

FILE

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

RECEIVED-DECKLING DIV

2009 JUL 18 PM 3:34

In the Matter of the Application of)
The East Ohio Gas Company d/b/a)
Dominion East Ohio for Approval of a)
General Exemption of Certain Natural)
Gas Commodity Sales Services or)
Ancillary Services from Chapters 4905,)
4909, and 4935 Except Sections 4905.10,)
4935.01, and 4935.03, and from Specified)
Sections of Chapter 4933 of the Revised)
Code.)

PUCO

Case No. 07-1224-GA-EXM

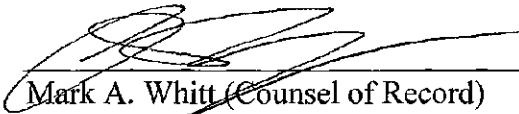
NOTICE OF INTENT

In accordance with R.C. 4929.07 and the Commission's June 18, 2008 Opinion and Order (the "June 18 Order"), The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") files this notice of its intention to implement the exemption of certain natural gas commodity sales services or ancillary services from certain provisions of Title 49 as approved by the Commission in its June 18 Order.

In accordance with R.C. 4929.07, DEO is filing with this notice revised tariffs showing the changes resulting from the Commission's approval of the April 10, 2008 Stipulation and Recommendation. Attached as Exhibit A to this Notice are final revised tariff pages of DEO's Terms and Conditions of Energy Choice Pooling Service. Attached as Exhibit B to this Notice are tariffs for General Sales Service, Large Volume General Sales Service, and the Standard Choice Offer Gas Cost Rate ("SCO") revised from the proposed versions included in DEO's application in this case. Final tariffs, however, cannot be filed until after the auction and until after the terms and conditions under which SCO commodity service will be provided are developed and approved by the Signatory Parties to the Stipulation and Recommendation in accordance with paragraph (4)(a) of the Stipulation and Recommendation. Thus, although the

tariff filed as Exhibit A to this Notice is final and may be approved by the Commission, the tariffs filed as Exhibit B to this Notice cannot be approved by the Commission as final tariffs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark A. Whitt', is written over a horizontal line.

Mark A. Whitt (Counsel of Record)

Andrew J. Campbell

JONES DAY

325 John H. McConnell Boulevard, Suite 600

P.O. Box 165017

Columbus, OH 43216-5017

Telephone: (614) 469-3939

Facsimile: (614) 461-4198

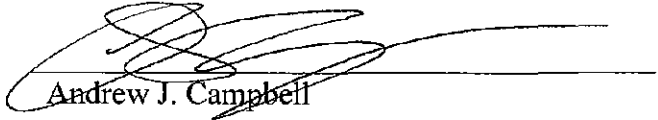
mawhitt@jonesday.com

ajcampbell@jonesday.com

ATTORNEYS FOR THE EAST OHIO GAS
COMPANY d/b/a DOMINION EAST OHIO

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Notice of Intent was delivered to the following persons by regular U.S. mail this 18th day of July, 2008:



Andrew J. Campbell

Ohio Partners for Affordable Energy
David C. Rinebolt
231 West Lima Street
P.O. Box 1793
Findlay, Ohio 45839-1793

Industrial Energy Users-Ohio
Samuel C. Randazzo
McNees Wallace & Nurick, LLC
21 East State Street, 17th Floor
Columbus, Ohio 43215-4228

Integrus Energy Services, Inc.
Bobby Singh
300 West Wilson Bridge Road, Suite 350
Worthington, Ohio 43085

Dominion Retail, Inc.
Barth E. Royer
Bell & Royer Co., LPA
33 South Grant Avenue
Columbus, Ohio 43215-390010

MXenergy Inc.
Barth E. Royer
Bell & Royer Co., LPA
33 South Grant Avenue
Columbus, Ohio 43215-3900

Office of the Ohio Consumers' Counsel
Joseph P. Serio
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485

National Energy Marketers Association
Craig Goodman
3333 K. Street, N.W., Suite 110
Washington, D.C. 20007

