

## ENERGY CHOICE POOLING SERVICE TABLE OF CONTENTS

	F-ECPS Page No.
SERVICE AGREEMENT	3
GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE	
DEFINITIONS	8
AUTHORIZATIONS AND CONTRACT TERM	
1. GOVERNMENTAL AUTHORIZATIONS	12
2. TERM	12
SUPPLY SOURCES AND CAPACITY ASSIGNMENT	
3. SOURCES OF SUPPLY AND CAPACITY	13
4. OPTIONAL ASSIGNMENT OF UPSTREAM CAPACITY	<del>14</del> 13
5. ASSIGNMENT OF ON-SYSTEM STORAGE CAPACITY	15
6. ASSESSMENT OF SUPPLY AND CAPACITY	17
UPSTREAM PIPELINE VOLUMES	
7. TRANSPORTATION RECEIPT POINTS	<del>19</del> 18
8. NOMINATION OF TRANSPORTATION VOLUMES	<del>19</del> 18
9. FIRM RECEIPT POINT OPTION	<del>20</del> 19
LOCAL PRODUCTION VOLUMES	
10. PRODUCTION RECEIPT POINTS	<del>22</del> 21
11. NOMINATION OF PRODUCTION VOLUMES	<del>25</del> 24
12. RECONCILIATION OF PRODUCTION VOLUMES	<del>26</del> 25
ON-SYSTEM STORAGE VOLUMES	
13. NOMINATION OF STORAGE VOLUMES	<del>27</del> 26
POOL-TO-POOL TRANSFERS	
14. NOMINATION OF POOL-TO-POOL VOLUMES	<del>31</del> 30
15. NOMINATION OF SUPPLIER ALLOCATION VOLUMES	<del>31</del> 30
DAILY SUPPLY REQUIREMENTS	
16. DETERMINATION OF AGGREGATE DAILY CONSUMPTION VOLUME	<del>33</del> 32

## ENERGY CHOICE POOLING SERVICE TABLE OF CONTENTS

	F-ECPS Page No.
IMBALANCE RESOLUTION	
17. DAILY IMBALANCE TRADING	<u>3534</u>
18. RECONCILIATION OF DAILY IMBALANCE VOLUMES	<u>3635</u>
19. RECONCILIATION OF MONTHLY VOLUMES	<u>3736</u>
OPTIONAL FIRM STORAGE SERVICE	
20. FIRM STORAGE SERVICE	<u>3938</u>
OPERATIONAL FLOW ORDERS	
21. OPERATIONAL FLOW ORDERS	<u>4039</u>
SUPPLIER BILLING AND CREDITWORTHINESS	
22. STATEMENT	<u>4241</u>
23. CREDITWORTHINESS	<u>4241</u>
STANDARDS OF CONDUCT	
24. STANDARDS OF CONDUCT	<u>4847</u>
CUSTOMER ENROLLMENT PROCESS INFORMATION EXCHANGE	
25. ELECTRONIC FILE TRANSFERS	<u>5150</u>
SUPPLIER DEFAULT	
26. CONDITIONS OF SUPPLIER DEFAULT	<u>5451</u>
27. REMEDIES	<u>5552</u>
MISCELLANEOUS TERMS AND CONDITIONS	
28. OBLIGATIONS	<u>5653</u>
29. FORCE MAJEURE	<u>5653</u>
30. OWNERSHIP OF FACILITIES	<u>5754</u>
31. LIMITATION ON LIABILITY	<u>5754</u>
32. MISCELLANEOUS	<u>5855</u>
BILLING AGREEMENT – OPTION 1	<u>6057</u>
BILLING AGREEMENT – OPTION 2	<u>6259</u>
BILLING RULES FOR ENERGY CHOICE POOLING CUSTOMERS	<u>6461</u>

Contract No. \_\_\_\_\_

## **SERVICE AGREEMENT**

### **ENERGY CHOICE POOLING SERVICE**

**THIS AGREEMENT** is entered into as of \_\_\_\_\_, by **THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio** (“East Ohio”) and \_\_\_\_\_ (“Supplier”).

**WITNESSETH:** That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio’s General Terms and Conditions of Energy Choice Pooling Service (“ECPS General Terms and Conditions”), a copy of which is attached and incorporated as a part of this Agreement, and the terms and conditions of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier’s Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall become null and void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** Supplier shall be assessed the following charges, as discussed in more detail in the ECPS General Terms and Conditions, on a non-discriminatory basis. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

- **Financial Evaluation Fee** - \$47.80 for the initial and each subsequent Supplier creditworthiness review performed by East Ohio.
- **Eligible Customer List Fee** - Supplier shall pay \$0.048 per name and address provided in the initial customer information list, and thereafter for each additional update requested by Supplier. Alternatively, Supplier may pay \$0.072 per name and address provided, and East Ohio shall provide not more than three quarterly updates during the 12 months following the date of the customer information agreement at no charge and at a time to be determined solely by East Ohio.
- **Supplier Energy Choice Pooling Service Fee** – A volumetric charge of \$0.033 per Mcf for all Daily Pool Requirement volumes redelivered to Supplier’s Customers.

---

SERVICE AGREEMENT - ENERGY CHOICE POOLING SERVICE

---

- **Customer Conversion Charge** - \$4.78 for each End Use Customer payable when the End Use Customer initially receives commodity service from Supplier after having been served in the prior Customer Billing Cycle by another Supplier.
- **Optional Assignment of Upstream Capacity Charge** - Upstream Pipeline Primary Firm Transportation capacity and/or Contract Storage capacity made available by East Ohio may be assigned to Supplier upon its request and will be structured as a release of capacity at the full maximum rates paid by East Ohio, in accordance with Paragraphs 4.1 and 4.4 of the ECPS General Terms and Conditions.
- **On-System Storage Transfer** - Supplier shall purchase from or sell to East Ohio On-System Storage volumes in place in amounts necessary to attain required On-System storage inventory levels pursuant to Section 5 of the ECPS General Terms and Conditions. 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 the ECPS General Terms and Conditions, and associated excise tax if applicable.
- **Firm Receipt Point Surcharge** - Suppliers electing to designate specific Transportation Receipts Points, ~~set forth in Exhibit A to this Agreement,~~ shall be assessed an amount determined in accordance with Section 9 of the ECPS General Terms and Conditions.
- **Daily Imbalance Trading Charge** - A total charge of \$95.60 per month shall be assessed for daily Imbalance Trading transactions with other ECPS Suppliers, as set forth in Section 17 of the ECPS General Terms and Conditions.
- **Daily Imbalance Charges** - Daily imbalance volumes created during periods in which no OFOs have been issued that are not otherwise offset through the imbalance trading procedure referenced above will be handled as follows. The sum of the positive daily imbalance volumes accumulated during the month will be totaled and purchased by East Ohio at a price based on the ratio of the cumulative positive daily imbalance volume to the sum of the Daily Pool Requirements for the month as further described in Paragraph 18.1 of the ECPS General Terms and Conditions. The sum of the negative daily imbalance volumes accumulated during the month will be totaled and sold by East Ohio at a price based on the ratio of the cumulative negative daily imbalance volume to the sum of the Daily Pool Requirements for the month as further described in Paragraph 18.1 of the ECPS General Terms and Conditions.
- **Monthly Imbalance Trading Charge** - A charge of \$95.60 per transaction shall be assessed for monthly Imbalance Trading transactions with other ECPS and FRPS Suppliers, as set forth in Section 19 of the ECPS General Terms and Conditions.

---

SERVICE AGREEMENT - ENERGY CHOICE POOLING SERVICE

---

- **Optional Firm Storage Service Charge** - Optional firm storage service, if available, may be purchased by the Supplier at rates and charges identical to those of the Enhanced Seasonal Service offered under Rate Schedule FSS in accordance with Section 20 of the ECPS General Terms and Conditions.
- **OFO Non-Compliance Charge** - Non-compliance with an OFO may result in the recall of assigned capacity and the assessment of the following incremental charges as further described in Section 21 of the ECPS General Terms and Conditions: (a) the payment of a gas cost equal to the highest incremental cost paid by East Ohio on the date of non-compliance; and (b) demand charges based on the Dominion Transmission, Inc. FTNN rate schedule as set forth in paragraph 21.1(b) with the maximum amount over any Winter Season equal to twelve months' demand charges multiplied by the maximum OFO shortfall experienced during that Winter Season; and (c) the payment of all other charges, inclusive of storage and overrun costs, incurred by East Ohio on the date of the OFO shortfall and associated excise tax.
- Fees and charges for any other service shall be established by East Ohio and assessed on a non-discriminatory basis. If Supplier desires a billing service or custom rate that is not readily available in East Ohio's billing system, East Ohio may establish a reasonable fee to recover reasonable programming and administrative costs associated with such custom billing requirements.

~~Section 4. **On-System Storage Capacity Election.** Supplier makes the following elections regarding the percentage of its prospective assignment of On-System Storage capacity pursuant to Paragraphs 5.4 and 5.5 of the ECPS General Terms and Conditions:~~

~~Percentage to be remarketed by East Ohio: \_\_\_\_\_ % (Paragraph 5.4)~~

~~Percentage to be used in other pooling services: \_\_\_\_\_ % (Paragraph 5.5)~~

~~The above elections may be updated annually hereafter prior to the Summer Period.~~

Section ~~54~~. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is \_\_\_\_\_, and (iii) principal place of business is \_\_\_\_\_.

Section ~~65~~. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered personally or by facsimile to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

---

Issued: ~~October 16, 2008~~Effective: With bills rendered on or after ~~October 16, 2008~~Filed under authority of the Public Utilities Commission of Ohio in Case No ~~12-\_\_\_\_-GA-ATA~~~~Bruce C. Klink, Vice President~~ Anne E. Bomar, Senior Vice President

---

SERVICE AGREEMENT - ENERGY CHOICE POOLING SERVICE

---

**EAST OHIO:**

**SUPPLIER:**

The East Ohio Gas Company  
d/b/a Dominion East Ohio  
1201 East 55<sup>th</sup> Street  
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: \_\_\_\_\_

Managing Director, Pricing and Regulatory Affairs  
Commercial Operations

Title: \_\_\_\_\_

Phone: (216) 736-6376

Phone: \_\_\_\_\_

Fax: (216) 736-6247

Fax: \_\_\_\_\_

**IN WITNESS WHEREOF**, the parties hereto have accordingly and duly executed the Agreement as of its effective date.

\_\_\_\_\_  
By: \_\_\_\_\_ Title: \_\_\_\_\_

**THE EAST OHIO GAS COMPANY**  
**d/b/a Dominion East Ohio**

By: \_\_\_\_\_ Title: \_\_\_\_\_

Issued: October 16, 2008

Effective: With bills rendered on or after October 16, 2008

Filed under authority of the Public Utilities Commission of Ohio in Case No 12-\_\_\_\_-GA-ATA

Bruce C. Klink, Vice President  
Anne E. Bomar, Senior Vice President

## SERVICE AGREEMENT - ENERGY CHOICE POOLING SERVICE

**EXHIBIT A****FIRM RECEIPT POINT OPTION****Transportation Receipt Point(s):**

		<u><b>Optional Firm</b></u>
		<u><b>Receipt Point</b></u>
<u><b>Upstream Pipeline</b></u>	<u><b>Quantity</b></u>	
	<u><b>Receipt Point(s)</b></u>	<u><b>(MMBtu</b></u>
	<u><b>per day)</b></u>	

**1.****2.****3.**

[This page is ~~left~~ intentionally left blank.]

---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****DEFINITIONS**

**Aggregate Daily Consumption Volume** -- the aggregate quantity of gas estimated by East Ohio to be consumed by all End Use Customers of Supplier's Pool on any Day.

**Aggregate Monthly Consumption Volume** -- the aggregate quantity of gas actually consumed by all End Use Customers of Supplier's Pool over their respective Customer Billing Cycles as determined by East Ohio through actual or estimated meter readings.

**Agreement** -- the ECPS contract between East Ohio and Supplier.

**CCS** -- the Customer Care System used to generate bills for low-pressure End Use Customers.

**Comparable Capacity** -- Supply and/or capacity rights that are comparable to those required by East Ohio for the purpose of serving its Core Sales Demand. Such rights may be comprised of On-System Storage, Production Volumes and/or rights held on Upstream Pipeline(s). Supplier's supply and/or capacity rights will be evaluated in terms of their similarity to those required by East Ohio in the areas of priority of service (e.g., primary firm transportation), delivery location (e.g., at Upstream Pipeline interconnections with East Ohio's system), period (e.g., Winter Period), adequacy of design day coverage and any other factors relevant to assessing the reliability of such capacity rights.

