company's gas system. Company will have the "right-of-first refusal" to bid on such capacity upon its re-release. All capacity rights assigned hereunder shall revert to Company upon the expiration of the Service Agreement and neither Customer nor its supplier shall be obligated to take the assignment of Company's firm capacity thereafter. If Customer acquires non-Company interstate transportation capacity prior to the expiration of the Service Agreement, Customer remains completely responsible for the disposition of and payment for the capacity assigned to it by Company.

Section 3 - BACKUP SALES SERVICE:

- 3.1 "Human needs and public welfare customers," as defined by the PUCO in Case No. 85-800-GA-COI shall be required to receive full backup sales service in accordance with PUCO guidelines established in that proceeding. Full Backup Sales Service provides Customer with Sales Service at the same level of service as a General Sales Service Customer.
- 3.2 Company shall provide backup gas supply when necessary to provide uninterrupted service in the event that 1) Customer's transportation or supply is disrupted, or 2) Customer purchases Sales Service instead of Transportation Service. Customer will pay a Backup Sales Service Charge as set forth on Sheet No. 33.
- 3.3 If Customer employs Backup Sales Service and purchases gas from Company, such gas supply shall be billed pursuant to Company's then effective GCR Rider on Sheet No. 31. Backup Sales Service Charges shall be credited against each Ccf of gas purchased from Company by Customer.

Section 4 - SCHEDULING AND NOMINATING DELIVERIES:

- 4.1 Customer shall be subject to the Nomination and Balancing Provisions (Large General and Pool Operator) contained in Sheet No. 51.

TRANSPORTATION TERMS AND CONDITIONS **(LARGE GENERAL)**

Section 5 - SYSTEM UNACCOUNTED FOR GAS PERCENTAGE:

- 5.1 Customer shall provide Company with an amount of gas necessary to compensate Company for gas lost and used in operations to provide Transportation Service as set forth in Sheet No. 54, Unaccounted for Gas Percentage. This amount may be adjusted periodically upon PUCO approval to reflect changes in the amount of gas lost and used in operations. Company will provide Customer with notice of any adjustment required under this Section.

Section 6 - MEASUREMENT AND QUALITY:

- 6.1 Company shall be responsible for all measurement at the point of delivery to Customer's facilities. Measurement and metering accuracy shall be based on the standards set forth in Company's General Terms and Conditions.
- 6.2 Company shall be responsible for installing, maintaining, and operating any telemetering devices or related equipment that may be required by Company to monitor consumption hereunder. Company's metered consumption data shall be used for all billing to the Customer.
- 6.3 Customer warrants that all gas delivered on its behalf to Company's gas system shall meet the quality, pressure, and heating value specifications of the applicable FERC Gas Tariff of the interstate gas pipeline(s) delivering Customer-Delivered Gas to Company.

Section 7 - BALANCING:

- 7.1 Customer shall be subject to the Nominations and Balancing Provisions (Large General and Pool Operator) contained in Sheet No. 51.

Section 8 - CURTAILMENT:

- 8.1 Unless it is receiving Backup Sales Service, Customer shall have no rights to gas from Company's system supply during a period of Curtailment. Customer shall be subject to the Curtailment Procedures in the Company's General Terms and Conditions.

Section 9 - TITLE AND WARRANTY

- 9.1 Customer warrants that it will, at the time and place of delivery, have good right and title to all volumes of gas delivered on its behalf to Company, free and clear of all liens, encumbrances, and claims whatsoever, and that it will indemnify and hold Company harmless from all suits, actions, debts, accounts, damages, costs, losses, or expenses (including reasonable attorney fees) arising from or out of the adverse claims of any or all persons relating to or arising from said gas.

Section 10 - FORCE MAJEURE:

- 10.1 Neither Customer nor Company shall be liable to the other for any act, omission, or circumstance resulting from events not reasonably within the control of the affected party. Neither of the following shall be considered a force majeure condition: 1) changes in market conditions that affect the acquisition or transportation of natural gas, or 2) failure of Customer to deliver or consume scheduled gas volumes. The affected party will use diligence to remove the cause of the force majeure condition and resume delivery or consumption of gas previously suspended. Gas withheld from Customer during a force majeure condition will be redelivered upon the end of such circumstances as soon as practical.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

TRANSPORTATION TERMS AND CONDITIONS **(LARGE GENERAL)**

Section 11 - LATE PAYMENT CHARGE:

- 11.1 The Late Payment Charge set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

Section 12 - RETURNED CHECK CHARGE:

- 12.1 The Returned Check Charge set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Customer if applicable.

Section 13 - INTERRUPTION OF SERVICE DUE TO NON-RECEIPT OF GAS SUPPLY:

- 13.1 Company may interrupt Customer's Gas Service to the extent that Company does not receive gas from the interstate pipeline on Customer's behalf. If Company must interrupt Customer's Gas Service, Customer shall interrupt gas usage as directed. Company will endeavor to provide four (4) hours advance notice of such interruption, except when system conditions will not afford such notice. Company shall not be liable in damages or otherwise to Customer for any loss of production or other claim because of the lack of advance notice to Customer. If Customer fails to comply with Company's direction to interrupt, Company reserves the right to discontinue Gas Service to Customer.
- 13.2 Gas consumed by Customer during a period of Curtailment will be billed in accordance with the terms of Unauthorized Gas Usage on Sheet No. 30, Miscellaneous Charges.

Section 14 - INDEMNITY:

- 14.1 Subject to the provisions of Company's General Terms and Conditions, Customer agrees to indemnify, exonerate, and hold harmless Company for all loss, damage, or expense growing out of or in any way connected with the claims of any person, except claims for injuries and/or death of employees of Company arising out of and in the course of their employment with Company, for injuries to person or property occasioned by such gas after it is delivered to Customer. Customer agrees to defend, at its own expense, any suit based upon such claims.
- 14.2 Subject to the provisions of Company's General Terms and Conditions, Company will indemnify, exonerate, and hold harmless Customer for all loss, damage, or expense growing out of or in any way connected with the claims of any person, except claims for injuries and/or death of employees of Customer arising out of and in the course of their employment with Customer, for injuries to person or property occasioned by such gas up to the point of delivery to Customer caused by Company's negligence. Company will defend, at its own expense, any suit based upon such claims, except that Company will not be liable or responsible for, and will not hold Customer harmless for any loss, damage, or expense growing out of or in any manner connected with the acts of any employee of Customer who may go upon or do anything to or with the property of Company.

TRANSPORTATION TERMS AND CONDITIONS **(LARGE GENERAL)**

Section 15 – REGULATION:

15.1 All service rendered hereunder shall at all times be subject to all rules, regulations, and orders of both the FERC and the Commission including: 1) the terms and conditions of any applicable interstate pipeline tariff regulated and approved by the FERC, 2) the guidelines issued by the Commission in Case No. 85-800-GA-COI, 3) Company's General Terms and Conditions as modified from time to time and approved by the Commission, and 4) other Commission orders affecting Company's Gas Services in general or Transportation Service in particular.

Section 16 - RETURN TO SYSTEM SUPPLY:

- 16.1 If Customer elects to return to Company's Sales Service upon termination of the Service Agreement, Customer must provide Company with written notice at least six (6) months prior to the effective termination date. Customer agrees to remain a Sales Service customer for at least two (2) years thereafter. If Customer fails to remain on Sales Service for the requisite two (2) year period, Customer shall compensate Company for any and all gas costs (including pipeline exit fees) incurred by Company to serve Customer.
- 16.2 Company will use its best efforts to accommodate Customer's return to Sales Service in accordance with the provisions of Section 16.1, but will not guarantee its ability to render such service. Any new Sales Service shall be subject to the receipt of all necessary regulatory authorization.
- 16.3 If requested by Company, the returning Customer will assign to Company any interstate pipeline capacity which Customer owns or uses, in order for Company to provide Sales Service to Customer. This assignment will, at a minimum, remain in effect as long as Customer remains on Sales Service.

Section 17 - OPERATIONAL FLOW ORDERS:

- 17.1 Customer shall be subject to the Nomination and Balancing Provisions (Large General and Pool Operator) contained in Sheet No. 51.

Section 18 - OTHER SYSTEM COSTS:

- 18.1 Customer agrees that if any of its actions, over which it exercises sole control as a Transportation Customer, cause Company to incur costs that Company would not have incurred had Customer complied with its obligations defined in this Agreement, Customer shall: 1) compensate Company for all such higher costs which Company is required to pay, and 2) take all necessary measures to allow Company to avoid incurring similar costs in the future. Further, if Customer is currently a Sales Service Customer and Company incurs any pipeline exit fees or similar charges as a result of Customer's election of Transportation Service hereunder, Customer shall compensate Company for these costs.

Section 19 – NOTICES:

- 19.1 Customer shall immediately notify Company of any known or anticipated variation in the amount of gas to be delivered hereunder, as well as any known or anticipated supplier shortfalls or constraints. All notices and correspondences to Company shall be addressed as specified in the Service Agreement.

NOMINATION AND BALANCING PROVISIONS **(LARGE GENERAL AND POOL OPERATOR)**

APPLICABILITY

The following provisions shall apply to each Transporter and to each non-Pooling Transportation Customer being provided Gas Service under Rate 345. **For purposes of these Nominations and Balancing Provisions only, the term "Transporter" shall mean "Pool Operator" and "non-Pooling Transportation Customer."**

NOMINATION PROVISIONS

Transporter shall notify Company of the exact daily quantity of gas nominated to be delivered to Company at pipeline delivery points agreeable to Company (Daily Pipeline Nomination). Company may require Transporter to allocate its Daily Pipeline Nomination to specified city-gate pipeline delivery points based on minimum and maximum allocation percentages (City-Gate Allocations), which Company may revise from time to time, based on operational considerations. Changes to City-Gate Allocations may be made effective annually after four months prior notice, unless extraordinary considerations require a shorter interval or notice period. Company may, based on operational considerations, require modification of Transporter's Daily Pipeline Nominations or deliveries that do not comply with these city-gate allocation percentage requirements.

Transporter shall provide notice to Company prior to each change in Transporter's Daily Pipeline Nomination by submitting to Company the nomination, via Company's EBB, by no later than 11:00 AM Central Clock Time ("CCT") of the workday previous to the start date of the Daily Pipeline Nomination. The nomination shall include information as required in Company's EBB. Notwithstanding the above, Company shall accept nominations submitted after the deadline specified above in accordance with the pipeline's intra-day nomination schedules. Until Transporter submits the required nomination to Company Transporter's nominations of daily quantities shall be zero. Unless otherwise permitted by Company, the Nomination Period shall not exceed thirty-one days.

Transporter shall be responsible for verifying and, if necessary, correcting its Daily Pipeline Nomination so that it matches Transporter's confirmed pipeline deliveries and is compliant with the City-Gate Allocations percentage requirements.

Transporter shall pay a Nomination Error Charge of \$.25 per Dekatherm on the quantity difference between Transporter's final Daily Pipeline Nomination and the confirmed pipeline deliveries under Transporter's Daily Pipeline Nomination for each day such difference occurs ("Error Occurrences"). Transporter shall be allowed two Error Occurrences without charge each twelve months. Documented force majeure conditions and waivers of this charge shall not result in an Error Occurrence.

Transporter shall be assessed a City-Gate Allocation Non-Compliance Charge of \$.50 per Dekatherm on the quantity difference if the Transporter's Daily Pipeline Nomination is less than the minimum or greater than the maximum city gate allocation requirements, which are calculated as the minimum or maximum city gate allocation percentages multiplied by the Transporter's Daily Pipeline Nomination ("Non-Compliance Occurrences"). Transporter shall be allowed two Non-Compliance Occurrences without charge each twelve months. Documented force majeure conditions and waivers of this charge shall not result in a Non-Compliance Occurrence.

NOMINATION AND BALANCING PROVISIONS **(LARGE GENERAL AND POOL OPERATOR)**

BALANCING PROVISIONS

Transporter shall be obligated to balance on a daily and monthly basis its total usage, adjusted to Dekatherms, with the total deliveries of Transporter-Delivered Gas as adjusted to reflect Company's Unaccounted for Gas Percentage. An Imbalance Quantity shall exist when the Transporters' total usage is greater than or less than Transporter's total deliveries on a daily or monthly basis.

The following definitions shall apply:

Daily Index Price: The Daily Midpoint Price per Dekatherm reported in Platts Gas Daily, in the table "Daily Price Survey" for delivery to: Appalachia: Columbia Gas, Appalachia.

Monthly Index Price: The average of the Daily Index Prices for each day during the month.

Daily Under-Delivery Charge: The Daily Under-Delivery Charge shall be the sum of the Daily Index Price and the maximum interruptible pipeline transportation rate, including fuel and all surcharges.

Daily Over-Delivery Charge: The Daily Over-Delivery Charge shall be the sum of the Daily Index Price and the firm pipeline transportation commodity rate, including fuel and all surcharges.

Monthly Under-Delivery Charge: The Monthly Under-Delivery Charge shall be the sum of the Monthly Index Price and the maximum interruptible pipeline transportation rate, including fuel and all surcharges.

Monthly Over-Delivery Charge: The Monthly Over-Delivery Charge shall be the sum of the Monthly Index Price and the firm pipeline transportation commodity rate, including fuel and all surcharges.

Nomination and Balancing Provisions Charges: Any Charge assessable to Transporter pursuant to these Nomination and Balancing Provisions.

NOMINATION AND BALANCING PROVISIONS **(LARGE GENERAL AND POOL OPERATOR)**

PHASE 2 ACTIVATION

The following Daily Balancing Provisions are conditionally approved and would be activated and placed into effect only pursuant to satisfaction of the requirements set forth in Paragraph 3 of the Stipulation and Recommendation filed on May 15, 2006 and approved by the Commission in Case No. 04-571-GA-AIR.

DAILY BALANCING PROVISIONS

Transporter shall be obligated to balance its total daily usage adjusted to Dekatherms ("Total Daily Usage") with the aggregated total daily deliveries of Transporter-Delivered Gas by the interstate pipeline, as reduced to reflect Company's Unaccounted for Gas Percentage as specified in Sheet No. 54 ("Total Daily Deliveries"). A Daily Imbalance Quantity shall exist when the Total Daily Usage is greater than or less than Transporter's Total Daily Deliveries.

Daily Under-Delivery Imbalance: If Transporter's Total Daily Deliveries are less than its Total Daily Usage, the gas shortfall shall be considered Daily Under-Delivery Imbalance Quantities. Daily Under-Delivery Imbalance Quantities up to and including 15% of Total Daily Usage shall be carried to month-end; Daily Under-Delivery Imbalance Quantities over 15% shall be Cashed out with Company. Transporter shall pay Company for Daily Under-Delivery Gas Quantities greater than 15% of Total Daily Usage pursuant to the following:

- (1) 1.05 times the Daily Under-Delivery Charge for each Dekatherm of Under-Delivery Imbalance Quantity that is greater than 15%, up to and including 25% of Total Daily Usage; plus
- (2) 1.2 times the Daily Under-Delivery Charge for each Dekatherm of Daily Under-Delivery Imbalance Quantity that is greater than 25% of Total Daily Usage; plus
- (3) Applicable taxes.

During a Cold Weather OFO, the aforementioned Daily Under-Delivery Imbalance provisions will be replaced by those specified in the section entitled Operational Flow Orders. During a Warm Weather OFO, the Daily Under-Delivery Imbalance provisions shall not apply.

Daily Over-Delivery Imbalance: If Transporter's Total Daily Deliveries are greater than its Total Daily Usage, the excess gas shall be considered Daily Over-Delivery Imbalance Quantities. Daily Over-Delivery Imbalance Quantities up to and including 15% of Total Daily Usage shall be carried to month-end; Daily Over-Delivery Imbalance Quantities over 15% shall be Cashed out with Company. Company shall pay Transporter for such Daily Over-Delivery Imbalance Quantities greater than 15% of Total Daily Usage pursuant to the following:

- 1) 0.9 times the Daily Over-Delivery Charge for each Dekatherm of Daily Over-Delivery Imbalance Quantity that is greater than 15%, up to and including 25% of Total Daily Usage; plus
- 2) 0.75 times the Daily Over-Delivery Charge for each Dekatherm of Daily Over-Delivery Imbalance Quantity that is greater than 25% of Total Daily Usage.

During a Warm Weather OFO, the aforementioned Daily Over-Delivery Imbalance provisions will be replaced by those specified in the section entitled Operational Flow Orders. During a Cold Weather OFO, the Daily Over-Delivery Imbalance provisions shall not apply.

NOMINATION AND BALANCING PROVISIONS **(LARGE GENERAL AND POOL OPERATOR)**

MONTHLY BALANCING PROVISIONS

Transporter shall be obligated to balance its total monthly usage adjusted to Dekatherms ("Total Monthly Usage") with the actual monthly deliveries of Transporter-Delivered Gas by the pipeline, as adjusted to reflect (1) Company's Unaccounted for Gas Percentage as specified in Sheet No. 54, (2) the net effect of Daily Imbalance Quantities cashed out during the current month, and (3) prior month Monthly Over-Delivery Imbalance Quantities made available to Transporter or Monthly Under-Delivery Imbalance Quantities made up by Transporter, (collectively, "Total Monthly Deliveries"). A Monthly Imbalance Quantity shall exist when the Total Monthly Usage is greater than or less than Transporter's Total Monthly Deliveries.

Monthly Under-Delivery Imbalance: If the Total Monthly Deliveries for Transporter's account at the end of the month are less than its Total Monthly Usage, the gas shortfall shall be considered Monthly Under-Delivery Imbalance Quantities. Monthly Under-Delivery Imbalance Quantities up to and including 5% of Total Monthly Usage shall be carried forward to the following month; Monthly Under-Delivery Imbalance Quantities greater than 5% shall be Cashed out with Company. Transporter shall pay Company for Monthly Under-Delivery Imbalance Quantities greater than 5% of Total Monthly Usage pursuant to the following:

- (1) 1.05 times the Monthly Under-Delivery Charge for each Dekatherm of Monthly Under-Delivery Imbalance Quantity that is greater than 5%, up to and including 15% of Total Monthly Usage; plus
- (2) 1.2 times the Monthly Under-Delivery Charge for each Dekatherm of Monthly Under-Delivery Imbalance Quantity that is greater than 15% of Total Monthly Usage; plus
- (3) Applicable taxes.

Monthly Over-Delivery Imbalance: If the Total Monthly Deliveries for Transporter's account at the end of the month are greater than its Transporters' Total Monthly Usage, the gas excess shall be considered Monthly Over-Delivery Imbalance Quantities. Monthly Over-Delivery Imbalance Quantities up to and including 5% of Total Monthly Usage shall be carried forward to the following month; Monthly Over-Delivery Imbalance Quantities greater than 5% shall be Cashed out with Company. Company shall pay Transporter for Monthly Over-Delivery Imbalance Quantities greater than 5% of Total Monthly Usage pursuant to the following:

- (1) 0.9 times the Monthly Over-Delivery Charge for each Dekatherm of Monthly Over-Delivery Imbalance Quantity that is greater than 5%, up to and including 15% of Total Monthly Usage; plus
- (2) 0.75 times the Monthly Over-Delivery Charge for each Dekatherm of Monthly Over-Delivery Imbalance Quantity that is greater than 15% of Total Monthly Usage.

NOMINATION AND BALANCING PROVISIONS **(LARGE GENERAL AND POOL OPERATOR)**

OPERATIONAL FLOW ORDERS

Transporter is obligated, when requested by the Company through an Operational Flow Order ("OFO"), to nominate and deliver gas supply to the Company's city gates in the manner instructed by the Company. Company may call an Cold Weather OFO or a Warm Weather OFO where such action is necessary, in Company's sole judgment, to (1) protect the reliability of Company's gas system; (2) comply with Company's Curtailment Procedures, and/or (3) adhere to the various interstate pipeline companies' requirements, as stated in their FERC-approved tariffs. The Company shall not otherwise call OFOs for economic or gas cost reasons.

Cold Weather OFO Day: During a Cold Weather OFO, the Transporter shall be subject to the following Daily OFO Under-Delivery Imbalance provisions:

If Transporter's Daily Under-Delivery Imbalance Quantity is greater than 5% of actual Total Daily Usage, the shortfall quantities shall be Cashed-out with Company. Transporter shall pay Company the following:

- (1) For each Dekatherm of Daily Under-Delivery Imbalance Quantities greater than five (5) percent of Total Daily Usage, the Daily Under-Delivery Charge; plus
- (2) The higher of (a) all other charges incurred by Company and attributable to Transporter's Daily Under-Delivery Imbalance Quantity, including pipeline penalty charges on the OFO shortfall quantities, or (b) an OFO Imbalance Charge of \$10.00 per Dekatherm on the portion of the Daily Under-Delivery Imbalance Quantity that is greater than five (5) percent of Total Daily Usage; plus
- (3) Applicable taxes.

Warm Weather OFO Day: During a Warm Weather OFO, the Transporter shall be subject to the following Daily OFO Over-Delivery Imbalance provisions:

If Transporter's Daily Over-Delivery Imbalance Quantity is greater than 5% of its actual Total Daily Usage, the excess quantities shall be Cashed out with Company. Company shall pay Transporter for each Dekatherm of Daily Over-Delivery Imbalance Quantities greater than five (5) percent of Total Daily Usage, the Daily Over-Delivery Charge. Transporter shall pay Company the following:

- (1) The higher of (a) all charges incurred by Company and attributable to Transporter's Daily Over-Delivery Imbalance Quantity; including pipeline penalty charges on the OFO excess quantities, or (b) an OFO Imbalance Charge of \$10.00 per Dekatherm on the portion of the Daily Over-Delivery Imbalance Quantity that is greater than five (5) percent of Total Daily Usage; plus
- (2) Applicable taxes.