The Ohio Gas Marketers Group
Stephen M. Howard
52 East Gay Street
P.O. Box 1008
Columbus, Ohio 43216-1008

NOPEC
Thomas J. O'Brien
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215-4291

Staff of the Public Utilities Commission of
Ohio
Anne Hammerstein
Stephen Reilly
State of Ohio Office Attorney General
180 East Broad Street, 9th Floor
Columbus, OH 43215-3793

GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

4. ASSIGNMENT OF UPSTREAM CAPACITY

- 4.1 Upstream Pipeline Primary Firm Transportation capacity not needed for operational balancing purposes shall be made available by East Ohio on a pro rata basis. The assignment shall be structured as a release of capacity at the full maximum rates paid by East Ohio. The standard term of the release shall be through the earlier of March 31, 2010 or the termination date of the contract(s) between East Ohio and the Upstream Pipeline as adjusted for any seasonal or annual variations in the capacity rights provided by such contract(s). East Ohio shall retain all rights of first refusal that accompany such capacity upon contract termination. Supplier may request alternate arrangements which East Ohio shall evaluate in terms of the potential impact on reliability and stranded costs. In the event that any such capacity remains unreleased after first being made available to Suppliers on a voluntary basis, Supplier shall be required to accept a pro rata release of such capacity.
- 4.2 In order to ensure adequate deliveries into East Ohio's Ashtabula market area, Suppliers shall be obligated to accept a release of the associated Tennessee Gas Pipeline ("Tennessee") and corresponding downstream Dominion Transmission, Inc. ("DTI") capacity needed to serve that area on a pro rata basis. The amount of Tennessee and corresponding downstream DTI capacity to be released will be adjusted each Summer and Winter Period or monthly in the case of material changes in pro rata market shares. If the pro rata amount of capacity that would be released to the Supplier is de minimus, East Ohio shall not require Supplier to accept the release. Because Tennessee deliveries to the Cochran, Pennsylvania interconnection must be delivered to East Ohio through DTI, only the DTI portion of the release shall count towards the Supplier's comparable capacity requirement.
- 4.3 The Primary Firm Transportation capacity released pursuant to Paragraph 4.1 shall be recallable in the event of a material decrease in Supplier's aggregate end user demand or upon Supplier's failure to comply with the terms and conditions set forth in these General Terms and Conditions. Particular emphasis shall be placed on Supplier compliance with the Reconciliation of Daily Imbalance Volumes (Section 18 of these General Terms and Conditions), OFOs (Section 21) and Standards of Conduct (Section 24). If Supplier's End Use Customers return to system supply, East Ohio shall have the right to recall such Primary Firm Transportation capacity released pursuant to Paragraph 4.1 as may be needed to meet the estimated design day requirements of the returning End Use Customers.
- 4.4 Contract Storage capacity and related storage demand/deliverability not needed for operational balancing purposes shall be made available by East Ohio shall be

GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

made available on a pro rata basis. The assignment shall be structured as a release of capacity at the full maximum rates paid by East Ohio. The standard term of the release shall be through the earlier of March 31, 2010 or the termination date of the contract(s) between East Ohio and the Upstream Pipeline as adjusted for any seasonal or annual variations in the capacity rights provided by such contract(s). East Ohio shall retain all rights of first refusal that accompany such capacity upon contract termination. Supplier may request alternate arrangements which East Ohio shall evaluate in terms of the potential impact on reliability and stranded costs. In the event that any such capacity remains unreleased after first being made available to Suppliers on a voluntary basis, Supplier shall be required to accept a pro rata release of such capacity.