**Contract Storage** -- natural gas storage service rendered pursuant to service agreements between a party and an Upstream Pipeline and/or other storage facility operator.

**Core Sales Demand** -- the total supply needs of East Ohio's Percentage Income Payment Plan and Standard Service Offer customers.

**Customer** -- any individual, governmental, or corporate entity: a) all of whose natural gas requirements are supplied by a Supplier's Pool and taking transportation service from East Ohio pursuant to East Ohio's ECTS or LVECTS rate schedules ("End Use"), or b) that has in effect an Agreement with East Ohio.

**Customer Billing Cycle** -- for Delivery Points equipped with electronic gas measurement equipment, the calendar month used for billing purposes; for Delivery Points not equipped with electronic gas measurement equipment, the period that occurs between actual or estimated meter readings taken by East Ohio for billing purposes.



---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

**Daily Available Volume** -- the total quantity of gas available to be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any Day. This quantity is equal to the total volume of gas actually delivered to East Ohio for Supplier's account on that Day (Transportation Volumes, Production Volumes, Storage Volumes and Pool-to-Pool Volumes), less an appropriate Unaccounted-for Gas Percentage, plus any adjustments associated with the reconciliation of Production Volumes as outlined in Section 12 of these General Terms and Conditions and/or the reconciliation of monthly volumes as outlined in Section 19.

**Daily Pool Requirement** -- the total quantity of gas required to serve all Customers of Supplier's Pool and support Supplier's On-System Storage injections on any Day. This quantity is equal to the sum of the Aggregate Daily Consumption Volume and Supplier Allocation Volume and Storage Volume injections as confirmed by East Ohio.

**Day** -- a 24-hour period beginning at 10:00 a.m. Eastern Time or other such time as specified by East Ohio.

**Delivery Point** -- the billing determinant for the application of customer charges represented by the meter location at which gas is redelivered by East Ohio to the Customer.

**EBB** -- East Ohio's Electronic Bulletin Board.

**ECPS** -- Energy Choice Pooling Service.

**ECTS** -- Energy Choice Transportation Service rate schedule.

**FERC** -- the Federal Energy Regulatory Commission.

**FRPS** -- Full Requirements Pooling Service.

**Human Needs Customer** -- any Customer that uses natural gas for heating a residence, or a governmental agency or other entity that provides emergency or life support services. Human Needs Customers include hospitals, nursing homes, and residential correctional institutions, and exclude hotels, motels and non-residential educational facilities.

**Imbalance Trading Volume** -- the volume of gas traded to or received from another Supplier on any Day under the terms specified herein.

**LPPS** -- Local Production Pooling Service.

**LVECTS** -- Large Volume Energy Choice Transportation Service rate schedule.

---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

**Maximum Daily Allocation Quantity** -- the maximum quantity of gas that may be allocated by Supplier for delivery by East Ohio to all Customers on any Day as determined by East Ohio.

**Mcf** -- one thousand (1,000) cubic feet of gas in its natural state having a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit.

**Measurement Operating Agreement** -- an agreement in which a producer assumes ownership, maintenance, and measurement responsibility for low flow production meters.

**MMBtu** -- one million (1,000,000) British Thermal Units.

**OAC** -- Ohio Administrative Code.

**OFO** -- Operational Flow Order issued by East Ohio.

**On-System Storage** -- proprietary on-system storage owned and operated by East Ohio.

**Pool** -- Supplier's ECPS aggregation account on East Ohio's system established under this Agreement.

**Pool-to-Pool Volume** -- the volume of gas actually delivered to Supplier's Pool on any Day from Supplier's LPPS account or from the ECPS aggregation account of another Supplier.

**Primary Firm Transportation** -- firm transportation service of Upstream Pipelines rendered pursuant to service agreements between East Ohio and Upstream Pipelines with specified primary receipt and delivery points.

**Production Receipt Point(s)** -- the meter(s) or measuring station(s), as specified by Supplier and accepted by East Ohio, at which Ohio produced gas is delivered into East Ohio's system for Supplier's account.

**Production Volume** -- the volume of gas actually delivered for Supplier's account into East Ohio's system on any Day at the Production Receipt Points.

**PSIA** -- pounds per square inch, absolute.

**PUCO** -- the Public Utilities Commission of Ohio.

**SBS** -- the Special Billing System used to generate bills for high-pressure End Use Customers.

**Storage Demand** -- the maximum quantity of gas which Supplier shall be entitled to nominate for withdrawal on a firm basis from On-System Storage on any Day. This quantity is subject to adjustment as outlined in Section 13 of these General Terms and Conditions.

---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

**Storage Volume** -- the volume of gas injected into or withdrawn from On-System Storage for Supplier's account on any Day.

**Summer Period** -- the seven-month period beginning April 1 and continuing through October 31.

**Supplier** -- any entity that has in effect an ECPS Agreement with East Ohio.

**Supplier Allocation Volume** -- the quantity of gas allocated by Supplier on any Day to the account of another Supplier.

**Transportation Receipt Point(s)** -- the interconnection(s), as specified by Supplier and accepted by East Ohio, at which gas is delivered into East Ohio's system from an Upstream Pipeline for Supplier's account.

**Transportation Volume** -- the volume of gas actually delivered for Supplier's account on any Day into East Ohio's system at the Transportation Receipt Points.

**Unaccounted-for Gas Percentage** -- the portion of Supplier's city gate deliveries retained by East Ohio to compensate East Ohio for gas lost, used, and unaccounted for in operations. Such percentage may be adjusted periodically to reflect changes in the amount of gas lost, used, and unaccounted for in operations.

**Upstream Pipeline** -- any interstate pipeline, intrastate pipeline, or local distribution company other than East Ohio through which gas is delivered directly or indirectly to East Ohio for Supplier's account.

**Winter Period** -- the five month period beginning November 1 and continuing through March 31 of the following year.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****AUTHORIZATIONS AND CONTRACT TERM****1. GOVERNMENTAL AUTHORIZATIONS**

- 1.1 East Ohio and Supplier agree that they will file, as soon as practical after execution of the Agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations, if any, for service contemplated by the Agreement, and that they will provide each other from time to time such information as may be necessary to secure and maintain such authorizations.
- 1.2 Supplier shall provide East Ohio with a copy of the PUCO-issued certification obtained in accordance with OAC Chapter 4901:1-27.
- 1.3 In the event governmental approval of the Agreement is conditioned in any manner, either party may, within thirty (30) days of such event, elect to terminate the Agreement by giving the other fifteen (15) days' prior written notice, and upon such termination neither party shall have any liability or obligation to the other by reason of the Agreement other than the obligation to make payments as provided for herein with respect to events or transactions that have occurred prior to the termination date.
- 1.4 If the transactions provided for under the Agreement at any time subject either party to the jurisdiction of or regulation by the FERC, or subject Supplier to the jurisdiction of the PUCO, to an extent greater than any which exists on the date of the Agreement, whether by reason of statutory, regulatory or judicial action, then either party may elect to terminate the Agreement in the manner provided for in Paragraph 1.3 hereof, provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the termination date.

**2. TERM**

- 2.1 The Agreement shall be effective from the date specified in the Agreement for a primary term of twelve (12) months and shall continue thereafter subject to cancellation by either party on sixty (60) days' prior written notice to the other, provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the termination date.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****SUPPLY SOURCES AND CAPACITY ASSIGNMENT****3. SOURCES OF SUPPLY AND CAPACITY**

- 3.1 Subject to the terms and conditions of the Agreement, East Ohio agrees to receive, for Supplier's account, Transportation Volumes (including Contract Storage), Production Volumes, Storage Volumes and/or Pool-to-Pool Volumes.
- 3.2 In determining Daily Available Volumes, Transportation Volumes and Production Volumes shall be adjusted by an appropriate Unaccounted-for Gas Percentage as they are received by East Ohio. For purposes of determining On-System Storage inventory volumes, this Unaccounted-for Gas Percentage shall be deemed to have been applied to volumes nominated for injection into On-System Storage.
- 3.3 Supplier must hold sufficient supply and/or capacity rights to meet 91.75% of its End Use Customers' design day requirements for the ~~October-November~~ through ~~April-March~~ period. Supplier may obtain such rights from East Ohio or secure Comparable Capacity from another source. East Ohio shall assign On-System Storage capacity to Supplier based on the pro rata share of such storage allocable to Supplier's End Use Customers. Such On-System Storage shall be deemed comparable for purposes of assessing Supplier's supply and/or capacity rights. Supplier may request additional supply and/or capacity rights from East Ohio which can be used to satisfy some or all of the Comparable Capacity requirement. If Supplier secures supply and/or capacity rights from another source to satisfy the Comparable Capacity requirement, East Ohio shall have the right to review those terms of Supplier's agreement(s) with the other source(s) necessary to assure the reliability of those rights.
- 3.4 The priority of service for the Comparable Capacity shall be no less than that required by East Ohio for the purpose of serving its Core Sales Demand. The primary delivery point of the Comparable Capacity used to deliver Transportation Volumes (including Contract Storage) shall be at East Ohio's interconnection with the Upstream Pipeline(s). Production Volumes may be used to satisfy some or all of the Comparable Capacity requirement. The adequacy of design day coverage shall be determined by the ability of the Supplier to meet the estimated design day requirements of its End Use Customers.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****4. OPTIONAL ASSIGNMENT OF UPSTREAM CAPACITY**

- 4.1 If requested by Supplier, Upstream Pipeline Primary Firm Transportation capacity made available by East Ohio shall be assigned to the Supplier on a pro rata basis using the composition of such capacity held by East Ohio for the purpose of serving its Core Sales Demand. 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 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). Supplier may request alternate arrangements which East Ohio shall evaluate in terms of the potential impact on reliability and stranded costs. The character of assigned Primary Firm Transportation service shall be agreed upon between East Ohio and the Upstream Pipeline prior to assignment to the Supplier.
- 4.2 If the above *pro rata* assignment calculation yields less than 1,000 dekatherms per day on a particular segment of Upstream Pipeline Primary Firm Transportation capacity to be assigned to the Supplier, East Ohio shall retain that segment of capacity to serve Core Sales Demand and permit the Supplier to select an alternate segment to be assigned by East Ohio on the same or another pipeline provided the alternate segment delivers gas to East Ohio at the same citygate(s) entering its system, i.e., East Side or West Side, as the segment it is replacing.
- 4.3 The Primary Firm Transportation capacity released pursuant to Paragraph 4.1 shall be recallable 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 If requested by Supplier, Contract Storage capacity and related storage demand/deliverability made available by East Ohio shall be assigned to the Supplier. 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 end of the then current storage season pursuant to the applicable Contract Storage rate schedule terms and conditions. Supplier may request alternate arrangements which East Ohio shall evaluate in terms of the potential impact on reliability and stranded costs. The character of assigned Contract



**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

Storage service shall be agreed upon between East Ohio and the Contract Storage operator prior to assignment to the Supplier.

- 4.5 The Contract Storage capacity released pursuant to Paragraph 4.4 shall be recallable 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 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).
- 4.7 The capacity released pursuant to Sections 4.3 and 4.5 may be revised in the event of a material change in a Supplier's aggregate Customer demand. Any recalled capacity shall be made available to all Standard Service Offer, Standard Choice Offer and Energy Choice suppliers pursuant to the provisions set forth elsewhere in Section 4.

