

Large Filing Separator Sheet

Case Number : 07-1285-GA-EXM

File Date : 3/17/2008

Section : 4 of 5

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

CODES OF CONDUCT

Choice Supplier Code of Conduct:

Each Choice 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) Choice 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 Choice Supplier's Pool Customers in accordance with the requirements of Rate 385, these Terms and Conditions, and the Choice Supplier Pooling Agreement.
5. Establish and maintain a creditworthy financial position to enable Choice Supplier to indemnify Company for costs incurred as a result of any failure by Choice 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 Choice 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 Choice 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, Choice 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 Choice 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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POOLING SERVICE TERMS AND CONDITIONS **(RESIDENTIAL AND GENERAL)**

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 Choice Supplier serves Residential Customers.

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

CAPACITY AND OPERATING REQUIREMENTS

Comparable Firm Capacity Requirement:

Choice Supplier agrees to secure sufficient firm interstate pipeline capacity, of which a portion shall be Company released capacity, with primary delivery points to Company's city gates and firm supply to meet 100% of each 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 as described below (Comparable Firm Capacity Requirement). All obligations of Choice Supplier with respect to such capacity and supply shall be the sole responsibility of Choice Supplier.

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

Company may periodically verify Choice Supplier's compliance with this Comparable Firm Capacity Requirement. Choice Supplier will provide to Company upon request copies of contracts for upstream pipeline capacity not released by Company and supply contracts showing the firm quantities reserved or purchased and the specific points of delivery. If Choice Supplier is securing firm city gate supplies, Choice 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.

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

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

Mandatory Assignment of Pipeline Capacity:

Company will release its pipeline transportation and storage capacity to Choice Supplier based upon approximately 75% of the Peak Design Day Demand of Choice Supplier's Pool. Choice Supplier shall take release of specific interstate pipeline firm transportation and storage capacity for a term, agreed to by Company, subject to Company's right of capacity recall contained elsewhere in these Terms and Conditions.

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Terms and conditions of the capacity release will be specified in pipeline capacity release forms, including length of term, price, and recall requirements, subject to FERC requirements for capacity release. Choice Supplier may not change any primary points of receipt or delivery associated with released pipeline transportation contracts during the term of the capacity release. In addition, for specific parcels of capacity identified by Company, Choice 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 Choice Supplier and Company. The released capacity is subject to recall at any time if Choice Supplier does not perform in accordance with the Agreement or fails to comply with the Choice Supplier Code of Conduct and other provisions set forth in these Terms and Conditions.

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

Monthly Reassignment of Capacity:

Transportation and storage capacity released to Suppliers will follow Customers to their new Suppliers upon migration to and from Choice Service with monthly reassignment of capacity to Suppliers based on their Peak Design Day Demands. Company reserves the right to adjust capacity release quantities intra-month in the event large Choice migrations occur.

Operational System Balancing:

Company's TCO storage will be released to each Choice and SSO Supplier on a proportionate basis. The holders of Company-released TCO storage capacity will collectively provide system balancing through Predetermined Allocations (PDA) set with TCO.

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

PDA's will be established with TCO at the beginning of each month proportional to the percentage of TCO storage capacity released to Suppliers. Each day Choice Supplier will be allocated a portion of the daily system imbalance based on its PDA percentage. Choice Supplier will be charged by TCO for any overrun or penalties associated with exceeding its individual storage volume limits. If Company, as meter operator, incurs TCO penalties, such penalties will be assessed to each Choice Supplier that contributed to the penalty proportional to their contribution to the violation.

Choice Suppliers will agree to follow Company-established minimum and maximum limits for daily storage injections and withdrawals, and minimum storage inventory requirements to ensure sufficient storage inventory and capacity to balance Company's system each day. At no time shall Choice Supplier's Company-released TCO storage inventory volume be less than the minimum specified by Company.

Provider of Last Resort ("POLR") Service:

Choice Supplier shall temporarily provide supply from Company-released TCO storage capacity to cover system load requirements in the event of a Supplier default or OFO event.

Defaulting Suppliers will be required to reimburse affected parties for any incremental costs incurred to provide POLR Service. Any incremental costs not recovered from defaulting Suppliers will be included in the ETC Rider.

Company will act as POLR Coordinator, identifying the need for POLR service and notifying SSO and Choice Suppliers.

Company will take the following short-term action with regard to obtaining POLR supply:

- (1) Choice and SSO Suppliers collectively will provide supply to meet POLR needs, using their individual TCO storage inventories. The withdrawn storage inventory will be subsequently replaced.
- (2) If Company determines that the daily quantity of gas needed may affect the reliability of the system, an OFO will be issued, to ensure that Transportation Customers or Pool Operators are not under delivering versus their respective usages during the POLR period.
- (3) Next, as soon as possible, all transportation and storage capacity released to any defaulting Supplier will be recalled by Company who will use it to meet the immediate needs of the defaulting Supplier's customers. Company will claim the defaulting Supplier's storage inventory as needed to meet the defaulting Supplier's customer loads.

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

- (4) Company will fill any remaining shortfall through acquiring additional temporary capacity and supply or city-gate deliveries.
- (5) Company will coordinate the provision of POLR service for the remainder of the billing month in which a Supplier default occurs, and the subsequent month, or until an alternate solution is effectuated.

In the event of defaulting supplier removal, Company will take the following action with regard to an alternate solution:

- (1) If a Choice Supplier is removed, Company will offer non-defaulting Choice Suppliers the option of assuming the customers of the removed Choice Supplier. If there are no non-defaulting Choice Suppliers that will assume the removed Choice Supplier's customers, the customers will transfer to Sales service.
- (2) If a SSO Supplier is removed or Choice Suppliers do not assume the customers of a removed Choice Supplier:
- (a) The existing SSO Suppliers loads will be increased to cover the defaulted load on a pro rata basis. Such incremental load will be limited to 50% of initial Tranche size.
- (b) For the portion of increased load quantity greater than 50% of initial Load Tranche size, that load will be assigned to a new SSO Supplier based on an accelerated auction process.

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.

Daily Scheduling of Directed Delivery Quantities:

By 8:00 a.m. Central Clock Time (CCT), Company will post on its EBB, Choice 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 Choice 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 Choice 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). Company shall maintain city-gate allocation tables that outline the range of minimum and maximum delivery percentages required by city-gates and/or service areas on Company's system. These percentages shall be recalculated and communicated to Choice Suppliers periodically. Absent unforeseen circumstances, a minimum four months' notice will be provided on changes to the city-gate allocation tables.

Deleted: 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.

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

Choice Suppliers are required to nominate scheduled storage injections and withdrawals to the pipelines and to Company for all Company-released storage capacity. Company will post daily minimum and maximum TCO storage injection and withdrawal limits, and monthly minimum storage inventory levels. Scheduled injection nomination rights during winter months and scheduled withdrawal nomination rights during summer months are subject to approval in advance by Company.

Deleted: 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 in any intra-day nominations thereafter, Choice Supplier shall nominate to the Company via the Company's EBB 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. Choice Supplier agrees to adhere to the nominating guidelines set out in the FERC approved tariff of the applicable interstate pipeline and comply with any Company operating and/or interstate pipeline restrictions communicated by Company.

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Company will post actual system imbalance volumes the day after flow and each Choice Supplier's prorata share of the system imbalance per the monthly PDA. Company may at its discretion perform a No-Notice nomination to Choice Supplier's Company-released TCO storage for the prior day's flow if the Choice Supplier has not (1) delivered adequate supplies to meet their DDQ or (2) met their TCO minimum city-gate allocation delivery requirement.

Deleted: 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 ent ... (1)

Allocation of Propane Supplies:

During the months of December through March, Company shall reserve a portion of its vaporized propane capacity for Choice Supplier Pools, based on the product of each Pool's then-applicable Peak Design Day Demand and the percentage 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 Choice Supplier must meet pursuant to its Comparable Firm Capacity Requirement.

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On any day when the Pool's Expected Demand reaches the volume of Choice Supplier's Comparable Firm Capacity Requirement, Company shall supply the Pool's gas needs in excess of the Choice Supplier's Comparable Firm Capacity Requirements with vaporized propane.

Choice Supplier will be assessed a proportionate share, as determined by Company, of the costs of propane used for peak shaving, for propane facility test runs, for hourly load shaving and any other uses of propane determined to be necessary for system operation in Company's discretion.

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 Choice Supplier Pool's Peak Design Day Demand that will be met with Company's vaporized propane allocated by Company to such Pool.

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

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 Choice Supplier:

Choice Supplier warrants that all gas delivered by or on behalf of Choice 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:

Choice 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.

MONTHLY VOLUME RECONCILIATION

For each month, Company will determine Supplier's Pool's Effective Deliveries and compare them to the Pool's Required Deliveries in order to determine the monthly reconciliation volume. Reconciliation volumes will be settled financially by charging Choice Supplier if Required Deliveries are less than Effective Deliveries, or paying Choice Supplier if Effective Deliveries are greater than their Required Deliveries. The price utilized will be the Columbia Appalachia Index for the month being reconciled.

Choice Supplier's Pool's Effective Deliveries will be the sum of the Pool's deliveries to the city-gate, plus its proportional share of propane and system balancing activity.

The Pool's Required Deliveries will be determined by multiplying the Pool's actual usage percentage by the total system Effective Deliveries.

Monthly volume reconciliations will be performed the second month following the end of the month of flow in order to obtain all billed usage for the applicable period and any prior usage adjustments.

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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:
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-> 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

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-> exchange of gas with Company via a storage inventory transfer or delivery over a thirty (30) day period.

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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 DDOs 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 adjust... [3]

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

CONSEQUENCES OF CHOICE SUPPLIER'S FAILURE TO PERFORM OR COMPLY

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

- **Non-Mercantile Pool:** In the event Company seeks to suspend or terminate a Choice 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 Choice 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 Choice Supplier from the Program, Company shall first notify the Choice Supplier of the alleged violations that merit suspension or termination. Such notice shall be in writing, contain reasonable detail and shall be sent to Choice Supplier at the fax number listed in the Choice 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, Choice Supplier remedies or removes the cause or causes stated in the notice, the Choice Supplier Pooling Agreement and such Mercantile Pool will continue in full force and effect. If Choice Supplier does not remedy or remove the cause or causes within five (5) days, then at the option of Company, the Choice Supplier Pooling Agreement relative to all Mercantile Pools may terminate at the expiration of said five (5) day period.

If Choice Supplier is suspended or expelled from the Program relative to a specific Pool, Customers in such Pool shall transfer to Company's Sales Service, unless said Customers join another Choice Supplier's Pool. Any termination or cancellation of the Choice Supplier Pooling Agreement relative to some or all of Choice 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.

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CHOICE SUPPLIER WITHDRAWAL OR TERMINATION

If Choice 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 Choice Supplier by Company associated with the specific Pool(s) in accordance with the terms of the release agreement. Payment of any amounts payable to Choice Supplier by Company will be held by Company until all volumes are reconciled and any charges owed to Company are paid in full.

Upon withdrawal or termination, Choice Supplier will be required to sell to Company fifteen percent (15%) of its TCO Storage Contract Quantity (SCQ) at the Columbia Appalachia Index price for the current month or next month, whichever is lower.

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Deleted: 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.

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

FORCE MAJEURE

If either Choice Supplier or Company is unable to fulfill its obligations under the Choice 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 Choice 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 Choice 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.

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INC. . . . Original Sheet No. 53
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**SUPPLIER POOLING AGREEMENT
(RESIDENTIAL AND GENERAL)**

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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 [4]

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The Public Utilities Commission of
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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, SSO Suppliers, and to non-Pooling Transportation Customers served under Rate 345.

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DESCRIPTION

A percentage of the quantities delivered by applicable parties at a point of receipt on the Company's distribution system shall be designated to compensate for gas lost, used, and unaccounted for in system operations.

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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%.

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SSO SUPPLIER TERMS AND CONDITIONS

APPLICABILITY

The following Terms and Conditions apply to SSO Suppliers under Rate 395, SSO Supplier Service.