- 4.5 The Contract Storage capacity released pursuant to Paragraph 4.4 shall be recallable in the event of a material decrease in Supplier's aggregate end user demand or upon Supplier's failure to comply with the terms and conditions set forth in these General Terms and Conditions. Particular emphasis shall be placed on Supplier compliance with the Reconciliation of Daily Imbalance Volumes (Section 18 of these General Terms and Conditions), OFOs (Section 21) and Standards of Conduct (Section 24). If Supplier's End Use Customers return to system supply, East Ohio shall have the right to recall such Contract Storage capacity released pursuant to Paragraph 4.4 as may be needed to meet the estimated design day requirements of the returning End Use Customers. If East Ohio recalls such capacity, it shall purchase the associated amount of Supplier's Contract Storage inventory in place. The purchase price shall equal the first of the month price index as published in *Inside F.E.R.C.'s Gas Market Report* (The McGraw-Hill Companies, Inc.) for Dominion Transmission Inc. Appalachia, or an appropriate successor index should it cease to be published, for the month in which the purchase takes place.
- 4.6 Supplier's failure to accept a required release of Upstream Pipeline capacity or pay Upstream Pipeline for any Firm Transportation or Contract Storage capacity released pursuant to this Section may be deemed to be a material default within the meaning of OAC Rule 4901:1-27-12(J) and may be grounds for East Ohio requesting suspension or termination of the Agreement pursuant to OAC Rule 4901:1-27-12(J).

5. ASSIGNMENT OF ON-SYSTEM STORAGE CAPACITY

- 5.1 On-System Storage capacity and related storage demand/deliverability shall be assigned to the Supplier based on the pro rata share of such storage allocable to Supplier's End Use Customers. The costs associated with such capacity shall be recovered in the volumetric rates paid by End Use Customers under the ECTS and

GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

LVECTS rate schedules and shall not be the direct responsibility of the Supplier. The initial assignment shall commence the first month in which the Supplier renders commodity service to the End Use Customer and shall terminate the last month in which the Supplier renders commodity service to the End Use Customer on whose behalf the capacity had been assigned.

- 5.2 Supplier shall comply with the Summer Period storage injection schedule set forth in paragraph 13.8 of these General Terms and Conditions. Compliance may be achieved by: (1) modified On-System Storage injections and/or (2) On-System Storage inventory transfers to and from storage accounts of other Suppliers. East Ohio shall use its best efforts to accommodate Supplier requests for over-injections above the firm injection rights specified in Section 13 of these General Terms and Conditions. East Ohio shall accommodate Supplier's On-System Storage inventory transfer requests to the extent permitted under the respective pooling and storage service provisions. If, notwithstanding its best efforts, Supplier is unable to attain the specified On-System Storage inventory levels, Supplier shall purchase from or sell to East Ohio On-System Storage volumes in place in an amount necessary to attain such inventory. East Ohio may, at its option, purchase or sell volumes above the minimum level needed to achieve compliance if requested by Supplier, or if needed to meet operational requirements. The transfer price shall equal the first of the month price index as published in *Inside F.E.R.C.'s Gas Market Report* (The McGraw-Hill Companies, Inc.) for Dominion Transmission Inc. Appalachia, or an appropriate successor index should it cease to be published, for the month in which the purchase or sale takes place plus the 100% load factor cost of transportation on Dominion Transmission Inc. to East Ohio's city gate. Such price shall be adjusted by the Unaccounted-for Gas Percentage, the conversion to Mcf pursuant to Paragraph 7.2 of these General Terms and Conditions, and associated excise tax if applicable. On-System Storage volumes purchased from East Ohio shall be credited to Supplier's inventory for nomination purposes only. Title and possession shall remain with East Ohio until payment for such purchase is received from Supplier, at which time title and possession shall transfer to Supplier.
- 5.3 Supplier shall attain a first of month On-System Storage inventory level consistent with the ranges set forth in Paragraph 13.12 of these General Terms and Conditions. Supplier may achieve such a level by (1) On-System Storage inventory transfers to and from storage accounts of other Suppliers or (2) a purchase from or sale to East Ohio of On-System Storage volumes in place in an amount necessary to attain such inventory. East Ohio may, at its option, purchase or sell volumes above the minimum level needed to achieve compliance if requested by Supplier, or if needed to meet operational requirements. The transfer price shall equal the first of the month price index as published in *Inside*

GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

F.E.R.C.'s Gas Market Report (The McGraw-Hill Companies, Inc.) for Dominion Transmission Inc. Appalachia, or an appropriate successor index should it cease to be published, for the month in which the purchase or sale takes place plus the 100% load factor cost of transportation on Dominion Transmission Inc. to East Ohio's city gate. Such price shall be adjusted by the Unaccounted-for Gas Percentage, the conversion to Mcf pursuant to Paragraph 7.2 of these General Terms and Conditions, and associated excise tax if applicable. On-System Storage volumes purchased from East Ohio shall be credited to Supplier's inventory for nomination purposes only. Title and possession shall remain with East Ohio until payment for such purchase is received from Supplier, at which time title and possession shall transfer to Supplier.

