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Date of Hearing: Nov. 3 & 4, 2015

In the Matter of the Complaint of Orwell Natural Gas Company,	:	
Complainant,	:	
vs.	:	Case No. 14-1654-GA-CSS Case No. 15-637-GA-CSS
Orwell-Trumbull Pipeline Company, LLC,	:	
Respondent.	:	

List of exhibits being filed:

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2

OTP 1-4

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BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Complaint of Orwell Natural Gas Company,	:	
Complainant,	:	
	:	Case No. 14-1654-GA-CSS
vs.	:	Case No. 15-637-GA-CSS
Orwell-Trumbull Pipeline Company, LLC,	:	
Respondent.	:	

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PROCEEDINGS

before Scott E. Farkas, Hearing Examiner, at the Public Utilities Commission of Ohio, 180 East Broad Street, Room 11-C, Columbus, Ohio, called at 10:00 a.m. on Tuesday, November 3, 2015.

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VOLUME I

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ONG
Exhibit 1

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Complaint of Orwell Natural Gas Company, Complainant, vs. Orwell-Trumbull Pipeline Company, LLC Respondent,	)	Case No. 14-1654-GA-CSS
In the Matter of the Complaint of Orwell Natural Gas Company, Complainant, vs. Orwell-Trumbull Pipeline Company, LLC Respondent.	)	Case No. 15-637-GA-CSS

DIRECT TESTIMONY OF MICHAEL S. ZAPPITELLO

Submitted on behalf of Orwell Natural Gas Company

October 27, 2015

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. Michael S. Zappitello. Orwell Natural Gas Company ("Orwell"). 8470 Station Street,
4 Mentor, Ohio 44060.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Northeast Ohio Natural Gas Corporation ("Northeast"). Although I
7 am compensated by Northeast, I am currently acting Director of Gas Procurement for
8 Northeast, Orwell, and Brainard Gas Corporation ("Brainard").

9 **Q. On whose behalf are you testifying in this proceeding?**

10 A. I am testifying on the behalf of Orwell.

11 **Q. Please describe your professional experience and qualifications.**

12 A. I was employed by Webb Manufacturing from 1980 through 2007 as Shipping
13 Supervisor, Traffic Manager, and Department Manager. My duties included routing all
14 shipments per published transportation tariffs and supervising up to 60 employees. I
15 supervised all purchasing functions, supervised all customer representatives, and handled
16 negotiations with outside vendors. I was also responsible for reviewing contracts and
17 overseeing all levels of inventory. In 2008, I was hired by Cobra Pipeline Co. LTD's
18 ("Cobra") manager of purchasing. At the time, I was on Orwell-Trumbull Pipeline
19 Company, LLC's ("OTP") payroll. In 2010, I began purchasing gas for all the Ohio
20 utilities. I was employed as Director as Gas Procurement for Northeast in 2013.

21

22 **Q. Describe the duties of your current position?**

1 **A.** I am responsible for all gas procurement for Orwell, Northeast and Brainard. I am also
2 responsible for system balancing for the Ohio utilities.

3 **Q. What is the purpose of your testimony?**

4 **A.** The purpose of my testimony is to support the claims Orwell asserted against OTP in the
5 two complaints filed by Orwell in Commission Case Nos. 14-1654-GA-CSS and 15-637-
6 GA-CSS.

7 **Q. Please summarize your testimony.**

8 **A.** First, I describe the Natural Gas Transportation Service Agreement (the "Orwell-OTP
9 Contract") between Orwell and OTP that is at issue in these cases. Second, I discuss the
10 two invoices OTP submitted to Orwell which are at issue in Case No. 14-1654-GA-CSS.
11 Third, I discuss various reasons why the Orwell-OTP Contract,[1] as currently drafted, is
12 unjust and unreasonable, which is the basis for Orwell's complaint in Case No. 15-637-
13 GA-CSS. Fourth, I discuss reasons why OTP's current tariff ("OTP Tariff") is
14 unreasonable.[2] Finally, I summarize Orwell's recommendations for the Commission with
15 respect to Orwell's various concerns.