**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 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.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- 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 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



**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

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.~~
- 5.64 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**

- 6.1 East Ohio shall assess the sufficiency of Supplier's supply and/or capacity rights on a monthly basis during the ~~October-November~~ through ~~April-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

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

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 ~~October-November~~ through ~~April-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****UPSTREAM PIPELINE VOLUMES****7. TRANSPORTATION RECEIPT POINTS**

- 7.1 All Transportation Volumes shall be measured at Transportation Receipt Points specified by Supplier and accepted by East Ohio in accordance with the terms of East Ohio's agreement with the Upstream Pipeline. Such measurement shall be conclusive for purposes of the Agreement.
- 7.2 When Transportation Volumes are received by East Ohio on an MMBtu basis, East Ohio will make a heat content adjustment in order to convert Supplier's Transportation Volumes to an Mcf basis. For each calendar year, East Ohio will calculate the weighted average heat content of all such gas delivered to East Ohio during this period (the "Heat Content Adjustment Factor"). This Heat Content Adjustment Factor, expressed as MMBtu per Mcf, will be used to adjust all Transportation Volumes received during the following twelve (12) month period commencing on April 1, unless East Ohio and Supplier agree in writing to an alternative Heat Content Adjustment Factor. East Ohio shall review annually the use of a system-wide Heat Content Adjustment Factor. If such a review indicates that area or point-specific Heat Content Adjustment Factors are required, East Ohio may implement them after review by the PUCO staff.
- 7.3 Transportation Volumes received by East Ohio at Transportation Receipt Points shall conform to Upstream Pipeline's gas quality standards, unless such standards have not been filed with, and approved by, either the FERC or the PUCO, in which case Transportation Volumes must conform to the gas quality standards of East Ohio in effect at the time.
- 7.4 East Ohio shall use its best efforts to receive Transportation Volumes for Supplier's account, unless Supplier has made an election pursuant to Section 9 of these General Terms and Conditions.

**8. NOMINATION OF TRANSPORTATION VOLUMES**

- 8.1 All Transportation Volumes received for Supplier's account at Transportation Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 8.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

nominations, as amended from time to time, which is available on East Ohio's EBB.

- 8.3 Nominations must conform, in content and format, with East Ohio's specifications for Transportation Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; Upstream Pipeline; Upstream Pipeline contract number; and requested daily Transportation Volume.
- 8.4 East Ohio will either confirm, in total or in part, or reject Supplier's Transportation Volume nomination based upon East Ohio's operating conditions, the limits and requirements of East Ohio's system and facilities, previously confirmed nominations and timely confirmation by Upstream Pipelines. Confirmed Transportation Volumes will be posted on East Ohio's EBB. In order to support system operations, maintain system integrity, and minimize Positive or Negative Imbalance Volumes, East Ohio may request Supplier to nominate and deliver Transportation Volumes to designated Transportation Receipt Points. Such requests shall be posted in advance on East Ohio's EBB. If, in East Ohio's sole discretion, voluntary compliance by Suppliers fails to correct operational deficiencies, East Ohio may exercise its authority under Paragraph 21.1 to issue Supplier-specific and/or system-wide OFOs.
- 8.5 Confirmed nominations will become effective on the date specified in Supplier's nomination and will remain in force until the last day of the current calendar month, subject to continued receipt by East Ohio from Upstream Pipeline of the confirmed volume, unless superseded by a subsequent Transportation Volume nomination.
- 8.6 Nominations made in accordance with this Section do not relieve Supplier of the obligation to submit corresponding nominations for service with an Upstream Pipeline.

**9. FIRM RECEIPT POINT OPTION**

- 9.1 Supplier may elect to designate specific Transportation Receipt Points as firm receipt points. Each such firm receipt point, and the corresponding maximum daily transportation quantity for each such firm receipt point, shall be specified in a separate the Agreement. The sum of the maximum daily transportation quantities for all firm receipt points shall not exceed the total Maximum Daily Allocation Quantity specified in the Agreement.

---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- 9.2 Access to any receipt points on East Ohio's system, as to which an election pursuant to Paragraph 9.1 above has not been made, shall be on a best efforts basis.
- 9.3 Supplier making an election pursuant to Paragraph 9.1 above shall be assessed a firm receipt point surcharge; the actual amount of the surcharge shall be determined through competitive bidding with minimum bid amounts to be determined by East Ohio.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****LOCAL PRODUCTION VOLUMES****10. PRODUCTION RECEIPT POINTS**

- 10.1 The unit of measurement for Production Volumes shall be one (1) cubic foot of gas, and the term "cubic foot of gas" shall mean a cubic foot of gas at a pressure of 14.73 PSIA and at a temperature of 60 degrees Fahrenheit. For purposes of measurement and meter calibration, atmospheric pressure shall be assumed to be 14.4 pounds per square inch. All gas delivered to East Ohio by the Supplier, or by the party from which the Supplier purchases volumes delivered to East Ohio, shall be measured by orifice or other measurement facility of standard type to be selected and furnished by East Ohio, except where super~~es~~eded by a Measurement Operating Agreement. Orifice meters on East Ohio's system shall be constructed and installed in accordance with the applicable provisions of the American National Standard "Orifice Metering of Natural Gas," ANSI/API 2530, First Edition, and any amendments thereto. The volumes of gas delivered to East Ohio shall be computed from meter records and converted into the unit of measurement specified above in accordance with reasonable and standard industry practices. Correction shall not be made for deviation from the Ideal Gas Laws. In the absence of a recording thermometer, an assumed flowing temperature of 60 degrees Fahrenheit shall be used in computing said quantities of gas; provided, however, that if the temperature of the natural gas passing through the meter is determined for any Day by the use of a recording thermometer, then the arithmetic average of the temperatures recorded for such Day shall be used.
- 10.2 The Production Volume delivered to East Ohio shall be delivered in its natural state, and have a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit and must conform with the gas quality standards of East Ohio in effect at the time.
- 10.3 If at any time the delivery by the Supplier at any Production Receipt Point specified by Supplier and accepted by East Ohio shall be less than an average of ten thousand cubic feet per Day, then East Ohio, at its sole option, may require gas behind any such meter(s) to be measured pursuant to a Measurement Operating Agreement, by giving the Supplier thirty (30) days' prior written notice.
- 10.4 The Production Receipt Points for Production Volumes from physical meters specified by Supplier and accepted by East Ohio shall be at measuring stations constructed to East Ohio's specifications, and operated and maintained by East

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

Ohio, except where super~~es~~eded by a Measurement Operating Agreement, to be located at such points as East Ohio and the Supplier shall agree, on East Ohio's lines as now constructed or on any extensions thereof which East Ohio in its sole judgment may hereafter construct. The sites for said measuring stations may be furnished by East Ohio, or, if furnished by the Supplier, shall provide rights of ingress and egress to East Ohio. In the event the Supplier wishes to change any Production Receipt Points, Supplier shall reimburse East Ohio in advance for East Ohio's costs in connection with such change and Supplier shall be directly responsible for all other costs associated with the change. Measuring stations on East Ohio's lines existing as of the date of the Agreement and owned by the Supplier or any other person shall, subject to the approval of East Ohio, also be designated as Production Receipt Points, to be operated and maintained by East Ohio, except where super~~es~~eded by a Measurement Operating Agreement.

- 10.5 Supplier may aggregate Production Volumes as measured by third parties at measuring stations furnished, constructed, owned, operated and maintained by third parties. Detailed information concerning such aggregated Production Volumes shall be reported by Supplier to East Ohio in a timely manner in accordance with reasonable and standard industry practice.
- 10.6 Supplier shall be responsible for the construction of any necessary pipeline extending from the wells to the Production Receipt Points agreed upon. The Supplier, at the Supplier's expense, shall construct any required measuring stations in accordance with East Ohio's specifications. All new pipelines that connect wells specified by Supplier with East Ohio's pipelines shall be owned and constructed by the Supplier or by the party from which the Supplier purchases volumes delivered to East Ohio.
- 10.7 Unless otherwise agreed to by East Ohio and Supplier, prior to construction of a Production Receipt Point, East Ohio and Supplier, or the party from which the Supplier purchases volumes delivered to East Ohio, shall enter into an agreement identifying cost, construction and ownership responsibilities of all parties.
- 10.8 Production Volumes received by East Ohio at Production Receipt Points specified by Supplier and accepted by East Ohio shall be taken by East Ohio on a best efforts basis at all times at full flow against the varying pressures maintained from time to time in East Ohio's pipelines. East Ohio at any time may suspend the taking of gas under the Agreement while making repairs or alterations in its facilities. When practicable East Ohio shall notify the Supplier in advance of its plans to suspend the taking of gas, giving its estimate of the duration of the suspension. Such repairs and alterations shall be completed with reasonable speed, unavoidable delays excepted. During periods when East Ohio must suspend the taking of gas, East Ohio shall not be required to accept Production



**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

Volumes at the affected Production Receipt Points. Subject to the foregoing, the Supplier may submit a request in writing to East Ohio for approval to install equipment to compress and pump the gas to be delivered to East Ohio under the Agreement. If Supplier compresses and pumps gas into East Ohio's system, Supplier shall install and maintain at its own expense the necessary equipment for the elimination or suppression of pulsation in the flowing gas that is created by compression equipment, and, in addition, the Supplier shall install the necessary equipment to insure the flowing temperature of the Production Volumes delivered does not exceed 120 degrees Fahrenheit at the measuring stations described.

- 10.9 The capacity of East Ohio's facilities to receive Production Volumes at the Production Receipt Points shall be determined by East Ohio in its sole judgment, in accordance with reasonable and standard industry practice. East Ohio shall have the right to restrict, limit or halt its receipt of Production Volumes whenever, in its sole judgment, in accordance with reasonable and standard industry practice, it is necessary to do so due to Force Majeure, an order of the PUCO or other governmental body, or circumstances requiring East Ohio to act to protect its ability to meet its Core Sales Demand. In the event East Ohio exercises its right to restrict, limit or halt its receipt of Production Volumes, it shall give the Supplier notice by telephone, letter or otherwise to decrease or terminate deliveries of Production Volumes to East Ohio until such time as, in East Ohio's sole judgment, in accordance with reasonable and standard industry practice, deliveries may be increased or resumed. If the Supplier fails to act promptly in accordance with such notice, East Ohio shall have the right to shut in Production Receipt Points or otherwise refuse to accept further Production Volumes at the Production Receipt Points.
- 10.10 The Supplier shall install and maintain at the Supplier's own expense, the necessary equipment for separating and removing oil, water, salt, dust and other foreign substances from Production Volumes upstream of the Production Receipt Points. The gas delivered to East Ohio at the Production Receipt Points shall be free from all foreign matter or fluid contamination that could interfere with its marketability or interfere with the operation of East Ohio's lines, regulators, meters or other appliances connected with East Ohio's distribution system. East Ohio may refuse, at any time, any Production Volumes that contain contamination or objectionable odors, or otherwise do not meet East Ohio's gas quality standards.
- 10.11 East Ohio shall maintain in good repair all meters, gauges and regulating equipment at the Production Receipt Points receiving Production Volumes, except where superseded by a Measurement Operating Agreement. East Ohio shall read the meters, which shall be accessible to inspection and examination by the Supplier at all reasonable times. If either party challenges the accuracy of any



**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

meter in use under the Agreement and desires to have the meter tested, East Ohio shall test the meter in the presence of a Supplier employee or representative, if the Supplier wishes to exercise the right to be present or to be represented at such test. The cost of testing the meter shall be borne by the party challenging its accuracy if it proves to be correct, and it shall be deemed correct if there be no greater variation than three percent (3%), either fast or slow, but if the meter on test proves to be incorrect, then the cost of testing the meter shall be borne by East Ohio. Any adjustment for errors in the meter shall be made for a period not to exceed ninety (90) days prior to the date of challenge by either party. The statements of meter measurement and estimated deliveries which under the Agreement are to be rendered by East Ohio to the Supplier monthly shall be final, excepting as to corrections or adjustments then pending or subsequently determined by East Ohio, unless exceptions thereto in writing shall be made by the Supplier and mailed to East Ohio within sixty (60) days after the Supplier receives the statements. Corrections or adjustments shall be made by adjusting volumes in the first measurement period following their determination.

- 10.12 The addition or removal of Production Receipt Points specified by Supplier shall be the subject of written supplements, which shall be proposed by the Supplier and accepted or rejected at the sole discretion of East Ohio, in accordance with reasonable and standard industry practice.

**11. NOMINATION OF PRODUCTION VOLUMES**

- 11.1 All Production Volumes received for Supplier's account at Production Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 11.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 11.3 Nominations must conform, in content and format, with East Ohio's specifications for Production Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number and requested daily Production Volume.
- 11.4 Subject to East Ohio's operating conditions, the limits and requirements of East Ohio's system and facilities, and the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Production Volume nomination. Confirmed Production Volumes will be posted on East Ohio's EBB.

---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- 11.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Production Volume nomination.