- 5.4 The Supplier shall make an election upon executing the Agreement regarding the percentage of its prospective assignment of On-System Storage capacity that it desires East Ohio to remarket as Firm Storage Service ("FSS") on the Supplier's behalf during the Summer Period. Proceeds from the remarketed On-System Storage capacity shall be remitted to the Supplier as it is collected from the replacement holder(s). The returned On-System Storage will be combined with FSS capacity to form a total amount of storage service that will be sold on a firm basis. East Ohio will credit costs recovered through the Transportation Migration Rider Part B with revenues received in excess of \$4,500,000 per year net of any proceeds remitted to Suppliers from remarketed On-System Storage capacity. The election made pursuant to this Section may be updated annually thereafter prior to the Summer Period.
- 5.5 The Supplier shall make an election upon executing the Agreement regarding the percentage of its prospective assignment of On-System Storage capacity that it desires to use in other pooling services it receives from East Ohio. The election made pursuant to this Section may be updated annually thereafter prior to the Summer Period.
- 5.6 The On-System Storage assignment made pursuant to Paragraph 5.1 shall be withdrawn only under the following circumstances: (1) the End Use Customer on whose behalf the capacity has been assigned is no longer served by the Supplier or (2) the Supplier has failed to comply with the terms and conditions set forth in these General Terms and Conditions. Particular emphasis shall be placed on Supplier compliance with the Reconciliation of Daily Imbalance Volumes (Section 18 of these General Terms and Conditions), OFOs (Section 21) and Standards of Conduct (Section 24).

6. ASSESSMENT OF SUPPLY AND CAPACITY

GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

- 6.1 East Ohio shall assess the sufficiency of Supplier's supply and/or capacity rights on a monthly basis during the November through March period. If East Ohio adopts enrollment procedures that permit intra-month changes in the number of Customers served by Supplier, East Ohio may update its assessment during the month. If such assessment indicates that Supplier's rights are deficient relative to 91.75% of its End Use Customers' design day requirements for the following month, East Ohio shall notify Supplier, which shall then correct the deficiency within ten business days. East Ohio may also require Supplier to submit a capacity and supply plan for the remainder of the November through March period in order to determine whether Supplier's plan and capabilities are sufficient to meet future Customer requirements. Supplier's failure to correct any deficiencies may be deemed to be a material default within the meaning of OAC Rule 4901:1-27-12(J) and may be grounds for East Ohio requesting suspension or termination of the Agreement pursuant to OAC Rule 4901:1-27-12(J). In the event such deficiency remains uncorrected, East Ohio may also, at its sole discretion and in accordance with reasonable and standard industry practice, recall or otherwise withdraw any capacity rights assigned to the Supplier pursuant to Sections 4 and 5 of these General Terms and Conditions upon five (5) days' written notice to the Supplier.
- 6.2 The capacity retained by East Ohio for operational balancing purposes shall be comprised of 75% Contract Storage capacity and 25% On-System Storage capacity. East Ohio shall review annually the amount and composition of its operational balancing capacity. If such review indicates that this designated amount and/or composition of operational balancing is not required to maintain system integrity, the amount and/or composition may be modified after review by the PUCO Staff.

GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**SUPPLIER DEFAULT****26. CONDITIONS OF SUPPLIER DEFAULT**

- 26.1 Supplier's failure to accept a required release of Upstream Pipeline capacity or pay Upstream Pipeline for any Firm Transportation or Contract Storage capacity released pursuant to Section 4 of these General Terms and Conditions.
- 26.2 Supplier's failure to correct a deficiency of Supplier's comparable supply and/or capacity rights pursuant to Section 6 of these General Terms and Conditions.
- 26.3 Supplier's failure to comply with an On-System Storage OFO pursuant to Section 13 of these General Terms and Conditions.
- 26.4 Supplier's failure to provide cumulative Daily Available Volumes plus Imbalance Trading Volumes equal to at least 90% of cumulative Daily Pool Requirements over a given month pursuant to Section 18 of these General Terms and Conditions.
- 26.5 Supplier's failure to provide Daily Available Volumes plus Imbalance Trading Volumes equal to at least 80% of Daily Pool Requirements for five or more days in a given month pursuant to Section 18 of these General Terms and Conditions.
- 26.6 Supplier informs East Ohio, or East Ohio otherwise becomes aware, that Supplier does not intend to perform its obligations under the Agreement, or East Ohio determines that Supplier no longer has the Upstream Pipeline or Storage capacity, inventory or gas supply necessary to perform Supplier's obligations as described in Section 18 of these General Terms and Conditions.
- 26.7 Supplier's failure to comply with an OFO pursuant to Section 21 of these General Terms and Conditions.
- 26.8 Supplier's failure to pay to East Ohio amounts due under the Agreement pursuant to Section 22 of these General Terms and Conditions.
- 26.9 Supplier's failure to meet and/or maintain creditworthiness requirements pursuant to Section 23 of these General Terms and Conditions.

General Sales Service (GSS)

1. Applicability

Service under this rate schedule is available to Customers throughout East Ohio's service area who purchase and receive all of their natural gas requirements directly from East Ohio pursuant to this rate schedule. The following classes of Customers are able to receive service under this rate schedule:

- 1) Customers participating in the Percentage Income Payment Plan and
- 2) Customers who are not eligible to receive service under the Energy Choice Transportation Service ("ECTS") rate schedule.

Customers who are eligible to receive service under the ECTS rate schedule are able to initially receive service under this rate schedule for up to two consecutive billing periods after which they must receive service under the ECTS or Designated Supplier Service rate schedules or one of their large volume counterparts, the Large Volume General Sales Service and Large Volume Energy Choice Transportation Service rate schedules.

2. Character of Service

All gas supplied under this rate schedule shall be supplied on a firm and continuous basis, provided, however, that in the event of an emergency, service may be curtailed pursuant to PUCO rules or a curtailment plan approved for East Ohio by the PUCO.

3. Rates and Charges

3.1 The volumetric charges for each Customer at each delivery point served under this rate schedule shall be the rates set forth below plus the riders, as specified in 3.3, applicable to service rendered under this rate schedule:

- 1) \$1.2355 per Mcf for all consumption each month; and
- 2) a charge for the cost of gas based on the standard service offer rate as set forth on tariff sheet B-SSO 1 plus a charge equal to the Transportation Surcredit Rider.

3.2 In addition to the volumetric charge, each Customer shall be charged a service charge of \$5.70 per delivery point per month.

3.3 Customers receiving service under this rate schedule shall be responsible for charges pursuant to East Ohio's Gross Receipts Tax Rider, Excise Tax Rider, Interim

Issued:

Effective: With bills rendered on or after

Emergency and Temporary PIP Plan Rider, Uncollectible Expense Rider, Transportation Migration Rider-Part B, Sales Reconciliation Rider, AMR Cost Recovery Charge and Transportation Surcredit Rider as applicable.

4. Resumption of Service After Interruption

If service is interrupted as a result of the Customer's failure to make payment or at the Customer's request, East Ohio shall not be under any obligation to resume service to the same Customer at the same premises unless East Ohio shall have received, in addition to payment for all gas received by the Customer under this rate schedule, a reconnection payment of \$20.

5. Prohibition on Resale of Gas

No gas supplies under this rate schedule shall be resold for any purpose.

6. Regulations

All gas service provided by East Ohio is rendered under and subject to the Rules and Regulations contained in its tariff.