16 **II. <u>DESCRIPTION OF THE ORWELL-OTP CONTRACT</u>**
17
18 **Q. Please describe the terms of the Orwell-OTP contract.**

19 **A.** From my review of the Orwell-OTP agreement, it appears that on or about July 8, 2008
20 Orwell and Brainard entered into the Orwell-OTP Contract with OTP. The agreement
21 has a term of 15 years, which expires in 2023.[3] The Orwell-OTP Contract provides that

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[1] A true an accurate copy of the Orwell-OTP Contract is attached as **MSZ Attachment A.**

[2] Orwell-Trumbull Pipeline, LLC, Rules and Regulations Governing the Transportation of Gas in Unincorporated Areas, P.U.C.O. No. 1.

[3] Orwell-OTP Contract at Paragraph 3.1 (MSZ Attachment A).

OTP will receive gas from suppliers and transport this gas on the OTP pipeline system for delivery into Orwell's and Brainard's systems. The initial rate charged to Orwell and Brainard was $0.95 per Mcf. The contract has a clause which provides for the potential adjustment of the transportation rate every five years, which states:

> Rate will adjust every five (5) years commencing on July 1, 2013 and continuing on each fifth (5th) anniversary date for the remaining term of this Agreement to reflect the higher of $0.95 per Thousand Cubic Feet (Mcf) or a negotiated rate to reflect the then current market conditions existing on each such rate adjustment date. If the parties cannot agree on a rate adjustment amount, OTPC shall have the option to increase the Rate by the increase in the consumer price index all items (Cleveland, Ohio) ("CPI") as calculated from July 1, 2008 to each applicable rate adjustment date.[4]

OTP did not seek to adjust the rate on July 1, 2013. September of 2014 was the first time OTP sought to adjust the transportation rate. In January 2015, Orwell began paying a transportation rate of $1.01, an issue which will be discussed in more detail later in my testimony.

The Orwell-OTP Contact is an interruptible agreement, which means that OTP has the ability to reject Orwell's nominations to the OTP system. The Orwell-OTP Contract states:

> 1.1 [Orwell] shall arrange with suppliers of [Orwell's] selection to have Gas in an amount not to exceed [Orwell's] MDQ adjusted for OTPC Shrinkage as specified on Exhibit B, tendered to the Receipt Points(s) as specified on Exhibit B, for delivery into the OTPC Pipeline on [Orwell's] behalf. OTPC shall then redeliver, <u>on an interruptible basis</u>, such quantities, less OTPC's Shrinkage, to [Orwell], or on behalf of [Orwell], at the Delivery Point(s) as specified on Exhibit B....[5](emphasis added)

The Orwell-OTP Contract also contains a sole-source provision, which states:

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[4] Exhibit B of Orwell-OTP Contract (MSZ Attachment A).

[5] Orwell-OTP Contract at Paragraph 1.1 (MSZ Attachment A).

> 1.2 [Orwell] agrees that during the term of this Transportation Services Agreement it will use only OTPC's to transport gas for any of its customers; provided, however, that this exclusive use of the OTPC pipelines shall remain in effect as long as OTPC has available capacity within its pipelines. Should available capacity not exist, then during that period only Orwell may use other pipelines to transport its gas requirements.[6] (emphasis added)

Only if nominations are rejected by OTP is Orwell or Brainard then able to use another transportation source.

Q. Orwell filed a complaint in Case No. 14-1654-GA-CSS regarding two invoices that OTP sent Orwell on September 12, 2014. Are you familiar with these two invoices?

A. Yes. These two invoices total $2,670,130.73 OTP claims that Orwell owes this amount to OTP for volumes transported on OTP's system from 2010 through 2014.[7] The invoices indicate that they are from "Orwell Trumbull Pipeline Company/Great Plains." I am not aware of any tariff Great Plains Exploration has filed with the Commission. Further, Orwell does not have any contract with Great Plains Exploration.

Q. Does Orwell owe OTP $2,670,130.73.50 for volumes delivered on OTP?

A. Absolutely not. Orwell already paid OTP for all the volumes described in the two invoices. These invoices are allegedly for "metered volumes delivered on 2" gathering lines" from 2010 to 2014. However, I am not aware of any agreement, tariff, or Commission order that segregates OTP's system into separate portions. In fact, such a provision would make little sense when, as here, gas is transported by displacement in a pressurized system. The only Commission approved authority governing the relationship between Orwell and OTP that I am aware of is the Orwell-OTP Contract and the OTP

[6] Orwell-OTP Contract at Paragraph 1.2 (MSZ Attachment A).