NOMINATION AND BALANCING PROVISIONS **(LARGE GENERAL AND POOL OPERATOR)**

IMBALANCE TRADING

Transporter may trade daily and monthly imbalance quantities, including those on OFO days, to reduce or eliminate its imbalances. Imbalance Trading is subject to the following provisions:

- (1) The schedule for the trading of imbalances shall be as follows:
 - a. Company shall issue an initial statement of daily and monthly imbalances (i.e. prior to imbalance trades) to Transporter within ten (10) business days following the end of the month.
 - b. Transporter shall complete and submit its daily and monthly imbalance trades to Company within three (3) business days following the issuance of the initial imbalance statement.
 - c. Company shall issue a final imbalance statement of daily and monthly imbalances to Transporter within three (3) business days following the close of imbalance trading.
- (2) The quantity eligible for trading is 100% of the calculated pre-trade daily or monthly imbalance quantities. Transporter may not trade to establish an imbalance in the opposite direction of the original imbalance.
- (3) Company will bill the selling party to an Imbalance Trade a \$10.00 Imbalance Trading Charge for each transaction. For purposes of this charge, a transaction is each transfer of gas imbalance for a specific gas day or month pursuant to an arrangement by, or between, Transporter(s) to purchase, sell, or trade gas imbalances.
- (4) Any dollar payments, receipts, or exchanges of other consideration agreed upon between the parties to an Imbalance Trading transaction are outside the scope of this tariff and must be completed between the parties themselves.

WAIVER OF CHARGES

In its reasonable discretion, on a case-by-case basis, Company may waive all or part of any Charge assessable to Transporter pursuant to these Nomination and Balancing Provisions, when such Charges result from situations which occur beyond the reasonable control of Transporter, including, without limitation, an unexpected production outage, equipment malfunction or upstream pipeline error. The waiver of such otherwise assessable Charge shall be exercised on a non-discriminatory basis. Requests for waivers must be submitted in writing to Company and be signed by an authorized representative of Transporter. VEDO will retain records of waiver requests received and their dispositions. Daily and Monthly Balancing Provisions may be waived or amended on a case-by-case basis for situations beyond the reasonable control of the Transporter. Such waivers or amendments shall be exercised on a non-discriminatory basis.

DISPOSITION OF CHARGES

Nomination and Balancing Provisions Charges which reflect costs flowed through the Gas Cost Recovery ("GCR") mechanism will be booked to the GCR, including the gas cost portion of all cash-outs relating to imbalances and all incremental gas costs and pipeline penalties reflected in the GCR.

Non-GCR related portions of the Charges will be credited to VEDO's PIPP Rider, including Nomination Error Charges, City-Gate Allocation Non-Compliance Charges, and the non-gas portions of all imbalance cash-outs. Company will not retain amounts associated with Nomination and Balancing Provisions Charges, except as necessary to offset pipeline penalties.

POOLING SERVICE TERMS AND CONDITIONS **(RESIDENTIAL AND GENERAL)**

APPLICABILITY

The following Terms and Conditions apply to Suppliers under Rate 385, Pooling Service (Residential and General).

DEFINITIONS

Comparable Firm Capacity Requirement - The requirement that Supplier secure firm interstate pipeline capacity with a primary delivery point of Company's city gates and firm supplies to meet 100% of Supplier's Pool's Peak Design Day Demand for the applicable month, less a percentage during the winter months reflecting the Pool's entitlement to Company's propane or alternate peaking supplies.

Cycle Month - The period of time between the scheduled meter reading dates for Customer. These reading dates are approximately 30 days apart, but will not likely occur on the first day of a calendar month. For purposes of these Terms and Conditions, a Customer's Cycle Month shall be deemed coincident with the calendar month in which the Cycle Month concludes.

DDQ or Directed Delivery Quantity - The daily quantity of gas in Dth that Supplier must deliver to Company's city gates, as specified by Company, to meet the Expected Demand of Supplier's Pool, adjusted for prior imbalances associated with volume reconciliations, operating constraints, system knowledge/experience, and Company's Unaccounted for Gas Percentage.

Delivered Supplies - The sum of the daily DDQs plus vaporized propane or alternate peaking supplies allocated by Company to such Pool, plus or minus supplies associated with Pool-to-Pool transfers, and plus or minus supplies associated with OFO helpful imbalances that were not reflected as adjustments to future DDQs. This Dth quantity will be converted to Ccf volumes using the interstate pipeline system average Btu factor for the applicable period.

Enrollment Processing Period - The number of days required to process a Customer's enrollment in the Pooling Program. This process commences with the submission to Company by Supplier of appropriate information for an eligible Customer and ends with the termination of Customer's rescission period. The process will take up to 12 business days, and includes 7 business days from the date Company sends Customer a letter indicating Customer may rescind its Program enrollment or change in Suppliers.

Expected Demand - A Pool's forecasted usage for a particular gas day, as determined by Company.

Mercantile Customer - As defined in division (L) of Section 4929.01 of the ORC. In summary, it means a Customer that: 1) consumes, other than for Residential use, more than 5,000 Ccf of natural gas per year at a single location or as part of an undertaking having more than 3 locations within or outside the state, and 2) has not filed a declaration with the Commission.

Mercantile Pool - A Pool that contains any Customers meeting the definition of a Mercantile Customer.

Non-Mercantile Pool - A Pool that is comprised entirely of Non-Mercantile Customers.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

POOLING SERVICE TERMS AND CONDITIONS **(RESIDENTIAL AND GENERAL)**

ORC - The Ohio Revised Code.

Over-delivery Imbalance Volume - The volume by which a Pool's Delivered Supplies exceeds the Pool's Usage for the same period of time.

"Peak Design Day Demand" means the then-effective forecasted peak design day usages of a Customer Pool as calculated and communicated by Company.

Pool - A group of Customers receiving Gas Service pursuant to the Rate 315, Residential Transportation Service, or Rate 325, General Transportation Service, who have been joined together with other Customers subscribing to the same Transportation Service by a single Supplier for gas supply management purposes. If PIPP Customers are being served by a Supplier, a separate Pool must be comprised entirely of PIPP Customers.

Pool Customer - A recipient of Transportation Service provided by Company under Rates 315 or 325 who receives gas supply from a Supplier as a member of a Pool.

Pool's Usage - The Pool Customers' billed Ccf usage for the Cycle Months during the applicable period, grossed up by the Company's Unaccounted for Gas Percentage for the same period.

Pooling Program or Program - The services provided under Rate 385, Pooling Service (Residential and General Transportation), Rate 315, Residential Transportation Service, and Rate 325, General Gas Transportation Service.

Supplier - A marketer, supplier, broker, aggregator or governmental aggregator that meets the Requirements for Supplier Participation set out in Rate 385.

Supplier Pooling Agreement or Agreement - An agreement between Company and Supplier that defines the mutual responsibilities and obligations of those parties relative to services provided under Rate 385--Pooling Service (Residential and General).

Supply Contract or Contract - A contract between Pool Customer and its Supplier that defines the mutual responsibilities and obligations of those parties relative to Customer's purchase and Supplier's sale of gas supplies for delivery to Customer pursuant to Rate 385 and the applicable Transportation Service Rate Schedule.

Unaccounted for Gas Percentage - The portion of Supplier's city gate deliveries retained by Company to compensate Company for gas lost, used, and unaccounted for in operations. The currently effective Unaccounted for Gas Percentage is contained in Sheet 54 and may be adjusted periodically, after approval by the Commission, to reflect changes in the amount of gas lost, used, and unaccounted for in operations.

Under-delivery Imbalance Volume - The volume by which a Pool's Delivered Supplies is less than the Pool's Usage for the same period of time.

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CUSTOMER ENROLLMENT

Enrollment of Non-Mercantile Customers:

Suppliers may take enrollments from Non-Mercantile customers by mail, facsimile, direct solicitation, telephone, and Internet. When soliciting and/or enrolling Non-Mercantile Customers, Supplier must adhere to the requirements set out in Rules 4901:1-29-05 and 4901:1-29-06 of the OAC.

Customer Sign-Up Procedures:

A Customer desiring to participate in the Program may execute a written Supply Contract with a Supplier that states that Customer has agreed to participate in the Program and which sets forth the terms and conditions of Customer's gas supply purchase. Supplier may design the format of the Supply Contract, but at a minimum, it must include the applicable information specified by paragraphs 1, 2, 6, 7 and 8 of the Supplier Code of Conduct. In the alternative, a Customer desiring to participate in the Program may subscribe via telephone or Internet. Under these methods, Supplier must retain proof of Customer consent. The Supply Contract, or alternate proof of Customer consent in the case of telephonic or Internet enrollment, will be used to resolve disputes if the validity of an account sign up comes into question. If requested by Company, the Commission (in the case of Non-Mercantile Customers only) or OCC (in the case of Residential Customers only), Supplier must provide a copy of a specific Supply Contract, or alternate proof of Customer consent in the case of telephonic or internet enrollment, within three (3) business days of any such request.

Regardless of the Customer enrollment method used, within 3 business days after completion of enrollment (unless a later date is agreed to or Customer rescinds), Supplier will provide Company with an electronic file in a format specified by Company, containing a listing of all Customers that Supplier has signed up or desires to drop since its last submission. Among other things, this list shall include each Pool Customer's name, service address and Company account number. Company will evaluate the information provided for accuracy and Customer eligibility, and provide Supplier with a confirmation report within three (3) business days. In the event more than one Supplier includes the same Pool Customer on his enrollment files to begin the same period, Customer will be assigned to Supplier whose acceptable enrollment was first processed by Company.

Once complete and accurate information supporting a Customer joining or leaving Supplier's Pool is received and confirmed by Company, the change will be effective with Customer's next on-cycle meter reading after Customer's Enrollment Processing Period. If Customer rescinds its enrollment prior to commencing service with a Supplier, Company shall notify Supplier within two business days of the Customer's rescission. Customer will remain with its Supplier until: 1) Customer's name, service address, and account number appear on another Supplier's electronic enrollment file listing; 2) Customer is reverted to Sales Service due to non-payment; 3) Customer or Supplier notifies Company that the Customer should revert to Company's Sales Service; 4) Customer moves out of his current address or 5) Customer joins the PIPP program. If Customer's current Supplier initiates Customer's termination in the Program, Company shall issue a written notification to Customer informing Customer of such change. Customers who on their own initiative decide to terminate their participation in the Program will be permitted to do so without Company making any determination regarding whether Customer is contractually permitted to make such move. Company shall not be liable to Supplier or Customer for allowing Customer to revert to Sales Service.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

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If Company rejects a Customer from enrollment, the Supplier shall notify Customer within three business days from Company's notification of rejection that Customer will not be enrolled or enrollment will be delayed, along with the reason(s) therefor.

Company shall, prior to commencing service, mail Customer a confirmation notice stating:

1. Company has received a request to enroll Customer with the named Supplier, and, in the case of an enrollment request from a Customer who is currently with another Supplier, a statement that Company's records reflect that Customer is currently enrolled with another Supplier along with an admonition that Customer should review the terms and conditions of the incumbent Supplier's Contract for Customer's obligations under said Contract;
2. The date such service is expected to begin;
3. Customer has seven business days from the postmark date on the notice to contact Company telephonically, in writing or via the Internet to rescind the enrollment request or notify Company that the change of Supplier was not requested by Customer; and
4. Company's toll-free telephone number, mailing address and website address.

Supplier's failure to adhere to any of Customer enrollment procedures or failure to provide verification of enrollment within the time period specified herein shall be treated in the same manner as violations of the Supplier Code of Conduct.

Eligible Customer List:

Company shall make available to Suppliers an electronic list of Customers eligible for participation in the Program. Such list shall include information on Customers that meet the size requirements for Residential or General Transportation Service, are not under commitment with a Supplier, are not past due on their utility account and have not requested to have their name and applicable information deleted from any eligible Customer list. Such list shall be updated quarterly and shall, at a minimum, contain the following information regarding each eligible Customer: name, service and mailing address. Customized listings may also be developed by Company at Supplier's request for Residential and General Sales Service Customers meeting specific geographic or other criteria. The fee for such eligible customer list is described in Rate 385.

Content of Renewal Notices:

The written notice to Customer, required by paragraph 8 of the Supplier Code of Conduct, informing him that his Supply Contract is up for renewal, shall satisfy the following requirements in the case of Non-Mercantile Customers. (Complete information regarding the content of renewal notices for Non-Mercantile Customers is contained in Rule 4901:1-29-10 of the OAC.)

1. The envelope or postcard containing the renewal or extension notice must be labeled in a conspicuous place with the words "Important Contract Renewal Information Inside";
2. The renewal or extension notice must be a stand alone document that contains no advertising;
3. For Supply Contracts with a renewal period of 6 months or longer, Supplier must provide appropriate written notice to Customers. If there is no material change the notice shall inform Customer how to terminate, renew and/or extend the Supply Contract. If there is a

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material change and either a cancellation/termination fee greater than \$25 or no option for early cancellation/termination, Customer must provide its affirmative consent to such renewal. If there is a material change with a cancellation termination fee of \$25 or less, two notices must be sent and the notices should highlight the changes and indicate the Customer's Contract will renew unless Customer affirmatively cancels the Supply Contract.

4. The notice must clearly disclose any price changes that will be in effect for the new term; and
5. The renewal period for Supply Contracts with renewal provisions shall not exceed the initial Supply Contract period.

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POOL CUSTOMER BILLING OPTIONS

Supplier may elect one of the following two billing options for its Pool Customers that do not participate in PIPP. Such election shall be applicable to all of Supplier's Pools and Customers.

Option 1 – Company Consolidated Billing:

Pool Customer shall receive one Bill from Company that indicates the name of Supplier from whom Customer is receiving its gas supply and which includes an amount for Supplier's gas supply charges in accordance with the pricing arrangements agreed upon between Supplier and Customer, including any taxes for which Supplier must collect. Supplier shall furnish Company with sufficient Bill contents as required in Rule 4901:1-29-12(b) of the OAC. Company's consolidated Bill may provide the budget amounts, past due balances, and payments applied on a consolidated basis only. A Supplier who elects this billing option will be limited to a reasonable number of pricing arrangements to which a Customer may be assigned by Supplier.

Pool Customer will be responsible for making payment to Company for the entire amount shown on the Bill, including both Company's and Supplier's charges. Once a month, Company shall remit to Supplier, by wire transfer or otherwise, payment for all gas supply billed to Supplier's Customers by Company on Supplier's behalf, including taxes attributable to Supplier's portion of the Bill, less a negotiated receivables discount and any applicable offsetting amount. Supplier shall be responsible for dispersing to the appropriate taxing authorities any tax that is attributable to Supplier's portion of the Bill.

In the event Customer remits to Company less than the full payment due, the payment received shall first be attributed to Company's past due charges, then to Company's current charges, and the residual amount, if any, shall be attributed to Supplier's portion of the Bill, including the taxes thereon. Customer shall be subject to the Delayed Payment Charges set out in Sheet No. 30, Miscellaneous Charges, against the entire amount of past due charges on Customer's Bill. Company shall be responsible for collection responsibilities associated with any shortfall from Customer. Company shall notify Supplier and Pool Customer if, and when, Customer has been removed for non-payment from Supplier's Pool and returned to Sales Service in accordance with the procedures set forth above and in the respective Transportation Service Rate Schedule.

Option 2 – Dual Billing:

Pool Customer shall receive two bills as follows:

1. Company shall bill and collect for its portion of the Bill that includes charges for Transportation Service and all applicable Riders. Company's Bill shall include Supplier's name and a statement that Supplier is responsible for billing Supplier's charges. In the event that Customer remits to Company less than the amount included on Company's Bill, Customer shall be subject to the same delayed payment charges and disconnect rules that would be applicable if Customer were receiving Sales Service. However, Customer must be returned to the applicable Sales Service prior to being disconnected for non-payment.
2. Supplier shall be responsible for billing and collecting his part of the bill including any arrearages due from Supplier's own prior billings. To facilitate Supplier's portion of

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the billing each month, Company will provide Supplier with an electronic notification of the monthly meter readings of all Customers within Supplier's Pool that have been billed by Company. Such billing data will correspond to the meter reading data on which Company based its Bill for Transportation Service. Supplier may terminate gas sales to any Pool Customer for non-payment and remove Customer from its Pool in accordance with the procedures for deleting Customers from a Supplier's Pool.

CUSTOMER INQUIRIES AND DISPUTE RESOLUTION

Each Supplier shall cooperate with Company, the Commission (in the case of Non-Mercantile Customers), and the OCC (in the case of Residential Customers) to answer inquiries and resolve disputes. Supplier shall apprise potential Pool Customers of the applicable dispute resolution process set forth below prior to such Customers executing a Supply Contract with Supplier. The following procedures shall be applicable to all inquiries and disputes:

1. Supplier shall ensure Customers have reasonable access to their service representatives to make inquiries and complaints, discuss charges on Customer bills, terminate competitive service and transact other pertinent business.
2. Supplier must provide its address and a local or toll-free telephonic means for Pool Customers to obtain information on their account and Supplier's dispute resolution process, and Supplier must afford Customers prompt answer times during normal business hours.
3. At the time Pool Customer executes its Supply Contract with Supplier or as soon as practical thereafter, Supplier shall provide Customer, in writing, all the information set forth in paragraph (4) below.
4. Each Pool Customer's Bill shall list the Commission's local or toll free number and Telecommunication Device for the Deaf/Text Telephone Yoke (TDD/TTY) number, Supplier's consumer service local or toll free phone number, Company's emergency phone number, OCC's local or toll-free number and Commission's and OCC's website addresses and business hours. In addition, each Customer's Bill shall indicate that Customer may contact the Commission, or the OCC in the case of Residential Customers, with respect to any inquiries or problems that they may be experiencing with the Company, and Non-Mercantile customers may contact the PUCO, or the OCC in the case of Residential Customers, with respect to any inquiries or problems that they may experience with their current or potential Supplier.
5. Supplier must make good faith efforts to resolve disputes and to cooperate with the resolution of any joint issues with Company.
6. Within three (3) business days of the date Supplier has received a complaint from a Pool Customer, Supplier shall provide a status report to Customer regarding the complaint, or to Customer and the Commission Staff when the complaint is referred to Supplier by the Commission Staff in the case of a Non-Mercantile Customer.

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CODES OF CONDUCT

Supplier Code of Conduct:

Each Supplier participating in the Pooling Program shall:

1. Communicate to Pool Customers, in clear, understandable terms, Customers' rights and responsibilities. This communication shall include: 1) Supplier's customer service address, local or toll-free telephone number and hours of operation; 2) a statement describing the procedures for handling complaints and disputes; and 3) notice that the continuation of this Program is subject to the Commission's approval.
2. Provide in writing, pricing and payment terms that are clear and understandable and inform Customers whether the price that Customer will pay is inclusive or exclusive of applicable taxes and approved Company Riders.
3. Refrain from engaging in communications, acts or practices that are fraudulent, deceptive, misleading, unfair, or unconscionable.
4. Deliver gas to Company on a firm basis on behalf of the Supplier's Pool Customers in accordance with the requirements of Rate 385, these Terms and Conditions, and the Supplier Pooling Agreement.
5. Establish and maintain a creditworthy financial position to enable Supplier to indemnify Company for costs incurred as a result of any failure by Supplier to deliver gas or pay invoices in accordance with the requirements of the Program.
6. In all Supply Contracts with Pool Customers, provide Customer the right to terminate its Contract with Supplier without penalty if the Program is terminated by the Commission prior to the end of the Supply Contract.
7. For all Pool Customers, provide Company and Pool Customer at least 30 days' written notice prior to the end of the term of the Supply Contract of Supplier's intent to discontinue service to Pool Customer.
8. For Supply Contracts that may renew for a period of six (6) months or longer, Supplier shall provide appropriate notice to Customer at least forty-five (45) days, but not more than ninety (90) days in advance of its Contract expiration date. Such notice shall, at a minimum, state any renewal period and how Customer may renew, terminate and/or extend the Supply Contract.
9. Make good faith efforts to resolve all disputes between Supplier and its Pool Customers and to cooperate with resolution of any joint issues with Company.
10. Agree to implement a third-party verification process for Pool Customer sign-ups when conducting a door-to-door marketing/sales campaign and agree to adhere to the Home Solicitation Sales Act as applicable.

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11. Cooperate with the Commission Staff, in developing the Apples to Apples comparison chart, by providing accurate and timely information. Cooperate with the OCC in developing the "Comparing Your Energy Choices" fact sheet, if Supplier serves Residential Customers.

Failure to fulfill any of these obligations shall be considered a violation of the Supplier Code of Conduct, subject to consequences set forth in the Consequences of Supplier's Failure to Perform or Comply section of these Terms and Conditions.

Affiliate Code of Conduct:

Company shall comply with the following Code of Conduct applicable to the Pooling Program:

1. Company must apply Tariff Sheets in a like manner when comparing application to affiliate and non-affiliate Suppliers.
2. Company must enforce the Tariff Sheets in a like manner when comparing enforcement to affiliate and non-affiliate Suppliers.
3. Company may not give its affiliated Supplier or Customers of its affiliated Supplier preference over non-affiliated Suppliers or their Customers in the application of tariff provisions or otherwise pertaining to the Pooling Program. Any ancillary service provided by Company pursuant to the Program (e.g., billing and envelope service) that is not tariffed will be priced uniformly for affiliated and non-affiliated Suppliers and be made available to all on a non-discriminatory basis.
4. Company must process all similar requests for Transportation Service in the same manner and within the same approximate period of time for all Suppliers irrespective of affiliate status.
5. Company shall not disclose to anyone other than a Company employee or agent any information regarding an existing or proposed Transportation Service arrangement, unless authorization is granted by the Customer, Customer's agent, or Supplier.
6. If a potential Pool Customer requests information about Suppliers, Company shall provide a list of all Suppliers participating in the Pooling Program, but shall not endorse any Supplier nor indicate that any Supplier will receive preference because of an affiliate relationship.
7. Company will, to the extent practicable, separate the activities of its operating employees from its affiliate Supplier employees in all areas where their failure to maintain independent operations may have the effect of harming Customers or unfairly disadvantaging unaffiliated Suppliers.
8. Company shall not condition or tie its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a Supplier, Pool Customer or other third party in which its affiliate Supplier is involved.
9. Company and its affiliate Supplier shall keep separate books of accounts and records.