**12. RECONCILIATION OF PRODUCTION VOLUMES**

- 12.1 Confirmed Production Volume nominations will be credited to Supplier's account on the date specified in the Supplier's nomination. When actual Production Volumes are known, any discrepancies between actual and confirmed Production Volumes will be reconciled, in the first full calendar month following the determination of actual Production Volumes (the "Adjustment Month"), in accordance with the provisions of Paragraphs 12.2 and 12.3 below. Reconciliation volumes may not be used in determining comparable capacity requirements. East Ohio reserves the right to interrupt such reconciliation volumes during OFO periods.
- 12.2 When actual Production Volumes exceed confirmed Production Volume nominations, the positive volumetric discrepancy will be reconciled in the Adjustment Month by increasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the positive volumetric discrepancy divided by the number of days in the Adjustment Month.
- 12.3 When confirmed Production Volume nominations exceed actual Production Volumes, the negative volumetric discrepancy will be reconciled in the Adjustment Month by decreasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the negative volumetric discrepancy divided by the number of days in the Adjustment Month.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****ON-SYSTEM STORAGE VOLUMES****13. NOMINATION OF STORAGE VOLUMES**

- 13.1 All Storage Volumes requested to be injected or withdrawn for Supplier's account shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 13.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 13.3 Nominations must conform, in content and format, with East Ohio's specifications for Storage Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number and requested daily Storage Volume.
- 13.4 Subject to the limitations as outlined in this Section, and the reasonableness of Supplier's nomination based upon East Ohio's operating conditions and the limits and requirements of East Ohio's system and facilities, East Ohio will either confirm, in total or in part, or reject Supplier's Storage Volume nomination. Confirmed Storage Volumes will be posted on East Ohio's EBB.
- 13.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Storage Volume nomination.

**Summer Period On-System Storage Operation**

- 13.6 The maximum quantity of gas which Supplier shall be entitled to nominate for injection on a firm basis into On-System Storage on any one Day is one-one hundred eightieth (1/180) of the On-System Storage capacity assigned to Supplier pursuant to Paragraph 5.1 of these General Terms and Conditions ("Capacity") when Supplier's On-System Storage inventory level is less than or equal to one half of Capacity, and one-two hundred fourteenth (1/214) of Capacity thereafter. Such injections shall be subject to interruptions or curtailment based on the failure of an Upstream Pipeline to deliver Transportation Volumes, the failure of the Supplier to deliver Production Volumes, the issuance of OFOs by East Ohio, Force Majeure conditions, or an order of the PUCO or other governmental body.

## GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

- 13.7 Supplier may request permission to nominate volumes for injection in excess of the amounts set forth in the preceding Section. East Ohio shall endeavor to inject those additional volumes into On-System Storage on any Day on an interruptible basis as operating conditions permit. East Ohio may decline such requests whenever, in its judgment, the injection of volumes in excess of the amounts set forth in the preceding Section would be detrimental to the operation or integrity of East Ohio's system or its ability to meet Core Sales Demand in a cost effective manner.
- 13.8 Supplier must nominate injection volumes in such a manner as to attain minimum On-System Storage inventory levels, expressed as a percentage of Supplier's Capacity, over the Summer Period in accordance with the schedule set forth below:

<u>Cumulative Injections as a Percentage of Capacity</u>	<u>Date by Which that Percentage Must be Attained ("Target Injection Date")</u>
4% to 13%	May 1
20% to 30%	June 1
34% to 44%	July 1
51% to 57%	August 1
<del>65%</del> to 71%	September 1
<del>79%</del> to 85%	October 1
<del>95%</del> to 100%	November 1

### Winter Period On-System Storage Operation

- 13.9 Supplier's Storage Demand shall be based on the On-System Storage capacity assigned to Supplier pursuant to Paragraph 5.1 of these General Terms and Conditions. Such withdrawals shall be subject to interruptions or curtailment based on the issuance of OFOs by East Ohio, Force Majeure conditions, or an order of the PUCO or other governmental body.
- 13.10 Supplier's Storage Demand shall be reduced in accordance with the inventory-based ratchet provisions set forth below:
- (a) If at the end of any Day, Supplier's On-System Storage inventory level is less than or equal to 50% of Supplier's cumulative On-System Storage injection volume as of the end of the Summer Period ("Cumulative Injection Volume") but greater than or equal to 30% of such volume, Supplier's Storage Demand shall be reduced by 25%.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- (b) If at the end of any Day, Supplier's On-System Storage inventory level is less than 30% of Supplier's Cumulative Injection Volume, Supplier's Storage Demand shall be reduced by 40%.
- 13.11 Supplier may request permission to nominate volumes for withdrawal in excess of its then effective Storage Demand. East Ohio shall endeavor to withdraw those additional volumes from On-System Storage on any Day on an interruptible basis as operating conditions permit. East Ohio may decline such requests whenever, in its judgment, the withdrawal of volumes in excess of the amounts set forth in the preceding Section would be detrimental to the operation or integrity of East Ohio's system or its ability to meet Core Sales Demand in a cost effective manner.
- 13.12 Supplier must maintain On-System Storage inventory levels, expressed as a percentage of Supplier's Cumulative Injection Volume, over the Winter Period in accordance with the schedule set forth below:

<u>Date</u>	<u>Required Storage Inventory Level</u>
December 1	92% to 95%
January 1	55% to 65%
February 1	30% to 35%
March 1	12% to 17%

Supplier's failure to maintain the required On-System Storage inventory levels set forth in the above schedule shall result in a further 25% reduction of the Storage Demand level until such time as the Supplier achieves the required storage inventory level. In addition, East Ohio, at its sole discretion and in accordance with reasonable and standard industry practice, may adjust Supplier's Storage Volume withdrawal nomination.

- 13.13 Supplier may request permission to nominate volumes for re-injection into On-System Storage during the Winter Period of up to one-two hundred fourteenth (1/214) of Supplier's Cumulative Injection Volume. East Ohio shall endeavor to inject those re-injection volumes into On-System Storage on any Day on an interruptible basis as operating conditions permit. East Ohio may decline such requests whenever, in its judgment, the injection of volumes in excess of the amounts set forth in the preceding Section would be detrimental to the operation or integrity of East Ohio's system or its ability to meet Core Sales Demand in a cost effective manner. East Ohio may require Winter Period storage re-injections or withdrawals under an On-System Storage OFO ("Storage OFO") in which it will indicate the required Storage Volume to be injected or withdrawn for the period during which the Storage OFO is in effect. Adjustments to the effective Storage Demand level may be made by East Ohio at its sole discretion and in

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

accordance with reasonable and standard industry practice based on operating conditions. Failure to comply with a Storage OFO 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). Such failure may also result in East Ohio, at its sole discretion and in accordance with reasonable and standard industry practice, reducing Supplier's Storage Demand levels by up to 50% for the remainder of the Winter Period.

- 13.14 Supplier shall nominate volumes for withdrawal from On-System Storage so as to completely withdraw its Cumulative Storage Injection Volume and any volumes re-injected pursuant to Paragraph 13.13 not later than March 31. Any volumes remaining in On-System Storage as of that date may be purchased by East Ohio pursuant to the terms of Paragraph 18.1 of these General Terms and Conditions and will be subject to the reservation, injection and withdrawal fees of optional firm storage service.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****POOL-TO-POOL TRANSFERS****14. NOMINATION OF POOL-TO-POOL VOLUMES**

- 14.1 All Pool-to-Pool Volumes received into Supplier's Pool shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 14.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 14.3 Nominations must conform, in content and format, with East Ohio's specifications for Pool-to-Pool Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; requested daily Pool-to-Pool Volume; and East Ohio contract number of the other ECPS Supplier from whom Supplier plans to receive supply. If the Pool-to-Pool Volume to be received into Supplier's Pool is from its LPPS pool, the nomination must include the East Ohio contract number of Supplier's LPPS pool.
- 14.4 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Pool-to-Pool Volume nomination. Confirmed Pool-to-Pool Volumes will be posted on East Ohio's EBB.
- 14.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Pool-to-Pool Volume nomination. If a nomination has the effect of increasing a Supplier's imbalance, East Ohio shall have the right to reject such nomination as unreasonable.

**15. NOMINATION OF SUPPLIER ALLOCATION VOLUMES**

- 15.1 Supplier Allocation Volumes shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 15.2 Supplier Allocation Volume nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.



**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- 15.3 Supplier Allocation Volume nominations must conform, in content and format, with East Ohio's specifications for such nominations, which shall include, at a minimum: Supplier's East Ohio contract number; East Ohio contract number of the other ECPS Supplier to whom Supplier plans to send supply; and requested daily Supplier Allocation Volume.
- 15.4 East Ohio will either confirm, in total or in part, or reject the Supplier Allocation Volume nomination. Confirmed Supplier Allocation Volume nominations will be posted on East Ohio's EBB.
- 15.5 Confirmed Supplier Allocation Volume nominations will become effective on the date specified in the nomination and will remain in force until the last day of the current calendar month unless superseded by subsequent Supplier Allocation Volume nominations. If a nomination has the effect of increasing a Supplier's imbalance, East Ohio shall have the right to reject such nomination as unreasonable.



**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****DAILY SUPPLY REQUIREMENTS****16. DETERMINATION OF AGGREGATE DAILY CONSUMPTION VOLUME**

16.1 Each of the End Use Customers of Supplier's Pool must have all of its natural gas consumption over the entire Customer Billing Cycle supplied by Pool volumes nominated by Supplier. ~~No less than five business days prior to each monthly nomination period, East Ohio shall provide a listing of the End Use Customer accounts to be served by the Supplier's Pool during the period to which the nominations apply. If Supplier disputes the accuracy of this listing, Supplier must notify East Ohio in writing within two business days after its receipt. Supplier and East Ohio agree that they will use their best efforts to resolve such disputes prior to the beginning of the applicable monthly nomination period.~~

16.2 Supplier is required to have a sufficient Daily Available Volume as confirmed by East Ohio to meet the Supplier's Daily Pool Requirement, which is the sum of Supplier's Aggregate Daily Consumption Volume and Supplier Allocation Volume and Storage Volume injections as confirmed by East Ohio.

16.3 Each Monday through Friday before ~~10:00~~ 9:30 a.m. Eastern Time, East Ohio will provide a projection of the Aggregate Daily Consumption Volume of the End Use Customers of the Supplier's Pool for the ~~current and~~ subsequent ~~four gas~~ Daysday(s). During periods in which no OFOs have been issued, East Ohio will use the following schedule to establish the Aggregate Daily Consumption Volume for which the Supplier will be held accountable:

The Projection Provided On:	Will Be Used to Establish the Aggregate Daily Consumption Volume Accountability for the Following:
Monday	<del>Wednesday</del> Tuesday
Tuesday	<del>Thursday</del> Wednesday
Wednesday	<del>Friday</del> Thursday
Thursday	<del>Saturday</del> Friday
Friday	<del>Saturday, Sunday, Monday and Tuesday</del>

East Ohio shall have the option of posting the Aggregate Daily Consumption Volume on a daily basis if it determines that more frequent postings are necessary to avoid excessive daily imbalance volumes.

The above lead times may be lengthened during holiday periods to provide Supplier with additional time to submit nominations. The above lead times may

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

be shortened during periods in which an OFO -is in effect. During such periods, East Ohio shall establish the Aggregate Daily Consumption Volume no later than 10:00 a.m. Eastern Time of the same Day.