Issued:

Effective: With bills rendered on or after

Filed under authority of the Public Utilities Commission of Ohio in Case No. 07-1224-GA-EXM
Bruce C. Klink, President

Large Volume General Sales Service (LVGSS)

1. Applicability

Service under this rate schedule is available to Customers throughout East Ohio's service area who purchase and receive all of their natural gas requirements directly from East Ohio pursuant to this rate schedule, are not eligible to receive service under the Large Volume Energy Choice Transportation Service ("LVECTS") rate schedule and have entered into a written contract with East Ohio for service under this rate schedule for a minimum of twelve months. East Ohio may waive the requirement that the customer enter into a written contract to receive service under this rate schedule. Customers who are eligible to receive service under the LVECTS rate schedule are able to initially receive service under this rate schedule for up to two consecutive billing periods after which they must receive service under the LVECTS rate schedule, the rate schedule applicable to large volume Standard Choice Offer commodity service, or one of their smaller volume counterparts.

2. Character of Service

All gas supplied under this rate schedule shall be supplied on a firm and continuous basis, provided, however, that in the event of an emergency, service may be curtailed pursuant to PUCO rules or a curtailment plan approved for East Ohio by the PUCO.

3. Rates and Charges

3.1 The volumetric charges for each Customer at each delivery point served under this rate schedule shall be the rates set forth below plus the riders, as specified in 3.3, applicable to service rendered under this rate schedule:

- (1) For the first 100 Mcf each month, \$1.2527 per Mcf,
For the next 400 Mcf each month, \$0.9927 per Mcf,
For all over 500 Mcf each month, \$0.8187 per Mcf; and
- (2) a charge for the cost of gas based on the standard service offer rate as set forth on tariff sheet B-SSO 1 plus a charge equal to the Transportation Surcredit Rider.

3.2 In addition to the volumetric charge, each Customer shall be charged a service charge of \$40.00 per delivery point per month.

3.3 Customers receiving service under this rate schedule shall be responsible for charges pursuant to East Ohio's Gross Receipts Tax Rider, Excise Tax

Issued:

Effective: With bills rendered on or after

Filed under authority of the Public Utilities Commission of Ohio in Case No. 07-1224-GA-EXM
Bruce C. Klink, President

Rider, Interim Emergency and Temporary PIP Plan Rider, Uncollectible Expense Rider, Transportation Migration Rider-Part B, Sales Reconciliation Rider, AMR Cost Recovery Charge, and Transportation Surcredit Rider as applicable.

4. Termination of Contract

After receiving service under this rate schedule for at least twelve months, the Customer may terminate purchases under the contract and under this rate schedule upon thirty days written notice to East Ohio, which notice shall specify the termination date.

5. Resumption of Service after Interruption

If service is interrupted as a result of the Customer's failure to make payment or at the Customer's request, and the Customer subsequently requests and receives service under East Ohio's General Sales Service, East Ohio shall not be under any obligation to resume service to the same Customer at the same premises under this rate schedule during the twelve consecutive months subsequent to the interruption or termination. East Ohio shall not be required to resume service under any rate schedule to the same Customer at the same premises unless East Ohio shall have received, in addition to payment for all gas received by the Customer under this or any other rate schedule, a reconnection payment of \$60.

6. Prohibition on Resale of Gas

No gas supplied under this rate schedule shall be resold for any purpose.

7. Regulations

All gas service provided by East Ohio is rendered under and subject to the Rules and Regulations contained in its tariff.

STANDARD CHOICE OFFER GAS COST RATE

A standard choice offer gas cost rate of \$ _____ per Mcf shall be applied effective with bills rendered for billing cycles commencing on or after _____ to all volumes purchased and received under the following East Ohio rate schedules:

[In accordance with paragraph 4.a. of the Stipulation and Recommendation approved in Case No. 07-1224-GA-EXM, the terms and conditions of the Standard Choice Offer commodity service will be developed prior to finalizing this rate schedule.]

Issued:

Effective: With bills rendered on or after

Filed under authority of the Public Utilities Commission of Ohio in Case No. 07-1224-GA-EXM
Bruce Klink, President