[7] True and accurate copies of the September 8, 2014 invoices are attached as **MSZ Attachment B.**

Tariff. According to the Orwell-OTP Contract, OTP charges Orwell for volumes transported on any portion of OTP's system and Orwell pays for this transportation. Orwell paid every invoice OTP submitted for volumes transported from 2010 through 2014. By submitting the two invoices that are at issue in Case No. 14-1654-GA-CSS, OTP is attempting to double-charge Orwell for transportation service Orwell already paid for. According to Jessica Carothers, the Accounting Manager for OTP, these two invoices represent additional charges above and beyond the charges Orwell has paid OTP from 2010 to 2014.[8] Ms. Carothers admits these additional charges would effectively make Orwell's transportation charge $1.90 per Mcf.[9] However, the Orwell-OTP Contract establishes a transportation rate of $0.95 per Mcf, a fact which Ms. Carothers admits.[10] She also admitted that Orwell paid all the invoices OTP submitted from 2010 to 2014 that were consistent with the $0.95 transportation rate contained in the Orwell-OTP Contract.[11]

Q. Does the Orwell-OTP Contract indicate which pipelines in OTP's system are subject to the terms of the agreement?

A. No. The contract does not segregate or distinguish different portions of OTP's system. The contract defines the "Pipeline" as "[a]ll pipelines owned by OTPC located in Northeastern Ohio."[12] OTP has at all periods relevant to the timeframe of the invoices

[8] September 8, 2015 Deposition of Jessica Carothers ("Carothers Depo.") at 12 and 43. Excerpts from the transcript of the Carothers Depo. are attached as **MSZ Attachment C**.

[9] Carothers Depo. at 12 and 43 (MSZ Attachment C).

[10] Carothers Depo. at 40 (MSZ Attachment C).

[11] Carothers Depo. at 29, 39 and 40 (MSZ Attachment C).

[12] Exhibit A of Orwell-OTP Contract (MSZ Attachment A).

operated the 2 inch lines as part of the OTP system. I approved all OTP pipeline invoices and verified delivery of volumes over these 2 inch pipelines. All invoices regarding transportation of volumes on OTP's system have been paid by Orwell.

III. THE ORWELL-OTP CONTRACT IS UNJUST AND UNREASONABLE

Q. Orwell filed a complaint with the Commission (Case No. 15-637-GA-CSS) claiming that the Orwell-OTP Contract is no longer just or reasonable. Are you familiar with this complaint?

A. Yes.

Q. Do you agree that the terms of the Orwell-OTP Contract are no longer just or reasonable?

A. Yes.

Q. Why?

A. There are a number of reasons that the Orwell-OTP Contract is unjust and unreasonable. One problem with the Orwell-OTP Contract is that it is a "sole-source" agreement. The Orwell-OTP Contract obligates Orwell to "use only [OTP's] pipelines to transport gas for any of its customers." This sole-source provision limits Orwell's ability to consider other competitive and operational options. For example, Orwell previously had a transportation agreement with The East Ohio Gas, Co. d/b/a Dominion East Ohio ("Dominion") under which Dominion provided firm transportation service at a rate of approximately $0.92 per Mcf.[13] Not only was the transportation rate Dominion charged less than the initial OTP rate of $0.95, but the firm service provided by Dominion is substantially more valuable than the interruptible service provided by OTP. Firm service

[13] A true and accurate copy of the April 14, 2005 Transportation Agreement between Orwell and Dominion and related documents, attached as **MSZ Attachment D**.

ensures that service will be available 24 hours a day, 365 days a year. Interruptible service, on the other hand, can be interrupted and may be unavailable in the coldest part of the winter heating season. Additionally, the Dominion transportation agreement was not a "sole-source" agreement and allowed Orwell to pursue additional transportation options.

Orwell no longer has a transportation agreement with Dominion and a number of the Dominion taps on Orwell's system were dismantled in 2008. These taps that were dismantled were located in areas where OTP's pipelines were located and, therefore, served as a valuable alternative to OTP. However, now that these taps have been dismantled, Orwell is only able to receive supplies from Dominion in a few isolated areas on its system where OTP cannot serve Orwell's customers. Dominion is no longer a true secondary source or alternative for Orwell, which eliminates Orwell's ability to gain competitive prices from suppliers who do not transport on OTP. When Richard M. Osborne ("Osborne") was still in control of both OTP and Orwell, he ordered an employee of Orwell to dismantle the Dominion taps.[14] Mr. Osborne stated that Dominion was "a competitor" with OTP, and that the relationship was "unpleasant."[15] Although Orwell has since considered approaching Dominion about potentially reestablishing the taps that were dismantled and negotiating a new transportation agreement, Orwell is concerned that the "sole-source" provision the Orwell-OTP Contract precludes Orwell from fully utilizing any transportation agreement with Dominion. Orwell has approached

[14] September 29, 2015 Deposition of Richard M. Osborne ("Osborne Depo") at 116-117. Excerpts from the transcript of the Osborne Depo. are attached as **MSZ Attachment E.**

[15] Osborne Depo. at 56- 58 (MSZ Attachment E).