DEFINITIONS

Columbia Appalachia Index - First of the Month "Columbia Gas Transmission Corp. Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines".

Comparable Firm Capacity Requirement - For the term of the SSO Phase, each SSO Supplier agrees to retain sufficient firm interstate pipeline transportation and storage capacity with primary delivery points to the Company city gates and firm gas supply to meet 100% of the monthly design peak day demands for its SSO Load Tranches, less a percentage during the winter months reflecting the SSO Supplier's propane peaking allocation.

Directed Delivery Quantity (DDQ) - the sum of:

- a. The Expected Demand of the SSO Supplier's Load Tranche(s) for that gas day calculated as a prorata share of total SSO Customer demand, plus
- b. System UAFG percentage volumes, plus
- c. Any necessary adjustments for interstate pipeline and/or Company operating constraints, and/or prior imbalances associated with periodic volume reconciliations.

EFT - Panhandle Eastern Pipe Line Company Enhanced Firm Transportation.

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

Load Tranche or Tranche - a proportionate share of Company's total Sales Service volumes to be supplied by SSO Supplier.

ORC - The Ohio Revised Code.

PEPL - Panhandle Eastern Pipe Line

Pre-determined Allocation ("PDA") - a contractual arrangement with TCO which allocates the daily VEDQ system imbalance volumes to all holders of Company's released TCO storage capacity based on predetermined allocation percentages.

Retail Price Adjustment - Bids during the SSO auction specified as an adjustment to the NYMEX monthly settlement price fixed for the entire term of the SSO Phase.

SSO Supplier - A supplier that meets the Requirements for SSO Supplier Participation set out in Rate 395.

SSO Supply - Gas supply provided by SSO Suppliers pursuant to Rate 395.

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SSO SUPPLIER TERMS AND CONDITIONS

SSO Supplier Agreement or Agreement - An agreement between Company and SSO Supplier that defines the mutual responsibilities and obligations of those parties relative to services provided under Rate 395.

TCO - Columbia Gas Transmission Corporation.

Unaccounted for Gas Percentage - The portion of SSO Supplier's city gate deliveries designated to compensate for gas lost, used, and unaccounted for in system operations. The Unaccounted for Gas Percentage is contained in Sheet 54.

CAPACITY AND OPERATING REQUIREMENTS

Comparable Firm Capacity Requirement

SSO Supplier agrees to secure sufficient firm interstate pipeline capacity, of which a portion shall be Company released capacity, with primary delivery points to Company's city gates and firm supply to meet 100% of each month's Peak Design Day Demand of its Load Tranche, less a percentage during the winter months reflecting SSO Supplier's entitlement to Company's propane as described below (Allocation of Propane Supplies).

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

Company may periodically verify SSO Supplier's compliance with this Comparable Firm Capacity Requirement. SSO Supplier will provide to Company upon request copies of contracts for upstream pipeline capacity not released by Company and supply contracts showing the firm quantities reserved or purchased and the specific points of delivery. If SSO Supplier is securing firm city gate supplies, SSO 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 immediate acquisition by SSO Supplier of additional firm pipeline capacity. If Company identifies a firm supply deficiency, such deficiency shall be resolved to the Company's satisfaction by immediate acquisition by SSO Supplier of additional firm supply.

Mandatory Assignment of Pipeline Capacity:

Company will release its pipeline transportation and storage capacity to SSO Supplier based upon approximately 75% of the Peak Design Day Demand of SSO Supplier's Load Tranche. SSO Supplier shall take release of specific interstate pipeline firm transportation and storage capacity for the term of the SSO Service phase, subject to Company's right of capacity recall contained elsewhere in these Terms and Conditions.

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SSO SUPPLIER TERMS AND CONDITIONS

Terms and conditions of the capacity release will be specified in pipeline capacity release forms including length of term, price, and recall requirements, subject to FERC requirements for capacity release. SSO Supplier may not change any primary points of receipt or delivery associated with released pipeline transportation contracts during the term of the capacity release. In addition, for specific parcels of capacity identified by Company, SSO 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 SSO Supplier and Company. The released capacity is subject to recall at any time if SSO Supplier does not perform in accordance with the SSO Supplier Agreement or fails to comply with provisions set forth in these Terms and Conditions.

SSO Supplier may re-release on a recallable basis any transportation capacity released to it hereunder, provided that: 1) SSO Supplier will continue to be responsible for payment of all pipeline charges associated with the released capacity; 2) any re-release of such capacity remains subject to the requirements and restrictions identified in Company's Tariff; and 3) the capacity is not needed to satisfy the SSO Supplier's Load Tranche's DDQ on such day(s). SSO Supplier may use other firm pipeline capacity to supply its DDQ and re-release portions of its assigned pipeline capacity, subject to the previously mentioned restrictions.

Monthly Reassignment of Capacity:

Transportation and storage capacity released to Suppliers will follow Customers to their new Suppliers upon migration to and from Choice Service with monthly reassignment of capacity to Suppliers based on their Peak Design Day Demands. Company reserves the right to adjust capacity release quantities intra-month in the event large Choice migrations occur.

Operational System Balancing:

Company's TCO storage will be released to each Choice and SSO Supplier on a proportionate basis. The holders of Company-released TCO storage capacity will collectively provide system balancing through Predetermined Allocations (PDA) set with TCO.

PDAs will be established with TCO at the beginning of each month proportional to the percentage of TCO storage capacity released to Suppliers. Each day SSO Supplier will be allocated a portion of the daily system imbalance based on its PDA percentage. SSO Supplier will be charged by TCO for any overrun or penalties associated with exceeding its individual storage volume limits. If Company, as meter operator, incurs TCO penalties, such penalties will be assessed to each SSO Supplier that contributed to the penalty proportional to their contribution to the violation.

SSO Suppliers will agree to follow Company-established minimum and maximum limits for daily storage injections and withdrawals, and minimum storage inventory requirements to ensure sufficient storage inventory and capacity to balance Company's system each day. At no time shall SSO Supplier's Company-released TCO storage inventory volume be less than the minimum specified by Company.

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SSO SUPPLIER TERMS AND CONDITIONS

Provider of Last Resort ("POLR") Service:

SSO Supplier shall temporarily provide supply from Company-released TCO storage capacity to cover system load requirements in the event of a Supplier default or OFO event.

Defaulting Suppliers will be required to reimburse affected parties for any incremental costs incurred to provide POLR service. Any incremental costs not recovered from defaulting Suppliers will be included in the ETC Rider.

Company will act as POLR Coordinator, identifying the need for POLR Service and notifying SSO and Choice Suppliers.

Company will take the following short-term action with regard to obtaining POLR supply:

- (1) Choice and SSO Suppliers collectively will provide supply to meet POLR needs, using their individual TCO storage inventories. The withdrawn storage inventory will be subsequently replaced.
- (2) If Company determines that the daily quantity of gas needed may affect the reliability of the system, an OFO will be issued, to ensure that Transportation Customers or Pool Operators are not under delivering versus their respective usages during the POLR period.
- (3) Next, as soon as possible, all transportation and storage capacity released to any defaulting Supplier will be recalled by Company who will use it to meet the immediate needs of the defaulting Supplier's customers. Company will claim the defaulting Supplier's storage inventory as needed to meet the defaulting Supplier's customer loads.
- (4) Company will fill any remaining shortfall through acquiring additional temporary capacity and supply or city-gate deliveries.
- (5) Company will coordinate the provision of POLR service for the remainder of the billing month in which a Supplier default occurs, and the subsequent month, or until an alternate solution is effectuated.

In the event of defaulting supplier removal, Company will take the following action with regard to an alternate solution:

- (1) If a Choice Supplier is removed, Company will offer non-defaulting Choice Suppliers the option of assuming the customers of the removed Choice Supplier. If there are no non-defaulting Choice Suppliers that will assume the removed Choice Supplier's customers, the customers will transfer to Sales service.
- (2) If an SSO Supplier is removed or Choice Suppliers do not assume the customers of a removed SSO Supplier:
 - (a) The existing SSO Suppliers loads will be increased to cover the defaulted load on a pro rata basis. Such incremental load will be limited to 50% of initial Tranche size.
 - (b) For the portion of increased load quantity greater than 50% of initial Load Tranche size, that load will be assigned to a new SSO Supplier based on an accelerated auction process.

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SSO SUPPLIER TERMS AND CONDITIONS

Daily Scheduling of Directed Delivery Quantities:

By 8:00 a.m. Central Clock Time (CCT), Company will post on its EBB, SSO Supplier's DDQ 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 SSO Supplier's Load Tranches for that gas day calculated as a prorata share of total SSO Customer demand; 2) Load Tranche Unaccounted for Gas quantities based on Company's Unaccounted for Gas Percentage and 3) 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 MMBtus.

At the time of posting the DDQ, Company shall indicate the minimum, maximum or exact volume that shall be delivered by SSO 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). Company shall maintain city-gate allocation tables that outline the range of minimum and maximum delivery percentages required by city-gates on Company's system. These percentages shall be recalculated and communicated to SSO Suppliers periodically. Absent unforeseen circumstances, four months' minimum notice will be provided on changes to the city-gate allocation tables.

SSO Suppliers are required to nominate scheduled storage injections and withdrawals to the pipelines and to Company for all Company-released storage capacity. Company will post daily minimum and maximum TCO storage injection and withdrawal limits, and monthly minimum storage inventory levels. Scheduled injection nomination rights during winter months and scheduled withdrawal nomination rights during summer months are subject to approval in advance by Company.

By 11:00 a.m. CCT each day, and in any intra-day nominations thereafter, SSO Supplier shall nominate to the Company via the Company's EBB the quantity of gas that it has scheduled for delivery at Company's city gates for its DDQ for the following gas day. SSO 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.

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SSO SUPPLIER TERMS AND CONDITIONS

Company will post actual system imbalance volumes the day after flow and each SSO Supplier's prorata share of the system imbalance per the monthly PDA. Company may at its discretion perform a No-Notice nomination to SSO Supplier's Company-released TCO storage for the prior day's flow if the SSO Supplier has not (1) delivered adequate supplies to meet their DDQ or (2) met their TCO minimum city-gate allocation delivery requirement.

Allocation of Propane Supplies:

During the months of December through March, Company shall reserve a portion of its vaporized propane capacity for SSO Suppliers, based on the product of each SSO Supplier's then-applicable Peak Design Day Demand and the percentage 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 SSO Supplier must meet pursuant to its Comparable Firm Capacity Requirement.

On any day when the SSO Supplier's Expected Demand reaches the volume of SSO Supplier's Comparable Firm Capacity Requirement, Company shall supply the SSO Supplier's gas needs in excess of the SSO Supplier's Comparable Firm Capacity Requirements with vaporized propane.

SSO Supplier will be assessed a proportionate share, as determined by Company, of the costs of propane used for peak shaving, for propane facility test runs, for hourly load shaving and any other uses of propane determined to be necessary for system operation in Company's discretion.

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 SSO Supplier's Peak Design Day Demand that will be met with Company's vaporized propane, or alternate peaking supplies, allocated by Company to such SSO Supplier.

Measurement of Customer Usage Volumes:

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

Quality of Gas Delivered by SSO Supplier:

SSO Supplier warrants that all gas delivered by or for its Tranche 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:

SSO 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.

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SSO SUPPLIER TERMS AND CONDITIONS

MONTHLY VOLUME RECONCILIATION

Company will determine each Supplier's Tranche's Effective Deliveries and compare to each Tranche's Required Deliveries in order to determine the reconciliation volume. Reconciliation volumes will be settled financially by charging Supplier if Required Deliveries are less than Effective Deliveries, or paying Supplier if Effective Deliveries are greater than their Required Deliveries. The price utilized will be the Columbia Appalachia Index for the month being reconciled.

SSO Supplier's Tranche's Effective Deliveries will be the sum of each Tranche's respective deliveries to the city-gate, plus its proportional share of propane and system balancing activity.

The Tranche's Required Deliveries will be determined by multiplying the Tranche's actual usage percentage by the total system Effective Deliveries.