~~16.4 In recognition of the billing cycle effect, East Ohio shall offer Supplier the option of using the average of the current and prior months' Customer counts to estimate CCS Customer deliveries for the current month in lieu of using the current month's Customer count if the average is shown to reduce monthly imbalance volumes. East Ohio reserves the right to use the current month's CCS Customer count for purposes of projecting Aggregate Daily Consumption Volume during OFO periods.~~

~~16.5 In recognition of the billing cycle effect, East Ohio shall offer Supplier the option of using the average of the current and prior months' equation coefficients to estimate SBS Customer deliveries for the current month in lieu of using the current month's equation coefficients if the average is shown to reduce monthly imbalance volumes. East Ohio reserves the right to use the current month's equation coefficients for purposes of projecting Aggregate Daily Consumption Volume during OFO periods.~~

16.64 East Ohio may adjust its forecasting methodology if needed to address operational requirements in the event of substantial changes in Supplier enrollments or other factors that may cause excessive daily or monthly imbalances. East Ohio shall share information regarding its Energy Choice forecasting methodology with interested parties upon request and shall in a timely fashion consider and evaluate suggestions by Supplier, PUCO Staff and the Office of Consumers' Counsel to improve that methodology.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****IMBALANCE RESOLUTION****17. DAILY IMBALANCE TRADING**

- 17.1 Supplier is required to have a sufficient Daily Available Volume as confirmed by East Ohio to meet the Supplier's Daily Pool Requirement. Daily imbalances created by the Supplier's inability to match Daily Available Volumes with Daily Pool Requirements may, at Supplier's discretion, be partially or totally offset through the imbalance trading procedure set forth in this Section. Supplier may trade daily imbalance volumes with one or more other ECPS Suppliers.
- 17.2 If Supplier has a positive daily imbalance volume created by a surplus of Daily Available Volume on any Day, Supplier may nominate all or a portion of this volume (the "Imbalance Trading Volume") to be traded to another ECPS Supplier. Supplier agrees to pay to East Ohio a total of ~~one hundred ninety-five~~ dollars ~~and sixty cents (\$10095.0060)~~ plus applicable gross receipts tax per month for such trading transactions.
- 17.3 If Supplier has a negative daily imbalance volume created by a deficiency of Daily Available Volume on any Day, Supplier may offset all or a portion of this imbalance by receiving Imbalance Trading Volumes nominated by one or more ECPS Suppliers.
- 17.4 All Imbalance Trading Volumes designated for a calendar month shall be nominated to East Ohio by the close of the reallocation period for imbalance trading as stated on East Ohio's EBB. Nominations of Imbalance Trading Volumes are to be transmitted to East Ohio via East Ohio's EBB.
- 17.5 Nominations must conform, in content and format, with East Ohio's specifications for Imbalance Trading Volume nominations, which shall include, at a minimum: East Ohio ECPS contract number; requested daily Imbalance Trading Volume; and receiving Supplier's East Ohio ECPS contract number(s).
- 17.6 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Imbalance Trading Volume nomination. Confirmed Imbalance Trading Volumes will be posted on East Ohio's EBB.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****18. RECONCILIATION OF DAILY IMBALANCE VOLUMES**

- 18.1 The following charges shall apply to daily imbalance volumes created during periods in which no OFOs have been issued that are not otherwise offset through the imbalance trading procedure set forth in the prior Section:

Positive Daily Imbalance Charges

The sum of the positive daily imbalance volumes accumulated during the month will be totaled and purchased by East Ohio at a price based on the ratio of the cumulative positive daily imbalance volume to the sum of the Daily Pool Requirements for the month. The Minimum Reference Price shall equal the minimum of the daily midpoints of common price spreads for Dominion, South Point, during the month, as published in *Platts Gas Daily* (The McGraw-Hill Companies, Inc.), or an appropriate successor index should it cease to be published, plus the variable transportation charges to bring the gas to East Ohio's system, adjusted for shrinkage.

<u>Positive Imbalance Percentage</u>	<u>Minimum Reference Price Multiplier</u>
<del>From</del> 0% up to and including 25%	1.00
<del>Over</del> 25% up to and including 50%	0.75
<del>Over</del> 50%	0.50

Negative Daily Imbalance Charges

The sum of the negative daily imbalance volumes accumulated during the month will be totaled and sold by East Ohio at a price based on the ratio of the cumulative negative daily imbalance volume to the sum of the Daily Pool Requirements for the month. The Maximum Reference Price shall equal the maximum of the daily midpoints of common price spreads for Dominion, South Point, during the month, as published in *Platts Gas Daily* (The McGraw-Hill Companies, Inc.), or an appropriate successor index should it cease to be published, plus the firm transportation charges to bring the gas to East Ohio's system, adjusted for shrinkage, and associated excise tax.

<u>Negative Imbalance Percentage</u>	<u>Maximum Reference Price Multiplier</u>
<del>From</del> 0% up to and including 25%	1.00
<del>Over</del> 25% up to and including 50%	1.25
<del>Over</del> 50%	1.50

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- 18.2 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 month 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) 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 Paragraphs 4 and 5 of these General Terms and Conditions upon five (5) days' written notice to the Supplier.
- 18.3 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 month 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). 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.
- 18.4 In the event Supplier informs East Ohio, or East Ohio otherwise becomes aware, that Supplier does not intend to perform its obligations under the Agreement, or in the event East Ohio determines that Supplier no longer has the Upstream Pipeline or Storage capacity, inventory or gas supply necessary to perform such obligations, East Ohio may deem such conditions to be a material default within the meaning of OAC Rule 4901:1-27-12(J) and may request suspension or termination of the Agreement pursuant to OAC Rule 4901:1:27-12(J). 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.

**19. RECONCILIATION OF MONTHLY VOLUMES**

- 19.1 The Calendar Month Pool Sendout of all Customers of Supplier's Pool shall be defined as the sum of (1) Aggregate Monthly Consumption Volumes as adjusted for net unbilled volumes plus (2) the sum of the Supplier Allocation Volumes nominated for the month plus (3) the sum of Imbalance Trading Volumes traded to other Suppliers during the month plus (4) the sum of Storage Volumes injected during the month. Net unbilled volumes for CCS Energy Choice Customers shall be calculated in the same manner used for CCS sales customers to estimate their

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

calendar month usage for accounting purposes. East Ohio shall answer inquiries from Supplier as to how such unbilled volumes are calculated.

- 19.2 The Calendar Month Pool Supply shall be defined as the sum of the Daily Available Volume during the month as adjusted for any Imbalance Trading Volumes received from other Suppliers during the month and any sales to, or purchases from, East Ohio pursuant to Section 18 of these General Terms and Conditions.
- 19.3 The difference between Calendar Month Pool Supply and Calendar Month Pool Sendout, as adjusted for any prior month billing corrections, shall be reconciled monthly.
- 19.4 Supplier shall have the following options, described further in Paragraphs 19.5 to 19.7, to reconcile month-end imbalance volumes: (1) trading such imbalances during the monthly reallocation period; (2) adjusting month-end storage inventories; and (3) submitting to a financial cash-out using index prices.
- 19.5 Supplier may trade some or all of its month-end imbalance volumes (both negative and positive) determined in accordance with Paragraph 19.3 with other ECPS and FRPS suppliers during the subsequent monthly reallocation period, ~~which typically occurs from the 15<sup>th</sup> to the 17<sup>th</sup> of the following month, at a cost of \$100 per transaction. (For example, Supplier could trade some or all of its March month-end imbalance during the April 15 to April 17 reallocation period.)~~ Supplier shall not trade so as to increase the size of its initial imbalance in any pool.
- 19.6 Supplier may use some or all of its month-end imbalance volumes (both negative and positive) determined in accordance with Paragraph 19.3 to debit or credit the month-end inventory of any storage service assigned to, or purchased by, Supplier up to the maximum allowable amount. ~~(For example, Supplier could use some or all of its January month-end imbalance to adjust its January 31 ECPS or FSS storage inventory up to the maximum amount permitted under the agreement.)~~
- 19.7 Supplier may cash out some or all of the month-end imbalance volume (both negative and positive) determined in accordance with Paragraph 19.3 at the price used to determine the cost of On-System Storage transfers as set forth in Paragraph 5.2 of these General Terms and Conditions. Supplier shall submit an invoice for Any-any amounts owed Supplier associated with the cash-out of positive imbalances. East Ohio agrees to process and pay the invoice within fifteen (15) days of posting. -shall be reflected as a credit on Supplier's next invoice with any amounts owed at year-end resulting in a remittance by East Ohio at Supplier's request within 60 days upon request. Any amounts owed East Ohio

---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

associated with the cash-out of negative imbalances shall be reflected in Supplier's ~~next~~applicable invoice.

---

Issued: ~~September 15, 2006~~

Effective: ~~October 1, 2006~~

Filed under authority of the Public Utilities Commission of Ohio in Case No. ~~05-47412-~~05-47412-\_\_\_\_-GA-ATA

~~Bruce C. Klink, Vice President~~Anne E. Bomar, Senior Vice President



---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****OPTIONAL FIRM STORAGE SERVICE****20. FIRM STORAGE SERVICE**

- 20.1 Optional firm storage service is available to Supplier under this Agreement, subject to the availability of storage capacity and to the procedures and restrictions outlined in this Section.
- 20.2 Supplier may purchase additional firm storage service for use in its ECPS Pool to supplement the On-System Storage assigned pursuant to Paragraph 5.1 of these General Terms and Conditions. Such service shall have the same character of service as the On-System Storage described in Section 13 of these General Terms and Conditions. Purchase of the optional firm storage service is available prior to the commencement of the Summer Period at the time East Ohio offers its annual storage service agreements for other seasonal storage services.
- 20.3 Rates and charges for the optional firm storage service shall be identical to those of the Enhanced Seasonal Service offered under Rate Schedule FSS with the reservation fee payable before November 1 of each year and the usage fees paid upon volumes injected into and withdrawn from On-System Storage.
- 20.4 Because the optional storage service is purchased on an annual basis prior to the commencement of the Summer Period, the provisions of Section 5 of these General Terms and Conditions related to purchases from or sales to East Ohio of On-System Storage volumes in place do not apply. On-System Storage inventory transfers are available for use in this optional firm storage service pursuant to the applicable provisions of East Ohio's Storage Inventory Transfer Service.



## GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

### OPERATIONAL FLOW ORDERS

#### 21. OPERATIONAL FLOW ORDERS

21.1 In order to support system operations and maintain system integrity, Supplier is subject to East Ohio's issuance of OFOs which may direct Supplier to adjust its supply nominations and/or its Supplier Allocation Volumes such that the Supplier's Daily Available Volume, as adjusted to reflect flowing supplies, equals its Daily Pool Requirement. East Ohio may also issue OFOs which direct Supplier to deliver specific quantities of gas to specific Transportation Receipt Points. Failure to comply with an OFO will result in East Ohio, at its sole discretion and in accordance with reasonable and standard industry practice, adjusting Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals its Daily Pool Requirement. In the event that such an adjustment cannot fully equalize Supplier's Daily Available Volume with its Daily Pool Requirement, East Ohio, at its sole discretion and in accordance with reasonable and standard industry practice, may require the Supplier to fully utilize all assigned or purchased On-System Storage and Upstream Pipeline Primary Firm Transportation and Contract Storage capacity assigned or secured from another source pursuant to Sections 3 and 4 of these General Terms and Conditions to bring flowing supplies to East Ohio's system. Failure to comply with an OFO will result in East Ohio, at its sole discretion and in accordance with reasonable and standard industry practice, immediately recalling any assigned capacity throughout the remainder of the OFO period and billing the following incremental charges times the OFO shortfall, which is defined as the imbalance between Daily Available Volume and Daily Pool Requirement, as calculated by East Ohio, on those Days subject to the OFO:

- (a) the payment of a gas cost equal to the highest incremental cost paid by East Ohio on the date of non-compliance; and
- (b) demand charges based on the Dominion Transmission, Inc. FTNN rate schedule pursuant to the following schedule:

Number of Days of Noncompliance <u>During the Calendar Month</u>	Monthly Demand Charge Multiplier Applied to <u>Maximum OFO Shortfall</u>
One, Two or Three	Three
Four, Five or Six	Six
Seven, Eight or Nine	Nine
Ten or More	Twelve

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

The maximum amount that the Supplier shall pay pursuant to Paragraph 21.1(b) over any Winter Season shall be twelve months' demand charges multiplied by the maximum OFO shortfall experienced during that Winter Season;

- (c) the payment of all other charges, inclusive of storage and overrun costs, incurred by East Ohio on the date of the OFO shortfall; and
  - (d) associated excise tax.
  - (e) East Ohio shall credit all payments received for charges billed pursuant to this section to costs recovered through Transportation Migration Rider, Part B.
- 21.2 Supplier's failure to comply with an OFO 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). 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 unless already recalled under the provisions of Paragraph 21.1.
- 21.3 Suppliers in compliance with an OFO shall not be subject to any incremental charges or costs.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****SUPPLIER BILLING AND CREDITWORTHINESS****22. STATEMENT**

- 22.1 Each calendar month East Ohio shall render a statement of account to Supplier, summarizing and providing information necessary to calculate charges due East Ohio under the Agreement, including any purchases by East Ohio pursuant to Paragraphs 4.5, 5.2, 5.3 and 18.1 of these General Terms and Conditions.
- 22.2 Charges previously billed to Supplier by East Ohio, but unpaid by the payment date specified by East Ohio, will be assessed a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.
- 22.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within thirty (30) days of the statement date, East Ohio may deduct this unpaid amount from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the Collateral as defined in Paragraph 23.15.
- 22.4 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within forty five (45) days of the statement date, East Ohio may deem such failure to be a material default within the meaning of OAC Rule 4901:1-27-12(J) and may request suspension or termination of the Agreement pursuant to OAC Rule 4901:1-27-12(J).