Dominion about reinstalling taps in areas on Orwell's system in order to serve as secondary source to OTP. Although Dominion has not agreed to reinstall those taps as of today, Orwell will continue to pursue potential interconnections with Dominion.

Another reason this agreement is unreasonable is because it has a 15-year term. This is an extremely long commitment on Orwell's part, especially considering the fact that the contract is a sole-source arrangement. Gas supply options can change substantially from year to year based on market conditions, and a gas utility needs the flexibility to consider and choose from these various options to provide the lowest cost gas to its customers. The Orwell-OTP Contract does not do this. It locks Orwell in to basically one transportation source for 15 years. Further, based on statements made by Richard M. Osborne, it appears the only rationale for the 15-year term was to ensure that Mr. Osborne received a return on his $15 million investment in OTP. [16] The 15-year term sole-source, however, did not benefit Orwell or its customers.

Q. Does the Orwell-OTP Contract present any system reliability concerns for Orwell?

A. Yes. The fact the Orwell-OTP Contract is a sole-source agreement and an interruptible agreement puts Orwell in a precarious position. On the one hand, the contract precludes Orwell from considering alternative options for transportation. On the other hand, the contract gives OTP the right to interrupt Orwell's service. This overreliance on OTP does not allow Orwell to timely ensure gas supplies will always be available for its customers. This is a clear example of the imbalance of costs/power in the Orwell-OTP Contract.

[16] Osborne Depo. at 48 – 50 (MSZ Attachment E).

1 Another reason solely relying on OTP is problematic is because of OTP's reliance on
2 North Coast Gas Transmission ("North Coast"). North Coast is the primary interconnect
3 from which OTP receives gas supplies. Although OTP does have an interconnection with
4 Cobra, Cobra does not have the ability to independently serve OTP during the cold
5 weather. Any disruption of service from North Coast could put large portions of
6 Orwell's system at risk of losing gas service. Orwell should have the ability to explore
7 additional transportation options to ensure that Orwell's customers receive reliable
8 service.

9 **Q. Has Orwell's reliance upon the Orwell-OTP Contact ever resulted in a situation**
10 **where Orwell was concerned that it would be unable to provide gas to customers?**

11 **A.** Yes. In early 2014, Ohio, along with many states in the Eastern United States,
12 experienced unusually cold temperatures. The extremely cold temperatures resulted in a
13 substantial increase in expected gas usage and depletion of gas supply. On February
14 24th, 2014, Orwell sought bids for its March 2014 gas requirements. Orwell sought 3,750
15 Dth/day for delivery into North Coast for redelivery into OTP as the anticipated Orwell
16 burn for the month of March 2014. Orwell would typically have both BP Canada and
17 North Coast as supply options. However, North Coast's supplies were exhausted due to
18 the extreme weather. Although BP had 500Dth/day available, this amount was not
19 enough to meet Orwell's requirement of 3750Dth/day. Although Orwell accepted BP's
20 bid for 500Dth/day at NYMEX plus six dollars per Dth, Orwell still had to obtain the
21 remaining volumes needed to supply customers for March. To do so, Orwell decided to
22 tap the Spelman Pipeline Holdings, LLC's ("Spelman") line into Cobra Pipeline Co.
23 LTD's ("Cobra") line to increase pressures on Cobra to feed OTP. However, it was

unclear at the time if the amount of gas delivered into OTP would be adequate. In addition, the amount of time Orwell had to successfully install the tap was incredibly short because Orwell only had a matter of days before March 1, 2014, which is when Orwell's gas supplies would be depleted. Therefore, Orwell decided to purchase an additional 3,000Dth/day for the 1st, 2nd and 3rd of March to make sure that Orwell did not run out of gas.