Monthly volume reconciliations will be performed the second month following the end of the month of flow in order to obtain all billed usage for the applicable period and any prior usage adjustments.

SSO SUPPLIER DEFAULT OR TERMINATION

If SSO Supplier ceases participation in the SSO Program, Company shall have the right to recall all pipeline capacity then assigned to SSO Supplier by Company associated with the specific Load Tranche(s) in accordance with the terms of the release agreement. Payment of any amounts payable to SSO Supplier by Company will be held by Company until all volumes are reconciled and any charges owed to Company are paid in full.

SSO Suppliers will be required to sell to succeeding Suppliers fifteen percent (15%) of their TCO Storage Contract Quantity (SCQ) at the end of the SSO phase at the first of the month Columbia Appalachia Index price for the next month.

Upon default, SSO Supplier will be required to sell to Company fifteen percent (15%) of its TCO Storage Contract Quantity (SCQ) at the Columbia Appalachia Index price for the current or next month, whichever is lower.

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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.

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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.

Financial Assurance – credit support or collateral in a form acceptable to Company in its sole discretion.

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.

Deleted: 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.¶

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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.

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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.

Standard Sales Offer ("SSO") Service – Standard market pricing sales service established to replace Company's former GCR Sales Service.

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.

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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.

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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). Rate 385 and Rate 395 Suppliers shall be subject to an OFO and subject to the specific delivery requirements and or restrictions specified by Company.
- (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

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

11. CURTAILMENT PROCEDURES (Continued)

- 2) ANR, La; or
 - 3) Panhandle, Tx-Okl; 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 Exit Transition Cost Rider

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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). Rate 385 and Rate 395 Suppliers shall be subject to an OFO and subject to the specific delivery requirements and or restrictions specified by Company.
- (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.

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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.

Deleted: July 25, 2008

Deleted: 04-571-GA-AIR

Deleted: August 1, 2008

Deleted: August 1, 2008

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of the Public
Utilities Commission of Ohio.

Issued: _____ Issued by Jerrold L. Ulrey, Vice President Effective: _____

12. OPERATIONAL FLOW ORDERS

Company may issue an Operational Flow Order (OFO) in its reasonable discretion, as specified in this section upon determination that an action is required in order to:

- (1) alleviate or prevent conditions which threaten the integrity or reliability of Company's Operational System
- (2) to maintain the Operational System in balance
- (3) to maintain adequate storage inventory balances
- (4) to assure deliveries of gas supplies by Choice Suppliers, SSO Suppliers, and Pool Operators to serve their respective Customers' loads
- (5) adhere to the various interstate pipeline companies' balancing requirements, as stated in their FERC approved gas tariffs
- (6) direct SSO Suppliers, Choice Suppliers, Pool Operators and Transportation Customers to different city-gates or to institute different city-gate delivery allocations due to system maintenance or system constraints, or
- (7) any other condition warranting a change to delivery requirements.

An OFO may be may issued on a non-discriminatory basis to SSO Suppliers, Choice Suppliers, Pool Operators, and Transportation Customers delivering gas to Company's city-gates, on a system-wide basis, program basis, or individual basis, when necessary in Company's sole judgment.

Company will post the OFO notice via its EBB including the following information:

- (1) Start date of the OFO
- (2) End date of the OFO
- (3) Expected duration if no end date is specified
- (4) Specific delivery requirements and or restrictions including but not limited to the following:
 - i. No under-deliveries during a Cold Weather OFO
 - ii. No over-deliveries during a Warm Weather OFO
 - iii. No deliveries can be accepted at a particular city-gate due to maintenance

Company will endeavor to give 24 hours notice of an OFO. If the risk of a potential future critical issue is identified, Company will endeavor to post a Potential OFO notice to its EBB. However, Company reserves the right to issue an OFO at any time to mitigate potential system issues with expediency without prior notice.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of the Public Utilities Commission of Ohio.

Issued: _____ Issued by Jerrold L. Ulrey, Vice President _____ Effective: _____

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

13. AFFILIATE CODE OF CONDUCT

Company shall comply with the following Code of Conduct: _ _ _ _ _

Deleted: 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 to Supplier (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 participating Suppliers, 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.

Deleted: pursuant to the Program

Deleted: participating in the Pooling Program

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of the Public
Utilities Commission of Ohio.

Issued: _____ Issued by Jerrold L. Ulrey, Vice President Effective: _____

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

13. AFFILIATE CODE OF CONDUCT (Continued)

9. Company and its affiliate Supplier shall keep separate books of accounts and records.
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.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of the Public
Utilities Commission of Ohio.

Issued: _____ Issued by Jerrold L. Ulrey, Vice President _____ Effective: _____

GENERAL TERMS AND CONDITIONS
APPLICABLE TO GAS SERVICE

14. AMENDMENTS

Deleted: 2

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.

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

SCO Phase Tariff Sheets (Redline)

TARIFF SHEET INDEX

<u>Tariff Sheet</u>	<u>Description</u>	<u>Revision</u>	<u>Effective Date</u>	
1	Title Page	Original	April 13, 2005	
2	Tariff Sheet Index			
3	Locations Served	Original	April 13, 2005	
4-9	Reserved for Future Use			
RATE SCHEDULES				
10	Rate 310 Residential Sales Service	Third		Deleted: Second
11	Rate 315 Residential Transportation Service	Fourth		Deleted: Third
12	Rate 320 General Sales Service	Third		Deleted: Second
13	Rate 325 General Transportation Service	Fourth		Deleted: Third
14	Reserved for Future Use			Deleted: Rate 330 Large General Sales Service - Second
15	Reserved for Future Use			Deleted: Rate 340 Interruptible Sales Service - Second
16	Rate 341 Dual Fuel Sales Service	Third		Deleted: Second
17	Rate 345 Large General Transportation Service	Second		
18-19	Reserved for Future Use			
20	Rate 380 Pooling Service (Large General)	Original	April 13, 2005	
21	Rate 385 Pooling Service (Residential & General)	First		
22	Reserved for Future Use			Deleted: Rate 395 SSO Supplier Service
23	Rate 396 SCO Supplier Service	Original		Deleted: Original
24-29	Reserved for Future Use			Deleted: 3
RIDERS				
30	Miscellaneous Charges	First	August 1, 2006	
31	Gas Cost Recovery Rider (Suspended)			
32	Reserved for Future Use			
33	Reserved for Future Use			
34	Gas Cost Recovery Reconciliation Rider	Fifth	September 1, 2007	
35	Migration Cost Rider (Suspended)	First		
36	Balancing Cost Rider (Suspended)	Fourth		
37	Gross Receipts Excise Tax Rider	Original	April 13, 2005	
38	Reserved for Future Use			Deleted: Standard Sales Offer Rider
39	Uncollectible Expense Rider	Third	August 1, 2007	Deleted: Original
40	Percentage of Income Payment Plan Rider	First	February 5, 2007	
41	Exit Transition Cost Rider	First		Deleted: Original
42	S.B. 287 Excise Tax Rider	Original	April 13, 2005	
43	Sales Reconciliation Rider	Original	October 1, 2006	
44	Standard Choice Offer Rider	Original		
45-49	Reserved for Future Use			Deleted: 4

Filed pursuant to the Entry dated
Commission of Ohio.

In Case No.

of The Public Utilities

Issued

Issued by Jerrold L. Ulrey, Vice-President

Effective

Deleted: Sixth

Deleted: Fifth

TARIFF SHEET INDEX

<u>Tariff Sheet</u>	<u>Description</u>	<u>Revision</u>	<u>Effective Date</u>	
TRANSPORTATION PROVISIONS				
50	Transportation Terms and Conditions (Large General)	<u>Second</u>		Deleted: First
51	Nomination and Balancing Provisions (Large General and Pool Operator)	<u>Fourth</u>		Deleted: Third
52	Pooling Service Terms and Conditions (Residential and General)	<u>Second</u>		Deleted: First
53	Reserved for Future Use			
54	Unaccounted for Gas Percentage	<u>Second</u>		Deleted: First
55	<u>Reserved for Future Use</u>			
56	<u>SCO Supplier Terms and Conditions</u>	<u>Original</u>		Deleted: SSO Supplier Terms and Conditions
57-58	Reserved for Future Use			Deleted: Original
GENERAL TERMS AND CONDITIONS				
59	Definitions	<u>Second</u>		Deleted: 6
60	Application and Contract for Service	<u>Original</u>	April 13, 2005	Deleted: First
61	Credit Requirements of Customer	<u>Original</u>	April 13, 2005	
62	Billing and Payment for Gas Service	<u>Original</u>	April 13, 2005	
63	Disconnection-Reconnection of Service	<u>First</u>	November 10, 2005	
64	Meters and Metering Equipment-Location and Installation	<u>Original</u>	April 13, 2005	
65	Service Pipe-Location and Installation	<u>Original</u>	April 13, 2005	
66	Equipment on Customer's Premises	<u>Original</u>	April 13, 2005	
67	Use and Character of Service	<u>Original</u>	April 13, 2005	
68	Extensions of Gas Distribution Mains	<u>Original</u>	April 13, 2005	
69	Extensions of Gas Facilities to House Trailer Parks	<u>Original</u>	April 13, 2005	
70	<u>Curtailment Procedures</u>	<u>Third</u>		Deleted: Second
71	Operational Flow Orders	<u>Second</u>		Deleted: First
72	Affiliate Code of Conduct	<u>Original</u>		
73-78	Reserved for Future Use			
79	Amendments	<u>Original</u>		

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Commission of Ohio.

In Case No.

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Effective

RATE 310
RESIDENTIAL STANDARD CHOICE OFFER SERVICE

Deleted: SALES

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 Standard Choice Offer (SCO) Service. Customer's gas supply under SCO Service shall be provided by a state-certified Choice Supplier, who shall be identified on Customer's bill.

Deleted: Sales

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. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 41 – Exit Transition Cost Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider
- Sheet No. 44 – Standard Choice Offer Rider

Deleted: <#> Sheet No. 38 –
Standard Sales Offer 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 _____ in Case No. _____ of The Public
Utilities Commission of Ohio.

Issued

Issued by Jerrold L. Ulrey, Vice-President

Effective

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 Choice 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 Choice 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. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 41 – Exit Transition Cost Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public Utilities Commission of Ohio.

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Issued by Jerrold L. Ulrey, Vice-President

Effective

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

TERMS AND CONDITIONS

Choice Supplier Selection:

In order to receive Gas Service under this Rate Schedule, Customer must join a Pool of a Choice 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.

Transfer to SCQ Service Upon Choice Supplier Default

As set forth in Sheet No. 52, if Customer's Choice Supplier defaults and Customer is not assigned to a non-defaulting Choice Supplier, Customer will transfer to SCQ Service.

Deleted: Sales

Deleted: Sales

Disconnection for Non-Payment of Choice Bill:

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

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.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public Utilities Commission of Ohio.

Issued

Issued by Jerrold L. Ulrey, Vice-President Effective

RATE 320
GENERAL STANDARD CHOICE OFFER SERVICE

Deleted: SALES

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 Standard Choice Offer (SCO) Service. Customer's gas supply under SCO Service shall be provided by a state-certified Choice Supplier, who shall be identified on Customer's bill.

Deleted: Sales

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. 37 - Gross Receipts Excise Tax Rider
- Sheet No. 39 - Uncollectible Expense Rider
- Sheet No. 40 - Percentage of Income Payment Plan Rider
- Sheet No. 41 - Exit Transition Cost Rider
- Sheet No. 42 - S.B. 287 Excise Tax Rider
- Sheet No. 44 - Standard Choice Offer Rider

Deleted: <#> Sheet No. 36 -
Standard Sales Offer 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.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public
Utilities Commission of Ohio.

Issued

Issued by Jerrold L. Ulrey, Vice-President

Effective

RATE 320
GENERAL STANDARD CHOICE OFFER SERVICE

Deleted: **SALES**

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

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 _____ in Case No. _____ of The Public Utilities Commission of Ohio.