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10. Neither Company nor its affiliate Supplier shall communicate to any Customer, Supplier or third party the idea that any advantage might accrue in the use of Company's service as a result of dealing with its affiliate Supplier.
11. Company's complaint procedure for issues concerning compliance with this code of conduct is as follows: All complaints, whether written or verbal, shall be referred to Company's designated attorney. Company's designated attorney shall orally acknowledge the complaint within five (5) working days of receipt. The complainant party 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. Company's designated attorney 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. Company's designated attorney shall keep a file with all such complaint statements for a period of not less than three years.
12. If Company offers its affiliate Supplier or a Pool Customer of its affiliate Supplier a discount, rebate or fee waiver for transportation, balancing, meters or meter installation, storage, or any other service, it must, upon request, prospectively offer such discounts, rebates or fee waivers to all similarly situated non-affiliated Suppliers or Pool Customers under similar terms and conditions.
13. Company's name and logo will not be used in its affiliate Supplier's promotional material designed for the solicitation of Pool Customers, unless such promotional material discloses in plain, legible or audible language, on the first page or at the first point where Company's name and logo appears, that its affiliate Supplier is not the same entity as Company. Company is also prohibited from participating in exclusive joint activities with its affiliate Supplier, including advertising, marketing, sales calls or joint proposals to any existing or potential Pool Customers.

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CAPACITY AND OPERATING REQUIREMENTS

Comparable Firm Capacity Requirement:

Each month, Supplier agrees to secure sufficient firm interstate pipeline capacity with primary delivery points to Company's city gates and firm supply to meet 100% of that month's Peak Design Day Demand of its Pool Customers, less a percentage during the winter months reflecting the Pool's entitlement to Company's propane or alternate peaking capability as described below (Comparable Firm Capacity Requirement). All obligations of Supplier with respect to such capacity and supply shall be the sole responsibility of Supplier.

On a daily basis, Company will provide Supplier with the revised Peak Design Day Demand for Supplier's Pool effective the following day. This volume will change over time as necessary to reflect Customers joining and/or leaving Supplier's Pool and any changes in Company's peak design day demand parameters.

Company may periodically verify Supplier's compliance with this Comparable Firm Capacity Requirement. Supplier will provide to Company upon request copies of contracts for upstream pipeline capacity not assigned by Company and supply contracts showing the firm quantities reserved or purchased and the specific points of delivery. If Supplier is securing firm city gate supplies, Supplier shall provide a copy of such firm supply agreement, and additional documentation as required by Company to confirm compliance of the applicable interstate pipeline capacity.

If Company identifies a firm capacity deficiency, such deficiency shall be resolved to Company's satisfaction by one or a combination of the following, at the Supplier's discretion: 1) immediate acquisition by Supplier of additional firm pipeline capacity, 2) assignment to Supplier of Company's pipeline capacity, 3) delayed enrollment of new Pool Customers, 4) return of existing Pool Customers to Company's Sales Service, or 5) transfer of Pool Customers to another Supplier. If Company identifies a firm supply deficiency, such deficiency shall be resolved to the Company's satisfaction by one or a combination of the following, at the Supplier's discretion: 1) immediate acquisition by Supplier of additional firm supply, 2) delayed enrollment of new Pool Customers, 3) return of existing Pool Customers to Company's Sales Service, or 4) transfer of Pool Customers to another Supplier.

Assignment of Pipeline Capacity:

If Supplier elects assignment of firm interstate pipeline capacity for meeting some portion of the usage requirements of Supplier's Pool Customers, Supplier shall take direct assignment of specific interstate pipeline firm transportation and/or storage capacity for a term, unless otherwise agreed to by Company, which is the lesser of: 1) the term of the Supplier Pooling Agreement, or 2) the remaining term of the service agreement with the interstate pipeline applicable to such capacity, less one day, subject to Company's right of capacity recall contained elsewhere in these Terms and Conditions.

Specific terms and conditions of any capacity assignment will be negotiated between Supplier and Company, or its agent, including length of term, price, and recall timing, subject to FERC requirements for capacity release. Company may decline from assigning firm transportation and/or storage capacity if such capacity is needed to meet the needs of its Sales Service Customers or to perform the operational balancing function.

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Supplier may not change any primary points of receipt or delivery associated with assigned pipeline transportation contracts during the term of the capacity assignment. In addition, for specific parcels of capacity identified by Company, Supplier may not utilize any delivery point other than those primary and secondary points identified by Company unless the capacity is released at the pipeline's full tariff rate or unless an alternate capacity billing arrangement is agreed to by Supplier and Company. The assigned capacity is subject to recall at any time if Supplier does not perform in accordance with the Agreement or fails to comply with the Supplier Code of Conduct and other provisions set forth in these Terms and Conditions.

Supplier may re-release any capacity assigned to it hereunder, provided that: 1) Supplier will continue to be responsible to Company for payment of all pipeline charges associated with the assigned capacity; 2) any re-release of such capacity remains subject to the restrictions identified in the Assignment of Pipeline Capacity section; and 3) the capacity is not needed to satisfy the Supplier's Pool's DDQ on such day(s). Supplier may use other firm pipeline capacity to accomplish its DDQ and re-release portions of its assigned pipeline capacity, subject to the previously mentioned restrictions.

Company Demand Forecast:

Company shall forecast each Pool's Peak Design Day Demand and Expected Demand based upon Company's design day and forecasted weather, respectively; the number of Customers in the Pool; and the historic usage characteristics of the Pool Customers. The Peak Design Day Demand, Expected Demand, and corresponding DDQ shall be based on a single market area upon the implementation of the Program. However, through experience gained with the Program, Company may create separate forecasts and DDQs and require separate Pools for specific market areas.

Company may increase a Pool's June through August DDQs so that it may reduce the Pool's DDQs for the upcoming October and November to accommodate Company's injections into its interstate pipeline storage capacity. Further, Company will strive to keep a consistent DDQ throughout the month for each Pool during the summer months of June through August. Based on experience gained through the first year of this Program, and annually thereafter, Company may adjust the number of summer months in which it strives to keep a Pool's DDQ consistent throughout the month.

Daily Scheduling of Directed Delivery Quantities:

By 10:00 a.m. Central Clock Time (CCT), Company will post on its EBB, Supplier's DDQ by Pool for the gas day beginning 9:00 a.m. CCT the following day. Such DDQ shall be the sum of: 1) the Expected Demand of Supplier's Pool for that gas day calculated using the Pool's demand equation and forecasted weather; and 2) any necessary adjustments for interstate pipeline and/or Company operating constraints, system knowledge and experience, and/or prior imbalances associated with the periodic volume reconciliations. The DDQ will be stated in city gate Dekatherms. At the time of posting the DDQ, Company shall indicate the minimum, maximum or exact volume that shall be delivered by Supplier on each interstate pipeline or to each Company city gate to achieve the DDQ, and shall post any interstate pipeline and/or Company operating constraints that are expected to be in effect the following day(s). The minimum and maximum delivery range by interstate pipeline or Company city gate to achieve the DDQ may be agreed to in advance by Company and Supplier. By 11:00 a.m. CCT each day, and via intra-day nominations thereafter, Supplier shall nominate to the Company via the Company's EBB the quantity of gas that it has scheduled for delivery at Company's

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the quantity of gas that it has scheduled for delivery at Company's city gate(s) for its Pool(s) for the following gas day. Supplier agrees to adhere to the nominating guidelines set out in the FERC approved tariff of the applicable interstate pipeline and Company's Extranet Administrative Guidelines and comply with any Company operating and/or interstate pipeline restrictions communicated by Company.

If a Supplier fails to deliver its full DDQ on a day in which an Operational Flow Order is not in effect and no alternate arrangements are made with Company, Company shall supply gas temporarily to the affected Pool Customers and shall bill Supplier for the DDQ deficiency at the higher of either: 1) the fair market price of gas for that calendar month, or 2) the highest incremental cost of gas for that calendar month that Company actually paid for gas supplies, in both cases including pipeline transportation and all other applicable charges. In addition, Supplier will be assessed a DDQ Non-Compliance Charge as set forth in Rate 385. Company shall have the right to immediately and unilaterally invoke Supplier's letter of credit, bond, parental guarantee or alternate financial security in order to enforce recovery from Supplier of the cost of these replacement supplies. If Supplier fails to deliver the specified minimum or exact volume via an interstate pipeline or to a Company city gate as indicated by Company, and no alternate arrangements are made with Company, Supplier shall be assessed the DDQ Non-Compliance Charge as set forth in Rate 385 on such deficiency volume for each day the deficiency occurs.

If a Supplier delivers gas in excess of its DDQ, and no alternate arrangements are made with Company, Company shall acquire the over-delivery quantities from Supplier at the lowest price of gas for that calendar month that Company actually paid for gas supplies. In addition, Supplier will be assessed a DDQ Non-Compliance Charge set forth above in Rate 385. Also, if Supplier delivers a volume via an interstate pipeline or to a Company city gate that is greater than the specified maximum volume indicated by the Company for that Pool and interstate pipeline or city gate, and no alternate arrangements are made with Company, Company may refuse to receive the excess volume from the interstate pipeline or confiscate such excess gas, and the DDQ Non-Compliance Charge shall not be assessed on such excess volume. If Company elects to receive such excess volumes, Company will assess the DDQ Non-Compliance Charge on such daily excess volume.

Operational Flow Orders:

Company may issue an OFO in those extreme situations where such action is necessary, in Company's sole judgment, to: 1) protect the reliability of Company's gas system; 2) assure deliveries of gas supplies to all of the Company's Firm Customers, and/or 3) adhere to the various interstate pipeline companies' balancing requirements, as stated in their FERC approved gas tariffs under which Company is served. OFOs shall be issued for operational reasons only, and not for financial gain considerations.

Failure to comply with an OFO during periods of high demand will result in the following charges to Supplier against the difference between the Pool's DDQ and actual deliveries: 1) the greater of the highest incremental gas cost incurred by Company on the date of non-compliance or the Daily Under-Delivery Charge, as defined in Sheet No. 51, applicable to the day such under-delivery occurred, 2) the payment of all other charges incurred by Company and attributable to Supplier's non-compliance, including pipeline penalty charges on the OFO

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shortfall; 3) necessary taxes; and 4) the OFO Non-Compliance Charge set forth in Rate 385.

Failure to comply with an OFO during periods of low demand may result in Company: 1) refusing to receive such excess volumes from the interstate pipeline(s) and/or 2) confiscating such excess volumes from Supplier for its general supply requirements without compensation to Supplier. Supplier shall pay any penalty or other charges Company incurs from the interstate pipelines for such excess deliveries attributable to Supplier's over delivery. In addition, Supplier shall pay the OFO Non-Compliance Charge set forth in Rate 385.

When an OFO is in effect during a period of high demand, if Supplier attempts to deliver via an interstate pipeline or to a Company city gate more than the specified maximum or exact volume indicated by Company for that pipeline or city gate, the Company will perform its best efforts to receive such excess gas. However, the Pool's deliveries may need to be restricted to the maximum volume indicated by Company.

If Supplier over-delivers volumes during a high-demand OFO, or under-delivers volumes during a low-demand OFO, such helpful imbalances may be resolved through Pool-to-Pool transfers or other arrangements made with Company in advance of the Supplier billing process or accepted by Company and reflected in the volume reconciliations described below in these Terms and Conditions.

In the event Company, acting pursuant to regulations or guidelines then in effect for government agencies having jurisdiction over such matters, utilizes Supplier's gas supplies in order to assure gas supply to Human Needs and Public Welfare Customers as defined by the Commission in Case No. 85-800-GA-COI, Company will reimburse Supplier for such usage upon the presentation of invoices by Supplier documenting its delivered cost for such gas supplies.

Allocation of Peaking Supplies:

During the Winter Season, Company shall reserve a portion of its vaporized propane capacity for Supplier Pools, based on the product of each Pool's then-applicable Peak Design Day Demand and the portion of Company's total design day needs forecasted to be met by vaporized propane that month. The portion reserved shall be applied as a reduction to the Peak Design Day Demand that Supplier must meet pursuant to its Comparable Firm Capacity Requirement.

When the Pool's Expected Demand reaches the volume of Supplier's Comparable Firm Capacity Requirement, Company shall supply the Pool's gas needs in excess of the Supplier's Comparable Firm Capacity Requirements with vaporized propane or alternate peaking supplies. The fully allocated costs of the propane or alternate peaking supply provided by Company hereunder shall be billed directly to Supplier.

By October 1 of each year, and when there is a material change in Company's propane peaking capacity, Company shall indicate the percentage of Supplier Pool's Peak Design Day Demand that will be met with Company's vaporized propane, or alternate peaking supplies, allocated by Company to such Pool.

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Operational Balancing:

Company will provide Supplier with hourly and daily operational balancing for the differences between actual hourly and daily Pool usage and Supplier's DDQ for such Pool. Company will provide this operational balancing using its pipeline enhanced firm transportation, pipeline storage, and other services, as required.

Supplier shall pay the Balancing Cost Rider set forth in Sheet No. 36 for all usage billed to its Pool Customers each month. Company shall adjust the Balancing Cost Rider quarterly as appropriate to reflect changes in the rates and mix of pipeline and other services used in providing the operational balancing.

Measurement of Customer Usage Volumes:

Company shall be responsible for all usage measurement at the point of delivery to the Customer's facilities. Monthly volumes billed to Pool Customers shall be considered actual volumes consumed, whether the meter reading is actual or estimated.

Quality of Gas Delivered by Supplier:

Supplier warrants that all gas delivered by or on behalf of Supplier for its Pool Customers shall meet the quality, pressure, heating value and other quality specifications of the applicable FERC Gas Tariff of the interstate gas pipeline delivering said gas to Company.

Title and Warranty:

Supplier warrants that it will, at the time and place of delivery, have good right and title to all volumes of gas delivered on its behalf, free and clear of all liens, encumbrances, and claims whatsoever, and that it will indemnify and hold Company harmless for all suits, actions, debts, accounts, damages, costs, losses, or expenses (including reasonable attorneys fees) arising from or out of the adverse claims of any or all persons relating to or arising from said gas.

POOLING SERVICE TERMS AND CONDITIONS **(RESIDENTIAL AND GENERAL)**

VOLUME RECONCILIATIONS

Annual Reconciliation:

Company will identify imbalances on an annual basis for each Supplier Pool through calculating the difference between the Pool's Delivered Supplies and its Pool's Usage. At the time of entering into the Supplier Pooling Agreement, Supplier will choose to eliminate any annual imbalances through either one of the following:

- 1) payment from Company for Over-Delivery Imbalance Volumes or billed by Company for Under-Delivery Imbalance Volumes at the weighted average (calculated based on Supplier's monthly deliveries to its Pool) of the "Monthly Contract Index" prices published for "Columbia Gas Transmission Corp, Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines" for the applicable months during the period, converted to Ccf using the system average Btu factor for the applicable period and adjusted for the necessary taxes; or
- 2) exchange of gas with Company via a storage inventory transfer or delivery over a thirty (30) day period.

Quarterly Reconciliation:

Each February, May and November, Company shall compare the Delivered Supplies and Pool's Usage for each Pool for the three months just ended. If the volume imbalance is significant for a Pool, a daily adjustment may be made to the future DDQs for that Pool to resolve the quarterly imbalance prior to the next annual reconciliation period. Company may refrain from making such average daily adjustment on days in which an OFO is in effect. If the imbalance volume is not significant for a Pool, no adjustment as described herein will be made to the Pool's DDQs; rather, the imbalance volume will be carried forward to the next quarter's review.

Pool-to-Pool Transfers:

Suppliers may elect to transfer (purchase or sell) daily volumes associated with an interstate pipeline or Company city gate and Pool to the Supplier of a different Pool. Company shall adjust the daily deliveries of each Pool to reflect such transfers prior to calculating the OFO and DDQ Non-Compliance Charges for such Pools. However, a Supplier's opportunity to enter into a Pool-to-Pool Transfer shall not restrict Company's ability to refuse to receive excess volumes on a particular day or via a specific interstate pipeline or Company city gate as set forth in these Terms and Conditions, and shall not preclude Company's ability to implement consequences against Supplier due to its imbalance as set out in these Terms and Conditions. All Pool-to-Pool transfers for a calendar month should be communicated to Company by Suppliers of both Pools. A charge per transfer shall be assessed to each party to the trade, as set forth in Rate 385.

POOLING SERVICE TERMS AND CONDITIONS **(RESIDENTIAL AND GENERAL)**

CONSEQUENCES OF SUPPLIER'S FAILURE TO PERFORM OR COMPLY

If a Supplier fails to deliver gas in accordance with the requirements of the Supplier Pooling Agreement, or otherwise fails to comply with the provisions of Rate 385 and these Terms and Conditions, including those specified in the Supplier Code of Conduct section, Company shall have the discretion to initiate the process to suspend temporarily or terminate such Supplier's further Program participation for the applicable Pool.

- **Non-Mercantile Pool:** In the event Company seeks to suspend or terminate a Supplier from the provision of service to any Non-Mercantile Pool under the Program, Company shall follow the process and timeline set out in Rule 4901:1-27-12(J), OAC. Among other things, this establishes the process by which Company must seek authorization from the Commission to terminate or suspend a Supplier from providing service to a Non-Mercantile Pool in the event of a default.
- **Mercantile Pool:** In the event Company intends to suspend or terminate a Supplier from the Program, Company shall first notify the Supplier of the alleged violations that merit suspension or termination. Such notice shall be in writing, contain reasonable detail and shall be sent to Supplier at the fax number listed in the Supplier Pooling Agreement five (5) days prior to the suspension or termination. If, within five (5) days after the service of the previously mentioned notice, Supplier remedies or removes the cause or causes stated in the notice, the Supplier Pooling Agreement and such Mercantile Pool will continue in full force and effect. If Supplier does not remedy or remove the cause or causes within five (5) days, then at the option of Company, the Supplier Pooling Agreement relative to all Mercantile Pools may terminate at the expiration of said five (5) day period.

If Supplier is suspended or expelled from the Program relative to a specific Pool, Customers in such Pool shall revert to Company's Sales Service, unless and until said Customers join another Supplier's Pool. Any termination or cancellation of the Supplier Pooling Agreement relative to some or all of Supplier's Pools and pursuant to any provision of this section shall be without waiver of any remedy, whether at law or in equity, to which the party not in default otherwise may be entitled for breach of the Agreement.

SUPPLIER WITHDRAWAL OR TERMINATION

If Supplier in total or for a specific Pool is restricted from further participation in the Program or elects to withdraw from the Program, Company shall have the right to recall all pipeline capacity then assigned to Supplier by Company associated with the specific Pool(s) in accordance with the terms of the release agreement. Supplier shall remain responsible for the difference between the market value of the assigned pipeline capacity and the full demand charges applicable to such capacity until the earliest normal expiration date of the Agreement, which shall constitute liquidated damages. Upon withdrawal or termination, any Over-Delivery Imbalance Volume or Under-Delivery Imbalance Volume shall be resolved through the purchase or sale of volumes at the price set out in the Volume Reconciliations section.

POOLING SERVICE TERMS AND CONDITIONS **(RESIDENTIAL AND GENERAL)**

FORCE MAJEURE

If either Supplier or Company is unable to fulfill its obligations under the Supplier Pooling Agreement, Rate 385, or these Terms and Conditions due to an event or circumstance which is beyond the control of such party and which prevents such performance, such party shall be excused from and will not be liable for damages related to non-performance during the continuation of such impossibility of performance. Neither of the following shall be considered a force majeure condition: 1) changes in market conditions that affect the acquisition or transportation of natural gas, or 2) failure of Supplier to deliver or Pool Customers to consume scheduled gas volumes.

The party claiming force majeure will use due diligence to remove the cause of the force majeure condition and resume delivery or consumption of gas previously suspended. Gas withheld from Supplier or Pool Customers during a force majeure condition will be delivered upon the end of such condition as soon as practicable based on, among other things, Company's operating constraints.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

VECTREN ENERGY DELIVERY OF OHIO, INC.

SUPPLIER POOLING AGREEMENT FOR RESIDENTIAL AND GENERAL TRANSPORTATION

This Agreement is made and entered into this _____ day of _____, 200____, between Vectren Energy Delivery of Ohio, Inc., hereinafter "Company," and _____, hereinafter "Supplier."

In consideration of the mutual covenants contained in this Agreement, the Parties agree:

ARTICLE I

Service to be Rendered

In accordance with the provisions of Company's Rate 385, Pooling Service (Residential and General) including the Pooling Service Terms and Conditions (Residential and General) ("Pooling Service Tariff"), a copy of which is attached and incorporated as part of this Agreement, Company is willing and able, pursuant to the terms of this Agreement, to accept gas delivered into its city gate receipt points by Supplier and to redeliver such gas supplies to Supplier's Pool Customers which have elected Transportation Service from Company under Rate 315, Residential Transportation Service or Rate 325, General Transportation Service.

ARTICLE 2

Term

The term of this Agreement shall commence on the first day of the month after execution hereof and, subject to Supplier's continued compliance with the requirements outlined herein for participation in this Program, shall continue in effect thereafter for a primary term of twelve (12) months. Thereafter, this Agreement shall continue from year-to-year, unless terminated by either party, upon at least ninety (90) days advance written notice prior to a contract expiration date, or unless terminated pursuant to the provisions of this Agreement. However, in no case shall any service pursuant to this Agreement be terminated during a winter month (November through March), unless such winter period termination date is mutually agreed upon by both the Company and Supplier and/or except pursuant to the other provisions of this Agreement.

Supplier shall be required to incorporate sufficient flexibility into its Supply Contracts with its Pool Customers, so that the operation of the above provision will not contravene Pool Customers' rights under those Contracts.

In the event of a Default, as defined in Article 8 of this Agreement, this Agreement may be terminated in accordance with the provisions of Article 9 of this Agreement. In the event of a termination pursuant to an event of Default, all outstanding obligations of Supplier and amounts due under this Agreement shall become due and payable.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

In the event this Agreement, in its entirety, is terminated in accordance with the procedures contained herein, Supplier's Pool Customers shall be returned to Company's Sales Service unless arrangements have been made to transfer such Customer(s) into an alternate Supplier's Pool. A Customer shall be permitted to return to Company's Sales Service on a firm basis under the terms of the applicable Sales Service Rate Schedule and other terms of Company's then effective Tariff for Gas Service.

