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PUCO

FILE

May 10, 2011

Renee Jenkins Chief of Docketing The Public Utilities Commission of Ohio 180 E. Broad Street, 11th Floor Columbus, Ohio 43215

Re: In the Matter of the Application of Suburban Natural Gas Company to Amend its Transportation Tariff.

PUCO Case No. 11-87-GA-ATA Tariff Case No. 89-8027-GA-TRF

#### Dear Ms. Jenkins:

Please file and place on the docket the attached four (4) final copies of the below tariff sheets regarding the above-referenced cases. One copy is for the tariff docket, one copy is for the application to amend tariff case docket, with the remaining two copies for distribution to the Rates and Tariffs, Energy and Water Division of the Commission's Utilities Department. The required documents are attached in the following order for the Suburban Natural Gas Company Tariff:

- 1. Section VI Second Revised Sheet No. 2, Canceling First Revised Sheet No. 2
- 2. Section VI Second Revised Sheet No. 3, Canceling First Revised Sheet No. 3
- 3. Section VI Second Revised Sheet No. 4, Canceling First Revised Sheet No. 4
- 4. Section VI Second Revised Sheet No. 5, Canceling First Revised Sheet No. 5
- 5. Section VI Second Revised Sheet No. 6, Canceling First Revised Sheet No. 6
- 6. Section VI Second Revised Sheet No. 7, Canceling First Revised Sheet No. 7
- 7. Section VI First Revised Sheet No. 8, Canceling Original Sheet No. 8
- 8. Section VI First Revised Sheet No. 9, Canceling Original Sheet No. 9

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- 9. Section VI First Revised Sheet No. 10, Canceling Original Sheet No. 10
- 10. Section VI First Revised Sheet No. 11, Canceling Original Sheet No. 11
- 11. Section VI First Revised Sheet No. 12, Canceling Original Sheet No. 12
- 12. Section VI Original Sheet No. 13

Do not hesitate to contact me with any questions or concerns. Thank you for your assistance.

Very truly yours,

John W. Bentine

#### INTERRUPTIBLE TRANSPORTATION SERVICE

## Applicability:

Available only under a special arrangement contract with the Company to be filed with and approved by the Public Utilities Commission of Ohio pursuant to O.R.C. §4905.31. Such contract shall set forth the terms, conditions, rates and charges for such service

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Filed pursuant to the Opinion and Order of the Public Utilities Commission of Ohio in Case No. 11-87-GA-ATA, dated May 4, 2011

ISSUED BY DAVID L. PEMBERTON, JR., PRESIDENT

Suburban Natural Gas Company Cygnet, Ohio

SECTION VI Second Revised Sheet No. 3

[RESERVED]

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Suburban Natural Gas Company Cygnet, Ohio

SECTION VI Second Revised Sheet No. 4

[RESERVED]

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Suburban Natural Gas Company Cygnet, Ohio

SECTION VI Second Revised Sheet No. 5

[RESERVED]

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[RESERVED]

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#### FIRM TRANSPORTATION SERVICE

## Applicability:

Available to any commercial or industrial end-use Customer provided that service can be rendered within the limits of Company's operating conditions and facilities. On any day, Company shall deliver Customer's authorized daily volume of gas on a firm basis, with no planned interruption.

However, Customer's authorized daily volume is interruptible when such interruption is necessary due to Operational Flow Orders, Operational Matching Orders, force majeure conditions, or where service to General Service customers is threatened or when necessary for maintenance or repair of Company's facilities. The authorized daily volume of gas to be transported shall be specified in a written service agreement as well as any maximum and minimum volumes to be transported by the Company for deliveries under this tariff. The Company shall be under no obligation to accept or deliver gas for transportation except as set forth in said agreement and this tariff.

## Nominating, scheduling, and monitoring:

#### General:

- (a) Except for events solely within Company's control, the obligation to monitor, control, adjust and maintain a concurrent balance between receipts and deliveries of transportation gas under this tariff shall rest with Customer or its designated agent on such Customer's behalf. By the provisions of this section or the other sections of this tariff, Company assumes no responsibility to monitor or adjust Customer's receipts or deliveries.
- (b) All notices or other communications from Customer or its designated agent on such Customer's behalf to Company pursuant to the requirements of this section shall be submitted through Company's facsimile machine or to an email address supplied by the Company from time to time. Should Customer not have email access or a facsimile machine, notices or other communications shall be by telephone with written confirmation by mail. The date and time of all such notices or other communications from Customer to Company under this section shall be deemed to be the date and time those notices or communications are received by Company, unless otherwise specified.