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Issued by Jerrold L. Ulrey, Vice-President

Effective

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 Choice 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 Choice 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. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Plan Rider
- Sheet No. 41 – Exit Transition Cost Rider
- Sheet No. 42 – S.B. 287 Excise Tax Rider

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Utilities Commission of Ohio.

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Effective

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

TERMS AND CONDITIONS

Choice Supplier Selection:

In order to receive Gas Service under this Rate Schedule, Customer must join a Pool of a Choice 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.

Transfer to SCQ Service Upon Choice Supplier Default

As set forth in Sheet No. 52, if Customer's Choice Supplier defaults and Customer is not assigned to a non-defaulting Choice Supplier, Customer will transfer to SCQ Service.

Deleted: Sales

Deleted: Sales

Disconnection for Non-Payment of Choice Bill:

Non-payment of the Choice 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.

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.

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Utilities Commission of Ohio.

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Effective

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.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public
Utilities Commission of Ohio.

Issued _____ Issued by Jerrold L. Ulrey, Vice-President Effective _____

Deleted: VECTREN ENERGY
DELIVERY OF OHIO,
INC. . . Second Revised Sheet No.
14]]
Tariff for Gas Service . . Cancels First
Revised Sheet No. 14 P.U.C.O. No.
2 . . Page 1 of 2]]
]]
RATE 3301
LARGE GENERAL SALES
SERVICE

Deleted: **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]. This Rate Schedule shall
no longer be available to existing or
new Customers as of the termination
date of the SSO Service phase.]]
]]

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. 37 - Gross Receipts
Excise Tax Rider]]
<#>Sheet No. 38 - Standard Sales
Offer Rider]]
<#>Sheet No. 39 - Uncollectible
Expense Rider]]
<#>Sheet No. 40 - Percentage of
Income Payment Plan Rider]]
<#>Sheet No. 41 - Exit Transition
Cost Rider]]
<#>Sheet No. 42 - S.B. 287 Excise
Tax Rider]]
]]

... [1]

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public
Utilities Commission of Ohio.

Issued

Issued by Jerrold L. Ulrey, Vice-President

Effective

Deleted: VECTREN ENERGY
DELIVERY OF OHIO, INC. . . First
Revised Sheet No. 14§
Tariff for Gas Service . . Cancele
Original Sheet No. 14§
P.U.C.O. No. 2 . . Page 2 of 2§
RATE 330§
LARGE GENERAL SALES
SERVICE§

Deleted: **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. §

§
CURTALMENT§
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§
Transfer from a Transportation
Service: §

If Customer voluntarily transfers to
this Sales Service from a
Transportation Service, all
incremental gas procurement and
upstream transportation and storage
costs incurred in order to transfer
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.

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Deleted: VECTREN ENERGY
DELIVERY OF OHIO,
INC. . . Second Revised Sheet No.
15]

Tariff for Gas Service . . . Cancels First
Revised Sheet No. 15]
P.U.C.O. No. 2 . Page 1 of 2 . .]

RATE 1401
INTERRUPTIBLE SALES SERVICE

Deleted: **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. This Rate
Schedule shall no longer be available
to existing or new Customers as of
the termination date of the 660
Service Phase.]]

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:]]
\$.04977 per Ccf for all Ccf]]

Riders:]]

The following Riders shall be
applied monthly:]]
<#>Sheet No. 37 - Gross Receipts
Excise Tax Rider]]
<#>Sheet No. 38 - Standard Sales
Offer Rider]]
<#>Sheet No. 39 - Uncollectible
Expense Rider]]
<#>Sheet No. 40 - Percentage of
Income Payment Plan Rider]]
<#>Sheet No. 41 - Exit Transition
Cost 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 Standard Sales
Offer Rider 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 are:]]

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Deleted: VECTREN ENERGY
DELIVERY OF OHIO, INC. . . First
Revised Sheet No. 15¶
Tariff for Gas Service . . Cancels
Original Sheet No. 15¶
P.U.C.O. No. 2 Page 2 of 2 . . ¶
RATE 340¶
INTERRUPTIBLE SALES SERVICE

Deleted: ¶
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. ¶

¶
CURTALMENT ¶
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.

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RATE 341 **DUAL FUEL STANDARD CHOICE OFFER SERVICE**

Deleted: **SALES**

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 Standard Choice Offer Service, as described in the Dual Fuel Terms and Conditions below. Customer's gas supply under SCO Service shall be provided by a state-certified Choice Supplier, who shall be identified on Customer's bill.

Deleted: Sales

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. 37 – Gross Receipts Excise Tax Rider
- Sheet No. 39 – Uncollectible Expense Rider
- Sheet No. 40 – Percentage of Income Payment Rider
- Sheet No. 41 – Exit Transition Cost Rider
- Sheet No. 42 – S. B. 287 Excise Tax Rider
- Sheet No. 44 – Standard Choice Offer Rider

Deleted: <#-Sheet No. 38 –
Standard Sales Offer 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.

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RATE 341
DUAL FUEL STANDARD CHOICE OFFER 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:

Deleted: 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.

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RATE 341
DUAL FUEL STANDARD CHOICE OFFER SERVICE

Deleted: SALES

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 Standard Choice Offer 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 Standard Choice Offer 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.

Deleted: Sales

Deleted: Sales

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.

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DELIVERY OF OHIO, INC.. Original
Sheet No. 22¶
Tariff for Gas Service. Page 4 of 4¶
P.U.C.O. No. 2. ¶
RATE 3887
SSO SUPPLIER SERVICE ¶

Deleted: **APPLICABILITY¶**
This Service is applicable to any SSO
Supplier delivering firm gas supplies
to Company's Operational Systems
for Customers receiving Sales
Service under Rates 310, 320, 330,
340 and 341. ¶

¶
CHARACTER OF SERVICE¶
This Rate Schedule applies to the
provision of SSO Supply. SSO
Supplier shall deliver to Company gas
supplies needed to satisfy the usage
requirements of SSO Supplier's Load
Tranche(s), all in accordance with the
rules set forth in this Rate Schedule,
the SSO Supplier Service Terms and
Conditions contained in Sheet No. 55,
and the SSO Supplier Agreement
described in this Rate Schedule. ¶

¶
MONTHLY STATEMENT¶
SSO Supplier's monthly statement
shall reflect the following fees,
charges and credits, as applicable:¶

¶
Financial Evaluation Charge:¶
\$50.00 for the initial and each
subsequent SSO Supplier financial
evaluation performed by Company. ¶

¶
Nomination Error Charge:¶
\$0.50 per Dth applied to the
difference between SSO Supplier's
daily pipeline nomination volume and
the pipeline daily confirmed volume
delivered to Company, for each day
of difference. ¶

¶
DDQ Non-Compliance Charge:¶
\$15.00 per Dth on days in which no
Operational Flow Order (OFO) is in
effect (provided no alternate
arrangements are made with
Company) against the daily difference
between the Tranche's DDQ and
aggregate deliveries. ¶

¶
**City-Gate Allocation Non-
Compliance Charge:¶**
\$5.00 per Dth for any daily city-gate
nomination less than the minimum or
greater than the maximum city-gate
allocation requirement. ¶

¶
OFO Non-Compliance Charge:¶
In the event of a Company issued
Operational Flow Order (OFO), a
\$35.00 per Dth charge shall be
assessed on any volumes over or
under the restrictions specified by
Company in the OFO notice.¶

¶

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RATE 396 **SCO SUPPLIER SERVICE**

APPLICABILITY

This Service is applicable to any SCO Supplier delivering firm gas supplies to Company's Operational Systems for Customers receiving Standard Choice Offer Service under Rates 310, 320, and 341.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of SCO Supply. SCO Supplier shall deliver to Company gas supplies needed to satisfy the usage requirements of SCO Supplier's Customers, all in accordance with the rules set forth in this Rate Schedule, the SCO Supplier Service Terms and Conditions contained in Sheet No. 56, and the SCO Supplier Agreement described in this Rate Schedule.

MONTHLY STATEMENT

SCO Supplier's monthly statement shall reflect the following fees, charges and credits, as applicable:

Financial Evaluation Charge:

\$50.00 for the initial and each subsequent SCO Supplier financial evaluation performed by Company.

Nomination Error Charge:

\$0.50 per Dth applied to the difference between SCO Supplier's daily pipeline nomination volume and the pipeline daily confirmed volume delivered to Company, for each day of difference.

DDQ Non-Compliance Charge:

\$15.00 per Dth on days in which no Operational Flow Order (OFO) is in effect (provided no alternate arrangements are made with Company) against the daily difference between the Tranche's DDQ and aggregate deliveries.

City-Gate Allocation Non-Compliance Charge:

\$5.00 per Dth for any daily city-gate nomination less than the minimum or greater than the maximum city-gate allocation requirement.

OFO Non-Compliance Charge:

In the event of a Company issued Operational Flow Order (OFO), a \$35.00 per Dth charge shall be assessed on any volumes over or under the restrictions specified by Company in the OFO notice.

Storage Non-Compliance Charge:

A charge per Dth shall be assessed for any volumes less than or greater than the Company-established minimum or maximum daily storage injection and withdrawal requirements, or any volumes less than the minimum storage inventory quantity requirement. The charge shall be \$15.00 per Dth for the first two occurrences, and \$35.00 per Dth for the next two occurrences during the term of the contract. In the event that TCO allows daily over-injection or over-withdrawal rights, Company shall not impose the Storage Non-Compliance Charge on any volumes injected or withdrawn greater than the maximum daily injection and withdrawal limits set by Company.

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RATE 396 **SCO SUPPLIER SERVICE**

Monthly Reconciliation Amount:

Charge or credit as determined by the Monthly Volume Reconciliation as set out in Sheet No. 56. The price utilized will be the Columbia Appalachia Index for the month being reconciled.

Propane Supplies Charge:

The cost of propane or alternate supplies provided by Company for SCO Supplier's Tranche as set out in the Allocation of Propane Supplies section of Sheet No. 56.

Meter Operator Charges:

SCO Supplier shall reimburse Company for penalties Company incurs as meter operator. Penalties will be assessed to each Supplier that contributed to the penalty proportional to its contribution to the violation.

System Balancing Amount:

Gas cost charges or credits associated with Large Transportation Customers'/Pool Operators' daily and monthly imbalance cash-outs.

POLR Amount:

Any credits payable to SCO Supplier for providing Provider of Last Resort services.

Customer Billing Amount:

SCO Price amounts billed to SCO Customers by Company on behalf of SCO Supplier.

Delivery Point Balancing Amount:

Charges or credits associated with pipeline delivery point cashouts, OBA settlements, or other related costs allocated to Supplier.

Related Charges:

SCO Supplier shall reimburse Company for all charges Company incurs in connection with interstate pipeline transportation of SCO Supplier-Delivered Gas including any gas costs, penalty charges, penalty charges or cash-outs.

Riders:

The following Riders shall be applied monthly, as applicable:

- Sheet No. 37 - Gross Receipts Excise Tax Rider

Miscellaneous Charges:

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

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Utilities Commission of Ohio.

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RATE 396 **SCO SUPPLIER SERVICE**

REQUIREMENTS FOR SCO SUPPLIER PARTICIPATION

In order to qualify for participation under the SCO Program, SCO Supplier must: 1) sign a SCO Supplier Agreement and SCO Supplier Registration Form and Credit Application with Company; 2) pass an initial financial evaluation performed by Company, and any such subsequent evaluation(s) deemed appropriate by Company, to ensure that SCO Supplier possesses sufficient resources to perform its responsibilities and to ensure financial performance hereunder; 3) maintain comparable firm capacity as set out in the SCO Service Terms and Conditions; 4) adhere to the terms and conditions of this Rate Schedule; and 5) have a computer and telephone line necessary to access Company's EBB.