**23. CREDITWORTHINESS****CREDIT EVALUATION (Paragraphs 23.1 – 23.143)**

- 23.1 East Ohio shall not commence service or continue service to Supplier if Supplier fails to meet the creditworthiness criteria outlined in this Section. Such creditworthiness criteria shall not be used to discriminate on any basis other than as specified herein. A fee of \$50.00 shall be assessed to Supplier for the initial and each subsequent creditworthiness review performed by East Ohio. East Ohio shall apply consistent evaluative practices to determine the acceptability of Supplier's overall financial condition, working capital, and profitability trends.
- 23.2 In order for East Ohio to complete its financial evaluation, Supplier shall provide East Ohio the following information: 1) most recent audited financial statements for itself or its parent company; 2) most recent Annual Report, 10K or 10Q for

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

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 Supplier is unable to provide such information, East Ohio may permit the Supplier to provide other verifiable sources of financial information. East Ohio may require additional information if the preceding is not sufficient to determine Supplier's creditworthiness.

- 23.3 A Supplier may satisfy its initial creditworthiness requirement by demonstrating that it has and maintains investment grade long-term bond ratings from any two of the following rating agencies:

Agency	Senior Unsecured Rating
Standard & Poors	BBB- or higher
Moody's Investors' Services	Baa3 or higher

- 23.4 East Ohio 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, if any. East Ohio shall determine the amount and type of additional financial instruments, if any, needed to support a Supplier's participation in the Program.
- 23.5 Supplier shall not be operating under any chapter of the bankruptcy laws and shall not be subject to liquidation or debt reduction procedures under state laws such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Supplier who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act, but only with adequate assurances that East Ohio's billing under the Agreement will be paid promptly as a cost of administration under the federal court's jurisdiction.
- 23.6 Supplier shall not be subject to the uncertainty of pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or which could jeopardize the ability to exist as an ongoing business entity.
- 23.7 Supplier shall not have any significant collection lawsuits or judgments outstanding which would seriously reflect upon Supplier's ability to remain solvent.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- 23.8 If any of the events or actions described in Paragraphs 23.5, 23.6, and 23.7 above shall be initiated or imposed during the terms of service under the Agreement, Supplier shall provide notification thereof to East Ohio within two (2) working days of any such initiated or imposed event or action.
- 23.9 If Supplier has an ongoing business relationship with East Ohio, no delinquent balances shall be consistently outstanding for billings made previously by East Ohio and Supplier shall have paid its account in the past according to the established terms and not made deductions or withheld payment for claims not authorized by contract.
- 23.10 In order to assure that the value of Supplier's financial security instruments remains proportional to Supplier's potential liability under the Agreement, the required dollar amounts of such instruments may be adjusted at the sole discretion of East Ohio, in circumstances including, but not limited to, a change in the level of unsecured credit, if any, determined by East Ohio or a change in amount of required collateral in accordance with paragraph 23.20. In the event East Ohio determines that additional security is required, East Ohio will notify the Supplier of its determination, including the grounds for that determination, and will inform the Supplier that it shall either provide financial security as required by East Ohio within five (5) business days or adjust its current and future participation to a level no greater than East Ohio's revised requirements. Supplier's failure to adjust accordingly may result in East Ohio limiting the enrollment of additional Customers in Supplier's pool and/or deeming such failure 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).
- 23.11 Supplier shall inform East Ohio of any significant change in Supplier's current financial condition. The required dollar amounts of financial security instruments may also be adjusted at the sole discretion of East Ohio based upon Supplier's demonstrated ability or inability to pay promptly.
- 23.12 In order for East Ohio to remain fully informed on participating Suppliers, Supplier shall serve East Ohio with its Annual Report to the Commission coincident with timing of its filing with the PUCO, and any other information provided to the PUCO pursuant to OAC Chapter 4901:1-27.
- 23.13 In the event of a Supplier Default as defined in Section 26 of these General Terms and Conditions, East Ohio shall have the right to use the proceeds from Supplier's financial instrument(s) to satisfy Supplier's obligations under the Agreement and any outstanding claims that East Ohio may have against Supplier. Such proceeds may also be used to secure additional gas supplies, including payment of the costs

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

of the gas supplies themselves, the costs of transportation, storage, gathering, taxes, and other related costs incurred in bringing those gas supplies into East Ohio's system.

- 23.14 East Ohio reserves the right to use Supplier's assets associated with the Agreement, including without limitation financial instruments required of Supplier to meet creditworthiness standards of this or any other agreement with Supplier; Accounts arising from East Ohio's billing of commodity service on behalf of Supplier, Supplier's On-System Storage Inventory held by East Ohio pursuant to this or any other agreement with Supplier; and any other gas in kind, As-Extracted or otherwise, delivered to East Ohio by Supplier, to offset or recoup any costs owed to and/or incurred by East Ohio.

**SECURED INTEREST (Paragraphs 23.15 – 23.19)**

- 23.15 Supplier shall grant East Ohio a security interest in the Collateral, as defined herein, to secure the payment and performance of Supplier's obligations under this or any other agreement between East Ohio and Supplier ("Obligations"). Such Collateral shall consist of all of the following: (i) financial instruments required of Supplier to meet creditworthiness standards of this or any other agreement with Supplier; (ii) Accounts arising from East Ohio's billing of commodity service on behalf of Supplier, (iii) Supplier's On-System Storage Inventory held by East Ohio pursuant to this or any other agreement with Supplier; and (iv) any other gas in kind, As-Extracted or otherwise, delivered to East Ohio by Supplier.

- 23.16 Supplier shall authorize East Ohio to file a financing statement ("Financing Statement") describing the Collateral in any jurisdiction as determined by East Ohio and represents that its exact legal name, state of formation, and principal place of business are as set forth in the Agreement.

~~23.17~~ ~~23.17~~—Supplier's failure to grant East Ohio a security interest in the Collateral may result in East Ohio eliminating any unsecured credit extended to Supplier and adjusting the collateral requirement formula set forth in Paragraph 23.20 accordingly.

~~23.17~~23.18 Upon a material default of this or any other agreement, East Ohio shall have the right without limitation to (1) take possession or otherwise dispose of such Collateral without delay to satisfy any and all Supplier Obligations then owing to East Ohio and (2) pursue any remedy available at law, including but not limited to those available as set forth in the Uniform Commercial Code of Ohio, to collect, enforce or satisfy such Obligations.



**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

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

**COLLATERAL REQUIREMENTS (Paragraph 23.20)**

- 23.20 East Ohio shall assess the amount of financial security required of Supplier on a monthly basis by subtracting the maximum unsecured credit limit, if any, extended to Supplier from the collateral requirement, which shall be updated by the fifth business day of every month. To determine the Winter Period collateral requirement, East Ohio shall utilize the maximum collateral requirement estimated for the Winter Period. To determine the Summer Period collateral requirement, East Ohio shall utilize the maximum collateral requirement estimated for the Summer Period. The collateral requirement shall be estimated using the following formula:

$$\text{CR} = (\text{TPR} - (\text{LP} + \text{AS})) \times \text{P}_{\text{co}} - (\text{TPR} \times \text{P}_{\text{br}}) \text{ where:}$$

**CR** equals Collateral Requirement (in \$)

**TPR** equals Total Pool Requirements (in mcf) as estimated by East Ohio for the upcoming month using normal heating degree days.

**LP** equals Local Production (in mcf) as determined by the first-of-month confirmed nomination of local production (if applicable) dedicated to the pool or nominated from the Supplier's Local Production Pooling Service pool times the number of days in the month. The Local Production volume shall exclude any volumes purchased from East Ohio under the ECPS monthly local production purchase option.

**AS** equals Available Storage (in mcf) as determined by the beginning of the month storage inventory (if applicable) held by the Supplier in conjunction with its ECPS pool. The Available Storage volume shall exclude any volumes purchased from East Ohio under the ECPS On-System Storage capacity provisions but not yet paid for.

**P<sub>co</sub>** equals Cash Out Price (in \$/mcf) as determined by the estimated negative imbalance volume cash out rate based on Inside FERC's Gas Market Report first of month pricing with the applicable adjustments.



---

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

**MDQ** equals Maximum Daily Quantity (in mcf) used in calculating the comparable capacity requirement for the Supplier for the month (shown as Design Day Usage in the comparable capacity evaluation).

**SD** equals Storage Demand (in mcf) used in calculating the on-system storage assignment for the Supplier for the month.

**P<sub>of</sub>** equals OFO Price (in \$/mcf) as determined by three months' worth of demand charges pursuant to East Ohio's OFO noncompliance charge calculation.

**P<sub>br</sub>** equals Billing Rate Price (in \$/mcf) as determined by the last actual month's average billing rate charged by the Supplier for Customers billed by East Ohio.

East Ohio may add to the preceding Collateral Requirement any amounts billed pursuant to the Agreement but not yet paid by Supplier as well as any amounts estimated to be billed for the upcoming month as determined by East Ohio.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****STANDARDS OF CONDUCT****24. STANDARDS OF CONDUCT****SUPPLIER STANDARDS OF CONDUCT**

- 24.1 In addition to meeting the financial requirements outlined in Section 23 above, Supplier shall be ~~be~~-certified by the PUCO in accordance with the PUCO's Minimum Requirements for Competitive Retail Natural Gas Service Certification as set forth in OAC Chapter 4901:1-27. East Ohio shall make copies of OAC Chapter 4901:1-27 available upon request.
- 24.2 Supplier shall conduct its activities consistent with the PUCO's Minimum Service Requirements for Competitive Natural Gas Service as set forth in OAC Chapter 4901:1-29, which are incorporated herein by reference. East Ohio shall make copies of OAC Chapter 4901:1-29 available upon request. Supplier's failure to comply with such requirements 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).
- 24.3 Supplier shall cooperate with East Ohio in connection with any Customer issues concerning competitive retail natural gas service that involve both East Ohio and Supplier or governmental aggregator.

**EAST OHIO STANDARDS OF CONDUCT**

- 24.4 (a) East Ohio shall apply tariffs in a nondiscriminatory manner.
- (b) East Ohio shall enforce the tariffs in a nondiscriminatory manner.
- (c) East Ohio shall not give any Supplier, including its marketing affiliate, or Customers of any Supplier, including its affiliate, preference over any other Suppliers or Customers. For purposes of East Ohio's firm transportation program, any ancillary service provided by East Ohio that is not tariffed (e.g., billing and envelope service), shall be priced uniformly for affiliated and nonaffiliated companies and available to all equally.
- (d) East Ohio shall process all similar requests for transportation in the same manner and within the same approximate period of time.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- (e) East Ohio shall not disclose to anyone, other than an East Ohio employee, any information regarding an existing or proposed gas transportation arrangement, unless authorized by the End Use Customer.
- (f) If a Customer requests information about Suppliers, East Ohio shall provide a list of all Suppliers operating on its system, but shall not endorse any Supplier nor indicate that any Supplier will receive preference because of a corporate relationship.
- (g) East Ohio shall, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in all areas where their failure to maintain independent operations may have the effect of harming Customers or unfairly disadvantaging unaffiliated Suppliers under East Ohio's transportation programs.
- (h) East Ohio shall not condition or tie its agreements to gas supply or for the release of interstate pipeline capacity to any agreement by a Supplier, Customer, or third party in which its marketing affiliate is involved.
- (i) East Ohio and its marketing affiliate shall keep separate books of accounts and records.
- (j) Neither East Ohio nor its marketing affiliate shall communicate the idea that any advantage might accrue in the use of the East Ohio's service as a result of dealing with any Supplier, including its marketing affiliate.
- (k) East Ohio's name and logo shall not be used in its marketing affiliate's promotional material, unless the promotional material discloses in plain, legible or audible language, on the first page or at the first point where East Ohio's name and logo appears, that its marketing affiliate is not the same company as East Ohio. East Ohio shall not participate in exclusive joint activities with any Supplier, including its marketing affiliate, including advertising, marketing, sales calls or joint proposals to any existing or potential Customers.
- (l) East Ohio shall establish a complaint procedure for issues concerning compliance with these standards of conduct. All complaints, whether written or oral, shall be referred to East Ohio's designated attorney. The designated attorney shall orally acknowledge the complaint within five (5) working days of receipt. The designated attorney shall prepare a written

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

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. The designated attorney shall communicate the results of the preliminary investigation, including a description of any course of action which was taken, to the complainant in writing within thirty (30) days after the complaint was received. The designated attorney shall keep a file with all such complaint statements for a period of not less than three years.