As a result of this emergency situation, Orwell was forced to acquire abnormally expensive gas from BP while installing an emergency tap between Spelman and Cobra. Fortunately, Orwell was able to supply gas to all of its customers, though the Commission did not allow recovery for the full cost of these volumes. However, Orwell could have avoided this cost to its shareholders if it had Dominion as a secondary transportation option to purchase from a greater number of suppliers. Orwell also would have been able to avoid paying the extremely high prices for gas.

Q. Does Orwell's over-reliance on OTP's system cause other problems for Orwell and its customers?

A. Yes. During the winter, OTP relies upon Orwell to keep OTP's system pressures up in order to serve many of Orwell's customers, especially customers on the Northern end of OTP's system. These are primarily human needs customers. To maintain adequate pressure levels on OTP's system, Orwell has to purchase more gas than it needs during the winter, which results in a large positive imbalance for Orwell on OTP's system. Orwell is credited for this positive volumes imbalance during the summer months. Because the gas purchased during the winter is typically more expensive than volumes

purchased in the summer, Orwell's customers ultimately pay more for gas just to keep OTP's pressures up.

Q. How can this situation be remedied?

A. Part of the problem today is that gas flowing from North Coast has to travel from the southern portion of OTP's system in Mantua to the northern portion of its system to serve all of Orwell's customers.[17] OTP's pipeline flows as far as Eastlake, Ohio. When it is very cold, there are situations when there is insufficient pressure to push the gas to the far northern portions of the system, which results in some of Orwell's customers getting little gas pressure, or no gas at all. For example, on February 17, 2015, customers located in Willoughby, Ohio complained that they were experiencing low or no gas pressure. To remedy this situation, Orwell had to purchase more gas than it burned in February and March to maintain adequate gas pressures on OTP to serve Orwell's customers. If Orwell had the ability to reestablish taps on its system with Dominion in these northern areas, this would help alleviate the problem by adding additional supply sources in north. It would also reduce Orwell's need to over-purchase gas on OTP during the winter months, which would reduce rates for Orwell's customers. Orwell asked OTP to reinstall interconnection with Dominion in the northern part of its system to allow Orwell to have diversity of supply. OTP has indicated that it will consider reinstalling this tap, but has not taken any action yet. If the Commission modifies the Orwell-OTP Contract as recommended by Orwell, Orwell would have the ability reinstall taps on its system, which would allow Orwell to bypass OTP.

[17] A map of OTP's and Orwell's systems is attached as **MSZ Attachment F**. This is a fair and accurate representation of Orwell's and OTP's system.

1 **Q. What are some other concerns you have with the Orwell-OTP Contract?**

2 **A.** The transportation rate Orwell is being charged is unreasonable. Orwell and Brainard are
3 being charged $1.01 per Mcf for "sole-source" interruptible service, which is more than
4 any other entity taking transportation service on OTP. Great Plains Exploration, LLC
5 ("Great Plains") is charged $0.95 per Mcf.[18] Gas Natural Resources (f/k/a John D. Oil
6 and Gas Marketing) is charged $0.50 per Mcf for firm transportation service[19] and
7 Newbury Local Schools is charged $0.90 per Mcf for firm service.[20] It is unreasonable
8 for OTP's largest transportation customer to be paying the highest rates for interruptible
9 (less favorable) service.

10 **Q. Has Orwell attempted to renegotiate the transportation rate with OTP?**

11 **A.** Yes. In September 2014, OTP sent Orwell an invoice that increased the transportation
12 rate from $0.95 to $1.08.[21] OTP did not provide Orwell any prior notice regarding the
13 proposed rate increase and did not attempt to negotiate the rate with Orwell prior to
14 unilaterally increasing the rate. OTP claimed that new rate of $1.08 was calculated based
15 upon the consumer price index ("CPI") for Cleveland, Ohio. I responded through a letter
16 which indicated that OTP was obligated to attempt to negotiate a new transportation rate.

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[18] July 1, 2008 Natural Gas Transportation Agreement between OTP and Great Plains, attached hereto as **MSZ Attachment G.** – This document was provided in Orwell-Trumbull Pipeline Company, LLC's Responses to the Office of Consumers' Counsel Second Set of Interrogatories and Request for Production of Documents in Case No. 15-637-GA-CSS.