SCO 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 SCO Supplier's creditworthiness. These standards will take into consideration the scope of the operations of the SCO 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, and related financial information that has been independently audited, if available. Company shall determine creditworthiness based on the above criteria, and will not deny SCO Supplier's participation in the Program without reasonable cause. In order to pass Company's financial evaluation, a SCO 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 SCO Supplier's financial standing from time to time. Such re-evaluation may be initiated either by a request from SCO Supplier or by Company, if Company reasonably believes that the creditworthiness or operating environment of SCO Supplier may have changed. Based on such re-evaluation, SCO Supplier's level of participation may be increased or decreased, additional security may be required or SCO Supplier may be removed from further participation in the Program.

CONTRACT

SCO Supplier must enter into a written SCO Supplier Agreement with Company which shall set forth specific covenants and obligations undertaken by Company and SCO Supplier under this Rate Schedule. The Agreement shall have a term consistent with the SCO Phase term as approved by the Commission.

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RATE 396
SCO SUPPLIER SERVICE

SCO SUPPLIER SERVICE TERMS AND CONDITIONS

SCO Supplier shall be subject to the SCO Supplier Service Terms and Conditions as set forth in Sheet No. 56.

GENERAL TERMS AND CONDITIONS

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 _____ in Case No. _____ of The Public
Utilities Commission of Ohio.

Issued _____ Issued by Jerrold L. Urey, Vice-President _____ Effective _____

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DELIVERY OF OHIO,
INC. Original Sheet No. 38
Tariff for Gas Service... Page 1 of 1
P.U.C.O. No. 2...
STANDARD SALES OFFER RIDER

Deleted: **APPLICABILITY**
The Standard Sales Offer ("SSO")
Rider is applicable to all Sales
Service Customers.

DESCRIPTION

The Standard Sales Offer charge
shall be the product of the billing Ccf
and the SSO Rider Rate.

The SSO Rider Rate each month will
be the NYMEX settlement price for
such month converted to a price per
Ccf using Company's average BTU
value, plus the Retail Price
Adjustment determined in the SSO
auction; except for the three winter
months of December 2008 through
February 2009 when the SSO Rider
Rate will be the weighted average of
40% NYMEX and 60% collared
NYMEX.

SSO RIDER RATE

The SSO Rider Rate for _____
200_ is \$ _____/Ccf.

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EXIT TRANSITION COST RIDER

APPLICABILITY

The Exit Transition Cost ("ETC") Rider is applicable to all Customers served under the following Rate Schedules:

- Rate 310 – Residential Standard Choice Offer Service
- Rate 315 – Residential Transportation Service
- Rate 320 – General Standard Choice Offer Service
- Rate 325 – General Transportation Service
- Rate 341 – Dual Fuel Standard Choice Offer Service

Deleted: Sales

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Deleted: <#>Rate 330 – Large
General Sales Service#
<#>Rate 340 – Interruptible Sales
Service#

Deleted: Sales

DESCRIPTION

The ETC Rider charge shall be the product of the billing Ccf and the ETC Rider Rate.

The ETC Rider will recover applicable incremental Exit Transition implementation costs, including:

- 1) Business system (e.g. information technology) development costs,
- 2) Informational and educational costs,
- 3) Call center costs,
- 4) Billing costs and
- 5) Other incremental costs incurred by Company to achieve implementation of the various Exit Program features.

This ETC Rider will also recover/passback the following:

- 1) GCR variances remaining as of the implementation date of SSO Service,
- 2) All stranded gas supply costs related to Customer migration to Choice Service,
- 3) Any incremental provider of last resort costs not recovered from a defaulting SSO Supplier, SCO Supplier or Choice Supplier,
- 4) Any imbalance costs not recovered from Transportation Customers or Pool Operators,
- 5) Gas costs incurred by Company when diverting Customers' transportation gas quantities during a Curtailment (see Sheet No. 70, paragraph 11.B1.(9)),
- 6) Other costs or credits applicable to all SCO and Choice Customers as approved by the Commission.

Deleted: Sales

Projected ETC Rider costs shall be divided by projected total volumes for the applicable Rate Schedules to determine the ETC Rider Rate. The ETC Rider shall be updated quarterly and shall reflect the reconciliation of projected costs and actual costs, with any under or over recovery being recovered or returned via the ETC Rider.

EXIT TRANSITION COST RIDER RATE

The Exit Transition Cost Rider Rate is \$ _____ per Ccf.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public
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STANDARD CHOICE OFFER RIDER

APPLICABILITY

The Standard Choice Offer ("SCO") Rider is applicable to Rate 310, 320 and 341 Customers.

DESCRIPTION

The Standard Choice Offer charge shall be the product of the billing Ccf and the SCO Rider Rate.

The SCO Rider Rate each month will be the NYMEX settlement price for such month converted to a price per Ccf using Company average BTU value, plus the Retail Price Adjustment determined in the SCO auction.

SCO RIDER RATE

The SCO Rider Rate for 200 is \$ /Ccf.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public Utilities Commission of Ohio.

Issued: _____ Issued by Jerrold L. Ulrey, Vice-President Effective: _____

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 Rate 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.

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

Section 2 - INTERSTATE PIPELINE CAPACITY RELEASE SERVICE:

- 2.1 If Customer is an SCO or 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 - RESERVED FOR FUTURE USE

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.

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.

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

- 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 Customer shall have no rights to gas from Company's system during a period of Curtailment. Customer shall be subject to the Curtailment Procedures in the Company's General Terms and Conditions.

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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.

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.

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- 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.

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 - RESERVED FOR FUTURE USE:

Deleted: TRANSFER TO SYSTEM SUPPLY

Deleted: 16.1. If Customer elects to transfer to 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 until the end of the winter season. If Customer fails to remain on Sales Service for the required winter season 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 transfer 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.

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

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 SCO 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.

Deleted: <#>If requested by Company, the transferring 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.¶

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

APPLICABILITY

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

DEFINITIONS

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

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

Columbia Appalachia Index - First of the Month "Columbia Gas Transmission Corp, Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines".

Comparable Firm Capacity Requirement - The requirement that Choice Supplier secure firm interstate pipeline capacity with a primary delivery point of Company's city gates and firm supplies to meet 100% of Choice 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 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 Choice Supplier must deliver to Company's city gates, as specified by Company, to meet the Expected Demand of Choice Supplier's Pool operating constraints, system knowledge/experience, and Company's Unaccounted for Gas Percentage.

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 Choice 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 Choice Suppliers.

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

Load Tranche or Tranche - a share of Standard Choice Offer Service volumes to be supplied by SCO Supplier.

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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.

ORC - The Ohio Revised Code.

"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 Choice Supplier for gas supply management purposes.

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

Pool's Usage - The Pool Customers' billed Ccf usage for the applicable period, converted to Dth by multiplying by Company's average BTU and dividing by ten (10).

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.

Pre-determined Allocation ("PDA") - a contractual arrangement with TCO which allocates the daily VEDO system imbalance volumes to all holders of Company's released TCO storage capacity based on predetermined allocation percentages.

SSO Supplier - A supplier that meets the Requirements for SSO Supplier Participation set out in Rate 396.

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

TCO - Columbia Gas Transmission Corporation.

Unaccounted for Gas Percentage - The portion of Choice Supplier's city gate deliveries retained by Suppliers to compensate 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.

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

CUSTOMER ENROLLMENT

Enrollment of Non-Mercantile Customers:

Choice Suppliers may take enrollments from Non-Mercantile customers by mail, facsimile, direct solicitation, telephone, and Internet. When soliciting and/or enrolling Non-Mercantile Customers, Choice 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 Choice 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. Choice 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 Choice Supplier Code of Conduct. In the alternative, a Customer desiring to participate in the Program may subscribe via telephone or Internet. Under these methods, Choice 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), Choice 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), Choice Supplier will provide Company with an electronic file in a format specified by Company, containing a listing of all Customers that Choice 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 Choice Supplier with a confirmation report within three (3) business days. In the event more than one Choice Supplier includes the same Pool Customer on his enrollment files to begin the same period, Customer will be assigned to Choice Supplier whose acceptable enrollment was first processed by Company.

Once complete and accurate information supporting a Customer joining or leaving Choice 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 Choice Supplier, Company shall notify Choice Supplier within two business days of the Customer's rescission. Customer will remain with its Choice Supplier until: 1) Customer's name, service address, and account number appear on another Choice Supplier's electronic enrollment file listing; 2) Customer or Choice Supplier notifies Company that the Customer should transfer to Company's Sales Service; 3) Customer moves out of his current address or 4) Customer joins the PIPP program. If Customer's current Choice Supplier initiates termination of its relationship with Customer, Company shall issue a written notification to Customer informing Customer of such change. Customers who on their own initiative decide to terminate their relationship with a Choice Supplier will be permitted to do so without Company making any determination regarding whether Customer is contractually permitted to make such move. However, Customer shall not be permitted to transfer to SCO Service; it must select another Choice Supplier. Company shall not be liable to Choice Supplier or Customer for allowing Customer to transfer to another Choice Supplier.

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If Company rejects a Customer from enrollment, the Choice 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) therefore.

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

1. Company has received a request to enroll Customer with the named Choice Supplier, and, in the case of an enrollment request from a Customer who is currently with another Choice Supplier, a statement that Company's records reflect that Customer is currently enrolled with another Choice Supplier along with an admonition that Customer should review the terms and conditions of the incumbent Choice 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 Choice Supplier was not requested by Customer; and
4. Company's toll-free telephone number, mailing address and website address.

Choice 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 Choice Supplier Code of Conduct.

Eligible Customer List:

Company shall make available to Choice 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 Choice 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 Choice Supplier's request for Residential and General Standard Choice Offer Service Customers meeting specific geographic or other criteria. The fee for such eligible customer list is described in Rate 385.

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Content of Renewal Notices:

The written notice to Customer, required by paragraph 8 of the Choice 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, Choice 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

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is 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

Choice 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 Choice Supplier's Pools and Customers.

Option 1 – Company Consolidated Billing:

Pool Customer shall receive one Bill from Company that indicates the name of Choice Supplier from whom Customer is receiving its gas supply and which includes an amount for Choice Supplier's gas supply charges in accordance with the pricing arrangements agreed upon between Choice Supplier and Customer, including any taxes for which Choice Supplier must collect. Choice 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 Choice Supplier who elects this billing option will be limited to a reasonable number of pricing arrangements to which a Customer may be assigned by Choice Supplier.

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

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 Choice Supplier's name and a statement that Choice Supplier is responsible for billing Choice 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 late payment charges and disconnect rules that would be applicable if Customer were receiving SCO Service.
2. Choice Supplier shall be responsible for billing and collecting his part of the bill including any arrearages due from Choice Supplier's own prior billings. To facilitate Choice

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Supplier's portion of the billing each month, Company will provide Choice Supplier with an electronic notification of the monthly meter readings of all Customers within Choice 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. Choice 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 Choice Supplier's Pool.

CUSTOMER INQUIRIES AND DISPUTE RESOLUTION

Each Choice 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. Choice Supplier shall apprise potential Pool Customers of the applicable dispute resolution process set forth below prior to such Customers executing a Supply Contract with Choice Supplier. The following procedures shall be applicable to all inquiries and disputes:

1. Choice 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. Choice Supplier must provide its address and a local or toll-free telephonic means for Pool Customers to obtain information on their account and Choice Supplier's dispute resolution process, and Choice Supplier must afford Customers prompt answer times during normal business hours.
3. At the time Pool Customer executes its Supply Contract with Choice Supplier or as soon as practical thereafter, Choice 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, Choice 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 Choice Supplier.
5. Choice 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 Choice Supplier has received a complaint from a Pool Customer, Choice Supplier shall provide a status report to Customer regarding the complaint, or to Customer and the Commission Staff when the complaint is referred to Choice Supplier by the Commission Staff in the case of a Non-Mercantile Customer.

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

CODES OF CONDUCT

Choice Supplier Code of Conduct:

Each Choice 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) Choice 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 Choice Supplier's Pool Customers in accordance with the requirements of Rate 385, these Terms and Conditions, and the Choice Supplier Pooling Agreement.
5. Establish and maintain a creditworthy financial position to enable Choice Supplier to indemnify Company for costs incurred as a result of any failure by Choice 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 Choice 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 Choice 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, Choice 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 Choice 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 Choice Supplier serves Residential Customers.