- 24.5 East Ohio shall render a bill to End Use Customers for distribution service rendered under the ECTS-~~R~~, ~~ECTS-NR~~ and LVECTS rates schedules. Pursuant to a separate Billing Agreement, Supplier shall have the option of East Ohio rendering a combined bill to End Use Customers for both distribution and commodity service, or Supplier may bill for ~~its those~~ services independently. All customer bills and payments shall be handled in accordance with OAC Rule 4901:1-29-12 except for 4901:1-29-12(F), ~~(J)~~, and ~~(K)~~, for which a waiver was granted.
- 24.6 East Ohio shall conduct its activities consistent with its tariff governing its Energy Choice Transportation program and the applicable PUCO rules governing natural gas governmental aggregations and minimum service requirements for competitive natural gas service for which it has not been granted waivers.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****CUSTOMER ENROLLMENT PROCESS INFORMATION EXCHANGE****25. ELECTRONIC FILE TRANSFERS**

25.1 East Ohio will accept enrollments each business day. Enrollments will be processed the night they are received. A file accepting or rejecting Suppliers enrollments will be available the next day. All file information will be provided to Suppliers as outlined in the East Ohio Enrollment/Billing File Specifications document. This document will be updated as needed to reflect technology and files changes.

Customer Enrollment File

- (a) — Suppliers shall submit a Customer Enrollment File to East Ohio to enroll new Customers, drop Customers, and change the status for existing Customers. Status changes for existing Customers may include commodity rate changes, sales tax percentage changes, bill option changes, and other such informational postings as needed.
- (b) — Enrollment files shall be processed by East Ohio daily. Files received and processed before the confirmation date as explained in Paragraph 25.3 (a) shall be effective for the following month.
- (c) — Enrollment files shall contain the following information:
  - (i) — Supplier information: ID number, pool option, billing option, billing rate, account status of add, drop, or change, supplier account number.
  - (ii) — Account information: Account number, name address, sales tax percentage.
  - (iii) — Date and time of file transfer.

25.2 — Enrollment Response File

- (a) — East Ohio shall notify Supplier of any enrollments that were not accepted by East Ohio during processing by posting a file on the Internet that includes the customer account number and the reason the enrollment was not accepted.

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

- ~~(b) — Supplier may review the Enrollment Response File, make any necessary corrections, and resubmit a corrected enrollment file to East Ohio for processing.~~

~~25.3 — Customer Confirmation File~~

- ~~(a) — The CCS Customer Confirmation File shall be generated on the fourteenth of the month and available for download from the Internet on the fifteenth. This file shall contain a list of all End Use CCS Customers in the Supplier's pool for the following month, including new enrollments.~~
- ~~(b) — The Customer Confirmation file shall contain the following information:~~
- ~~(i) — Supplier information: ID number, billing option, pool option, billing rate.~~
  - ~~(ii) — Account information: Account number, name, mailing and premise address, account type, rolling 12-month usage, budget indicator, sales tax percentage, broker balances, arrearages over 60 days, related account number (master account vs. sub-accounts).~~
  - ~~(iii) — Transaction information: Enrollment action code, change status code, future/added, pending/complete, transfer from account number.~~

~~25.4 — Customer Drop File~~

- ~~(a) — This file shall be available for daily download from the Internet and shall list all Customers that have exited the Supplier's pool.~~
- ~~(b) — The Customer Drop File shall include the following information:~~
- ~~(i) — Supplier information: ID number, pool option code.~~
  - ~~(ii) — Account information: Account number, account type, last billing date, final Supplier balance, account status (pending/complete/final), reason for the customer exit (return to East Ohio General Sales Service, change to another Supplier, final bill), effective date of transaction.~~

~~25.5 — Billing File~~

- ~~(a) — The Billing File shall be available for daily download from the Internet and contains details of the Customers' individual bills.~~

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

~~(b) — The following information shall be included in this file:~~

- ~~(i) — Supplier information: ID number, billing option, pool option code, billing rate.~~
- ~~(ii) — Account information: Account number, account type, name, consumption in Cefs for the current period, meter reads, meter read dates (prior, current, next), bill month, commodity charges, transport charges, service charges, taxes, tax percent, total charges, account balance, commodity rate schedule, transport rate schedule, budget indicator and budget amount, payments received, balance from prior bill, budget true up indicators for commodity, final and rebilling, county name and code.~~
- ~~(iii) — If Supplier bills its own commodity charges and related tax, the Billing File shall not contain data for items in (i) and (ii) that are maintained by the Supplier.~~

~~25.6 — Payment File~~

- ~~(a) — The Payment File shall be available for daily download from the Internet and shall contain all Customer payments that have been applied to the Supplier's balance. It shall also include an updated Supplier balance for each Customer.~~
- ~~(b) — The following information shall be included in this file:~~
  - ~~(i) — Supplier information: ID number.~~
  - ~~(ii) — Account information: Account number, payment amount applied to Supplier charges, payment date, remaining Supplier balance, transaction amount, payment plus adjustments, adjustment amount.~~



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

- 26.1 Supplier's failure to 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 TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE

- 26.10 Supplier's voluntary filing of a bankruptcy petition, or the filing of an involuntary bankruptcy petition by Supplier's creditors as set forth in Section 23 these General Terms and Conditions.
- 26.11 Supplier's failure to comply with the requirements of the Supplier's Code of Conduct as set forth in Section 24 of these General Terms and Conditions.
- 26.12 To the extent not specifically identified above, Supplier's failure to perform, to a material extent, any of the obligations imposed upon it under the Agreement.

## 27. REMEDIES

- 27.1 Supplier may remedy defaults as provided for in OAC Rule 4901:1-27-12(J). Otherwise, the default(s) may be grounds for East Ohio requesting suspension or termination of the Agreement pursuant to OAC Rule 4901:1-27-12(J).

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE****MISCELLANEOUS TERMS AND CONDITIONS****28. OBLIGATIONS**

- 28.1 Supplier shall be deemed to be in control and possession of the gas received by East Ohio for Supplier's account, until it shall have been delivered to East Ohio at the Transportation Receipt Point(s) or the Production Receipt Point(s), as applicable, after which East Ohio shall be deemed to be in control, but not possession, of the gas until the gas is allocated to Supplier's Customers.
- 28.2 The Supplier warrants the title to all volumes received by East Ohio for Supplier's account, as applicable, and shall indemnify East Ohio for, and save East Ohio harmless from, all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or attributable to the adverse claims of any and all other persons or parties to the gas received by East Ohio, provided, however, that if any person or party makes claim to any gas received by East Ohio adverse to Supplier's claim of ownership of the gas, or obtains a lien or encumbrance against the gas, East Ohio may withhold payment, if any may be due, for such gas until such adverse claim or lien is released or disposed of by the parties by final court action and may pay such withheld amount(s) to the party entitled to payment, unless the Supplier posts a bond in an amount and on terms satisfactory to East Ohio to protect and indemnify East Ohio against such adverse claim or lien.

**29. FORCE MAJEURE**

- 29.1 The term "Force Majeure," as used herein, and as applied to East Ohio or Supplier, shall mean acts of law, including governmental bodies acting pursuant to law, acts of God, strikes, lockouts or other labor disturbances, acts of a public enemy, war, blockades, insurrections, riots, epidemics, lightning, fires, floods, washouts, arrests, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, or any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the affected party. The settlement of strikes, lockouts or labor disturbances by acceding to the demands of an opposing party when such course is inadvisable is at the discretion or judgment of the affected party.
- 29.2 In the event East Ohio or Supplier is rendered unable, wholly or in part, by Force Majeure to carry out its obligations other than the obligation to make payment of amounts accrued and due under the Agreement, and after notice of the Force

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

Majeure condition is given to the other party in writing or by facsimile, the obligation of both parties, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused except the obligation to continue delivery of Production Volumes during curtailment periods. The Force Majeure condition shall be remedied with all reasonable dispatch.

- 29.3 Neither East Ohio nor Supplier shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, Force Majeure.
- 29.4 Such causes or contingencies affecting the performance of the Agreement by East Ohio or the Supplier shall not relieve the affected party of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by facsimile to the other party as soon as reasonably practical after the occurrence of the cause relied upon, nor shall such causes or contingencies affecting the Agreement by either party relieve it of liability in the event of its concurring negligence, nor shall such causes or contingencies affecting the performance of the Agreement relieve either party from its obligations to make payments of amounts then due as a result of previous transactions pursuant to the Agreement.

**30. OWNERSHIP OF FACILITIES**

- 30.1 Except as provided herein, all pipelines, fittings and other properties furnished under the Agreement shall remain the property of the party paying for the facilities, unless otherwise agreed, who shall be solely responsible for the maintenance and operation of those facilities, and each party may remove its property at the termination of the Agreement. Existing measuring stations owned by parties other than East Ohio that qualify as Production Receipt Points shall not become the property of East Ohio, but shall be maintained and operated by East Ohio until termination of the Agreement, except where superseded by a Measurement Operating Agreement. However, any measuring stations constructed or otherwise furnished by East Ohio shall be and remain the property of East Ohio.

**31. LIMITATION ON LIABILITY**

- 31.1 East Ohio has obligations hereunder which include, among other things, the obligations to estimate consumption, operate an EBB, take, process, accept and reject nominations, determine imbalances, interrupt and curtail service and issue OFOs. East Ohio shall have no liability under contract, statute or common law for any damages, errors or omissions that occur in performing its obligations

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

hereunder provided that its actions are reasonable and in accordance with standard industry practice. In no event shall East Ohio be held responsible for any consequential or incidental damages resulting from acts or omissions under any Agreement hereunder.

- 31.2 Each party to the Agreement shall bear responsibility for all of its own breaches, tortious acts, or tortious omissions connected in any way with the Agreement hereunder, causing damages or injuries of any kind to the other party or to any third party, unless expressly agreed in writing between the parties. Therefore, the offending party as a result of such offense shall hold harmless and indemnify the non-offending party against any claim, liability, loss or damage whatsoever suffered by the non-offending party or by any third party. As used herein, the term "party" shall mean a corporation or partnership entity or individual with whom East Ohio has a contractual relationship. The phrase "damages or injuries of any kind" shall include, without limitation, actual damages, litigation expenses, court costs, and attorneys' fees, and the phrase "tortious acts or tortious omissions" shall include without limitation sole or concurrent simple negligence, gross negligence, recklessness, and intentional acts or omissions.

**32. MISCELLANEOUS**

- 32.1 No modification of the terms and provisions of the Agreement shall be made or become effective except by the execution of a supplementary written agreement or by a revision to East Ohio's tariff.
- 32.2 No waiver by East Ohio or Supplier of any one or more defaults by the other in the performance of any provision of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.
- 32.3 The Agreement shall not be assignable without the prior written consent of the other party, which consent shall not unreasonably be withheld.
- 32.4 The payments of the rates stated in the Agreement, as well as the other provisions and conditions of the Agreement, shall be subject to all applicable Federal and State laws and orders, rules and regulations.
- 32.5 In the event any tax is imposed on natural gas, or the production, severance, gathering, transportation, sale, delivery, or use of natural gas, or if such tax is imposed in any other manner so as to constitute directly or indirectly a charge upon the gas delivered to East Ohio for redelivery hereunder, the amount of such tax shall be borne by Supplier so far as it affects or relates to or is apportionable

**GENERAL TERMS AND CONDITIONS OF ENERGY CHOICE POOLING SERVICE**

to the gas delivered to East Ohio hereunder. In the event East Ohio is required to pay such tax, the amount of the tax shall be billed directly to Supplier.

- 32.6 Supplier shall pay, or cause to be paid, any royalty payments due or owed on the gas received and redelivered hereunder, and shall indemnify and hold East Ohio harmless from any responsibility, liability or obligation for payment of any such royalty. In the event East Ohio is obligated by law to make any such royalty payment directly to royalty owners, Supplier shall reimburse East Ohio for any such payment and any costs associated with such payment. If Supplier fails to reimburse East Ohio, East Ohio may deduct the amount of such payments or costs from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the Collateral as defined in Paragraph 23.15 of these General Terms and Conditions in satisfaction of the Supplier's obligation.