ARTICLE 3

Requirements for Supplier Participation

To participate in this Program, Supplier is subject to all applicable charges, and shall comply with all applicable provisions of Company's Pooling Service Tariff, including the items set out in the Requirements for Supplier Participation and Code of Conduct sections of the Pooling Service Terms and Conditions (Residential and General). Such tariff provisions are incorporated herein by reference. Supplier acknowledges that in its capacity as a Supplier in this Program, it has a continuing responsibility to conduct its business in a legal and ethical manner, and is responsible for complying with all applicable statutes, ordinances, rules and regulations.

In order for Company to complete its financial evaluation, Supplier agrees to provide Company the following information: 1) current audited financial statements for itself or its parent company prepared in the last 12 months; 2) most recent Annual Report, 10K or 10Q for itself or its parent company; 3) list of parent companies and affiliates; 4) names, addresses and phone numbers of three trade references, and 5) names, addresses and phone numbers of financial institution contacts. In the event that any of such information is unavailable from Supplier, Company may permit Supplier to provide other verifiable sources of financial information. Company may require additional information if the preceding is not sufficient to determine Supplier's creditworthiness.

Supplier may satisfy its initial creditworthiness requirement, and receive an unsecured credit limit from Company, by demonstrating that it has and maintains investment grade long-term bond ratings from any two of the following four rating agencies:

Agency	Senior Securities Rating (Bonds)
Standard & Poors	BBB- or higher
Moody's Investors' Services	Baa3 or higher
Fitch IBCA	BBB- or higher
Duff & Phelps Credit Rating Co.	BBB- or higher

Company shall make reasonable alternative credit arrangements with a Supplier that is unable to meet the aforementioned criteria and with those Suppliers whose credit requirements exceed their allowed unsecured credit limit. Company shall determine the amount of additional financial instruments, if any, needed to support Supplier's participation in the Program based on, but not limited to, the financial and other information provided by Supplier, Supplier's elections pertaining to consolidated versus dual billing and capacity assignment, and Supplier's anticipated level of Customer participation.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

In order to assure that the value of such financial security instruments remains proportional to Supplier's potential liability under this Agreement, the required dollar amounts of such instruments may be adjusted at the sole discretion of Company, including, but not limited to the point at which the volume of capacity assigned by Company changes; Supplier changes its billing option hereunder; or as Customers are added to, or deleted from, Supplier's Customer Pool. Failure of Supplier to adjust the dollar amount of its financial instrument(s) may result in Company limiting the enrollment of additional Customers in Supplier's Pool and/or termination of service hereunder for violation of Supplier's Code of Conduct. However, if any increase in a Supplier's required financial security instrument is material and the result of a change in Company's methodology for assessing Supplier's creditworthiness under this Program (and not as a result of an adverse change in a Supplier's financial condition), and Supplier believes such change in the assessment methodology is unreasonable, Supplier may elect to implement a review period of up to 60 days from date of notification. During such review period, Supplier shall continue to comply with all aspects of this Agreement and forego any additions to its Pool(s). At the end of the review period, or earlier if initiated by Supplier, Supplier shall either increase its financial security as required by Company or adjust its current and future participation to a level consistent with Company's revised requirements.

Supplier agrees to inform Company of any significant change in Supplier's current financial condition. The required dollar amounts of such instruments may also be adjusted at the sole discretion of Company based upon Supplier's demonstrated ability or inability to pay promptly.

In order for Company to remain fully informed on participating Suppliers, Supplier agrees to serve Company with its Annual Report to the Commission coincident with timing of its filing to the PUCO, and any other information provided to the PUCO pursuant to Rule 4901:1-27 of the OAC.

Supplier agrees that, in the event of a Default as defined in this Agreement, Company shall have the right to use the proceeds from Supplier's financial instrument(s) to satisfy Supplier's obligations under this Agreement. The proceeds from such instruments shall be used to satisfy any outstanding claims that Company may have against Supplier, including but not limited to, interstate pipeline capacity charges, imbalance charges, cash-out charges, pipeline penalty charges, reservation charges, and any other amounts owed to Company, for which Company is or will be responsible, related to Supplier's participation in the Program. Such proceeds may also be used to secure additional gas supplies, including payment of the costs of the gas supplies themselves, the costs of transportation, storage, gathering, taxes, and other related costs incurred in bringing those gas supplies into Company's system.

Company reserves the right to use Supplier's assets associated with the Program, including without limitation Customer receivables and Over-Delivery Imbalance Volume, to offset or recoup any costs owed to and/or incurred by Company.

In the event Supplier elects, or is forced, to terminate its participation in this Program in accordance with the provisions of this Agreement, or in the event of a Default resulting in termination of this Agreement, it shall continue its obligation to maintain its financial security instrument until Company confirms that Supplier has satisfied all of the outstanding claims of Company.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

ARTICLE 4

Supplier's Responsibilities

In exchange for the opportunity to participate in this Program, Supplier agrees to accept the responsibilities as described hereinafter.

Supplier agrees to deliver firm gas supplies into Company's designated city gate receipt points on a daily basis, in accordance with the DDQ for Supplier's Customer Pool(s). Such DDQ shall be based on the Pool's Expected Demand as adjusted for, among other things, operating constraints and the reconciliation of the prior quarter's forecasting variance, if material. Supplier agrees to accept Company's DDQ forecasting methodology.

In the event Supplier discovers or determines that it may not be able to deliver sufficient gas supplies into Company's designated city gate receipt points, as required by this Agreement, it shall immediately provide notice by telephone and by fax to Company of such potential failure.

If Supplier fails to deliver gas in accordance with its Pool DDQ, Company shall supply natural gas temporarily to the affected Pool Customers, and shall bill Supplier, and Supplier shall pay, the charges set forth in Company's Pooling Service Tariff.

In the event that Supplier's Customer Pool has projected daily requirements in excess of the Supplier's Comparable Firm Capacity Requirement, Supplier agrees to allow Company to provide propane or other peaking supplies to meet the incremental volume requirements (the difference between the projected requirements and the Comparable Firm Capacity Requirement). Supplier agrees to pay for the peaking supplies provided to its Pool Customers by Company, as provided in Company's Pooling Service Tariff.

Supplier agrees and understands that if a Customer joins Company's Percentage of Income Payment Plan ("PIPP") after enrolling with Supplier, Customer: 1) will be removed from Supplier's Customer Pool and will be added to the PIPP Pool; and, 2) will be served by the Supplier who was awarded the PIPP Supplier Agreement. Company shall notify Supplier when any of the Customers in Supplier's Customer Pool have joined PIPP and thus, will be served as a member of the PIPP Pool. Supplier shall not assess any penalty to a Customer when a Customer terminates its Supply Contract in order to join the PIPP Pool.

Supplier agrees to identify to Company any Customer(s) desiring to participate in General Transportation Service that has unusual or seasonal only usage prior to such Customer's enrollment in a Supplier Pool.

ARTICLE 5

Volumes Reconciliation

Company will identify volume imbalances as of each July 31st for each Supplier Pool through determination of the difference between the Supplier's Delivered Supplies and its Pool's Usage

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

for the annual period just ending. Supplier will have the option to eliminate the imbalances through either: 1) the sale or purchase of the Over-Delivery Imbalance Volumes or Under-Delivery Imbalance Volumes, respectively; or 2) the exchange of gas with Company via a storage inventory transfer or delivery over a thirty (30) day period.

Supplier must specify below which option it has selected and the selected option will apply for the first annual reconciliation made under this Agreement. Supplier may change the option to be used for the next such reconciliation once annually upon the anniversary date of this Agreement. Such notice shall be in writing and signed by an authorized Supplier representative. If Supplier does not change its option as permitted herein, then the latest option selected by Supplier shall apply.

Supplier Selection:	(Circle One)	Option 1 (Cash Out)	Option 2 (Exchange)
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ARTICLE 6

Customer Billing and Payment to Suppliers

Billing Options

Supplier has two (2) billing options in rendering a bill to a participating Customer, as outlined in Company's Pooling Service Tariff and as detailed below. Such election shall be applicable to all of Supplier's Pools and Customers, with the possible exception that Customers in the PIPP Pool must be billed through the consolidated billing option.

Supplier's two options are: Option 1 -- Company Consolidated Billing -- Company will issue the total bill; Option 2 -- Dual Billing -- Supplier will bill its portion of the bill with Company continuing to bill the non-commodity portion of the bill. Supplier may change its election by providing 90 days prior written notice to the Company, and shall not change its election more frequently than once each 12-month period.

Supplier Selection: (Circle One)	Option 1 (Consolidated Billing)	Option 2 (Dual Billing)
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Consolidated Billing - Supplier Rates

Supplier who elects Company Consolidated Billing option will be limited to a reasonable number of pricing arrangements to which a Customer may be assigned by Supplier. Supplier may use any rate structure currently billed on an automated basis by Company's standard billing system, and Supplier's charges will be subject to the same billing proration rules used by Company in billing Sales Service. In the event Supplier's pricing arrangements require billing system changes, and Company is willing to enhance its system to accommodate Supplier's request, Company and Supplier will negotiate applicable charges for adapting Company's billing system. Nothing in this Agreement shall obligate Company to bill for penalty or termination fees Supplier desires to assess against its Pool Customer. Supplier will provide Company the details of any new rate design 45 days prior to the date the first bill must be rendered using this rate design. After receiving details of such rate design, Company will indicate to Supplier if additional time is required to accommodate such rate design. Further, Supplier will notify Company of its rate each month, by the 20th of each month, or first business

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SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

day prior to the 20th if the 20th is a Saturday, Sunday, or legal holiday, prior to the billing cycle during which the rate is to be effective. Such notification shall be performed through Appendix A of this Agreement and shall be signed by an authorized Supplier representative. If Supplier does not provide necessary rate information by the timeline set out herein, Company shall use the last rate provided under such rate option. All rate information received by Company from Supplier shall be confidential. Company will use rate information provided by Supplier to set the budget bill level for the supply portion of Customers participating in the budget-billing program. Any bills developed by Company under the consolidated billing option shall contain the information set out in Rule 4901:1-29-12.

Company will provide Supplier an electronic pre-bill for each rate change or addition prior to Company's Cycle 21 billings. Supplier must review the pre-bill and acknowledge that the rates are correct or must indicate any errors to Company. All pre-bill confirmations from Supplier must be received by Company two (2) business days before Cycle 01 billing. If Supplier does not notify Company of approval or of any required changes to the pre-bill within the designated time frame, such silence by Supplier shall be deemed to be an approval of the pre-bill.

If Supplier submits an account on the wrong rate or Pool, or fails to provide timely rate information to Company, Supplier is responsible for making the Customer financially whole. Company may, at its option, make the adjustment for Supplier at an agreed-upon fee.

Consolidated Billing - Taxes

Supplier's rates shall exclude sales taxes. Company will calculate state and local taxes and add the amount calculated to the gas supply charges.

If Customer claims to be tax exempt, Supplier has sole and complete responsibility for the collection and provision to Company of all necessary documentation regarding Customer's tax-exempt status. Supplier must notify Company of the tax-exempt status of Customers. For 100% tax exemptions, after notification, Company will not apply sales taxes to the tax exempt Customer's bill. Company assumes no responsibility or risk for any misapplication of tax-exempt status to any Customer. Supplier shall hold Company harmless for any assessments, penalties, or risk of any kind whatsoever, related to any misapplication of tax-exempt status to any Customer.

Consolidated Billing - Payment to Supplier

Company shall pay Supplier the month following the Customer billing for all amounts billed on Supplier's behalf by Company, subject to the offset or recoupment of any amounts owed to Company, as specified in Article 7 below. In the case of Customers participating in the budget bill program, Company shall remit to Supplier monthly an amount equal to the product of Customer's billed usage and Supplier's commodity rate, adjusted for taxes and the receivables discount as applicable. Such payment to Supplier by Company shall occur regardless of payment or non-payment by Customer. However, if, after a notice of at least 14 days, Customer fails to pay for the gas cost portion of the bill, Company may remove the Customer from the Program and return the Customer to Sales Service under the applicable Sales Service Rate Schedule. Company will electronically notify Supplier of the Customer's removal from its Customer Pool.

Company will electronically provide Supplier with each Customer's meter reads for the most recent billing period.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

Consolidated Billing – Receivables Discount

Under Company Consolidated Billing, Company will purchase receivables for Customer Pools from Supplier at a discount. In year one of the Program, and from month-to-month thereafter, the discount rate will be standard for all Suppliers. Either party may give 90 days written notice to seek to revise such receivables discount rate after the first year's participation under the Program. Company will negotiate non-discriminatory discounts with such Suppliers. The Supplier's current receivables discount rate is specified in Appendix B of this Supplier Pooling Agreement.

ARTICLE 7

Payment to Company

Company shall render to Supplier a monthly statement of the quantities delivered and amounts owed by Supplier, if any. All charges owed to Company by Supplier shall be offset against or recouped from Company's payment to Supplier, as described in Article 6 above, if Supplier elects the Consolidated Billing Option. Company and Supplier agree that Company shall have the right to offset or recoup: 1) all amounts or costs being charged to Supplier related to participation in this Program, 2) all amounts or costs owed directly to Company, 3) all amounts or costs for which Company is or will be responsible if not paid by Supplier, including, but not limited to, capacity charges billed by interstate pipeline companies, and 4) all other amounts which Company is entitled to recoup. In the event of a bona fide dispute as to whether Supplier owes money to Company, the process of offset or recoupment of such amounts from Supplier's receivables check shall be tolled pending a good faith review of the dispute. Supplier shall provide a detailed description of the dispute, including disputed amounts, to Company in writing within five days of receipt of such monthly statement. Company will not issue the portion of the receivables check, which is in dispute until said dispute has been resolved.

The receivables portion of Company's payment to Supplier will include payment for all gas billed to Supplier's Customers by Company on Supplier's behalf, including taxes attributable to Supplier's portion of the bill, less the negotiated discount rate. Taxes are not discounted. Supplier agrees to disperse any applicable taxes to the appropriate taxing authorities.

All charges or penalties related to operational balancing, and other services provided by Company, are specified in the Company's Pooling Service Tariff.

ARTICLE 8

Default

Default is defined as one or more of the following conditions not cured within the specified number of days after receipt of written notice as provided in the Consequence of Supplier's Failure to Perform or Comply section of the Pooling Service Tariff.

- The failure, potential failure or anticipated failure of Supplier to deliver volumes of gas to Company in accordance with the provisions of Article 4 of this Agreement or the provisions of Company's Pooling Service Tariff.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

- The failure to pay to Company amounts due under this Agreement as described in Article 7 of this Agreement.
- The failure to maintain Requirements for Supplier Participation, including the provision of financial security instruments, as described in Article 3 of this Agreement and/or pursuant to Company's Pooling Service Tariff in effect at the time such determination is made.
- Supplier's voluntary filing of a bankruptcy petition, or the filing of an involuntary bankruptcy petition by Supplier's creditors.
- The failure of Supplier to adhere to the Code of Conduct contained in the Pooling Service Tariff.
- To the extent not specifically identified above, the failure of either Company or Supplier to perform, to a material extent, any of the obligations imposed upon either party under this Agreement.

ARTICLE 9

Remedies

In the event of a Default, an alleged Default, or a reasonably anticipated Default, written or faxed notice of such Default shall be served on the other party, describing the Default and declaring it to be the intention of the party giving the notice to terminate this Agreement unless the Default is cured to the satisfaction of the non-defaulting party. In the event a party receives notice of Default, the party alleged to be in default shall have the applicable number of days set out in the Consequences of Supplier's Failure to Perform or Comply section of the Pooling Service Tariff after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the notice for terminating or canceling this Agreement, and if, within said period of time, the party in Default does so remedy or remove said causes to the satisfaction of the other party, then such notice shall be deemed to have been withdrawn and this Agreement shall continue in full force and effect. If the party in Default does not so remedy or remove the cause or causes within said period of time, then, at the option of the party giving notice, this Agreement may, at Company's discretion, terminate immediately as of the expiration of said period. However, Company must file a written request with the Commission for authorization to terminate or suspend Supplier's further Program participation relative to Supplier's Non-Mercantile Pool(s), and receive such authorization prior to suspending or terminating such Supplier's future provision of service to such Non-Mercantile Pool(s). Any termination or cancellation of this Agreement, pursuant to this Article 9 shall be without waiver of any remedy, whether at law or in equity, to which the party not in Default otherwise may be entitled for breach of this Agreement.

In the event that Supplier files a petition for relief under the federal bankruptcy laws, or Supplier's creditors file an involuntary bankruptcy petition, during the term of this Agreement, and this Agreement has not been terminated for non-delivery of gas supplies, then Supplier shall cause a notice to be filed with the federal bankruptcy court having jurisdiction, and within ten (10) days of bankruptcy court's issuance of an order for relief shall take all actions necessary to declare its intentions with regard to assuming or rejecting this Agreement. Failure to file and take the required action within said ten (10) day period would constitute notice that Supplier intends to reject this Agreement.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

If this Agreement is terminated due to non-delivery of supplies by Supplier, or if Company is notified of Supplier's intention to reject this Agreement in accordance with federal bankruptcy laws, then Company shall notify Supplier's Pool Customers of such termination and shall return all of Supplier's Pool Customers to Company's Sales Service. Company shall also immediately determine whether or not any capacity previously assigned to Supplier must be recalled, based upon a determination of its necessity for service to such Customers. Supplier shall remain responsible for the difference between the market value of the assigned pipeline capacity and the full demand charges applicable to such capacity until the earliest normal expiration date of the Agreement.

ARTICLE 10

Force Majeure

Neither of the parties hereto shall be liable in damages to the other, except for the actual delivered costs, plus shrinkage, of replacement supplies and flow through of penalty charges, for any act, omission, or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquake, fires, storms, floods, washouts, civil disturbances, explosions, breakage, or accident to machinery or lines of pipe, gas curtailment imposed by interstate or intrastate pipelines, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of Due Diligence such party is unable to prevent or overcome. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the party claiming suspension. A delay in implementation of the Program resulting from unresolved information technology problems will not give rise to damage claims by Supplier.

Such causes or contingencies affecting the performance hereunder by either party hereto, however, shall not relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting such performance relieve Supplier from its obligations to make payments of amounts due hereunder.

ARTICLE 11

Customer Information

Supplier agrees to use Customer information, requested by Supplier and received from Company through the list provided under the Eligible Customer List section of the Pooling Service Tariff, solely for the purpose of soliciting Customers, and agrees not to disclose or permit to be disclosed the Customer-specific information to any person other than those employees of Supplier who are responsible for soliciting Customers.

The Company does not guarantee the accuracy of the Customer information provided in response to Supplier's request for a list of customers eligible to participate in the Program, and shall not be liable for any errors in such information.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

ARTICLE 12

Limitations

This Agreement is entered into solely for the benefit of Company and Supplier and is not intended and should not be deemed to vest any rights, privileges or interests of any kind or nature to any third party, including, but not limited to the Pool Customers that Supplier supplies under this Agreement.

Subject to the provisions of the Company's Terms and Conditions, the Supplier agrees to indemnify, exonerate, and hold harmless Company for all loss, damage, or expense growing out of or in any way connected with the claims of any person, except claims for injuries and/or death of employees of Company arising out of and in the course of their employment with Company, for injuries to person or property occasioned by such services provided to Supplier. Supplier agrees to defend, at its own expense, any suit based upon such claims.

Subject to the provisions of the Company's Terms and Conditions, Company will indemnify, exonerate, and hold harmless Supplier for all loss, damage, or expense growing out of or in any way connected with the claims of any person, except claims for injuries and/or death of employees of Supplier arising out of and in the course of their employment with the Supplier, for injuries to person or property occasioned by such services provided to Supplier caused by the Company's negligence. Company will defend, at its own expense, any suit based upon such claims, except that Company will not be liable or responsible for, and will not hold Supplier harmless for any loss, damage, or expense growing out of or in any manner connected with the acts of any employee of Supplier who may go upon or do anything to or with the property of Company.

ARTICLE 13

Succession and Assignment

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. However, no assignment of this Agreement, in whole or in part, will be made without the prior written approval of the non-assignee party. The written consent to assignment shall not be unreasonably withheld.

ARTICLE 14

Applicable Law and Regulations

This Agreement shall be construed under the laws of the State of Ohio and shall be subject to all valid applicable State, Federal and local laws, rules, orders, and regulations. Nothing herein shall be construed as divesting or attempting to divest any regulatory body of any of its rights, jurisdiction, powers or authority conferred by law. In the event that any regulatory agency, including but not limited to the Commission, does not approve, as filed or in a manner acceptable to Company, the Transportation Services to which this Agreement relates, then this Agreement shall be null and void and shall have no effect. Further, future material changes in the laws or regulations applicable hereto,

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

SUPPLIER POOLING AGREEMENT **(RESIDENTIAL AND GENERAL)**

which change the Fundamental conditions in place at the time of the Agreement, will be assessed by the Parties, and Company or Supplier, upon reasonable notice, may seek to terminate this Agreement.

All civil disputes between the Parties shall be filed in Montgomery County, Ohio once administrative remedies have been exhausted.

ARTICLE 15

Notices and Correspondence

Legal and contractual notices to Company shall be addressed as follows and sent via fax, U.S. mail or certified mail:

Vectren Energy Delivery of Ohio, Inc.
20 NW Fourth Street
Evansville, IN 47708
Attention: _____
Fax: _____

Daily operational notices and correspondence to Company shall be addressed as identified in the Extranet Administrative Guidelines. Legal and contractual notices and correspondence to Supplier shall be addressed as follows and sent via fax, U.S. mail or certified mail:

Attention/Title: _____

Mailing Address: _____

City, State, ZIP: _____

Fax notices to Supplier shall be directed to: (_____)_____

Daily operational notices and correspondence to Supplier shall be addressed to the party identified by the Supplier when enrolling in the Extranet, and may be adjusted as set out in the Extranet Administrative Guidelines. Either party may change the aforementioned information for legal and contractual notices, effective upon receipt, by written notice to the other party.