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#### **Nominations:**

- (a) A Customer or its agent seeking to nominate quantities under any applicable service agreement shall furnish to Company, for each such service agreement (i) a scheduled daily receipt quantity to be delivered by or on behalf of the Customer at the applicable receipt point(s) on Company's system and (ii) a scheduled daily delivery quantity to be delivered to the Customer at Customer's meter. Retainage shall be included in the scheduled daily receipt quantity. Customer's or its agent's scheduled daily receipt quantity of gas measured in one thousand cubic feet (Mcf) that the Customer or its agent schedules to be delivered to the Company each day at the applicable receipt point(s) on the Company's system are referred to as Customer's "daily nominations". For purposes of this Section "daily usage" means the gas in Mcf that the Customer uses, as measured by Customer's meter. The difference between the daily receipt quantity, adjusted for retainage, and daily usage is the Customer's imbalance.
- (b) Unless otherwise agreed in a service agreement, daily nominations by Customer or its agent for gas scheduled to flow on the first day of a month shall be submitted to Company no later than four (4) hours prior to the time Company is required to submit nominations to the applicable interstate or intrastate pipelines. Daily nominations by Customer or its agent for gas scheduled to flow on other than the first day of a month shall be submitted to Company no later than two (2) hours prior to the time the Company is required to submit nominations to applicable pipelines.
- (c) Subject to the conditions specified below, Customer or its agent may make intraday changes in its daily nomination which shall be effective but only to the extent that changes are permissible under the regulations of the applicable interstate or intrastate pipelines and communicated to Company in a manner which allows Company, exercising reasonable efforts with due regard to other duties of Company personnel, to arrange such changes with the applicable interstate or intrastate pipelines. Customer or its agent may make such intra-day changes only if the following requirements and conditions are satisfied:
  - (i) all applicable receipt and delivery points are equipped with real time electronic measuring devices unless waived by the Company in its sole discretion;
  - (ii) if Company does not control the receipt or delivery points, actual flows consistent with the requested nominations are confirmed;

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- (iii) Customer's receipts or deliveries (A) during any eight (8) hour period may not exceed 40 percent of Customer's authorized daily volume, and (B) during any twenty-four (24) hour period do not exceed Customer's authorized daily volume, provided that all deliveries do not exceed the applicable maximum hourly limitations, if any, specified in the service agreement;
- (iv) Customer's revised nominations during a day shall under no circumstances fall below the confirmed quantities for that day up to the effective time of the revised nominations; and
- (v) no intra-day changes may be made on Saturdays, Sundays, or legal holidays.
- (d) Customer or its agent shall cause the operator of each point of receipt and, if applicable, each point of delivery designated in any nomination or change in nomination submitted by Customer or its agent to confirm all such nominations or changes in nominations, before implementation by Company, by facsimile notice or to an email address supplied by the Company from time to time, unless Customer does not have an email address or a facsimile machine, in which event notices or other communications shall be by telephone with written confirmation by mail.
- (e) Company shall make available to Customer or its agent Customer's imbalance status or information from which Customer can determine its imbalance status. Such updates by Company shall be based upon the data available to Company at that time, and shall constitute notice to Customer for purposes of the application of the imbalance charges set forth in this tariff. Buyer shall eliminate imbalances in its account as soon as possible but in no event later than the last day of the month in which such notice is received.

# Confirmation and Scheduling by Company:

No gas shall flow under any nomination until Company has confirmed, to the extent required, the nomination, awarded capacity, and scheduled the applicable quantities.

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## **Net Monthly Bill:**

Computed in accordance with following charges:

Administrative Charge: Two hundred fifty dollars (\$250).

Transportation Charge: Not to exceed the General Service base rate then in effect, less all related gas costs. This rate shall be in addition to any applicable monthly customer charge and late payment charge. The minimum rate shall cover the variable costs of service, plus make a contribution to total Company fixed costs. Unless otherwise agreed by the Company and Customer, Customer shall pay the maximum rate for all volumes delivered hereunder. In addition, Customers are also subject to the Demand Charge and other charges described herein, including imbalance charges.