## BILLING AGREEMENT - OPTION 1

This agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 2009, by and between The East Ohio Gas Company d/b/a Dominion East Ohio, an Ohio corporation having its principal place of business at 1201 East 55<sup>th</sup> Street, Cleveland, Ohio 44103 (hereinafter called "East Ohio") and \_\_\_\_\_ (hereinafter called "Supplier") to set forth the billing arrangements between East Ohio and its Energy Choice customers and between Supplier and these same Energy Choice customers for which Supplier is providing the gas commodity pursuant to East Ohio's Energy Choice Pooling Service, under Billing Option 1.

WHEREAS, East Ohio is providing gas transportation service to its Energy Choice customers whose gas commodity will be provided by Supplier.

WHEREAS, Supplier intends to provide the gas commodity to these same customers pursuant to East Ohio's Energy Choice Pooling Service.

WHEREAS, Supplier desires that separate bills be rendered to these same Energy Choice customers by East Ohio and Supplier, respectively, for transportation service and for the gas commodity.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, East Ohio shall bill the aforementioned Energy Choice customers for the gas transportation service which these customers receive from East Ohio, and Supplier shall bill these same Energy Choice customers for the natural gas which Supplier provides these same customers, under the following terms and conditions, such terms and conditions to be called "Billing Option 1":

### ARTICLE ONE CUSTOMER BILLING

- 1.01 When East Ohio has been notified by Supplier that Supplier has executed a new supply agreement with one of East Ohio's Energy Choice customers, East Ohio shall initiate the customer confirmation process as described in "Billing Rules for Energy Choice Pooling Customers," which document, as it may change from time to time, is hereby incorporated herein by reference.
- 1.02 East Ohio shall bill the customer for transportation service, and Supplier shall bill the customer for gas supplies. East Ohio is responsible for the collection of the bill for transportation service, including arrearages. Supplier is responsible for the collection of the gas supply bill, including arrearages. East Ohio and Supplier shall utilize the billing procedures described in "Billing Rules for Energy Choice Pooling Customers."

### ARTICLE TWO

Issued: ~~September 15, 2006~~

Effective: ~~October 1, 2006~~

Filed under authority of the Public Utilities Commission of Ohio in Case No. ~~05-47412-~~\_\_\_\_-GA-ATA

~~Bruce C. Klink, Vice President~~ Anne E. Bomar, Senior Vice President



**BILLING AGREEMENT - OPTION 1****MISCELLANEOUS PROVISIONS**

- 2.01 Supplier shall utilize only one billing option per pool, unless otherwise agreed in writing. Should Supplier elect to change to a different billing option for its Energy Choice pool, it must give East Ohio sixty (60) days' written notice of its intention. Supplier may change its billing option no more than once a year.
- 2.02 This Agreement shall be effective upon execution and shall continue in force and effect for the term of the underlying Energy Choice Pooling Service Agreement.
- 2.03 East Ohio and Supplier shall provide to each other the name and telephone number of a billing contact and an information technology contact. East Ohio's contact may be reached at shall be Bernie Miele, telephone number 724 444 3204, or at Gas\_Energy\_Choice@Dom.Com. Supplier's contact for billing is \_\_\_\_\_ at \_\_\_\_\_, and its contact for information technology is \_\_\_\_\_ at \_\_\_\_\_.
- 2.04 No change, modification, or attempted waiver of this Agreement shall have effect unless it is set forth in writing and signed by both parties. This Agreement shall be governed by the laws of the state of Ohio.

In witness whereof, the parties have executed this Agreement, on the day and year first written above.

\_\_\_\_\_

**The East Ohio Gas Company  
d/b/a Dominion East Ohio**

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

## BILLING AGREEMENT - OPTION 2

This agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 20~~0~~\_\_\_\_, by and between The East Ohio Gas Company d/b/a Dominion East Ohio, an Ohio corporation having its principal place of business at 1201 East 55<sup>th</sup> Street, Cleveland, Ohio 44103 (hereinafter called "East Ohio") and \_\_\_\_\_ (hereinafter called "Supplier") to set forth the billing arrangements between East Ohio and its Energy Choice customers and between Supplier and these same Energy Choice customers for which Supplier is providing the gas commodity pursuant to East Ohio's Energy Choice Pooling Service, under Billing Option 2.

WHEREAS, East Ohio is providing gas transportation service to its Energy Choice customers whose gas commodity will be provided by Supplier.

WHEREAS, Supplier intends to provide the gas commodity to these same customers pursuant to East Ohio's Energy Choice Pooling Service and Supplier desires that East Ohio bill for both the transportation service and for gas commodity so that the Energy Choice customers shall receive one combined bill.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, East Ohio shall bill the aforementioned Energy Choice customers for both gas transportation service which these customers receive from East Ohio and for natural gas provided by Supplier, under the following terms and conditions, such terms and conditions to be called "Billing Option 2":

### ARTICLE ONE CUSTOMER BILLING

- 1.01 When East Ohio has been notified by Supplier that Supplier has executed a new supply agreement with one of East Ohio's Energy Choice customers, East Ohio shall initiate the customer confirmation process as described in "Billing Rules for Energy Choice Pooling Customers," which document, as it may change from time to time, is hereby incorporated herein by reference.
- 1.02 East Ohio shall bill the customer for supplies, transportation and related charges. East Ohio is responsible for the collection of the combined bill, including the collection of arrearages. East Ohio and Supplier shall utilize the billing procedures described in "Billing Rules for Energy Choice Pooling Customers."
- 1.03 As described in "Billing Rules for Energy Choice Pooling Customer," East Ohio agrees to purchase the accounts receivable generated under this billing agreement. Accordingly, East Ohio shall remit one hundred percent (100.0%) of the value of such receivables, less any unpaid Supplier balances, by writing a check or executing a wire transfer weekly for accounts billed from CCS and monthly for accounts billed from SBS. Such payments shall be made approximately thirty (30) days after the accounts have been billed.

## BILLING AGREEMENT - OPTION 2

### ARTICLE TWO MISCELLANEOUS PROVISIONS

- 2.01 Supplier shall utilize only one billing option per pool, unless otherwise agreed in writing. Should Supplier elect to change to a different billing option for its Energy Choice pool, it must give East Ohio sixty (60) days' written notice of its intention. Supplier may change its billing option no more than once a year.
- 2.02 This Agreement shall be effective upon execution and shall continue in force and effect for the term of the underlying Energy Choice Pooling Service Agreement.
- 2.03 East Ohio and Supplier shall provide to each other the name and telephone number of a billing contact and an information technology contact. East Ohio's contact may be reached at ~~shall be Karen Sims, telephone number 216-736-6024, or at~~ Gas\_Energy\_Choice@Dom.Com. Supplier's contact for billing is \_\_\_\_\_ at \_\_\_\_\_, and its contact for information technology is \_\_\_\_\_ at \_\_\_\_\_.
- 2.04 No change, modification, or attempted waiver of this Agreement shall have effect unless it is set forth in writing and signed by both parties. This Agreement shall be governed by the laws of the state of Ohio.

In witness whereof, the parties have executed this Agreement, on the day and year first written above.

\_\_\_\_\_

**The East Ohio Gas Company  
d/b/a Dominion East Ohio**

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

## BILLING RULES FOR ENERGY CHOICE POOLING CUSTOMERS

### 1. GENERAL DESCRIPTION

- 1.1 Under East Ohio's Energy Choice Pooling Program, approved Suppliers have the choice of two billing options: 1) East Ohio bills the Energy Choice customers for the gas transportation service which these customers receive from East Ohio and the Supplier bills the same Energy Choice customers for the natural gas which Supplier provides these customers; and 2) East Ohio bills the Energy Choice customers for both the gas transportation service which the customers receive from East Ohio and for the natural gas which Supplier provides these same customers.
- 1.2 All customer bills and payments shall be handled in accordance with OAC Rule 4901:1-29-12, except for 4901:1-29-12(F), ~~(J), and (K)~~, for which a waiver was granted, and shall be subject to the following rules governing these billing procedures.

### 2. BILLING WHERE EAST OHIO PROVIDES ONE BILL FOR TRANSPORTATION AND SUPPLIER PROVIDES ONE BILL FOR GAS COMMODITY (OPTION 1)

- 2.1 East Ohio shall provide the Supplier on a daily basis with the customer's natural gas consumption via East Ohio's internet file posting system in accordance with the billing file transfer process set forth in paragraph 25.5 of the General Terms and Conditions of Energy Choice Pooling Service. Estimated readings and actual readings will be treated identically.
- 2.2 Supplier shall maintain its own tax exemption certificates.

### 3. BILLING WHERE EAST OHIO PROVIDES ONE BILL FOR TRANSPORTATION AND GAS COMMODITY (OPTION 2)

- 3.1 East Ohio shall maintain Supplier's basic rate structure, subject to the following conditions:
- (1) Supplier shall provide a written copy of its rate structure to East Ohio. All rate information received by East Ohio shall be confidential.

- (2) Supplier may submit up to 15 rates, or more at an additional cost as outlined below:
    - (a) The charge for fixed rates shall be \$10.00 per rate per month for each 10-digit broker ID to which it is attached.  
The charge for variable rates shall be \$40.00 per rate per month for each 10-digit broker ID to which it is attached.
    - (b) Fixed rates may change only once every 12 months.  
Variable rates may change more often than once every 12 months, but only once for a revenue month.
    - (c) Supplier shall submit requests for additional rate(s) no less than 30 days prior to the effective date of the rate(s).
    - (d) East Ohio shall process supplier adjustments for \$2.00 per adjustment.
  - (3) Supplier shall be notified within ten (10) business days after East Ohio has received a written copy of Supplier's rate structure whether such rate structure can be accommodated on East Ohio's billing system. East Ohio shall not be required to make any programming changes to accommodate Supplier's rate structure.
  - (4) East Ohio shall not be required to bill for any charges of Supplier other than commodity charges.
  - (5) Supplier shall provide fifteen (15) days' notice to East Ohio of any rate changes, which changes shall be subject to East Ohio's approval based on East Ohio's ability to accommodate such changes in its programming. All such requests to change a rate must be submitted upon an East Ohio approved form. Approved rate changes shall be effective on the customer's next billing date.
  - (6) East Ohio shall assign separate rate codes for each of Supplier's rates, and such rate code shall be used in any communication between East Ohio and Supplier concerning Supplier's rates.
- 3.2 East Ohio will house, bill and display sales tax on the commodity. East Ohio will not remit sales tax to the state.
- 3.3 East Ohio shall purchase the Supplier's accounts receivable at 100% of the face value as set forth in paragraph 1.03 of the billing agreement.
- 3.4 East Ohio shall provide the Supplier on a daily basis with the customer's natural gas consumption via East Ohio's internet file posting system in accordance with the billing file transfer process set forth in paragraph 25.5 of the General Terms and Conditions of Energy Choice Pooling Service. Estimated readings and actual readings will be treated identically.

**BILLING RULES FOR ENERGY CHOICE POOLING CUSTOMERS**

3.5 Customers may select the budget billing plan for paying their gas bills.

**4. MISCELLANEOUS**

4.1 East Ohio and Supplier shall provide each other with the name and telephone number of a billing contact and information technology contact. East Ohio's contact ~~shall may be reached at be Bernie Miele, telephone number 1-724-444-3204, or at~~ Gas\_Energy\_Choice@dom.com.

4.2 Supplier must maintain a twenty-four (24) hour answering service or a telephone answering machine that informs all callers that if they smell gas or there is any other emergency regarding gas service, the callers should call their gas utility immediately.

4.3 If the Supplier receives a telephone call from a customer that should be directed to East Ohio, Supplier shall direct the customer as follows:

For emergencies (such as gas odor, fire, or explosion), call 1-800-362-7557.

For billing questions (other than about commodity charges), call 1-800-362-7557.

4.4 Supplier shall handle all calls regarding commodity charges and associated rates.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**11/28/2012 8:29:12 AM**

**in**

**Case No(s). 12-3088-GA-ATA**

Summary: Exhibit Exhibit B-1 to ECPS Application electronically filed by Mr. Andrew J Campbell on behalf of The East Ohio Gas Company d/b/a Dominion East Ohio