SUPPLIER POOLING AGREEMENT
(RESIDENTIAL AND GENERAL)

IN WITNESS WHEREOF, the parties hereto executed this Agreement on the day and year first above written.

WITNESS:

VECTREN ENERGY DELIVERY OF OHIO, INC.

Signature

BY: _____
Signature

Printed Name and Title

WITNESS:

SUPPLIER: _____

Signature

BY: _____
Signature

Printed Name and Title

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

Issued April 13, 2005

Issued by Jerrold L. Ulrey, Vice-President

Effective April 13, 2005

SUPPLIER POOLING AGREEMENT
(RESIDENTIAL AND GENERAL)

APPENDIX A

Rates for Consolidated Billing

Supplier Name _____

Effective Date _____

This rate will be effective for the bills rendered by Company beginning with cycle 01 for the month of _____, 20__.

New Rate
(Y,N)

Rate Name

Rate in \$/Ccf

Calculation (to be returned to Supplier for approval)

BY: _____ (Signature) _____ (Date)

(Printed Name and Title): _____

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Issued April 13, 2005

Issued by Jerrold L. Ulrey, Vice-President

Effective April 13, 2005

SUPPLIER POOLING AGREEMENT
(RESIDENTIAL AND GENERAL)

APPENDIX B

Receivables Discount Rate

Effective _____ (date), Company shall purchase receivables for Supplier's Pool at a discount rate as described hereafter:

Such discount rate shall remain in full force and effect until this Appendix B is superseded by a new Appendix B.

VECTREN ENERGY DELIVERY OF OHIO, INC.

BY: _____
Signature

Printed Name and Title

SUPPLIER: _____

BY: _____
Signature

Printed Name and Title

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

Issued April 13, 2005

Issued by Jerrold L. Ulrey, Vice-President

Effective April 13, 2005

UNACCOUNTED FOR GAS PERCENTAGE

APPLICABILITY

The Unaccounted for Gas Percentage shall be applicable to Choice Suppliers, Pool Operators, and to all non-Pooling Transportation Customers served under Rate 345.

DESCRIPTION

A percentage of the quantities received by Company from applicable parties at a point of receipt on the Company's distribution system shall be retained by Company to compensate for unaccounted for gas.

The Unaccounted for Gas Percentage stated below shall be adjusted periodically by Company, through updating of this Sheet No. 54 after approval by the Commission, to reflect any changes in the system unaccounted for percentage.

UNACCOUNTED FOR GAS PERCENTAGE

The Unaccounted for Gas Percentage is 1.6%.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

DEFINITIONS

Unless otherwise specified in the Rate Schedule, the following terms shall have the meanings defined below when used in this Tariff for Gas Service:

Abbreviations:

Btu	– British thermal unit
Ccf	– One hundred cubic feet
Cf	– Cubic foot
Cfh	– Cubic feet per hour
Dth	– One Dekatherm or 1,000,000 Btu's
FERC	– Federal Energy Regulatory Commission
Mcf	– One thousand cubic feet
OAC	– Ohio Administrative Code
OCC	– Ohio Consumers' Counsel
ORC	– Ohio Revised Code
PSIG	– Pounds per square inch gauge
PUCO	– Public Utilities Commission of Ohio

Alternate Fuel – The form of energy used by Customer in place of Gas Service during Curtailment Periods. Gas Service provided by Company under another Rate Schedule shall not qualify as an Alternate Fuel.

Annual Usage – Customer's actual total gas usage for the most recent twelve consecutive billing months, or Company's estimate of Customer's total gas usage for twelve consecutive billing months when actual usage information is not available.

Bill – An itemized list or statement of fees and charges for Gas Service. A Bill may be rendered by mail or by electronic means.

British Thermal Unit – The average amount of heat necessary to increase the temperature of one pound of water by 1° Fahrenheit, in the temperature range of 32° to 212° Fahrenheit, at 14.73 pounds per square inch absolute pressure.

Cashout – The monetary settlement of over-delivery and under-delivery gas imbalances between Company and Pool Operators or Transportation Customers.

Central Clock Time (CCT) – Central Daylight Time when daylight savings time is in effect and Central Standard Time when daylight savings time is not in effect.

Commercial Customer – Any Customer primarily engaged in wholesale or retail trade and services (including central heating and air conditioning facilities of apartment complexes), any local, state and federal governmental agency, and any Customer not covered by another classification. When Gas Service is supplied through one meter to an apartment house or multiple dwelling, the service shall be classified as Commercial, in which case the applicable Non-Residential Rate Schedule shall apply.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

DEFINITIONS Continued

Commission – The Public Utilities Commission of Ohio, or PUCO.

Commission's Regulations – The Ohio Administrative Code applicable to services provided to customers of natural gas companies regulated by the Commission.

Company – Vectren Energy Delivery of Ohio, Inc.

Company-Supplied Gas – Gas purchased by Company and distributed to Customer for end-use.

Company's General Terms and Conditions – General Terms and Conditions Applicable to Gas Service, as amended from time to time, and as approved by the Commission as part of this Tariff for Gas Service.

Curtailment – The limitation of the Gas Service available to Customer pursuant to the Company's Curtailment Procedures.

Curtailment Period – The period of time, as specified by Company, during which Gas Service is subject to Curtailment.

Curtailment Procedures – Rule 11 of Company's General Terms and Conditions.

Customer – Any individual, partnership, association, firm, public or private corporation or any other entity who agrees to receive Gas Service from Company.

Customer-Delivered Gas – Gas delivered to Company's distribution system by or on behalf of Customer.

Electronic Bulletin Board (EBB or Extranet) – Company's electronic communications software that facilitates nominations, confirmation and other administrative functions associated with Transportation Service.

Gas Cost Recovery – Gas cost recovery process as established under Chapter 4901:1-14 of the Commission's Regulations and as reflected in Sheet No. 31 of this Tariff for Gas Service.

Gas Service – The provision by the Company under a specific Rate Schedule of natural gas or a mixture of natural gas and other compatible gases at Company's point of delivery to Customer, irrespective of whether any such gas is actually consumed.

Group 1 Meter – Company's designation for a Customer meter with a rated capacity of 450 Cfh or less.

Group 2 Meter – Company's designation for a Customer meter with a rated capacity of greater than 450 Cfh.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

DEFINITIONS Continued

Heating Degree Day – A standard measure of the coldness of the temperatures experienced, based on the extent to which the daily mean temperature falls below a reference temperature of 65° Fahrenheit.

Industrial Customer – A Customer primarily engaged in a process that creates or changes raw or unfinished materials into another form or product.

Interruptible Sales Service – Sales Service subject to Curtailment from time to time and requiring Customer to maintain Alternate Fuel capability.

Miscellaneous Charges – Charges common to all Rate Schedules, relating to, among others, late payments, reconnection of service, returned checks, and unauthorized or fraudulent gas usage.

Non-Residential Customer – Any Customer that is not a Residential Customer.

Operational Flow Order (OFO) – An order issued by the Company via its EBB, fax machine, or telephone to Pool Operator or Transportation Customer specifying reduced imbalance tolerance levels during critical situations.

Operational System – Any portion of Company's distribution system for which deliveries and gas demands must be balanced separately from other portions of the distribution system, due to operational and contractual limitations.

Pool – A group of Transportation Customers aggregated by a Pool Operator for gas supply management purposes.

Pool Operator – A marketer, supplier, or Transportation Customer that provides gas supply management for a Pool.

Pool Operator-Delivered Gas – Gas delivered to Company's distribution system by, or on behalf of, a Pool Operator.

Premises – The main residence or living quarters for a Residential Customer, or the main building of a Commercial or Industrial Customer. The Premises shall include the outlying or adjacent buildings used by the same Customer, provided the use of Gas Service in the outlying or adjacent building(s) is supplemental to the service used in the main residence, main living quarters, or main building of Customer.

Rate Schedule – A Gas Service applicable to a particular classification of Customer with specific Applicability, Character of Service, Rates and Charges, and Terms and Conditions.

Residential Customer – Customer using Gas Service primarily for a single family dwelling unit, mobile home, apartment unit or condominium. When Gas Service is supplied through one meter to an apartment house or multiple dwelling, the service shall be classified as Commercial, in which case the applicable non-residential service Rate Schedule shall apply.

Sales Customer – A Customer subscribing to a Sales Service Rate Schedule.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

DEFINITIONS Continued

Sales Service – Gas Service involving the delivery by Company to Customer of Company-Supplied Gas.

Service Area – Areas in which Company has Gas Service available or may offer Gas Service.

Spaceheating – The use of Gas Service as fuel for the heating of some portion or all of Customer's Premises.

Throughput – The Sum of Customer's Sales and Transportation volumes.

Transportation Customer – A Customer subscribing to a Transportation Service Rate Schedule.

Transportation Service – Gas Service involving the delivery by Company to Customer of Customer-Delivered or Pool Operator-Delivered gas.

Winter Season – The calendar months of November through March, inclusive, used only for Pooling Service Agreement and Choice Peaking Supply purposes.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

1. APPLICATION AND CONTRACT FOR SERVICE

A. Application for Service

Any person desiring Gas Service must apply to Company in a format supplied by Company for that purpose. If permitted by Company a person may make an oral application for Gas Service. An oral Applicant must 1) specify the place or location where Gas Service is desired; 2) agree to comply with all the terms, rules and regulations of the Company applicable to such Gas Service; and 3) agree to pay the applicable rates charged by the Company for the class of Gas Service desired.

Applications for Gas Service must be accepted on behalf of Company by a duly authorized agent before Gas Service can be provided. Upon acceptance of the application by Company, the application becomes a contract between Customer and Company. Company will not serve and may stop serving any Customer who does not complete an application for Gas Service, or who refuses to accept service or to continue service in accordance with the Rate Schedules and Company's General Terms and Conditions.

If existing Company facilities cannot supply the Gas Service requested by the Applicant, Company may defer approval of Gas Service until adequate facilities can be provided.

B. Application Required For Each Location

Any person desiring Gas Service must make a separate application for each location, residence, place of business or Premises where the person desires Gas Service. Company will not serve more than one location, residence, place of business, or Premises under a single application or contract for service.

C. Service Contract Is Not Transferable

The contract between Customer and Company covering Gas Service is not transferable to any other person by Customer. No agent of Company has the authority to consent in writing, or otherwise, to such a transfer. Notwithstanding the above, final Bills and uncollectible accounts may be transferred to a Customer's new account of the same type of Gas Service.

D. Agents Cannot Modify Contract

No agent or employee of Company has the right to amend, modify or alter the application or contract, or the rates, terms, conditions, rules or regulations as filed with the Commission.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

1. **APPLICATION AND CONTRACT FOR SERVICE** (Continued)

E. Service to a New Tenant or Owner

Company shall not delay or deny service to a new tenant or owner who has properly applied for Gas Service and has satisfied all requirements for Gas Service, because of non-payment of a final Bill by a former tenant or owner.

F. Suspension of Service Agreement Because of Casualty

If a fire or other casualty renders Customer's Premises unfit to receive Gas Service, Gas Service shall be suspended until the Premises are reconstructed so that Gas Service can be safely re-established in accordance with this Tariff for Gas Service.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

2. CREDIT REQUIREMENTS OF CUSTOMER

A. Establishment of Credit

Company may require an applicant for Residential Gas Service to satisfactorily establish his financial responsibility, pursuant to 4933.17 ORC and 4901:1-17 OAC. Company may require an applicant for Non-Residential Gas Service to satisfactorily establish their financial responsibility pursuant to 4933.17 ORC.

B. Service May Be Denied Persons In Debt To Company

Company may deny Residential Gas Service for nonpayment of Residential Gas Service pursuant to Chapter 4901:1-18 OAC. **Company may deny Non-Residential Gas Service for nonpayment of Non-Residential Gas Service.**

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

3. BILLING AND PAYMENT FOR GAS SERVICE

A. Measurement of Gas

The quantity of gas delivered to Customer shall be measured by meters or metering equipment suitable for the purpose, and shall be supplied, installed and maintained by Company. The meter readings shall be prima facie evidence of the amount of gas supplied.

Meters or metering equipment shall be considered accurate if they register within plus or minus three percent (3%) of absolute accuracy. Whenever a meter or metering equipment is found to be inaccurate, it or they shall be restored to accuracy or shall be replaced by Company with an accurate meter or metering equipment without expense to Customer.

Company will, upon request of Customer, test any meter suspected of not registering properly. If Customer desires, the meter test will be performed in his presence with a certified and sealed meter prover. All tested meters found registering correctly will be resealed and the date of testing will be stamped on the meter. If the meter is tested in this manner and is found to be registering correctly, Customer shall pay the Gas Meter Testing Charge contained on Sheet No. 30. Customer will be informed at the time he requests the meter test that the Gas Meter Testing Charge may be applicable.

All rates of Company are based on gas delivered under standard, low-pressure conditions, i.e., at a pressure of four (4) ounces per square inch above an atmospheric pressure of fourteen and four-tenths (14.4) pounds per square inch, and at a temperature of sixty (60) degrees Fahrenheit.

B. Billing and Meter Reading

1. Meter Reading

The duly authorized agents of Company, upon providing satisfactory proof of identification to Customer, shall have the right and privilege to enter Customer's Premises at all reasonable times for the purpose of reading meters.

Under normal conditions, meters and metering equipment will be read regularly. Company may require that meters and metering equipment be read on any periodic basis as is necessary or desirable. Company may, on its own initiative or at Customer's request, make other arrangements with Customer to read Customer's meter or metering equipment. An actual meter reading shall be required at least once every twelve (12) months.

2. Billing Period

Under normal conditions, Bills for Gas Service will be rendered monthly. In all cases, Bills for Gas Service will be computed on a monthly basis in accordance with the applicable Rates and Charges for such Gas Service with due allowance and adjustments being made for meter readings obtained and adjusted to a monthly basis.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

3. BILLING AND PAYMENT FOR GAS SERVICE (Continued)

B. Billing and Meter Reading (Continued)

3. Failure to Receive a Bill

Nonreceipt of a Bill does not relieve Customer of responsibility for payment and Company shall not be obligated to extend the due date for such a Bill when Company records show the correct Customer mailing name and address.

4. Budget Billing Plan

Company has available to certain of its customers a "Budget Billing Plan" which minimizes billing amount fluctuations over a twelve month period. Company may exercise discretion, as permitted by Rule 4901:1-18-4(C) of the Ohio Administrative Code, to restrict the availability of such a plan to Customers who:

- (a) have no arrearages (other than amounts already incorporated in a previously agreed upon extended payment plan); and
- (b) are not in default on a previously agreed upon extended payment plan.

5. Estimated Bills

In the event Company's meter or metering equipment fails to properly register the quantity of gas supplied during any month or other period of time, or Company's employee or agent is unable to actually read the meter, Company will estimate the quantity of gas supplied during such period, having due regard for the use which Customer made of the gas supplied to him during such period and any other information and data permitting a reasonable conclusion as to the quantity of gas supplied but not measured or inaccurately measured, and Customer will be billed or credited by Company accordingly. If Customer's usage has been underestimated, Company shall attempt to arrange a reasonable schedule of payments if requested by Customer.

Company shall continue to furnish Gas Service to Customer and Customer shall continue to pay the amounts billed pending the determination of proper adjustment.

If a period of six (6) consecutive months elapses without Company obtaining a meter reading, Company will notify Customer by mail to make arrangements to obtain a meter reading. If a meter reading is not obtained for nine (9) consecutive months, Company will personally contact Customer to make arrangements to obtain a meter reading and inform Customer of the consequences, as described below, if a meter reading is not obtained for twelve (12) consecutive months. If a meter reading is not obtained for twelve (12) consecutive months, Company may install a remote meter reading device for which Customer will pay the Remote Meter Installation Charge contained on Sheet No. 30. Customer may pay this Charge immediately or Company shall add the Charge to Customer's next monthly Bill. If Customer fails to make arrangements for Company to either obtain a meter reading or install a remote meter, Company may discontinue Gas Service with notice to Customer as provided in these General Terms and Conditions.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

3. BILLING AND PAYMENT FOR GAS SERVICE (Continued)

B. Billing and Meter Reading (Continued)

6. Choice of Rate Schedule

Copies of all Rate Schedules are available at Company's business offices and are open to public inspection during business hours. Where Customer meets the requirements of more than one Rate Schedule, Customer shall select the Rate Schedule upon which his application or contract for service shall be based. Company, at the request of Customer, will make a reasonable effort to determine the most favorable rate for any Customer who qualifies for more than one Rate Schedule. Company's policies concerning disclosure of rates shall conform to Section 4901:1-1-03, Ohio Administrative Code.

7. Meter Readings Not To Be Combined

Where Gas Service is supplied to Customer and is delivered and metered through two or more separate delivery and metering facilities, the individual meter readings will not be combined for billing purposes, except as may be otherwise provided by the terms of a Rate Schedule or other agreement.

8. Termination of Service at Customer's Request

Unless there is a provision to the contrary in the service contract or applicable Rate Schedule, any Customer who wishes to discontinue Gas Service because he is vacating the Premises, or for any other reason, shall notify Company at least 72 hours prior to the date of the requested service termination. Customer shall be responsible for all Gas Service supplied to the Premises until such notice has been received and Company has had a reasonable time to discontinue Gas Service. At the time Gas Service is discontinued by Company, Company shall read Customer's meter if requested by Customer or otherwise will estimate usage or allow Customer to provide the final meter read, subject to Company's review for reasonableness and, as soon as practicable thereafter, prepare and issue a final Bill for all Gas Service supplied to the Premises. If Customer requests an actual meter reading, Company shall inform Customer of the need to provide Company personnel with access to the meter.

C. Payment

Payment of the total amount due must be received by Company or an authorized agent by the due date shown on the Bill. If any Non-Residential Customer supplied with gas neglects or refuses to pay the total amount due on or prior to the due date, Company, after three (3) days' notice, may stop the gas from entering the Premises supplied. Delinquent Residential Customers, including those who are master-metered, are subject to disconnections as explained in Chapter 4901:1-18 OAC.

Company will charge and collect, in advance, the Reconnection Charge contained on Sheet No. 30, after Gas Service has been discontinued because of nonpayment of Bill when due.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

4. DISCONNECTION-RECONNECTION OF SERVICE

A. Discontinuance of Service Because of Fraud, Loss or Damage

In the event Customer uses any fraudulent practice in obtaining or determining the amount of Gas Service for which Customer must pay, or is the beneficiary of any such fraudulent practice, or Company's meter, metering equipment, or other property used to supply Gas Service has been damaged or tampered with by Customer, his agents, employees or any person acting in concert with them to avoid paying for all or part of the Gas Service provided to Customer or otherwise, Company shall have the authority to disconnect the service provided in accordance with the procedures set forth herein.

Gas Service will not be restored until Customer has given satisfactory assurance that such fraudulent or damaging practice will be discontinued, and has paid to Company an amount estimated by Company to be reasonable compensation for Gas Service fraudulently obtained and not paid for, and for any damage to property of Company including any cost to repair the damage, and including the Reconnection Charge and other costs contained on Sheet No. 30.

The procedures applicable to Company's resolution of claims of fraudulent or damaging practices are:

1. No Investigation Charge shall be assessed against any Customer, and no Customer shall have his service disconnected as a result of any fraudulent or damaging practice except in accordance with the procedure set forth in paragraphs 2 through 6 of this section.
2. At least three business days prior to assessing an Investigation Charge against any Customer, Company shall deliver to Customer's address a written notification of the fact that Company suspects Customer of having engaged in a fraudulent or damaging practice. If Customer is not at home, Company shall deliver the notice to any adult who is present at the residence. If, to Company's belief, no adult is present, Company shall firmly affix the notice to a prominent spot on the outside of the residence.
3. The written notification referred to in paragraph 2 of this section shall contain, at a minimum, the following information:
 - a. That a fraudulent or damaging practice is suspected of Customer;
 - b. The basis for Company's suspicion;
 - c. The fact that Customer has the right to contest Company's allegations in accordance with the procedures set forth in paragraph 4;
 - d. The fact that, should disconnection of service occur, Customer's Gas Service will not be reconnected until Customer:
 - 1) Pays or makes arrangements which are satisfactory to Company to pay:
 - a) An amount reasonably estimated by Company to be reasonable compensation for any gas fraudulently obtained and not paid for; and
 - b) Company's Reconnection Charge in Sheet No. 30; and

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

4. DISCONNECTION-RECONNECTION OF SERVICE (Continued)

A. Discontinuance of Service Because of Fraud, Loss or Damage (Continued)

- c) The actual cost of repair or replacement of Company's damaged equipment, if any; and
 - 2) Makes arrangements to pay the investigation charges as provided for in Sheet No. 30.
 - e. One of the following statements, as appropriate:
 - 1) "If you do not avail yourself of the opportunity to meet with Company or contest the allegations in the next three business days, or if you are unable to provide a satisfactory explanation for the circumstances discovered by Company, your service may be disconnected"; or
 - 2) "Your service has been disconnected because continuation of service would create a risk of injury to persons or damage to property"; or
 - 3) "Your service has been disconnected because, following an earlier disconnection, it was reconnected by someone acting without Company's authority"; or
 - 4) "Your service has been disconnected because your service has been tampered with or otherwise physically altered to prohibit the correct metering of service."
4. After three business days from the receipt of the written notification referred to in paragraph 2 of this section, Company shall have the right to disconnect Customer unless Customer contacts Company and requests a meeting with a representative of Company in accordance with the procedures in subparagraph a.
- a. At the meeting between Company representative and Customer, Customer shall have the opportunity to demonstrate why the allegation of fraudulent or damaging practice is unfounded, including, but not limited to:
 - 1) The opportunity to make a written statement;
 - 2) The opportunity to present documents;
 - 3) The opportunity to be accompanied by persons with knowledge of relevant facts; and
 - 4) The opportunity to be given a full explanation of the evidence which led Company to suspect Customer of fraudulent or damaging behavior.
 - 5) At the meeting between Customer and Company representative Customer will be informed he may contact the Commission, and will be given the address and toll-free number of the Commission's Investigation and Audit Division as supplied by Company.
 - b. If at the end of the meeting between Company representative and Customer, or sometime subsequent thereto, Company concludes that Customer has committed fraud or theft, Company may terminate Gas Service to Customer. However, Company may not take such action prior to the expiration of one full business day after notifying Customer of Company's conclusion and proposed action.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

4. DISCONNECTION-RECONNECTION OF SERVICE (Continued)

A. Discontinuance of Service Because of Fraud, Loss or Damage (Continued)

5. No Customer shall have service disconnected due to any fraudulent or damaging practice prior to having the opportunity to contest Company's suspicions as described in paragraph 4 of this section, except in the following circumstances:

- a. Where Company determines that continuation of service would create a risk of injury to persons or damage to property.
- b. Where Customer has not contacted a Company representative within three business days after being notified in writing of the allegation of fraud and/or theft.
- c. Where service which had been previously disconnected has been reconnected by someone not authorized by Company.
- d. Where the service had been tampered with or physically altered to prohibit correct metering of service.