#### Imbalances:

- (a) In the months when Customer's cumulative daily receipts, less retainage, are less than Customer's cumulative usage, the Company shall sell gas associated with this negative imbalance to Customer at the Company's Asset Manager's current month's invoices weighted average cost of gas (WACOG) times one hundred twenty percent (120%). The WACOG would include cost of gas, firm transportation charges, commodity and demand charges and, if applicable, asset management payments.
- (b) In the months when Customer's cumulative delivery receipts, less retainage, are greater than Customer's cumulative usage, the Company shall purchase the excess volumes associated with this positive imbalance, at a rate determined by the Asset Manager's current month's invoices weighted average cost of gas (WACOG) times eighty percent (80%). In such case, the WACOG includes only the volumetric cost of gas.
- (c) In addition, if in any month the Company incurs a storage overrun or excess storage injection penalty from an applicable interstate or intrastate pipeline in that month, Customer is subject to its *pro rata* share of that penalty. All imbalance charges shall be applied to Customer's next monthly bill.
- (d) As an alternative to the monthly reconciliation procedure set forth in the proceeding paragraphs of this Section, the Company and Customer may enter into a special arrangement for the balancing of receipts and deliveries subject to the approval of the Public Utilities Commission of Ohio pursuant to Ohio Revised Code Section 4905.31.
- (e) Excess daily deliveries or receipts in violation of subsection (c)(iii) of Section VI, Nominations shall be charged or credited as a monthly imbalance hereunder.

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## **Demand Charge:**

In addition to other applicable charges set forth herein, Customer shall be subject to a Demand Charge of twenty-five cents (\$.25) per Mcf per month for all volumes delivered through the Customer's meter.

#### **Unauthorized Volumes:**

In the event Customer fails to interrupt deliveries under this tariff when and as requested by the Company or causes the Company to incur additional charges from its pipeline suppliers, such deliveries will be designated unauthorized volumes. All unauthorized volumes shall be billed at a rate or rates equal to the total of any and all rates, charges or penalties incurred by Company as a result of such unauthorized volumes in addition to the charges set forth under the Net Monthly Bill provision of this tariff.

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#### **Terms and Conditions:**

The Customer shall enter into a written service agreement with the Company. Such agreement shall set forth specific arrangements as to volumes to be transported and the rate to be charged, as well as any other circumstances relating to the individual customer. The Customer shall be responsible for making all necessary arrangements and securing all requisite regulatory or governmental approvals, certificates, or permits to enable the gas to be transported hereunder to be delivered to the Company's system.

## **Daily Metering:**

All customers with an average estimated or actual monthly usage greater than 1000 Mcf must install a daily metering device. All other customers have the option of installing a daily metering device. The daily metering device shall be equipped with an electronic measurement or automatic meter reading device and associated telemetering equipment. The Customer shall be responsible for the cost of such a meter, which shall be installed and maintained by and remain the property of the Company. Absent such a metering device, the Customer will be billed a *pro rata* share of any fines or penalties which are demonstrated by the Company to be attributable to the Customer.

# **Operational Flow Orders:**

Customers without daily metering devices are subject to Company's issuance of operational flow orders (OFO) which will direct Customers to adjust scheduled volumes to match their estimated usage. An OFO may include the scheduling of supply quantities in excess of daily nominations when operating conditions exceed design criteria. Failure to comply with an OFO will result in the billing of the following charges to the OFO shortfall which is defined as the difference between the daily OFO volume and actual usage:

- (a) The payment of a gas cost equal to the highest incremental cost paid by Company on the date of non-compliance;
- (b) One month's pipeline demand charges on the OFO shortfall, except in instances where OFOs require scheduling of volumes in excess of daily nominations. This charge shall not be imposed more frequently than once in any thirty day period; and
- (c) The payment of all other charges incurred by Company on the date of the OFO shortfall. If a customer complies with an OFO it shall not be subject to any penalty or additional cost.

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## **Operational Matching Orders**

Customers with daily metering devices are subject to Company's issuance of operational matching orders (OMO) which will direct Customers to adjust usage to match volumes flowing on pipelines. Failure to comply with an OMO will result in the billing of the following charges to the OMO excess which is to be defined as the difference between the actual daily usage and the daily nominations actually received:

- (a) The payment of a gas cost equal to the highest incremental cost paid by Company on the date of non-compliance;
- (b) One month's pipeline demand charges on the OMO shortfall, except in instances where OMOs require scheduling of volumes in excess of daily contracted quantities. This charge shall not be imposed more frequently than once in any thirty-day period; and
- (c) The payment of all other charges incurred by Company on the date of the OMO shortfall. If a Customer complies with an OMO it shall not be subject to any penalty or additional cost.

## Service Regulations:

The supplying of, and billing for, service and all conditions applicable thereto, are subject to the Company's Service Regulations.

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