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

CAPACITY AND OPERATING REQUIREMENTS

Comparable Firm Capacity Requirement:

Choice Supplier agrees to secure sufficient firm interstate pipeline capacity, of which a portion shall be Company released capacity, with primary delivery points to Company's city gates and firm supply to meet 100% of each 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 as described below (Comparable Firm Capacity Requirement). All obligations of Choice Supplier with respect to such capacity and supply shall be the sole responsibility of Choice Supplier.

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

Company may periodically verify Choice Supplier's compliance with this Comparable Firm Capacity Requirement. Choice Supplier will provide to Company upon request copies of contracts for upstream pipeline capacity not released by Company and supply contracts showing the firm quantities reserved or purchased and the specific points of delivery. If Choice Supplier is securing firm city gate supplies, Choice 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 Choice Supplier's discretion: 1) immediate acquisition by Choice Supplier of additional firm pipeline capacity, 2) assignment to Choice Supplier of Company's pipeline capacity, 3) delayed enrollment of new Pool Customers, 4) return of existing Pool Customers to Sales Service, or 5) transfer of Pool Customers to another Choice Supplier. If Company identifies a firm supply deficiency, such deficiency shall be resolved to Company's satisfaction by one or a combination of the following, at Choice Supplier's discretion: 1) immediate acquisition by Choice Supplier of additional firm supply, 2) delayed enrollment of new Pool Customers, 3) transfer of existing Pool Customers to Standard Choice Offer Service, or 4) transfer of Pool Customers to another Choice Supplier.

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Mandatory Assignment of Pipeline Capacity:

Company will release its pipeline transportation and storage capacity to Choice Supplier based upon approximately 75% of the Peak Design Day Demand of Choice Supplier's Pool. Choice Supplier shall take release of specific interstate pipeline firm transportation and storage capacity for a term, agreed to by Company, subject to Company's right of capacity recall contained elsewhere in these Terms and Conditions.

Terms and conditions of the capacity release will be specified in pipeline capacity release forms, including length of term, price, and recall requirements, subject to FERC requirements for capacity release. Choice Supplier may not change any primary points of receipt or delivery associated with released pipeline transportation contracts during the term of the capacity release. In addition, for specific parcels of capacity identified by Company, Choice 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 Choice Supplier and Company. The released capacity is subject to recall at any time if Choice Supplier does not perform in accordance with the Agreement or fails to comply with the Choice Supplier Code of Conduct and other provisions set forth in these Terms and Conditions.

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

Monthly Reassignment of Capacity:

Transportation and storage capacity released to Suppliers will follow Customers to their new Suppliers upon migration to and from Choice Service with monthly reassignment of capacity to Suppliers based on their Peak Design Day Demands. Company reserves the right to adjust capacity release quantities intra-month in the event large Choice migrations occur.

Operational System Balancing:

Company's TCO storage will be released to each Choice and SCO Supplier on a proportionate basis. The holders of Company-released TCO storage capacity will collectively provide system balancing through Predetermined Allocations (PDA) set with TCO.

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

PDA's will be established with TCO at the beginning of each month proportional to the percentage of TCO storage capacity released to Suppliers. Each day Choice Supplier will be allocated a portion of the daily system imbalance based on its PDA percentage. Choice Supplier will be charged by TCO for any overrun or penalties associated with exceeding its individual storage volume limits. If Company, as meter operator, incurs TCO penalties, such penalties will be assessed to each Choice Supplier that contributed to the penalty proportional to their contribution to the violation.

Choice Suppliers will agree to follow Company-established minimum and maximum limits for daily storage injections and withdrawals, and minimum storage inventory requirements to ensure sufficient storage inventory and capacity to balance Company's system each day. At no time shall Choice Supplier's Company-released TCO storage inventory volume be less than the minimum specified by Company.

Provider of Last Resort ("POLR") Service:

Choice Supplier shall temporarily provide supply from Company-released TCO storage capacity to cover system load requirements in the event of a Supplier default or OFO event.

Defaulting Suppliers will be required to reimburse affected parties for any incremental costs incurred to provide POLR Service. Any incremental costs not recovered from defaulting Suppliers will be included in the ETC Rider.

Company will act as POLR Coordinator, identifying the need for POLR service and notifying SCO and Choice Suppliers.

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Company will take the following short-term action with regard to obtaining POLR supply:

- (1) Choice and SCO Suppliers collectively will provide supply to meet POLR needs, using their individual TCO storage inventories. The withdrawn storage inventory will be subsequently replaced.
- (2) If Company determines that the daily quantity of gas needed may affect the reliability of the system, an OFO will be issued, to ensure that Transportation Customers or Pool Operators are not under delivering versus their respective usages during the POLR period.
- (3) Next, as soon as possible, all transportation and storage capacity released to any defaulting Supplier will be recalled by Company who will use it to meet the immediate needs of the defaulting Supplier's customers. Company will claim the defaulting Supplier's storage inventory as needed to meet the defaulting Supplier's customer loads.

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

- (4) Company will fill any remaining shortfall through acquiring additional temporary capacity and supply or city-gate deliveries.
- (5) Company will coordinate the provision of POLR service for the remainder of the billing month in which a Supplier default occurs, and the subsequent month, or until an alternate solution is effectuated.

In the event of defaulting supplier removal, Company will take the following action with regard to an alternate solution:

- (1) If a Choice Supplier is removed, Company will offer non-defaulting Choice Suppliers the option of assuming the customers of the removed Choice Supplier. If there are no non-defaulting Choice Suppliers that will assume the removed Choice Supplier's customers, the customers will transfer to Sales service.
- (2) If a SCO Supplier is removed or Choice Suppliers do not assume the customers of a removed Choice Supplier:
 - (a) The existing SCO Suppliers loads will be increased to cover the defaulted load on a pro rata basis. Such incremental load will be limited to 50% of initial Tranche size.
 - (b) For the portion of increased load quantity greater than 50% of initial Load Tranche size, that load will be assigned to a new SCO Supplier based on an accelerated auction process.

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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.

Daily Scheduling of Directed Delivery Quantities:

By 8:00 a.m. Central Clock Time (CCT), Company will post on its EBB, Choice Supplier's DDQ by Pool for the gas day beginning 8:00 a.m. CCT the following day. Such DDQ shall be the sum of: 1) the Expected Demand of Choice 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 Choice 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). Company shall maintain city-gate allocation tables that outline the range of minimum and maximum delivery percentages required by city-gates and/or service areas on Company's system. These percentages shall be recalculated and communicated to Choice Suppliers periodically. Absent unforeseen circumstances, a minimum four months' notice will be provided on changes to the city-gate allocation tables.

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Choice Suppliers are required to nominate scheduled storage injections and withdrawals to the pipelines and to Company for all Company-released storage capacity. Company will post daily minimum and maximum TCO storage injection and withdrawal limits, and monthly minimum storage inventory levels. Scheduled injection nomination rights during winter months and scheduled withdrawal nomination rights during summer months are subject to approval in advance by Company.

By 11:00 a.m. CCT each day, and in any intra-day nominations thereafter, Choice Supplier shall nominate to the Company via the Company's EBB 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. Choice Supplier agrees to adhere to the nominating guidelines set out in the FERC approved tariff of the applicable interstate pipeline and comply with any Company operating and/or interstate pipeline restrictions communicated by Company.

Company will post actual system imbalance volumes the day after flow and each Choice Supplier's prorata share of the system imbalance per the monthly PDA. Company may at its discretion perform a No-Notice nomination to Choice Supplier's Company-released TCO storage for the prior day's flow if the Choice Supplier has not (1) delivered adequate supplies to meet their DDQ or (2) met their TCO minimum city-gate allocation delivery requirement.

Allocation of Propane Supplies:

During the months of December through March, Company shall reserve a portion of its vaporized propane capacity for Choice Supplier Pools, based on the product of each Pool's then-applicable Peak Design Day Demand and the percentage 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 Choice Supplier must meet pursuant to its Comparable Firm Capacity Requirement.

On any day when the Pool's Expected Demand reaches the volume of Choice Supplier's Comparable Firm Capacity Requirement, Company shall supply the Pool's gas needs in excess of the Choice Supplier's Comparable Firm Capacity Requirements with vaporized propane.

Choice Supplier will be assessed a proportionate share, as determined by Company, of the costs of propane used for peak shaving, for propane facility test runs, for hourly load shaving and any other uses of propane determined to be necessary for system operation in Company's discretion.

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 Choice Supplier Pool's Peak Design Day Demand that will be met with Company's vaporized propane allocated by Company to such Pool.

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

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 Choice Supplier:

Choice Supplier warrants that all gas delivered by or on behalf of Choice 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:

Choice 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.

MONTHLY VOLUME RECONCILIATION

For each month, Company will determine Supplier's Pool's Effective Deliveries and compare them to the Pool's Required Deliveries in order to determine the monthly reconciliation volume. Reconciliation volumes will be settled financially by charging Choice Supplier if Required Deliveries are less than Effective Deliveries, or paying Choice Supplier if Effective Deliveries are greater than their Required Deliveries. The price utilized will be the Columbia Appalachia Index for the month being reconciled.

Choice Supplier's Pool's Effective Deliveries will be the sum of the Pool's deliveries to the city-gate, plus its proportional share of propane and system balancing activity.

The Pool's Required Deliveries will be determined by multiplying the Pool's actual usage percentage by the total system Effective Deliveries.

Monthly volume reconciliations will be performed the second month following the end of the month of flow in order to obtain all billed usage for the applicable period and any prior usage adjustments.

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

CONSEQUENCES OF CHOICE SUPPLIER'S FAILURE TO PERFORM OR COMPLY

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

- **Non-Mercantile Pool:** In the event Company seeks to suspend or terminate a Choice 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 Choice 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 Choice Supplier from the Program, Company shall first notify the Choice Supplier of the alleged violations that merit suspension or termination. Such notice shall be in writing, contain reasonable detail and shall be sent to Choice Supplier at the fax number listed in the Choice 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, Choice Supplier remedies or removes the cause or causes stated in the notice, the Choice Supplier Pooling Agreement and such Mercantile Pool will continue in full force and effect. If Choice Supplier does not remedy or remove the cause or causes within five (5) days, then at the option of Company, the Choice Supplier Pooling Agreement relative to all Mercantile Pools may terminate at the expiration of said five (5) day period.

If Choice Supplier is suspended or expelled from the Program relative to a specific Pool, Customers in such Pool shall transfer to Standard Choice Offer Service, unless said Customers join another Choice Supplier's Pool. Any termination or cancellation of the Choice Supplier Pooling Agreement relative to some or all of Choice 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.

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CHOICE SUPPLIER WITHDRAWAL OR TERMINATION

If Choice 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 Choice Supplier by Company associated with the specific Pool(s) in accordance with the terms of the release agreement. Payment of any amounts payable to Choice Supplier by Company will be held by Company until all volumes are reconciled and any charges owed to Company are paid in full.

Upon withdrawal or termination, Choice Supplier will be required to sell to Company fifteen percent (15%) of its TCO Storage Contract Quantity (SCQ) at the Columbia Appalachia Index price for the current month or next month, whichever is lower.

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

FORCE MAJEURE

If either Choice Supplier or Company is unable to fulfill its obligations under the Choice 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 Choice 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 Choice 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.

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UNACCOUNTED FOR GAS PERCENTAGE

APPLICABILITY

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

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DESCRIPTION

A percentage of the quantities delivered by applicable parties at a point of receipt on the Company's distribution system shall be designated to compensate for gas lost, used, and unaccounted for in system operations.

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%.

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DELIVERY OF OHIO, INC. - Original
Sheet No. 55
Tariff for Gas Service - Page 7 of 7
P.U.C.O. No. 2 -

**SSO SUPPLIER TERMS AND
CONDITIONS**

Deleted: **APPLICABILITY**

The following Terms and Conditions
apply to SSO Suppliers under Rate
395, SSO Supplier Service.