6. Company shall also levy an Investigation Fee against a Customer responsible for any fraudulent or damaging practice according to the schedule contained on Sheet No. 30.

The Investigation Fee will only be levied in those circumstances where Company has reasonable proof of Customer's fraudulent or damaging practice. Reasonable proof is defined as either an admission by Customer; or documentation evidencing the fraudulent or damaging practice; or personal observation by Company personnel. The Ordinary Investigation Fee will be assessed to Customer if the investigation requires four (4) hours or less. The Extensive Investigation Fee will be assessed to Customer for investigations requiring more than four (4) hours.

B. Discontinuance of Service Due to Danger

The authorized agents of Company shall have free access, at reasonable times, to the Premises in which gas is used to determine if the gas is being carried, distributed and consumed in a safe manner and in accordance with Company's General Terms and Conditions.

Company's authorized agent will, upon request, show Company identification and state the reasons for requiring access.

Company reserves the right to discontinue Gas Service without advance notice to any Customer where a dangerous condition is discovered to exist on Customer's Premises or where, because of conditions beyond the Customer's Premises, such discontinuance of Gas Service is reasonably necessary to protect life, property, and/or Customer's Premises. Gas Service will not be restored until the dangerous condition or conditions have been corrected.

C. Right to Shut Off Gas

Company reserves the right to discontinue Gas Service to Customer and disconnect its lines and/or remove its property for any of the following reasons:

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

4. DISCONNECTION-RECONNECTION OF SERVICE (Continued)

1. To make necessary or desirable repairs, alterations or extensions; provided Company will provide prior notice if the work is expected to exceed six hours.
2. For Residential Customer delinquency as defined in Section 4.E. or, for Non-Residential Customers, for non-payment of Bills when due, provided Company provides prior written notice to Customer.
3. For any violation of or refusal to comply with the contract and/or the Company's General Terms and Conditions applying at any time to Customer's Gas Service.
4. During Curtailment Periods.
5. When such Gas Service is in conflict or incompatible with any order of the Commission, ordinances or resolutions of any municipality, the laws of the State of Ohio, or any political subdivision thereof, or of the Federal Government or any of its agencies.
6. When Customer has moved from the Premises.
7. In the event Customer uses gas in a manner detrimental to the Gas Service to Customer or other Customers.
8. For refusal of access to Premises.
9. For theft or fraudulent use of gas.

The reasons set forth above shall be in addition to the specific reasons contained elsewhere in the Company's General Terms and Conditions.

D. Disconnection-Reconnection of Service at Customer's Request

When a Customer has previously requested a disconnect and desires to be reconnected at the same address, Company will charge and Customer will pay the Reconnection Charge contained on Sheet No. 30. Company shall inform Customer at the time of the request that the Reconnection Charge will be applicable. An After Hours Charge contained on Sheet No. 30 will be assessed to Customer, if such reconnection is performed after Company's normal business hours at Customer's request. Company will inform Customer at the time of the request if the After Hours Charge will apply. The After Hours Charge will not be applicable to Residential Customers who pay before 12:30 p.m. to reconnect service previously disconnected for non-payment.

E. Rules, Regulations, and Practices Governing the Disconnection of Gas Service to Residential Customers

All disconnection and reconnection of service, payment plans, and security deposits involving Residential Customers shall be governed by the rules, regulations, and practices as set forth in Chapters 4901:1-17 and 4901:1-18 of the Ohio Administrative Code, except for as provided in First Revised Sheet No. 11 page 2 of 2 and First Revised Sheet No. 13, page 2 of 3, as each is from time to time amended and which are incorporated by reference into the Company's General Terms and Conditions.

Company shall make available for public inspection current copies of Chapters 4901:1-17 and 4901:1-18 of the Ohio Administrative Code in each of Company's offices where it is required to have copies of its Tariff for Gas Service available to the public.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

5. METERS AND METERING EQUIPMENT-LOCATION AND INSTALLATION

A. Location

Each Customer will provide, without charge to Company, a suitable location for the meters and metering equipment to be installed by Company. Company will have the right to determine where its meters and metering equipment will be located on Customer's Premises. The meters and metering equipment must be located to allow easy access by Company's employees or agents. The meters and metering equipment will not be set nor allowed in a place where there is a likelihood of damage. If the condition of the Premises requires that the meters or metering equipment be located in a confined space, then Customer must provide thorough ventilation, as approved by Company, to prevent hazards associated with potentially escaping gas. If Company requires a relocation of its meters and metering equipment to satisfy the conditions contained in this provision, Customer shall provide for such relocation at his expense.

B. Installation

1. Company will install only one meter or one unified set of meters and metering equipment for one class of service for each Customer at one delivery point. The meters and metering equipment furnished and installed by Company will at all times remain the property of Company.
2. All locations provided for meters and metering equipment installations will be subject to the approval of Company and will conform to any codes and regulations in effect in the area served and the standards contained in the latest revision of Company's booklet entitled "Information and Rules for the Installation of Gas Piping," copies of which are available upon request by contacting Company's Customer Service.
3. All meter and metering equipment installations will be sealed by Company. Unless otherwise provided herein, if Customer breaks Company's seals, Company may discontinue Gas Service to Customer.
4. The type of meter and metering equipment installation will be determined by the size and character of Customer's load, its location, and the type of Gas Service to be rendered.

Customer shall install a meter spread, with a valve on the inlet side of meter.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

6. SERVICE PIPE-LOCATION AND INSTALLATION

A. Location

Company reserves the right to designate the location of the service pipe on the Premises to be served. In order to avoid delay and unnecessary expense, Customer or his representative or agent shall consult with Company and request that Company designate the location of such service pipe.

B. Point of Delivery

The point of delivery of gas provided by Company shall be at Company's curb valve and box or stop cock or where the gas passes from Company pipes into Customer's service pipe.

C. Installation

1. Normally, only one service line will be permitted for a Premise.
2. All service installations will be subject to the approval of Company and will conform to the codes and regulations in effect in the area served and the standards contained in the latest revision of Company's booklet entitled "Information and Rules for the Installation of Gas Piping," copies of which are available upon request by contacting Company's Customer Service.
3. Company or persons authorized by it will make the final connections and any necessary alterations at the point of delivery. Customer may not alter or interfere with this connection in any way.
4. Company will make the final connection to initiate Customer's Gas Service. Customer may not make any unauthorized connection which initiates his Gas Service.
5. Company reserves the right to install the service facilities which, in its judgment, are adequate to supply Customer's active load.
6. Company's policies relating to the extension of gas facilities are set forth in Section 9.

D. Inspection Test

Company will require an inspection and pressure test on each new Customer-owned gas service pipe, and will approve said pressure test, prior to the initiation of Gas Service.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

6. SERVICE PIPE-LOCATION AND INSTALLATION

E. Changes

1. If Company initiates changes in the location of its distribution facilities, Company will change the location of the service pipe at its expense.
2. For any reason other than that described in Paragraph (1), all expenses incident to relocating Customer's service pipe shall be paid by Customer. Customer shall consult Company, and Company shall advise him of the new point of delivery and the point at which Company's service pipe will be connected to Customer's piping.
3. Where one or more Customers request Company to change or relocate its facilities, either temporarily or permanently, Company will change or relocate all gas facilities agreed upon by Company and Customer(s) and perform such other work as may be required to effect such change or relocation. Company will provide Customer(s) with the estimated cost of the work to be done by Company pursuant to this paragraph. The total cost of all changes and relocations will be paid by such Customer(s) requesting the changes and relocations prior to the commencement of work by Company. The charge will be based on the total cost of removing existing facilities plus installing facilities at the new location.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

7. EQUIPMENT ON CUSTOMER'S PREMISES

A. Responsibility After Gas is Delivered

1. Customer shall provide, install, repair and replace his service pipe and all other piping, appliances and devices necessary to receive the service from and after the point of delivery, except equipment necessary for metering purposes and other devices owned and maintained by Company. Customer shall also provide, install, repair and replace all appliances and devices necessary to use the service provided. COMPANY IS NOT RESPONSIBLE FOR ANY INJURIES TO PERSONS OR PROPERTY ARISING FROM, CAUSED BY, OR INCIDENT TO THE FAILURE ON THE PART OF THE CUSTOMER TO PROPERLY INSTALL, REPAIR OR REPLACE SERVICE PIPE, PIPING, APPLIANCES OR DEVICES AFTER THE POINT OF DELIVERY, OR FOR ANY DEFECTS THEREIN.
2. Nothing contained in Company's Tariff for Gas Service shall relieve Company of its duties and obligations under the Natural Gas Pipeline Safety Act of 1968 (as amended), 49 U.S.C. 1671 et seq., 49 C.F.R. part 192 and all applicable federal regulations, and Chapter 4901:1-16 of the Ohio Administrative Code.
3. Where Customer is supplied with gas from Company's mains at other than low pressure or from high-pressure transmission mains of Company's suppliers, Company will supply a suitable regulator or regulators to provide a single pressure at each service location. Customer shall install such regulator or regulators at his expense in a manner and at a location on Customer's Premises satisfactory to and specified by Company. After this installation by Customer, Company will own and maintain the regulator or regulators.
4. When it is necessary to install a pressure relief device, such device will be supplied by Company for installation by Customer in a manner and at a location on Customer's Premises satisfactory to or specified by Company. After this installation, by Customer, Company will own and maintain the relief device.
5. When it is necessary to vent a regulator, such venting material shall be installed and maintained by Customer in a manner satisfactory to Company.

B. Access to Premises

The duly authorized agents of Company shall have the right and privilege to enter Customer's Premises at all reasonable times for the purpose of reading meters, installing, testing, inspecting, repairing, disconnecting and removing any or all of Customer's or Company's equipment used in connection with the provision of Gas Service.

C. Company Not Responsible for Customer's Appliances

CUSTOMER SHALL BE SOLELY RESPONSIBLE DOWNSTREAM OF THE METER FOR THE ADEQUACY, SAFETY, OPERATION OR OTHER CHARACTERISTIC OF ANY EQUIPMENT, PIPES, APPLIANCES OR DEVICES OWNED, LEASED, USED OR MAINTAINED BY CUSTOMER. ANY INSPECTIONS BY COMPANY DOWNSTREAM OF THE METER, WHICH COMPANY MAY MAKE UPON ITS OWN INITIATIVE SOLELY FOR ITS OWN BENEFIT AND INFORMATION, RENDERING OF EMERGENCY OR ADVISORY

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

8. **EQUIPMENT ON CUSTOMER'S PREMISES (Continued)**

SERVICE BY COMPANY UPON REQUEST BY CUSTOMER, OR ACCESS OBTAINED BY COMPANY TO CUSTOMER'S PREMISES FOR THE PURPOSE OF READING METERS, DOES NOT CREATE OR GIVE RISE TO ANY WARRANTY, EXPRESSED OR IMPLIED BY COMPANY TO CUSTOMER, OR CREATE ANY RESPONSIBILITY ON THE PART OF COMPANY FOR THE ADEQUACY, SAFETY, OPERATION OR OTHER CHARACTERISTICS OF ANY EQUIPMENT, PIPES, APPLIANCES OR DEVICES OWNED, LEASED, USED OR MAINTAINED BY THE CUSTOMER.

D. Piping, Appliances and Devices Shall Conform to Codes

1. *Customer's piping, appliances and devices connected directly or indirectly to Company's service facilities shall be installed in accordance with and conform to the provisions and requirements of applicable Federal, State, County and Municipal Codes and shall at all times comply with Company's General Terms and Conditions and the standards contained in Company's booklet entitled "Information and Rules for the Installation of Gas Piping," in effect at the time of installation. Customer shall provide satisfactory evidence to Company of compliance with the provisions described above, and Company shall refuse to serve any new installation not meeting these requirements.*
2. It shall be the obligation of Customer to notify the proper governmental agency charged with the administration of the applicable building code, or, in the absence of a building code, notify Company of any changes, alterations, or additions of any kind affecting gas piping and service pipes, including changes due to accident. In such cases, Gas Service may be suspended or refused until a proper test and approval has been obtained.

E. Accommodation and Protection of Company Equipment

1. When Company facilities are installed on the Customer's Premises, Customer shall furnish, without cost to Company and in accordance with Company's specifications, such enclosures as may be necessary to permit such installation.
2. Customer shall furnish, without cost to Company, all necessary rights of way and easements for the location of Company facilities on Customer's Premises. Company may use such facilities to furnish Gas Service to Customers located adjacent to and beyond Customer's Premises and may construct extensions from the facilities installed on Customer's Premises.
3. All equipment furnished by Company on Customer's Premises, unless otherwise provided, shall remain Company's property and shall be properly protected by Customer.
4. In no case shall Customer, his agent or employee, connect or disconnect any meter or regulator, turn on or shut off gas to any Premises or in any way alter or interfere with Company's meters, regulators or other property. However, in the event a dangerous condition is discovered to exist on Customer's Premises, Customer may shut off the gas provided he immediately notifies Company.

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GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

8. **EQUIPMENT ON CUSTOMER'S PREMISES (Continued)**

F. Payment for Changes in Company Facilities

If Company makes changes in its facilities to permit work to be done by contractors or others, or for the convenience of Customer, the cost incident to the change shall be paid by the party requesting the changes.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

8. USE AND CHARACTER OF SERVICE

A. Characteristics and Calorific Value of Gas

1. The gas distributed by Company may include a mixture of natural gas and other available hydrocarbon gases, such as liquefied petroleum gas-air mixture.
2. The calorific value of the gas or gases supplied by Company to its Customers shall not be less than nine hundred (900) Btu per cubic foot.

B. Charges and Payment for Temporary Service

Anyone desiring temporary service shall pay the entire cost to install the facilities necessary to furnish such temporary service and also the entire cost of disconnecting and removing the service. However, there will be no charge for providing temporary facilities (exclusive of service lines) to supply Gas Service to buildings during their construction when such service can be supplied from distribution facilities in place which will serve the buildings after completion of construction. Gas used for temporary service shall be billed in accordance with the applicable Rate Schedule.

C. Increase or Decrease in Requirements

Customer shall not install gas equipment of any kind or otherwise increase the demand for gas service except upon prior written consent from Company.

Customer shall promptly notify Company of any material decrease in service requirements or any material change in his service facilities.

Customer at his expense will change his service facilities as necessary to accommodate Company equipment necessary to serve any such increase or decrease in service requirements.

D. Use of Gas by Customer

1. Customer shall, in conformance with the standards contained in the latest revision of Company's booklet entitled "Information and Rules for the Installation of Gas Piping," install only appliances or devices which are suitable for operation with the character of the service available or supplied by Company, and which shall not be detrimental to Company. Company shall be the sole judge as to the suitability of apparatus or appliances and also as to whether the operation of such apparatus or appliances will be detrimental to its general service.
2. Company reserves the right at all reasonable times to inspect and test all gas appliances and other devices owned by Customer which are, or may be, connected to Company's facilities. COMPANY DOES NOT GIVE ANY WARRANTY, EXPRESSED OR IMPLIED, OR ASSUME ANY RESPONSIBILITY AS TO ADEQUACY, SAFETY, OPERATION OR OTHER CHARACTERISTICS OF ANY MOTOR, APPARATUS, OR OTHER DEVICE SO TESTED. CUSTOMER AGREES NOT TO RELY ON THE RESULTS OF THIS TEST AND INSPECTION FOR ANY PURPOSE.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

8. **USE AND CHARACTER OF SERVICE (Continued)**

Company's authorized agent will, upon request, show his Company identification and state the reasons for requiring access.

3. Company reserves the right to require Customer to install at his expense such facilities as may be necessary to prevent undue interference with Company's Gas Service to other Customers.
4. In case of violation of the above rules, Gas Service may be discontinued by Company until such time as Customer's use of Gas Service furnished hereunder conforms to Company's General Terms and Conditions, at which time applicable reconnect charges will be assessed. The temporary suspension of service by Company under this paragraph is not a cancellation of the contract.

E. Continuity of Service

1. Company will endeavor to supply gas continuously and without interruption, and under all reasonable and normal conditions of operation, to maintain a sufficient supply or an adequate and reasonable pressure for the gas supplied. Company shall not be liable to Customer or anyone else for any damage, loss or injury or otherwise resulting from any failure to provide Gas Service, or for any interruption of the supply or for variations in the pressure of the gas when such failure, interruption or variation is due to any of the following causes: accidents and contingencies, pipeline or equipment failure, breakdowns, strikes, fires, floods, riots, cyclones, vandalism, explosion, acts of God or nature, acts or orders of the Commission, acts or orders of any civil, judicial or military authorities, or any cause beyond the control of Company.
2. Company cannot and does not guarantee either a sufficient supply of gas or an adequate pressure for the gas supplied and shall not be liable for any damage or loss resulting from any variations in pressure or from a shortage of gas or from a total interruption of the gas supply.
3. Company shall not be liable for any damage or loss which Customer may sustain due to any interruptions of supply or variations in pressure resulting from the use or characteristics of gas equipment and/or appliances of Customer or other Customers supplied by Company.

F. Resale of Gas Prohibited

Gas supplied by Company is for the exclusive use of Customer on the Premises to which such gas is delivered by Company. In no case may service be shared with another, sold to another, or transported off the Premises.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

9. EXTENSIONS OF GAS DISTRIBUTION MAINS

- A. When anyone desires Gas Service and it is necessary that Company's mains be extended to make Gas Service available to the Premises under consideration, that person shall execute an agreement satisfactory to Company covering the matter of the extension and, in addition, shall apply for Gas Service as provided in Company's General Terms and Conditions. The agreement covering the extension must be signed by the owner of the Premises to be served. Moreover, if the Applicant elects the monthly payment option in the main extension agreement, as more fully described in Paragraph C.2 herein, said agreement shall require the Applicant to inform prospective and subsequent owners at the Premises of the monthly payment option terms and conditions. The Applicant and Company must agree on meter location and point of delivery of gas before any piping is laid or installed on the Premises to be served.
- B. Company shall make an extension of one hundred (100) feet or less from an existing distribution main without charge for each permanent Customer to be initially connected to the main extension ("entitlement extension footage").
- C. When an extension of Company's main to serve an Applicant amounts to more than the entitlement extension footage per Customer, Company shall offer an Applicant who is an end-use Customer the option of making the required payment in the form of: a) a one-time deposit, or b) a monthly payment. An Applicant who is not an end-use Customer shall not be eligible for the monthly payment option. In addition, as provided in Paragraph F herein, if Company determines, in its sole judgement, that the nature of an extension is such that it puts Company at undue risk of recovery hereunder, Company may require different arrangements as a condition of such main extension. The required payment(s) shall be determined as follows:
 - 1. The one-time deposit shall equal the estimated construction cost, net of the applicable entitlement extension footage as stated in Paragraph B herein, for each permanent Customer initially connected to the extension.
 - 2. Where the Applicant has elected the monthly payment option, said monthly payment shall be billed to the Applicant or subsequent Customers at the same Premises for the shorter of a period of seven (7) years or until the cost of the main extension is included in Company's rates and charges for service. The monthly payment shall equal that amount needed to compensate Company for the embedded cost of service associated with the main extension. Such cost of service shall include operation and maintenance expense including taxes, depreciation, and the return on rate base reflected in current rates on the construction cost, net of the applicable entitlement extension footage. The embedded cost of service calculations shall be consistent with ratemaking methods approved by the Commission.
 - a) The monthly payment option will be effective on or about November 1, 2001, dependent upon Company's billing capability.

Filed pursuant to the Finding and Order dated April 13, 2005 in Case No. 04-571-GA-AIR of The Public Utilities Commission of Ohio.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

9. EXTENSIONS OF GAS DISTRIBUTION MAINS (Continued)

- b) The monthly payment obligation shall remain with the Premises for the designated time period with the Applicant or his successor and shall be considered part of the utility bill subject to disconnection of service for non-payment.
- D. During the seven (7) years following the date of completion of the main extension, the Applicant(s) will be reimbursed for each additional Customer directly connected to the extension. There shall be no reimbursement after the seven (7) year period following the completion of the main extension. No reimbursement applies to the further extensions or lateral extensions of the main. Such reimbursement shall be determined as follows:
 - 1. Where the Applicant has elected the one-time deposit, Company shall refund to the Customer that paid the deposit a sum equivalent to the deposit on the applicable entitlement extension footage of such gas main extension. In no case shall the total refund exceed the amount deposited with Company.
 - 2. Where the Applicant has elected the monthly payment option, Company shall credit such monthly payment commencing when each additional Customer connects to the extension. Such credit shall be the embedded cost of service associated with the applicable entitlement extension footage, calculated consistent with the methodology in Paragraph C.2 herein. In no case shall the monthly credit for additional customers exceed the initial monthly payment as determined in Paragraph C.2 herein.
- E. An Applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year for a period of up to but not exceeding five (5) years, which begins on the date of completion of the main extension, Company shall refund to the Applicant who paid for the extension a sum equivalent to the cost of the applicable entitlement extension footage installed for each additional Customer connected during the year, but in no case shall the total amount refunded over the five (5) year period exceed the amount paid to Company. There shall be no refunds after the end of the five (5) year period.
- F. Nothing contained herein shall be construed to prohibit Company from making extensions under different arrangements.
- G. Nothing contained herein shall be construed to prohibit Company from making, at its expense, greater extensions than herein prescribed, should its judgment so dictate.
- H. Payments made to Company in accordance with the provisions of the extension agreements shall not be subject to the payment of interest thereon while in the possession of Company.