[19] January 1, 2009 Transportation Service Agreement No. 101 Orwell-Trumbull Pipeline Co., LLC between OTP and Gas Natural Resources (f/k/a John D. Oil and Gas, Marketing), attached hereto as **MSZ Attachment H.** This document was provided in Orwell-Trumbull Pipeline Company, LLC's Responses to the Office of Consumers' Counsel Second Set of Interrogatories and Request for Production of Documents Case No. 15-637-GA-CSS.

[20] July 27, 2009 Transportation Service Agreement No. 1006 between OTP and Newbury Local Schools, attached hereto as **MSZ Attachment I.** This document was provided in Orwell-Trumbull Pipeline Company, LLC's Responses to the Office of Consumers' Counsel Second Set of Interrogatories and Request for Production of Documents Case No. 15-637-GA-CSS.

[21] A true and accurate copy of the September 29, 2014 letter and invoice from OTP is attached as **MSZ Attachment J.**

On October 20, 2014, I met with Jessica Carothers to discuss a negotiated transportation rate for Orwell. First, I explained that OTP's calculation of the new rate of $1.08 was incorrect based on the Cleveland CPI. Using the Cleveland CPI, the accurate amount would be $1.01 per Mcf. Next, I proposed a new transportation rate of $0.60 per Mcf which was reflective of the current market conditions at the time.[22]

Q. Please explain how you determined that $0.60 was the market condition at the time.

A. I determined that $0.60 per Mcf was reasonable by analyzing the cost Orwell incurred to transport on OTP and the potential savings Orwell could have recognized transporting gas on Dominion. First, I assumed that Orwell would be required to transport gas at the maximum daily quantity ("MDQ") amount of 2000 Dth/day specified in the Orwell-OTP Contract.[23] For the five months that Orwell's requirements exceeded the 2000 Dth/day MDQ (November 2013 through March 2014), I determined what the costs would have been to transport supplemental gas supplies via Dominion.

Q. During the five-month winter period, what were the prices for volumes transported via OTP vs. prices for volumes that could have been transported via Dominion?

A. The costs for volumes transported via OTP were approximately $2.02 per Mcf. This total cost includes the Chicago winter basis for gas ($0.63), North Coast transportation costs ($0.38), and OTP transportation costs ($1.01). Gas was purchased via Dominion during the five-month winter period would have cost Orwell $0.864 per Mcf, which is the total of the Dominion winter basis (-$0.756) and Dominion's transportation cost per the DTS transportation tariff rate ($1.62). Although the Dominion tariff transportation rate is higher than the combined transportation rates of North Coast and OTP, the Dominion

[22] A workpaper that supports the proposed $0.60 transportation rate is attached as **MSZ Attachment K**.

[23] Orwell-OTP Contract (MSZ Attachment A).

winter basis is so much lower than the OTP winter basis that transporting gas on Dominion during the five-month winter period would have served Orwell customers $1.156 lower per Mcf than gas purchased and then transported on OTP.

Q. Did you factor the difference in shrink percentages between OTP and Dominion into your analysis?

A. No.

Q. Why not?

A. The shrink percentage for gas transported from North Coast to OTP is 4.95% (1.25% shrink on North Coast plus 3.7% shrink on OTP). The shrink percentage for gas transported on Dominion is 5.1%. Because the shrinkage percentages are essentially the same, shrinkage has almost no impact on my analysis.

Q. Based on your analysis, how much could Orwell have saved its customers if it would have supplemented its requirements by purchasing gas from Dominion during the five-month winter season?

A. Orwell would have saved at least $230,065.52 over a 12 month period if it would have purchased supplies transported by Dominion. This translates into a savings of approximately $0.35 per Mcf. By subtracting $0.35 from the OTP rate of $0.95, I determined that $0.60 per Mcf was the current market rate for transported gas volumes that should have been effective for the next five years.