¶

DEFINITIONS

Columbia Appalachia Index - First
of the Month "Columbia Gas
Transmission Corp, Appalachia" as
reported by Inside FERC's Gas
Market Report in the table "Prices of
Spot Gas Deliveries to Pipelines".

¶

**Comparable Firm Capacity
Requirement** - For the term of the
SSO Phase, each SSO Supplier
agrees to retain sufficient firm
interstate pipeline transportation and
storage capacity with primary delivery
points to the Company city gates and
firm gas supply to meet 100% of the
monthly design peak day demands
for its SSO Load Tranches, less a
percentage during the winter months
reflecting the SSO Supplier's propane
peaking allocation.

¶

Directed Delivery Quantity (DDQ) -
the sum of:

<#>The Expected Demand of the
SSO Supplier's Load Tranche(s) for
that gas day calculated as a prorata
share of total SSO Customer
demand, plus

<#>System UAFG percentage
volumes, plus

<#>Any necessary adjustments for
interstate pipeline and/or Company
operating constraints, and/or prior
imbalances associated with periodic
volume reconciliations.

¶

EPT - Panhandle Eastern Pipe Line
Company Enhanced Firm
Transportation.

¶

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

¶

Load Tranche or Tranche - a
proportionate share of Company's
total Sales Service volumes to be
supplied by SSO Supplier.

¶

ORC - The Ohio Revised Code.

¶

PEPL - Panhandle Eastern Pipe Line

¶

Pre-determined Allocation ("PDA")
- a contractual arrangement with TCO
which allocates the daily VEDC...

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SCO SUPPLIER TERMS AND CONDITIONS

APPLICABILITY

The following Terms and Conditions apply to SCO Suppliers under Rate 396, SCO Supplier Service.

DEFINITIONS

Columbia Appalachia Index – First of the Month "Columbia Gas Transmission Corp. Appalachia" as reported by Inside FERC's Gas Market Report in the table "Prices of Spot Gas Deliveries to Pipelines".

Comparable Firm Capacity Requirement - For the term of the SCO Phase, each SCO Supplier agrees to retain sufficient firm interstate pipeline transportation and storage capacity with primary delivery points to the Company city gates and firm gas supply to meet 100% of the monthly design peak day demands for its SCO Load Tranches, less a percentage during the winter months reflecting the SCO Supplier's propane peaking allocation.

Directed Delivery Quantity (DDQ) - the sum of:

- a. The Expected Demand of the SCO Supplier's Load Tranche(s) for that gas day, plus
- b. System UAFG percentage volumes, plus
- c. Any necessary adjustments for interstate pipeline and/or Company operating constraints, and/or prior imbalances associated with periodic volume reconciliations.

EFT – Panhandle Eastern Pipe Line Company Enhanced Firm Transportation.

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

Load Tranche or Tranche- a share of total Standard Choice Offer Service volumes to be supplied by SCO Supplier.

ORC - The Ohio Revised Code.

PEPL – Panhandle Eastern Pipe Line

Pre-determined Allocation ("PDA") - a contractual arrangement with TCO which allocates the daily VEDO system imbalance volumes to all holders of Company's released TCO storage capacity based on predetermined allocation percentages.

Retail Price Adjustment - Bids during the SCO auction specified as an adjustment to the NYMEX monthly settlement price fixed for the entire term of the SCO Phase.

SCO Supplier - A supplier that meets the Requirements for SCO Supplier Participation set out in Rate 395.

SCO Supply – Gas supply provided by SCO Suppliers pursuant to Rate 396.

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SCO SUPPLIER TERMS AND CONDITIONS

SCO Supplier Agreement or Agreement - An agreement between Company and SCO Supplier that defines the mutual responsibilities and obligations of those parties relative to services provided under Rate 396.

TCO - Columbia Gas Transmission Corporation.

Unaccounted for Gas Percentage - The portion of SCO Supplier's city gate deliveries designated to compensate for gas lost, used, and unaccounted for in system operations. The Unaccounted for Gas Percentage is contained in Sheet 54.

CAPACITY AND OPERATING REQUIREMENTS

Comparable Firm Capacity Requirement

SCO Supplier agrees to secure sufficient firm interstate pipeline capacity, of which a portion shall be Company released capacity, with primary delivery points to Company's city gates and firm supply to meet 100% of each month's Peak Design Day Demand of its Load Tranche, less a percentage during the winter months reflecting SCO Supplier's entitlement to Company's propane as described below (Allocation of Propane Supplies).

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

Company may periodically verify SCO Supplier's compliance with this Comparable Firm Capacity Requirement. SCO Supplier will provide to Company upon request copies of contracts for upstream pipeline capacity not released by Company and supply contracts showing the firm quantities reserved or purchased and the specific points of delivery. If SCO Supplier is securing firm city gate supplies, SCO 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 immediate acquisition by SCO Supplier of additional firm pipeline capacity. If Company identifies a firm supply deficiency, such deficiency shall be resolved to the Company's satisfaction by immediate acquisition by SCO Supplier of additional firm supply.

Mandatory Assignment of Pipeline Capacity:

Company will release its pipeline transportation and storage capacity to SCO Supplier based upon approximately 75% of the Peak Design Day Demand of SCO Supplier's Load Tranche. SCO Supplier shall take release of specific interstate pipeline firm transportation and storage capacity for the term of the SCO Service phase, subject to Company's right of capacity recall contained elsewhere in these Terms and Conditions.

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SCO SUPPLIER TERMS AND CONDITIONS

Terms and conditions of the capacity release will be specified in pipeline capacity release forms including length of term, price, and recall requirements, subject to FERC requirements for capacity release. SCO Supplier may not change any primary points of receipt or delivery associated with released pipeline transportation contracts during the term of the capacity release. In addition, for specific parcels of capacity identified by Company, SCO 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 SCO Supplier and Company. The released capacity is subject to recall at any time if SCO Supplier does not perform in accordance with the SCO Supplier Agreement or fails to comply with provisions set forth in these Terms and Conditions.

SCO Supplier may re-release on a recallable basis any transportation capacity released to it hereunder, provided that: 1) SCO Supplier will continue to be responsible for payment of all pipeline charges associated with the released capacity; 2) any re-release of such capacity remains subject to the requirements and restrictions identified in Company's Tariff, and 3) the capacity is not needed to satisfy the SCO Supplier's Load Tranche's DDQ on such day(s). SCO Supplier may use other firm pipeline capacity to supply its DDQ and re-release portions of its assigned pipeline capacity, subject to the previously mentioned restrictions.

Monthly Reassignment of Capacity:

Transportation and storage capacity released to Suppliers will follow Customers to their new Suppliers upon migration to and from Choice Service with monthly reassignment of capacity to Suppliers based on their Peak Design Day Demands. Company reserves the right to adjust capacity release quantities intra-month in the event large Choice migrations occur.

Operational System Balancing:

Company's TCO storage will be released to each Choice and SCO Supplier on a proportionate basis. The holders of Company-released TCO storage capacity will collectively provide system balancing through Predetermined Allocations (PDA) set with TCO.

PDA's will be established with TCO at the beginning of each month proportional to the percentage of TCO storage capacity released to Suppliers. Each day SCO Supplier will be allocated a portion of the daily system imbalance based on its PDA percentage. SCO Supplier will be charged by TCO for any overrun or penalties associated with exceeding its individual storage volume limits. If Company, as meter operator, incurs TCO penalties, such penalties will be assessed to each SCO Supplier that contributed to the penalty proportional to their contribution to the violation.

SCO Suppliers will agree to follow Company-established minimum and maximum limits for daily storage injections and withdrawals, and minimum storage inventory requirements to ensure sufficient storage inventory and capacity to balance Company's system each day. At no time shall SCO Supplier's Company-released TCO storage inventory volume be less than the minimum specified by Company.

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SCO SUPPLIER TERMS AND CONDITIONS

Provider of Last Resort ("POLR") Service:

SCO Supplier shall temporarily provide supply from Company-released TCO storage capacity to cover system load requirements in the event of a Supplier default or OFO event.

Defaulting Suppliers will be required to reimburse affected parties for any incremental costs incurred to provide POLR service. Any incremental costs not recovered from defaulting Suppliers will be included in the ETC Rider.

Company will act as POLR Coordinator, identifying the need for POLR Service and notifying SCO and Choice Suppliers.

Company will take the following short-term action with regard to obtaining POLR supply:

- (1) Choice and SCO Suppliers collectively will provide supply to meet POLR needs, using their individual TCO storage inventories. The withdrawn storage inventory will be subsequently replaced.
- (2) If Company determines that the daily quantity of gas needed may affect the reliability of the system, an OFO will be issued, to ensure that Transportation Customers or Pool Operators are not under delivering versus their respective usages during the POLR period.
- (3) Next, as soon as possible, all transportation and storage capacity released to any defaulting Supplier will be recalled by Company who will use it to meet the immediate needs of the defaulting Supplier's customers. Company will claim the defaulting Supplier's storage inventory as needed to meet the defaulting Supplier's customer loads.
- (4) Company will fill any remaining shortfall through acquiring additional temporary capacity and supply or city-gate deliveries.
- (5) Company will coordinate the provision of POLR service for the remainder of the billing month in which a Supplier default occurs, and the subsequent month, or until an alternate solution is effectuated.

In the event of defaulting supplier removal, Company will take the following action with regard to an alternate solution:

- (1) If a Choice Supplier is removed, Company will offer non-defaulting Choice Suppliers the option of assuming the customers of the removed Choice Supplier. If there are no non-defaulting Choice Suppliers that will assume the removed Choice Supplier's customers, the customers will transfer to Sales service.
- (2) If an SCO Supplier is removed or Choice Suppliers do not assume the customers of a removed SCO Supplier:
 - (a) The existing SCO Suppliers loads will be increased to cover the defaulted load on a pro rata basis. Such incremental load will be limited to 50% of initial Tranche size.
 - (b) For the portion of increased load quantity greater than 50% of initial Load Tranche size, that load will be assigned to a new SCO Supplier based on an accelerated auction process.

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SCO SUPPLIER TERMS AND CONDITIONS

Daily Scheduling of Directed Delivery Quantities:

By 8:00 a.m. Central Clock Time (CCT), Company will post on its EBB, SCO Supplier's DDQ 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 SCO Supplier's Load Tranches for that gas day calculated as a prorata share of total SCO Customer demand; 2) Load Tranche Unaccounted for Gas quantities based on Company's Unaccounted for Gas Percentage and 3) 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 MMBtus.

At the time of posting the DDQ, Company shall indicate the minimum, maximum or exact volume that shall be delivered by SCO 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). Company shall maintain city-gate allocation tables that outline the range of minimum and maximum delivery percentages required by city-gates on Company's system. These percentages shall be recalculated and communicated to SCO Suppliers periodically. Absent unforeseen circumstances, four months' minimum notice will be provided on changes to the city-gate allocation tables.

SCO Suppliers are required to nominate scheduled storage injections and withdrawals to the pipelines and to Company for all Company-released storage capacity. Company will post daily minimum and maximum TCO storage injection and withdrawal limits, and monthly minimum storage inventory levels. Scheduled injection nomination rights during winter months and scheduled withdrawal nomination rights during summer months are subject to approval in advance by Company.

By 11:00 a.m. CCT each day, and in any intra-day nominations thereafter, SCO Supplier shall nominate to the Company via the Company's EBB the quantity of gas that it has scheduled for delivery at Company's city gates for its DDQ for the following gas day. SCO 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.

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SCO SUPPLIER TERMS AND CONDITIONS

Company will post actual system imbalance volumes the day after flow and each SCO Supplier's prorata share of the system imbalance per the monthly PDA. Company may at its discretion perform a No-Notice nomination to SCO Supplier's Company-released TCO storage for the prior day's flow if the SCO Supplier has not (1) delivered adequate supplies to meet their DDQ or (2) met their TCO minimum city-gate allocation delivery requirement.