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GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

9. EXTENSIONS OF GAS DISTRIBUTION MAINS (Continued)

- I. The title to all extensions covered by the extension agreements shall be held by and remain with Company.
- J. Company reserves the right to make additional main extensions from the end of, or from any point on its main or distribution system.
- K. Company, in preparing estimates and plans for a main or distribution system, reserves the right to determine the size of pipe, pressure of system, and size and type of all devices and appurtenances necessary in the installation of said main or distribution system. Company reserves the right to determine the length of any main extension and which of its systems of mains will be used to provide Gas Service for prospective Customers.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

10. EXTENSION OF GAS FACILITIES TO HOUSE TRAILER PARKS

A. Definition

For the purposes of this Section, a House Trailer Park is a "House Trailer Park" as defined in Chapter 3733 of the Ohio Revised Code.

B. Bulk Metered Service

Gas Service will be made available to House Trailer Parks through a single meter at the applicable rate and under the provisions of Section 9 pertaining to the extension of gas distribution mains. All piping and equipment downstream of Company's point of delivery shall be installed and maintained by and at the expense of the park owner or operator in accordance with local codes and the standards contained in the latest revision of Company's booklet entitled "Information and Rules for the Installation of Gas Piping," copies of which are available at any of Company's offices. Company shall not be responsible for the distribution of gas beyond the delivery point. Gas furnished to House Trailer Parks under Bulk Metered Service shall not be submetered or resold. In the event of any violation of this prohibition against submetering and resale, Company may remove its meters and equipment and discontinue Gas Service after three (3) days prior written notice.

C. Individual Meter Service

Individual Gas Service will be made available to individual trailers in House Trailer Parks. Company will determine the type of distribution to be installed and the location of the meters, regulators and other equipment. All piping and equipment downstream of Company's point of delivery shall be furnished, installed and maintained by, and at the expense of, the park owner or operator, and shall be installed in accordance with local codes and the standards contained in the latest revision of Company's booklet entitled "Information and Rules for the Installation of Gas Piping," copies of which are available upon request by contacting Company's Customer Service.

The park owner or operator shall enter into a contract with Company and provide Company with all-necessary elements and rights of way and shall provide final grade prior to the installation of the distribution system. In no event will Company provide, at its own expense, more than fifty (50) feet of distribution facilities within the trailer park for each trailer that will use Gas Service. The cost of any additional extension of distribution facilities will be paid for by said owner or operator without refund.

D. Sectionalized Service

Subject to the approval of Company, a combination of both types of service described in Paragraphs (B) and (C) above, may be made available to House Trailer Parks.

E. Gas Main Extensions

For purposes of any gas main extension necessary to extend service to a House Trailer Park location under Paragraph B. above, the park shall be considered as one (1) Customer. Annual gas load of trailers receiving Individual Meter Service will not be considered in determining extension allowances under Section 9.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

11. CURTAILMENT PROCEDURES

When sufficient capacity or quantities of gas are not available to Company to meet existing and reasonably anticipated demands for Gas Service or to protect and replenish Company's gas storage reserves, which determinations shall be within Company's reasonable discretion, Company shall have the right to curtail Gas Service within any of its Operational Systems so affected in accordance with the provisions of this procedure.

A. **Definitions.** For the purpose of this Procedure, the following terms shall have the meanings defined below:

- (1) **Firm Curtailment Customer.** A Firm Curtailment Customer shall mean any Customer being served under Rate 320, 325, 330, or 345 whose Average Daily Throughput in any billing month during or subsequent to the Base Period exceeds 1,000 Ccf.
- (2) **Average Daily Throughput.** The Average Daily Throughput for any Base Period billing month shall be the Firm Curtailment Customer's metered Throughput during such month divided by the number of days in the month.
- (3) **Base Period.** The Base Period is any twelve consecutive billing months as established by Company.
- (4) **Normal Monthly Throughput.** The Normal Monthly Throughput shall be the Firm Curtailment Customer's metered Throughput during each billing month of the Base Period. These quantities may be adjusted by Company for unusual circumstances.
- (5) **Human Needs Customers.** Human Needs Customers shall include hospitals, medical centers, nursing homes, and other Customers as determined by Company, whose Curtailment could adversely affect public health or safety.
- (6) **Gas Supply Curtailment.** Curtailment resulting from insufficient quantities of Company-Supplied gas to meet the demands of Company's Sales Customers.
- (7) **Capacity Curtailment.** Curtailment resulting from insufficient system capacity to supply Gas Services to Company's Gas Service Customers.
- (8) **Plant Protection Level -** The minimum quantity of Gas Service for Firm Curtailment Customers or Alternate Fuel capability for Interruptible Sales Service Customers required by Customer to prevent endangering the health or safety of personnel, or to prevent extensive damage to Customer's facilities, equipment, or other property. This includes the protection of such material currently in process at the time a Curtailment is called which would otherwise be destroyed, but shall not include Gas Service required to maintain plant production.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

11. CURTAILMENT PROCEDURES (Continued)

B. **Curtailment Sequences.** Company shall have the right to curtail Gas Service to its Customers according to the following sequences. Such Curtailment shall be effective as of the date and time specified in the notice to Customer. When necessary in the sole opinion of Company, Gas Service shall be maintained to Human Needs Customers or other Customers who would otherwise be curtailed, to the extent necessary and practicable under the circumstances.

B1. Gas Supply Curtailment Sequence.

- (1) First, Rate 345 Non-Pooling Customers and Pool Operators' Pools shall be subject to the Cold Weather OFO set forth in Nomination and Balancing Provisions (Large General and Pool Operator).
- (2) Next, Rate 340 Customers' purchases of Company-Supplied Gas and Rate 341 Customers' purchases of Company-Supplied Gas for Spaceheating shall be interrupted 100%.
- (3) Next, as determined by Company, all Rates 320 and 330 Firm Curtailment Customers' purchases of Company-Supplied Gas shall be limited to either:
 - (a) their respective Average Daily Throughput each day over any portion of the billing month, or
 - (b) their respective Normal Monthly Throughput.
- (4) Next, as determined by Company, all Rates 320 and 330 Firm Curtailment Customers' purchases of Company-Supplied gas shall be curtailed prorata, either:
 - (a) on a daily basis for any period specified by Company by application of a uniform percentage curtailment to their respective Average Daily Throughput, or
 - (b) on a billing month basis by application of a uniform percentage curtailment to their respective Normal Monthly Throughput.

At this point in the Curtailment sequence, Firm Curtailment Customers shall not be curtailed to a daily quantity less than their respective Plant Protection Levels.

- (5) Next, all Rates 320 and 330 Firm Curtailment Customers' purchases of Company-Supplied Gas shall be curtailed to a daily quantity equal to their respective Plant Protection Levels.
- (6) Next, Rate 345 Non-Pooling Customers and Pool Operators' Pool Customers' transportation gas quantities on Company's system shall be limited to Customers' respective Plant Protection Levels, and the remainder of their delivered gas supply shall be diverted to use for Company supply.
- (7) Next, Rate 325 Customers' transportation gas quantities on Company's system shall be limited to Customers' respective Plant Protection Levels, and the remainder of their delivered gas supply shall be diverted to use for Company supply.
- (8) In the event further Curtailment is required to maintain Gas Service, Company shall be entitled to curtail or interrupt Gas Service to any Customer.
- (9) Compensation for the diversion of Customers' transportation gas quantities as provided for in Rule 11(B1)(6) and (7), will be in the amount of:
 - (a) **Daily Index Price:** The Daily Midpoint Price per Dekatherm as reported in Gas Daily in the table "Daily Price Survey", for delivery to the pipeline on which the diverted gas was delivered:
 - 1) Texas Gas, Zone SL; or

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

11. **CURTAILMENT PROCEDURES (Continued)**

- 2) ANR, La; or
 - 3) Panhandle, Tx-Okla; or
 - 4) Texas Eastern, ELA; or
 - 5) Columbia Gas, Appalachia.
- (b) The maximum interruptible transportation rate, including all applicable surcharges, for the pipeline on which the diverted gas was delivered to; plus
- (c) The average premium paid by the Company (stated on a per therm basis) to firm gas suppliers.

Such gas costs shall be recoverable through Company's Gas Cost Recovery filings.

B2. Capacity Curtailment Sequence.

- (1) First, Rate 345 Non-Pooling Customers and Pool Operators' Pools shall be subject to the Cold Weather OFO set forth in Nomination and Balancing Provisions (Large General and Pool Operator).
- (2) Next, Rate 340 Customers' purchases of Company-Supplied Gas and Rate 341 Customers' purchases of Company-Supplied Gas for Spaceheating shall be interrupted 100%.
- (3) Next, as determined by Company, all Firm Curtailment Customers' transportation quantities or purchases of Company-Supplied Gas, as applicable, shall be limited to either:
 - (a) their respective Average Daily Throughput each day over any portion of the billing month, or
 - (b) their respective Normal Monthly Throughput.
- (4) Next, as determined by Company, all Firm Curtailment Customers' transportation quantities or purchases of Company-Supplied Gas, as applicable, shall be curtailed prorata, either:
 - (a) on a daily basis for any period specified by Company by application of a uniform percentage curtailment to their respective Daily Throughput, or
 - (b) on a billing month basis by application of a uniform percentage curtailment to their respective Normal Monthly Throughput.

At this point in the Curtailment sequence, a Firm Curtailment Customer shall not be curtailed to a daily quantity less than its Plant Protection Level.

- (5) Next, all Firm Curtailment Customers shall be curtailed to their respective Plant Protection Levels.
- (6) In the event further Curtailment is required to maintain Gas Service, Company shall be entitled to curtail or interrupt deliveries of Gas Service to any Customer.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

11. **CURTAILMENT PROCEDURES (Continued)**

C. **Curtailment Notification.**

- (1) Company shall give notification of Curtailment in the most effective manner possible and as much in advance as reasonably possible with regard to the existing circumstances and the number of Customers to be notified.
- (2) If reasonably possible, Firm Curtailment Customers shall be given seven days advance notice of any Curtailment.
- (3) In the event of Curtailment of Firm Curtailment Customers, Company shall provide notice to each Firm Curtailment Customer of its Normal Monthly Throughput and Average Daily Throughput.

D. **Lifting of Curtailment.** Any Curtailment shall be lifted in reverse order of the Curtailment Sequence.

E. **Unauthorized Gas Usage.**

- (1) Assessment of Unauthorized Gas Usage Charge. When a Curtailment is in effect pursuant to the provisions of paragraph B of this Procedure, gas usage by Customer in excess of the quantity permitted for such Customer shall constitute Unauthorized Gas Usage and shall be subject to the Unauthorized Gas Usage Charge set forth in Sheet No. 30.

During the Curtailment Period, Customer shall have no entitlement to Unauthorized Gas Usage. In the event Customer continues Unauthorized Gas Usage, Company may, in its sole discretion, discontinue Gas Service to Customer. The assessment of the Unauthorized Gas Usage Charge and the exercise of the right to discontinue Gas Service by Company shall be in addition to any other rights Company may have with respect to Customer's Unauthorized Gas Usage.

GENERAL TERMS AND CONDITIONS **APPLICABLE TO GAS SERVICE**

12. AMENDMENTS

A. General Terms and Conditions May Be Amended

The Company reserves the right, with the approval of the Commission, to modify, alter or amend these General Terms and Conditions, or to promulgate such other and further General Terms and Conditions as experience and conditions may suggest, or as it deems necessary in the conduct of its business.

B. Limitation of Liability

Approval of the above tariff language by the Commission does not constitute a determination by the Commission that the limitation of liability imposed by the Company should be upheld in a court of law. Approval by the Commission merely recognizes that since it is a court's responsibility to adjudicate negligence and consequent damage claims, it is also the court's responsibility to determine the validity of the exculpatory clause.

SSO Phase E-3

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 1 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 2 TYPE: Tariff Sheet Index

Explanation of Changes:

1. Updated line items in Rate Schedules, Riders, Transportation Provisions and General Terms and Conditions.

Rationale for Changes:

1. Reflects new, suspended, and eliminated Rate Schedules, Riders, Transportation Provisions and Terms and Conditions.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 2 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 10 TYPE: Rate 310
Residential Sales Service

Explanation of Changes:

1. Added the Standard Sales Offer ("SSO") Rider and deleted Gas Cost Recovery Rider from the "Riders" section.
2. Added the Exit Transition Cost ("ETC") Rider and deleted the Migration Cost Rider from the "Riders" section.

Rationale for Changes:

1. Reflects the substitution of the proposed market and auction-based Standard Sales Offer ("SSO") Price for the current Gas Cost Recovery ("GCR") price. The SSO Price will be applicable to all customers served under all of Company's Sales Service Rate Schedules.
2. Reflects the inclusion of the proposed Exit Transition Cost ("ETC") Rider to recover or pass back costs associated with VEDO's Merchant Exit Transition ("Exit Plan"), and the roll-in of the Migration Cost Rider to the ETC Rider. The ETC Rider will be applicable to all Sales and Choice customers.

VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES

Schedule E-3
Page 3 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 11 TYPE: Rate 315
Residential Transportation
Service

Explanation of Changes:

1. The term "Supplier" has been changed to "Choice Supplier" throughout.
2. Added the Exit Transition Cost ("ETC") Rider and deleted the Migration Cost Rider from the "Riders" section.
3. Added a "Transfer to SSO Service Upon Choice Supplier Default" section to the Terms and Conditions.
4. Deleted "Return to Sales Service" section from the Terms and Conditions.
5. Renamed "Non-payment and Reversion To Sales Service Upon Disconnection" section to "Disconnection for Non-Payment of Choice Bill" and deleted language requiring the transfer of Customer to Sales Service prior to disconnection.

Rationale for Changes:

1. The addition of terms "SSO Supplier" and "SCO Supplier" to the VEDO Tariff made it necessary to add the pre-fix "Choice" to differentiate the multiple types of Suppliers.
2. Reflects the inclusion of the proposed Exit Transition Cost ("ETC") Rider to recover or pass back costs associated with VEDO's Merchant Exit Plan, and the roll-in of the Migration Cost Rider to the ETC Rider. The ETC Rider will be *applicable to all Sales and Choice customers.*
3. The added section clarifies in the Rate Schedule what happens when a Customer's Choice Supplier defaults.
4. SSO Suppliers will be responsible for serving Choice Customers who return to *a Sales Rate Schedule from this Rate Schedule.*
5. Updated to reflect that regulatory approval has been previously received to initiate disconnection for non-payment of bill without first transferring the Customer to a Sales Rate Schedule.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 4 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 12 TYPE: Rate 320
General Sales Service

Explanation of Changes:

1. Added the Standard Sales Offer ("SSO") Rider and deleted Gas Cost Recovery Rider from the "Riders" section.
2. Added the Exit Transition Cost ("ETC") Rider and deleted the Migration Cost Rider from the "Riders" section.
3. Deleted "Return from a Transportation Service" section from the Terms and Conditions.

Rationale for Changes:

1. Reflects the substitution of the proposed market and auction-based Standard Sales Offer ("SSO") Price for the current Gas Cost Recovery ("GCR") price. The SSO Price will be applicable to all customers served under all of Company's Sales Service Rate Schedules.
2. Reflects the inclusion of the proposed Exit Transition Cost ("ETC") Rider to recover or pass back costs associated with VEDO's Exit Plan, and the roll-in of the Migration Cost Rider to the ETC Rider. The ETC Rider will be applicable to all Sales and Choice customers.
3. SSO Suppliers will be responsible for serving Choice Customers who return to this Sales Rate Schedule from a Transportation Service.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 5 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 13 TYPE: Rate 325
General Transportation
Service

Explanation of Changes:

1. The term "Supplier" has been changed to "Choice Supplier" throughout.
2. Added the Exit Transition Cost ("ETC") Rider and deleted the Migration Cost Rider from the "Riders" section.
3. Added a "Transfer to SSO Service Upon Choice Supplier Default" section to the Terms and Conditions.
4. Deleted "Return to Sales Service" section from the Terms and Conditions.
5. Renamed "Non-payment and Reversion To Sales Service Upon Disconnection" section to "Disconnection for Non-Payment of Choice Bill" and deleted language requiring the transfer of Customer to Sales Service prior to disconnection.

Rationale for Changes:

1. The addition of terms "SSO Supplier" and "SCO Supplier" to the VEDO Tariff made it necessary to add the pre-fix "Choice" to differentiate the multiple types of Suppliers.
2. Reflects the inclusion of the proposed Exit Transition Cost ("ETC") Rider to recover or pass back costs associated with VEDO's Exit Plan, and the roll-in of the Migration Cost Rider to the ETC Rider. The ETC Rider will be applicable to all Sales and Choice customers.
3. The added section clarifies in the Rate Schedule what happens when a Customer's Choice Supplier defaults.
4. SSO Suppliers will be responsible for serving Choice Customers who return to a Sales Rate Schedule from this Rate Schedule.
5. Updated to reflect that regulatory approval has been previously received to initiate disconnection for non-payment of bill without first transferring the Customer to a Sales Rate Schedule.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 6 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 14 TYPE: Rate 330
Large General Sales Service

Explanation of Changes:

1. Added the Standard Sales Offer ("SSO") Rider and deleted Gas Cost Recovery Rider from the "Riders" section.
2. Added the Exit Transition Cost ("ETC") Rider to the "Riders" section.
3. Added sentence to Applicability section indicating that this Sales Rate Schedule will no longer be offered as of the end of the SSO Phase.

Rationale for Changes:

1. Reflects the substitution of the proposed market and auction-based Standard Sales Offer ("SSO") Price for the current Gas Cost Recovery ("GCR") price. The SSO Price will be applicable to all customers served under all of Company's Sales Service Rate Schedules.
2. Reflects the inclusion of the proposed Exit Transition Cost ("ETC") Rider to recover or pass back costs associated with VEDO's Exit Plan. The ETC Rider will be applicable to all Sales and Choice customers.
3. The SCO Phase will eliminate VEDO's Sales Service entirely and substitute a Standard Choice Service which will only be applicable to Choice-eligible Customers. Because the Rate 330 Customers are not Choice eligible, they will need to transfer to Transportation Service at the end of the SSO Phase.

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CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES

Schedule E-3
Page 7 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 15 TYPE: Rate 340
Interruptible Sales Service

Explanation of Changes:

1. Added the Standard Sales Offer ("SSO") Rider and deleted Gas Cost Recovery Rider from the "Riders" section.
2. Added the Exit Transition Cost ("ETC") Rider to the "Riders" section.
3. Added sentence to Applicability section indicating that this Sales Rate Schedule will no longer be offered as of the end of the SSO Phase.

Rationale for Changes:

1. Reflects the substitution of the proposed market and auction-based Standard Sales Offer ("SSO") Price for the current Gas Cost Recovery ("GCR") price. The SSO Price will be applicable to all customers served under all of Company's Sales Service Rate Schedules.
2. Reflects the inclusion of the proposed Exit Transition Cost ("ETC") Rider to recover or pass back costs associated with VEDO's Merchant Exit Transition, The ETC Rider will be applicable to all Sales and Choice customers.
3. The SCO Phase will eliminate VEDO's Sales Service entirely and substitute a Standard Choice Service which will only be applicable to Choice-eligible Customers. Because the Rate 340 Customers are not Choice eligible, they will need to transfer to Transportation Service at the end of the SSO Phase. There are no current Rate 340 Customers.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 8 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 16 TYPE: Rate 341
Dual Fuel Sales Service

Explanation of Changes:

1. Added the Standard Sales Offer ("SSO") Rider and deleted Gas Cost Recovery Rider from the "Riders" section.
2. Added the Exit Transition Cost ("ETC") Rider to the "Riders" section.

Rationale for Changes:

1. Reflects the substitution of the proposed market and auction-based Standard Sales Offer ("SSO") Price for the current Gas Cost Recovery ("GCR") price. The SSO Price will be applicable to all customers served under all of Company's Sales Service Rate Schedules.
2. Reflects the inclusion of the proposed Exit Transition Cost ("ETC") Rider to recover or pass back costs associated with VEDO's Merchant Exit Transition, The ETC Rider will be applicable to all Sales and Choice customers.

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CASE NO. -GA-EXM
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Schedule E-3
Page 9 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 17 TYPE: Rate 345
Large General
Transportation Service

Explanation of Changes:

1. "Creditworthiness Evaluation" section has been added.

Rationale for Changes:

1. Reflects that VEDO proposes to perform creditworthiness evaluations of Rate 345 Customers consistent with VEDO's standard creditworthiness evaluation practices to ensure their ability to pay for cashout and other charges payable to Company, and pursuant to the Exit Plan, forwardable to SSO or SCO Suppliers.

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NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES

Schedule E-3
Page 10 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 21

TYPE: Rate 385
Pooling Service
(Residential and General)

Explanation of Changes:

1. The term "Supplier" has been changed to "Choice Supplier" throughout the current Rate Schedule.
2. Renamed "Fees and Charges" section to "Monthly Statement". Certain charges have been renamed and/or the charge amounts have been updated. The following charges and credits have been added to this section:
Nomination Error Charge
City-Gate Allocation Non-Compliance Charge
Storage Non-Compliance Charge
Monthly Volume Reconciliation Amount
Meter Operator Charges
System Balancing Amount
POLR Amount
Customer Billing Amount
Delivery Point Balancing Amount
Related Charges
3. The Balancing Cost Rider has been eliminated from "Riders" section.
4. Added Contract section.
5. Late Payment Charge and Returned Check Charge have been deleted and replaced with Miscellaneous Charges.

