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File

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)
Southeastern Natural Gas Company)
for Approval of a Special Arrangement)
for the Sale of Natural Gas)

Case No. 99-1726GA-AEC

APPLICATION FOR APPROVAL OF CONTRACT

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December 29, 1999

**Attorneys for Southeastern Natural
Gas Company**

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of) Southeastern Natural Gas Company) for Approval of a Special Arrangement) for the Sale of Natural Gas)	Case No. 99-____-GA-AEC
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APPLICATION AND STATEMENT

1. Applicant, Southeastern Natural Gas Company ("SNG"), is a corporation organized and existing under the laws of the State of Ohio and a natural gas company which is a public utility subject to the jurisdiction of the Public Utilities Commission of Ohio. SNG's principal office is P.O. Box 377, Fazeysburg, Ohio 43822.

2. Pursuant to the provisions of Section 4905.31, Revised Code, SNG seeks approval of a special arrangement to provide natural gas service to certain new residential and small commercial customers. The proposed arrangement is attached hereto as Exhibit A.

3. The new customers are to be served by distribution facilities SNG intends to build in areas where no distribution plant currently exists, including distribution facilities attached to pipeline currently serving industrial users along the eastern edge of Union County and the western edge of Delaware County.

4. The proposed arrangement would permit SNG to offer natural gas service to residential and small commercial customers to whom such service is otherwise unavailable.

5. The proposed arrangement provides for natural gas service in accordance with SNG's Rules and Regulations, previously approved by this Commission in Case No. 85-1354-GA-ATA. The arrangement is also subject to SNG's General Terms and Conditions of Natural Gas Service, which are attached to each Application and Agreement for Gas Service.


6. Timely approval of this arrangement is necessary so as to permit the intended provision of gas service to begin as soon as possible both to meet the needs of the customers at the earliest time and to satisfy, to the extent possible, the economic requirements of the distribution facilities.

7. SNG respectfully submits that the proposed arrangement is practicable and advantageous to both SNG and the customers to whom it would make natural gas service possible. SNG will offer to all customers, excluding customers served through existing SNG facilities and customers served through existing right-of-way agreements, the opportunity to enter into such an arrangement under the same terms and conditions as set forth in Exhibit A. SNG will file notice of the names of all customers entering into this arrangement as additional exhibits in this docket.

8. Further, SNG submits that the proposed arrangement is consistent with the natural gas services and goods policy set forth in Section 4929.02, Revised Code, generally, and specifically paragraphs (A)(1) and (4).

WHEREFORE, Southeastern Natural Gas Company respectfully requests approval of the special arrangement attached hereto as Exhibit A.

Respectfully submitted,

 /kw
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**Attorneys for Southeastern Natural
Gas Company**

APPLICATION AND AGREEMENT FOR GAS SERVICE

_____ of _____, Ohio,
 (Name of Buyer) (Community)

"Buyer," requests SOUTHEASTERN NATURAL GAS COMPANY, as "Seller," to supply gas under the following terms and conditions:

- (1) Buyer agrees that gas service hereunder is subject to the Rules and Regulations Governing the Distribution and Sale of Gas, filed with Public Utilities Commission of Ohio by Seller, and any subsequent revisions thereof, and to the lawful orders of regulatory authorities having jurisdiction.
- (2) Buyer agrees to pay Seller for gas service as provided in the General Terms and Conditions of Natural Gas Service of Seller, a copy of which is attached hereto and made a part of this Application and Agreement as though the same were written herein, or any effective rate filed with the Public Utilities Commission of Ohio superseding the attached General Terms and Conditions.
- (3) Gas service is to be furnished to Buyer at the following location:

_____, _____, Ohio,
 (Number and Street) (Community)

- (4) Gas Service is to begin on the _____ day of _____, _____, and may be discontinued by either party, by written notice to the other party not less than thirty (30) days prior to the 1st day of October of any year thereafter or at the option of Buyer by written notice to Seller within thirty (30) days after the effective date of any superseding rate filed in accordance with paragraph (2) above; subject, however, to the right of Seller temporarily to discontinue service as provided for in said Orders, Rules, and Regulations.
- (5) Neither party shall be liable in damages to the other for any act, omission or circumstance preventing the fulfillment of any obligation hereunder, occasioned by or in consequence of any act not within the party's control. In the event of any such circumstance, the parties shall not be relieved of the responsibility of making prompt effort to restore their respective ability to carry out their obligations under this Agreement.
- (6) If the Seller decides not to renew the contract at the current rate or at a reduced rate, Seller agrees that the current contract rate shall remain in effect until Seller files an application to establish new rates with the Public Utilities Commission of Ohio pursuant to 4909.18 ORC and pursuant to such an application, the rates are established by Order of the Public Utilities Commission of Ohio.
- (7) This Application and Agreement shall not be binding upon either party until acceptance is signed by the authorized representative of Seller, and when so accepted shall constitute a contract binding upon both parties, their heirs, successors or assigns, subject to the public utilities laws of Ohio.