Allocation of Propane Supplies:

During the months of December through March, Company shall reserve a portion of its vaporized propane capacity for SCO Suppliers, based on the product of each SCO Supplier's then-applicable Peak Design Day Demand and the percentage 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 SCO Supplier must meet pursuant to its Comparable Firm Capacity Requirement.

On any day when the SCO Supplier's Expected Demand reaches the volume of SCO Supplier's Comparable Firm Capacity Requirement, Company shall supply the SCO Supplier's gas needs in excess of the SCO Supplier's Comparable Firm Capacity Requirements with vaporized propane.

SCO Supplier will be assessed a proportionate share, as determined by Company, of the costs of propane used for peak shaving, for propane facility test runs, for hourly load shaving and any other uses of propane determined to be necessary for system operation in Company's discretion.

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 SCO Supplier's Peak Design Day Demand that will be met with Company's vaporized propane, or alternate peaking supplies, allocated by Company to such SCO Supplier.

Measurement of Customer Usage Volumes:

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

Quality of Gas Delivered by SCO Supplier:

SCO Supplier warrants that all gas delivered by or for its Tranche 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:

SCO 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.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public
Utilities Commission of Ohio.

Issued _____ Issued by Jerrold L. Ulrey, Vice-President _____ Effective _____

SCO SUPPLIER TERMS AND CONDITIONS

MONTHLY VOLUME RECONCILIATION

Company will determine each Supplier's Tranche's Effective Deliveries and compare to each Tranche's Required Deliveries in order to determine the reconciliation volume. Reconciliation volumes will be settled financially by charging Supplier if Required Deliveries are less than Effective Deliveries, or paying Supplier if Effective Deliveries are greater than their Required Deliveries. The price utilized will be the Columbia Appalachia Index for the month being reconciled.

SCO Supplier's Tranche's Effective Deliveries will be the sum of each Tranche's respective deliveries to the city-gate, plus its proportional share of propane and system balancing activity.

The Tranche's Required Deliveries will be determined by multiplying the Tranche's actual usage percentage by the total system Effective Deliveries.

Monthly volume reconciliations will be performed the second month following the end of the month of flow in order to obtain all billed usage for the applicable period and any prior usage adjustments.

SCO SUPPLIER DEFAULT OR TERMINATION

If SCO Supplier ceases participation in the SCO Program, Company shall have the right to recall all pipeline capacity then assigned to SCO Supplier by Company associated with the specific Load Tranche(s) in accordance with the terms of the release agreement. Payment of any amounts payable to SCO Supplier by Company will be held by Company until all volumes are reconciled and any charges owed to Company are paid in full.

SCO Suppliers will be required to sell to succeeding Suppliers fifteen percent (15%) of their TCO Storage Contract Quantity (SCQ) at the end of the SCO phase at the first of the month Columbia Appalachia Index price for the next month.

Upon default, SCO Supplier will be required to sell to Company fifteen percent (15%) of its TCO Storage Contract Quantity (SCQ) at the Columbia Appalachia Index price for the current or next month, whichever is lower.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of The Public
Utilities Commission of Ohio.

Issued _____ Issued by Jerrold L. Ulrey, Vice-President _____ Effective _____

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 _____ in Case No. _____ of The Public Utilities Commission of Ohio.

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Issued by Jerrold L. Ulrey, Vice-President

Effective

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'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.

Financial Assurance – credit support or collateral in a form acceptable to Company in its sole discretion.

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.

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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.

SCQ Customer – A Customer subscribing to a Standard Choice Offer Service Rate Schedule.

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

DEFINITIONS Continued

SCO-Supplied Gas – Gas provided by SCO Supplier and distributed to Customer for end-use.

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

Standard Choice Offer ("SCO") Service – Service established to replace Company's former SSO Service.

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Standard Sales Offer ("SSO") Service – An expired standard market pricing sales service established to replace Company's former GCR Sales Service.

Deleted: Company

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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.

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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 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.

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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, 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 SCQ-Supplied gas to meet the demands of, SCQ 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.

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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). Rate 385 and Rate 396 Suppliers shall be subject to an OFO and subject to the specific delivery requirements and or restrictions specified by Company.

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- (2) Next, Rate 341 Customers' purchases of SCO-Supplied Gas for Spaceheating shall be interrupted 100%.

Deleted: Rate 340 Customers' purchases of Company-Supplied Gas and

- (3) Next, as determined by Company, all Rates 320 Firm Curtailment Customers' purchases of SCO-Supplied Gas shall be limited to either:

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- (a) their respective Average Daily Throughput each day over any portion of the billing month, or

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- (b) their respective Normal Monthly Throughput.

Deleted: Company-Supplied

- (4) Next, as determined by Company, all Rates 320 Firm Curtailment Customers' purchases of SCO-Supplied gas shall be curtailed prorata, either:

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- (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

Deleted: Company-Supplied

- (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 Firm Curtailment Customers' purchases of SCO-Supplied Gas shall be curtailed to a daily quantity equal to their respective Plant Protection Levels.

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- (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 higher priority Customers.

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- (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 higher priority Customers.

Deleted: 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

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

11. CURTAILMENT PROCEDURES (Continued)

- 2) ANR, La; or
 - 3) Panhandle, Tx-Okl; 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 Exit Transition Cost Rider.

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). Rate 385 and Rate 396 Suppliers shall be subject to an OFO and subject to the specific delivery requirements and or restrictions specified by Company.
- (2) Next, Rate 341 Customers' purchases of SCO-Supplied Gas for Spaceheating shall be interrupted 100%.
- (3) Next, as determined by Company, all Firm Curtailment Customers' transportation quantities or purchases of SCO-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 SCO-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.

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Deleted: Rate 340 Customers' purchases of Company-Supplied Gas and

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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.

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Effective:

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.

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Issued: _____ Issued by Jerrold L. Ulrey, Vice President

Effective: _____

12. OPERATIONAL FLOW ORDERS

Company may issue an Operational Flow Order (OFO), in its reasonable discretion, as specified in this section upon determination that an action is required in order to:

- (1) alleviate or prevent conditions which threaten the integrity or reliability of Company's Operational System
- (2) to maintain the Operational System in balance
- (3) to maintain adequate storage inventory balances
- (4) to assure deliveries of gas supplies by Choice Suppliers, SCO Suppliers, and Pool Operators to serve their respective Customers' loads
- (5) adhere to the various interstate pipeline companies' balancing requirements, as stated in their FERC approved gas tariffs
- (6) direct SCO Suppliers, Choice Suppliers, Pool Operators and Transportation Customers to different city-gates or to institute different city-gate delivery allocations due to system maintenance or system constraints, or
- (7) any other condition warranting a change to delivery requirements.

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An OFO may be may issued on a non-discriminatory basis to SCO Suppliers, Choice Suppliers, Pool Operators, and Transportation Customers delivering gas to Company's city-gates, on a system-wide basis, program basis, or individual basis, when necessary in Company's sole judgment.

Deleted: SSO

Company will post the OFO notice via its EBB including the following information:

- (1) Start date of the OFO
- (2) End date of the OFO
- (3) Expected duration if no end date is specified
- (4) Specific delivery requirements and or restrictions including but not limited to the following:
 - i. No under-deliveries during a Cold Weather OFO
 - ii. No over-deliveries during a Warm Weather OFO
 - iii. No deliveries can be accepted at a particular city-gate due to maintenance

Company will endeavor to give 24 hours notice of an OFO. If the risk of a potential future critical issue is identified, Company will endeavor to post a Potential OFO notice to its EBB. However, Company reserves the right to issue an OFO at any time to mitigate potential system issues with expediency without prior notice.

Filed pursuant to the Finding and Order dated _____ in Case No. _____ of the Public Utilities Commission of Ohio.

Issued: _____ Issued by Jarrold L. Ulrey, Vice President

Effective: _____

VECTREN ENERGY DELIVERY OF OHIO, INC.

TARIFF FOR GAS SERVICE

P.U.C.O. No. 2

Communications concerning this tariff may be addressed to:

Mail: Rate Department
Vectren Energy Delivery of Ohio, Inc.
P.O. Box 209
Evansville, IN 47702-0209
Telephone: 800-227-1376
E-mail: VectrenCustomerCare@Vectren.com

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.

TARIFF SHEET INDEX

<u>Tariff Sheet</u>	<u>Description</u>	<u>Revision</u>	<u>Effective Date</u>
1	Title Page	Original	April 13, 2005
2	Tariff Sheet Index	Thirty Fifth	January 1, 2008
3	Locations Served	Original	April 13, 2005
4-9	Reserved for Future Use		
RATE SCHEDULES			
10	Rate 310 Residential Sales Service	First	May 1, 2007
11	Rate 315 Residential Transportation Service	Second	May 1, 2007
12	Rate 320 General Sales Service	First	May 1, 2007
13	Rate 325 General Transportation Service	Second	May 1, 2007
14	Rate 330 Large General Sales Service	First	May 1, 2007
15	Rate 340 Interruptible Sales Service	First	May 1, 2007
16	Rate 341 Dual Fuel Sales Service	First	May 1, 2007
17	Rate 345 Large General Transportation Service	First	May 1, 2007
18-19	Reserved for Future Use		
20	Rate 380 Pooling Service (Large General)	Original	April 13, 2005
21	Rate 385 Pooling Service (Residential & General)	Original	April 13, 2005
22-29	Reserved for Future Use		
RIDERS			
30	Miscellaneous Charges	First	August 1, 2006
31	Gas Cost Recovery Rider	Thirty Fourth	January 1, 2008
32	Reserved for Future Use		
33	Backup Sales Service Rider	Original	April 13, 2005
34	Gas Cost Recovery Reconciliation Rider	Fifth	September 1, 2007
35	Migration Cost Rider	Original	April 13, 2005
36	Balancing Cost Rider	Third	November 1, 2007
37	Gross Receipts Excise Tax Rider	Original	April 13, 2005
38	Reserved for Future Use		
39	Uncollectible Expense Rider	Third	August 1, 2007
40	Percentage of Income Payment Plan Rider	First	February 5, 2007
41	Reserved for Future Use		
42	S.B. 287 Excise Tax Rider	Original	April 13, 2005
43	Sales Reconciliation Rider	Original	October 1, 2006
44-49	Reserved for Future Use		

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

TARIFF SHEET INDEX

<u>Tariff Sheet</u>	<u>Description</u>	<u>Revision</u>	<u>Effective Date</u>
TRANSPORTATION PROVISIONS			
50	Transportation Terms and Conditions (Large General)	Original	April 13, 2005
51	Nomination and Balancing Provisions (Large General and Pool Operator)	Second	November 1, 2007
52	Pooling Service Terms and Conditions (Residential and General)	Original	April 13, 2005
53	Supplier Pooling Agreement (Residential and General)	Original	April 13, 2005
54	Unaccounted for Gas Percentage	Original	April 13, 2005
55-58	Reserved for Future Use		
GENERAL TERMS AND CONDITIONS			
59	Definitions	Original	April 13, 2005
60	Application and Contract for Service	Original	April 13, 2005
61	Credit Requirements of Customer	Original	April 13, 2005
62	Billing and Payment for Gas Service	Original	April 13, 2005
63	Disconnection-Reconnection of Service	First	November 10, 2005
64	Meters and Metering Equipment-Location and Installation	Original	April 13, 2005
65	Service Pipe-Location and Installation	Original	April 13, 2005
66	Equipment on Customer's Premises	Original	April 13, 2005
67	Use and Character of Service	Original	April 13, 2005
68	Extensions of Gas Distribution Mains	Original	April 13, 2005
69	Extensions of Gas Facilities to House Trailer Parks	Original	April 13, 2005
70	Curtailment Procedures	First	August 1, 2006
71	Amendments	Original	April 13, 2005

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
Bloomingburg
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

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.

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.

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.

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.

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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.

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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

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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

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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.

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.

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>
310 and 315	<u>Rider</u>
320 and 325	\$0.00000
	\$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.

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.

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.

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

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.

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

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

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

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.

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

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.

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

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 tarified 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.

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

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.

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

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

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

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

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

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.

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

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.

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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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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.

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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): _____

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 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.

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.

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.

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.

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)**

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.