Rationale for Changes:

1. The addition of terms "SSO Supplier" and "SCO Supplier" to the VEDO Tariff made it necessary to add the pre-fix "Choice" to differentiate the multiple types of Suppliers.
2. The Choice Supplier Monthly Statement will contain charges and credits identical to those applicable to the SSO Suppliers under VEDO's Exit Plan.
3. The Balancing Cost Rider recovers from Choice Suppliers the cost of balancing their Choice Customer loads on a daily basis. Under the VEDO Exit Plan, the Choice Suppliers will take mandatory release of VEDO's Columbia ("TCO") Storage and accordingly will be assisting in the balancing of the VEDO's system through TCO Predetermined Allocations ("PDA"). Because Choice Suppliers will be paying for their own storage, the Balancing Cost Rider can now be eliminated.
4. Added Contract section due to proposed removal of Form of Choice Supplier Agreement from the Tariff.
5. Miscellaneous Charges tariff sheet already includes these charges.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 11 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 22 TYPE: Rate 395
SSO Supplier Service

Explanation of Changes:

1. New Standard Sales Offer ("SSO") Supplier Service Rate Schedule has been added to the Tariff.

Rationale for Changes:

1. This Rate Schedule will be applicable SSO Suppliers who provide gas supply to VEDO for resale to its Sales Service Customers pursuant to VEDO's Exit Plan. This Rate Schedule is necessary to define the various requirements, terms and conditions, and billing procedures that will be applicable to SSO Suppliers. The Rate Schedule sections include: Applicability, Character Of Service, Monthly Statement, Requirements For SSO Supplier Participation, Contract, SSO Supplier Terms and Conditions, and General Terms and Conditions.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 12 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 31 TYPE: Gas Cost Recovery
Rider

Explanation of Changes:

1. The Gas Cost Recovery Rider is suspended.

Rationale for Changes:

1. The GCR will be suspended indefinitely as of the SSO Phase initiation date. The Rider will remain in the Tariff in the event VEDO must revert to GCR Service sometime during the Exit transition.

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CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 13 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 33 TYPE: Backup Sales Service
Rider

Explanation of Changes:

1. The Backup Sales Service Rider is eliminated.

Rationale for Changes:

1. There are no remaining Back-up Sales Service Customers; therefore this Rider is proposed to be eliminated as of the initiation date of SSO Service.

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NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES

Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 35 TYPE: Migration Cost Rider

Explanation of Changes:

1. The Migration Cost Rider is suspended.

Rationale for Changes:

1. The Migration Cost Rider is proposed to be rolled into the ETC Rider as of the SSO initiation date. The Rider will remain in the Tariff in the event VEDO must revert to GCR Service sometime during the Exit transition and the ETC Rider is not continued.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 15 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 36 TYPE: Balancing Cost Rider

Explanation of Changes:

1. The Balancing Cost Rider is suspended.

Rationale for Changes:

1. The Balancing Cost Rider is proposed to be suspended indefinitely as of the SSO initiation date. The Rider will remain in the Tariff in the event VEDO must revert to GCR Service sometime during the Exit transition and the Choice Supplier participation in system balancing is not continued.

**VECTREN ENERGY DELIVERY OF OHIO
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NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 16 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 38 TYPE: Standard Sales Offer
Rider

Explanation of Changes:

1. New Standard Sales Offer ("SSO") Rider has been added to the Tariff.

Rationale for Changes:

1. The SSO Rider is proposed to replace the GCR Rider pursuant to VEDO's Exit Plan. It will be the price charged to Sales Service customers for their usage each calendar month. The SSO Rider will be applicable to the Sales Service Customers under the following Rate Schedules:

Rate 310
Rate 320
Rate 330
Rate 340
Rate 341

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 17 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 41 TYPE: Exit Transition Cost
Rider

Explanation of Changes:

1. New Exit Transition Cost ("ETC") Rider has been added to the Tariff.

Rationale for Changes:

1. The ETC Rider has been established to recover various incremental implementation costs and other costs of VEDO's Exit Plan from all Sales and Choice Customers. This Rider is proposed to be applicable to the following Rate Schedules:

Rate 310
Rate 315
Rate 320
Rate 325
Rate 330
Rate 340
Rate 341

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CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 18 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 50 TYPE: Transportation Terms
and Conditions
(Large General)

Explanation of Changes:

1. Section 3, Backup Sales Service has been deleted.
2. Section 16, Return to System Supply has been renamed to "Transfer to System Supply" and language has been updated

Rationale for Changes:

1. Backup Sales Service is being eliminated as described previously.
2. Language changes reflect that Rate 345 Customers that elect to transfer to Sales Service must remain a Sales Service Customer until the end of the winter season, rather than for a two year period. The revision is made necessary due VEDO's Exit Plan which contemplates the elimination of Sales Service prior to a two-year period.

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NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES

Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 51 TYPE: Nomination and
Balancing Provisions
(Large General and Pool
Operator)

Explanation of Changes:

1. The Monthly Over/Under Imbalance cashout percentage has been changed from 5% to 0%, with the cashout to be at index, without premium or discount.
2. The "Operational Flow Orders" section has been changed to reflect that Normal Daily Balancing Provisions will apply to over-deliveries during a Cold Weather OFO and to under-deliveries during a Warm Weather OFO unless VEDO determines that the over/under deliveries in excess of the daily tolerance are helpful to the system.
3. Gas cost portions of all cashouts relating to imbalances and all incremental gas costs and pipeline penalties will be recovered from/passed back to all SSO and Choice Suppliers. Nomination Error Charges, City-Gate Non-Compliance Charges and the non-gas cost portion of imbalance cashouts will also be credited to the SSO and Choice Suppliers.

Rationale for Changes:

1. Pursuant to VEDO's Exit Plan, there will be no carry forward of any over/under imbalance quantities to the following month for Rate 345 Customers or Pool Operators. Because the SSO and Choice Suppliers will be balancing the system in the future, and monthly volume reconciliations will be performed to balance their storage accounts on a monthly basis, it is necessary to completely eliminate at month-end any imbalance of the Rate 345 Customers and Pool Operators.
2. This change limits the amount of imbalance gas that must be managed by the SSO and Choice Suppliers, while still providing the opportunity to have more gas delivered or withheld in the event of an OFO event.
3. Because the SSO and Choice Suppliers are balancing VEDO's system through their VEDO-released TCO storage inventory, any imbalance fees derived from non-compliance with VEDO program requirements are payable to those Suppliers.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 20 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 52 TYPE: Pooling Service
Terms and Conditions
(Residential and General)

Explanation of Changes:

1. The term "Supplier" was changed to "Choice Supplier" throughout.
2. The following additional definitions were added to the "Definitions" section of this tariff sheet: Columbia Appalachian Index, Load Tranche or Tranche, Pre-determined Allocation ("PDA"), SSO Supplier, and TCO. Additional language has been added to the "Pool's Usage" definition.
3. The "Assignment of Pipeline Capacity" section has been renamed and updated.
4. "Monthly Reassignment of Capacity" section has been added.
5. "Operational System Balancing" section has been added to describe that holders of VEDO's released TCO storage (Choice and SSO Suppliers) will collectively provide system balancing.
6. "Provider of Last Resort" section has been added.
7. Language has been added to "Daily Scheduling of Directed Delivery Quantities" section.
8. The "Allocation of Peaking Supplies" has been renamed and updated.
9. The "Volume Reconciliations" section has been changed to "Monthly Volume Reconciliations" and updated.
10. The "Supplier Withdrawal or Termination" section has been updated.

Rationale for Changes:

1. The addition of terms "SSO Supplier" and "SCO Supplier" to the VEDO Tariff made it necessary to add the pre-fix "Choice" to differentiate the multiple types of Suppliers.
2. The new defined terms are used in the description of various aspects of the VEDO Exit Plan
3. Reflects mandatory, rather than optional, assignment of pipeline capacity to Choice Suppliers as is the case for SSO Suppliers. The change also facilitates

VECTREN ENERGY DELIVERY OF OHIO
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Witness: S. E. Albertson

allowing the assigned capacity to follow Customers as they migrate to and from Choice Service.

4. *Describes that transportation and storage capacity released to Choice Suppliers will follow customers upon their migration to and from SSO with monthly reassignment of capacity to Choice Suppliers based on market share.*
5. *Describes that holders of VEDO's released TCO storage (Choice and SSO Suppliers) will collectively provide system balancing.*
6. *Describes the procedure for POLR Service coordination and that Choice and SSO Suppliers are required to temporarily provide supply during OFO events or if a Supplier defaults.*
7. *Reflects the TCO storage capacity conditions that have been established for the purpose of Choice and SSO Suppliers collectively balancing the system and that Choice Suppliers will be subject to City-gate allocation procedures, among other changes.*
8. *Reflects that propane costs arise from other than peaking needs and that those costs too shall be recovered proportionately from Choice Suppliers.*
9. *Reflects that reconciliations would be performed on a monthly basis instead of an annual and quarterly basis.*
10. *Reflects that Choice Supplier must stand ready to sell 15% of its TCO storage inventory to VEDO upon withdrawal or termination. The 15% is a necessary minimum to make effective use of storage on the day of transfer.*

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 22 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 53

TYPE: Supplier Pooling
Agreement
(Residential and General)

Explanation of Changes:

1. The Choice Supplier Pooling Agreement is proposed to be eliminated from the Tariff.

Rationale for Changes:

1. The Choice Supplier Agreement as well as the SSO and SCO Supplier Agreements are proposed to be non-Tariff documents to facilitate necessary changes on a timely basis.

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CASE NO. -GA-EXM
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Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 54 TYPE: Unaccounted For Gas
Percentage

Explanation of Changes:

1. The Applicability section has been changed.
2. The Description section has been changed.

Rationale for Changes:

1. The Unaccounted For Percentage will be applicable to SSO Suppliers.
2. The holders of VEDO-released TCO storage who are providing system balancing will be at risk for UAF gas percentage variances; therefore, the extra deliveries for UAFG volumes will not be retained by VEDO but rather will be reflected in the Monthly Volume Reconciliations for the SSO and Choice Suppliers.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 24 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 55 TYPE: SSO Supplier Terms
and Conditions

Explanation of Changes:

1. New Standard Service Offer ("SSO") Supplier Terms and Conditions have been added to the Tariff.

Rationale for Changes:

1. These Terms and Conditions will be applicable to SSO Suppliers under Rate 395 and reflect the detailed requirements that the SSO Suppliers must meet pursuant to VEDO's Exit Plan. The Terms and Conditions sections include: Applicability, Definitions, Capacity and Operating Requirements, Monthly Volume Reconciliation, and SSO Supplier Default or Termination.

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CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 25 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 59

TYPE: General Terms
and Conditions Applicable to
Gas Service - Definitions

Explanation of Changes:

1. New definitions have been added for Financial Assurance and Standard Sales Offer ("SSO") Service.

Rationale for Changes:

1. Reflects new terms used in Tariff resulting from VEDO's Exit Plan.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 26 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Current No. 70 TYPE: General Terms
and Conditions Applicable to
Gas Service – Curtailment

Explanation of Changes:

1. Gas cost charges paid to Transportation Customers or Pool Operators for diverted supply during curtailment will be recoverable from all Customers through the ETC Rider.

Rationale for Changes:

1. The diverted supply maintains service to all high-priority customers and is properly recovered from all Sales and Choice customers.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 27 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Proposed No. 71 TYPE: General Terms
and Conditions Applicable to
Gas Service – OFOs

Explanation of Changes:

1. A new Section 12 - Operational Flow Orders has been added.

Rationale for Changes:

1. The new section centralizes and clarifies the events that could lead to an OFO and how OFOs will be handled. The OFOs are applicable to any parties delivering gas supply to VEDO's system - Choice, SSO, and SCO Suppliers, Rate 345 Customers, and Pool Operators.

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CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 28 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Proposed No. 72 TYPE: General Terms
and Conditions Applicable to
Gas Service – Affiliate Code
of Conduct

Explanation of Changes:

1. A new Section 13 – Affiliate Code of Conduct has been added.

Rationale for Changes:

1. This section was moved from the Pooling Service Terms and Conditions
(Residential and General) on Sheet No. 52.

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SSO PHASE TARIFF CHANGES**

Schedule E-3
Page 29 of 29
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Proposed No. 79 TYPE: General Terms
and Conditions Applicable to
Gas Service – Amendments

Explanation of Changes:

1. Section 12 – Amendments has been moved to a new Tariff sheet and renumbered to Section 14.

Rationale for Changes:

1. This section was moved from Section 12 on Sheet No. 71 to the end (Sheet No. 79) of the General Terms and Conditions.

SCO Phase E-3

**VECTREN ENERGY DELIVERY OF OHIO
CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
Page 1 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 2 TYPE: Tariff Sheet Index

Explanation of Changes:

1. Updated line items in Rate Schedules, Riders, Transportation Provisions and General Terms and Conditions.

Rationale for Changes:

1. Reflects new, updated and eliminated Rate Schedules, Riders, Transportation Provisions and Terms and Conditions, based on the SCO Phase of the VEDO Exit Plan.

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CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
Page 2 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 10 TYPE: Rate 310
Residential Standard
Choice Offer Service

Explanation of Changes:

1. Renamed Rate Schedule.
2. Revised Character of Service section.
3. Added the Standard Choice Offer ("SCO") Rider and deleted Standard Sales Offer Rider from the "Riders" section.

Rationale for Changes:

1. As of the SCO Phase, VEDO will no longer offer Sales Service. It is replaced by Standard Choice Offer ("SCO") Service.
2. Reflects the substitution of the proposed market and auction-based Standard Choice Offer ("SCO") Price for the Standard Sales Offer ("SSO") price as of the initiation date of the SCO Phase of VEDO's Exit Plan. The SCO Price will be applicable to all customers served under Rate Schedules 310, 320 and 341.
3. Same as 2.

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Schedule E-3
Page 3 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 11 TYPE: Rate 315
Residential Transportation
Service

Explanation of Changes:

1. The term "Sales Service" has been changed to "SCO Service" throughout.

Rationale for Changes:

1. Reflects new terms used in Tariff resulting from VEDO's Exit Plan in the SCO Phase.

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Schedule E-3
Page 4 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 12 TYPE: Rate 320
General Standard Choice
Offer Service

Explanation of Changes:

1. Renamed Rate Schedule.
2. Revised Character of Service section.
3. Added the Standard Choice Offer ("SCO") Rider and deleted Standard Sales Offer Rider from the "Riders" section.

Rationale for Changes:

1. As of the SCO Phase, VEDO will no longer offer Sales Service. It is replaced by Standard Choice Offer ("SCO") Service.
2. Reflects the substitution of the proposed market and auction-based Standard Choice Offer ("SCO") Price for the Standard Sales Offer ("SSO") price as of the initiation date of the SCO Phase of VEDO's Exit Plan. The SCO Price will be applicable to all customers served under Rate Schedules 310, 320 and 341.
3. Same as 2.

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Schedule E-3
Page 5 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 13 TYPE: Rate 325 General
Transportation Service

Explanation of Changes:

1. The term "Sales Service" has been changed to "SCO Service" throughout.

Rationale for Changes:

1. Reflects new terms used in Tariff resulting from VEDO's Exit Plan in the SCO Phase.

**VECTREN ENERGY DELIVERY OF OHIO
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Schedule E-3
Page 6 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 14 TYPE: Rate 330
Large General Sales Service

Explanation of Changes:

1. Rate 330, Large General Sales Service has been deleted.

Rationale for Changes:

1. Rate 330 is proposed to be eliminated as of the SCO initiation date, as described in the SSO Tariff Change Narrative.

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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 15 TYPE: Rate 340
Interruptible Sales Service

Explanation of Changes:

1. Rate 340, Interruptible Sales Service has been deleted.

Rationale for Changes:

1. Rate 340 is proposed to be eliminated as of the SCO initiation date, as described in the SSO Tariff Change Narrative.

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Schedule E-3
Page 8 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 16 TYPE: Rate 341
Dual Fuel Standard Choice
Offer Service

Explanation of Changes:

1. Renamed Rate Schedule.
2. Revised Character of Service section.
3. Added the Standard Choice Offer ("SCO") Rider and deleted Standard Sales Offer Rider from the "Riders" section.

Rationale for Changes:

1. As of the SCO Phase, VEDO will no longer offer Sales Service. It is replaced by Standard Choice Offer ("SCO") Service.
2. Reflects the substitution of the proposed market and auction-based Standard Choice Offer ("SCO") Price for the Standard Sales Offer ("SSO") price as of the initiation date of the SCO Phase of VEDO's Exit Plan. The SCO Price will be applicable to all customers served under Rate Schedules 310, 320 and 341.
3. Same as 2.

VECTREN ENERGY DELIVERY OF OHIO
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NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES

Schedule E-3
Page 9 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 22 TYPE: Rate 395
SSO Supplier Service

Explanation of Changes:

1. Standard Sales Offer ("SSO") Supplier Service Rate Schedule has been deleted.

Rationale for Changes:

1. Standard Sales Offer ("SSO") Supplier Service Rate Schedule is proposed to be eliminated as of the SCO initiation date.

**VECTREN ENERGY DELIVERY OF OHIO
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NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
Page 10 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Proposed No. 23 TYPE: Rate 396
SCO Supplier Service

Explanation of Changes:

1. New Standard Choice Offer ("SCO") Supplier Service Rate Schedule has been added to the Tariff.

Rationale for Changes:

1. This Rate Schedule will be applicable SCO Suppliers who provide gas supply to VEDO for delivery to its SCO Customers pursuant to VEDO's Exit Plan. This Rate Schedule is necessary to define the various requirements, terms and conditions, and billing procedures that will be applicable to SCO Suppliers. The Rate Schedule sections include: Applicability, Character Of Service, Monthly Statement, Requirements For SCO Supplier Participation, Contract, SCO Supplier Terms and Conditions, and General Terms and Conditions.

**VECTREN ENERGY DELIVERY OF OHIO
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Schedule E-3
Page 11 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 38 TYPE: Standard Sales Offer
Rider

Explanation of Changes:

1. Standard Sales Offer ("SSO") Rider has been deleted.

Rationale for Changes:

1. Standard Sales Offer ("SSO") Rider is proposed to be eliminated as of the SCO Initiation date.

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NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
Page 12 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Proposed No. 41 TYPE: Exit Transition Cost
Rider

Explanation of Changes:

1. Substitute "Standard Choice Offer" for "Sales Service" throughout.

Rationale for Changes:

1. Reflects the elimination of VEDO's Sales Service as of the SCO initiation date.

**VECTREN ENERGY DELIVERY OF OHIO
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Schedule E-3
Page 13 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Proposed No. 44 TYPE: Standard Choice
Offer Rider

Explanation of Changes:

1. New Standard Choice Offer ("SCO") Rider has been added to the Tariff.

Rationale for Changes:

1. The SCO Rider is proposed to replace the SSO Rider pursuant to VEDO's Exit Plan. It will be the price charged to SCO Service customers for their usage each calendar month. The SCO Rider will be applicable to the SCO Service Customers under the following Rate Schedules:

Rate 310
Rate 320
Rate 341

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Schedule E-3
Page 14 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 50 TYPE: Transportation Terms
and Conditions
(Large General)

Explanation of Changes:

1. Section 16, "Transfer to System Supply" has been deleted.

Rationale for Changes:

1. Section 16, "Transfer to System Supply" is proposed to be eliminated as of the SCO Initiation date to reflect that only Choice-eligible Customers may receive SCO Service.

**VECTREN ENERGY DELIVERY OF OHIO
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NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
Page 15 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 52 TYPE: Pooling Service
Terms and Conditions
(Residential and General)

Explanation of Changes:

1. The term "Sales Service" was changed to "Standard Choice Offer Service" throughout.
2. Updated Customer sign-up procedures.

Rationale for Changes:

1. Reflects new terms used in Tariff resulting from VEDO's Exit Plan in the SCO Phase.
2. Reflect that Choice Customers may not transfer to SCO Service. Choice Customers may only transfer to another Choice Supplier, pursuant to the VEDO Exit Plan.

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Schedule E-3
Page 16 of 21
Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 54 TYPE: Unaccounted For Gas Percentage

Explanation of Changes:

1. The Applicability section has been changed.

Rationale for Changes:

1. The Unaccounted For Percentage will be applicable to SCO Suppliers.

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Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 55 TYPE: SSO Supplier Terms and Conditions

Explanation of Changes:

1. Standard Service Offer ("SSO") Supplier Terms and Conditions have been deleted.

Rationale for Changes:

1. Standard Service Offer ("SSO") Supplier Terms and Conditions are proposed to be eliminated as of the SCO Initiation date.

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CASE NO. -GA-EXM
NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: Proposed No. 56 TYPE: SCO Supplier Terms
and Conditions

Explanation of Changes:

1. New Standard Choice Offer ("SCO") Supplier Terms and Conditions have been added to the Tariff.

Rationale for Changes:

1. These Terms and Conditions will be applicable to SCO Suppliers under Rate 396 and reflect the detailed requirements that the SCO Suppliers must meet pursuant to VEDO's Exit Plan. The Terms and Conditions sections include: Applicability, Definitions, Capacity and Operating Requirements, Monthly Volume Reconciliation, and SSO Supplier Default or Termination.

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NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 59 TYPE: General Terms
and Conditions Applicable to
Gas Service - Definitions

Explanation of Changes:

1. New definition has been added for and Standard Choice Offer ("SCO") Service and "Company-Supplied Gas" has been changed to "SCO-Supplied Gas".

Rationale for Changes:

1. Reflects new terms used in Tariff resulting from VEDO's Exit Plan in the SCO Phase.

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Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 70 TYPE: General Terms
and Conditions Applicable to
Gas Service – Curtailment

Explanation of Changes:

1. The term "Company-Supplied" has been changed to "SCO-Supplied" throughout.

Rationale for Changes:

1. Reflects that SCO Suppliers are providing gas supply to VEDO's SCO Service Customers.

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NARRATIVE RATIONALE FOR SCO PHASE TARIFF CHANGES**

Schedule E-3
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Witness: S. E. Albertson

TARIFF SHEET IDENTIFIER: SSO Proposed No. 71 TYPE: General Terms
and Conditions Applicable to
Gas Service – OFOs

Explanation of Changes:

1. "SSO" has been changed to "SCO throughout.

Rationale for Changes:

1. Reflects new terms used in Tariff resulting from VEDO's Exit Plan in the SCO Phase.