Accepted By: _____ (Buyer)

Date Executed: _____

Telephone No.: _____

Drivers License No.: _____

Social Security No.: _____

SOUTHEASTERN NATURAL GAS COMPANY

By: _____

Date Executed: _____

PLEASE RETURN TO: SOUTHEASTERN NATURAL GAS COMPANY
 ATTN: BETH BAKER
 P.O. BOX 377
 FRAZEYSBURG, OH 43822
 PHONE: 1-800-756-7220 (ASK FOR BETH)

SOUTHEASTERN NATURAL GAS COMPANY

GENERAL TERMS AND CONDITIONS OF NATURAL GAS SERVICE -- CONTRACT CUSTOMERS

APPLICABILITY

Applicable for gas service to customers, excluding customers served through existing Southeastern facilities and customers served through existing right of way agreements, at one location taking their full requirements from Company and who will guarantee payment of the minimum monthly charge for Terms of Agreement for Gas Service or twelve consecutive months, whichever is less. Company shall have the right to curtail deliveries of gas hereunder whenever and to the extent necessary in its sole judgment the protection of service to its higher priority customers, if any, may require. Company shall not be required to furnish gas service hereunder to any customer or applicant except by written Agreement for Gas Service between Company and Customer.

USAGE RATE AND MONTHLY SERVICE CHARGE

First	1000 CCF per month	\$.625 per CCF
Next	900 CCF per month	\$.600 per CCF

In addition to the charges determined from the above usage rates, each Customer must pay a monthly service charge of \$6.00 per meter for each billing month.

DELAYED PAYMENT CHARGE

A delayed payment charge of five percent (5%) will be added to the amount of the monthly bill if not paid within fourteen (14) days after receipt thereof by Customer.

PRICE ADJUSTMENTS

The prices specified above may be adjusted upward or downward by Company to reflect any changes in state, local and federal taxes, assessments or fees levied upon or collectable from Company as a result of providing the services contemplated herein or collecting revenue for such services provided that such changes occur on or after January 1, 2000. In addition to adjustments for taxes, assessments and fees, Company may adjust downward the above rates and charges to the extent necessary to promote a more efficient use of facilities, to improve load factor, to reflect a lower quality of service, to spread fixed costs over a larger volume of throughput and for any other lawful purpose provided that such downward adjustment shall not cause the rates and charges to be less than the variable cost of providing service plus a contribution to fixed costs.

CONTINUITY OF SERVICE

The Company shall make reasonable provision to supply gas in sufficient quantity and at adequate uniform pressure, but does not guarantee constant supply or adequate or uniform pressure. The Company shall not be liable in damages for failure to supply gas or for interruptions in service, and shall be relieved of its obligation to serve and may discontinue or modify service, if such failure or interruption is due to acts of God or the public enemy, military action, wars, insurrections, riots, civil disturbances, vandalism, strikes, fires, floods, washouts, explosions, acts or orders of any civil, judicial or military authorities, failure of gas supply or gas facilities, and without limitation by the foregoing, accidents, contingencies or other causes beyond the control of the Company.

Without incurring any liability therefor, the Company may also suspend service after reasonable notice, for such period as may be reasonably necessary to make repairs to or changes in its plant, transmission or distribution systems or other property.

CHARACTER OF SERVICE

The Company's supply of natural gas is received from local Ohio gas wells and supplies delivered to Company from interstate pipelines and local distribution companies. In the case of deliveries to Company from interstate pipelines and local distribution companies, the heating value (BTU content), quality and specific gravity of the gas available to Company for redelivery to Customer are subject to state or federal regulations. Thus, the heating value, quality and specific gravity of gases received may vary between delivery points and from day to day. These variations are beyond the control of the Company, which can only dispatch the gases received, and Customer shall be responsible for any risks that may arise due to such variations.

PAYMENT OF BILLS

Bills shall be paid by the Customer at any office of the Company during its regular office hours or to any one of the Company's authorized collecting agents during the regular office hours of such agent. Any remittance received by the Company by first class mail bearing U.S. Postal Office cancellation date corresponding with or previous to the last date of the net payment period will be accepted by the Company as within the net payment period.

THESE GENERAL TERMS AND CONDITIONS OF NATURAL GAS SERVICE
MAY BE RETAINED FOR YOUR RECORDS.