Q. What was OTP's response to your proposal of $0.60 per Mcf?

A. OTP rejected this proposal and refused to negotiate. Rather, OTP decided to charge Orwell and Brainard $1.01 per Mcf.

1 **Q. How does the $1.01 transportation rate OTP is charging Orwell and Brainard**
2 **compare to the rates being charged for interruptible service on other pipelines?**
3 **A.** The amount OTP is charging Orwell and Brainard for interruptible service is substantially
4 higher than the transportation rates some other intrastate pipelines are charging their
5 customers for interruptible transportation service. Both Spelman and Cobra charge $0.50
6 per Dth for interruptible transportation service, which is approximately $0.50 per Mcf.
7 OTP is charging Orwell almost twice as much for transportation service than Cobra and
8 Spelman charge for interruptible transportation service under their tariffs.
9 **Q. How does OTP's refusal to negotiate a more reasonable transportation rate and**
10 **efforts to prevent Orwell from negotiating a transportation agreement with**
11 **Dominion harm Orwell's customers?**
12 **A.** OTP's actions cause Orwell's and Brainard's customers to pay higher rates than
13 necessary because Orwell and Brainard are precluded from pursuing cheaper gas supply
14 and transportation options.
15 **Q. It is your testimony that the Orwell-OTP Contract is unreasonable. Wasn't the**
16 **Orwell-OTP Contract approved by the Commission?**
17 **A.** Yes. In Case No. 08-1244-PL-AEC, the Commission approved the Orwell-OTP Contract.
18 However, the Commission may not have been aware of a number of factors when it
19 approved the Orwell-OTP Contract that show that the contract is unreasonable. First, the
20 Commission may not have known that when the Orwell –OTP Contract was executed,
21 Mr. Osborne owned OTP and had a substantial ownership interest in Orwell. When the
22 contract was signed, Orwell was owned by Lightning Pipeline Company, Inc.
23 ("Lightning"). Lightning's stock was owned primarily by the Richard Osborne Trust, of

which Mr. Osborne was the sole trustee.[24] The Richard Osborne Trust was also the majority shareholder of OTP.[25] Mr. Osborne admits he was the managing member of OTP when the Orwell-OTP Contract was executed.[26] Mr. Osborne admits that he owned 100% of Orwell and Brainard when the contract was executed.[27] On the Orwell-OTP Contract, Steve Rigo signed on the behalf of OTP and Thomas Smith signed on the behalf of Brainard and Orwell. Mr. Smith reported directly to Osborne when he was employed at Orwell and Mr. Rigo reported directly to Mr. Osborne when he was employed by OTP.[28] According to the notice provisions under the Orwell-OTP Contract, both Mr. Smith and Mr. Rigo worked out of the same offices and had the same contact number.[29] This shows that the Orwell-OTP Contract may not have been the result of an arms-length transaction.

Q. Do you have other concerns with the terms of the Orwell-OTP Contract?

A. Yes. The contract contains an arbitration provision, which states that all disputes regarding the contract must be resolved in binding arbitration in a hearing conducted in Lake County, Ohio. Because of this provision, OTP has filed a demand for arbitration with the American Arbitration Association, which is being held in Lake County, Ohio.

Q. Why is this problematic?

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[24] *In the Matter of the Purchased Gas Adjustment Clauses Contained Within the Rate Schedules of Northeast Ohio Natural Gas Corporation and Orwell Natural Gas Company*, Case No. 10-209-GA-GCR, Opinion and Order ("2010 GCR Opinion and Order") at 6.

[25] 2010 GCR Opinion and Order at 7.

[26] Osborne Depo. at 41-42 (MSZ Attachment E).

[27] *Id.*

[28] 2010 GCR Opinion and Order at 14; Osborne Depo. at 49-50 (MSZ Attachment E).

[29] Orwell-OTP Contract at Paragraph 5.5 (MSZ Attachment A).

1 **A.** In my opinion, disputes between Orwell and OTP regarding the Orwell-OTP Contract
2 should be resolved by the Commission. Both Orwell and OTP are public utilities
3 regulated by the Commission. While the Orwell-OTP Contract is allegedly an
4 "agreement" between Orwell and OTP, the contract required Commission approval.
5 Further, the various flaws in the Orwell-OTP Contract have a detrimental effect on
6 Orwell's regulated ratepayers. In my opinion, these are all legitimate reasons why the
7 Commission should be the final arbiter regarding the terms of Orwell-OTP Contract.

8 **IV. <u>THE COMMISSION SHOULD REQUIRE OTP TO MODIFY THE OTP TARIFF</u>**

9 **Q. In Orwell's complaint, Orwell requests that the Commission require OTP to file a**
10 **new tariff. Why is Orwell making this request?**

11 **A.** Orwell has attempted to renegotiate the terms of the Orwell-OTP Contract with OTP.
12 However, OTP has been unwilling to negotiate in good faith, and Orwell is concerned
13 that fruitful negotiations with OTP's current management, at least for the foreseeable
14 future, may be impossible. If Orwell and OTP cannot come to an agreement regarding a
15 new transportation contract, Orwell should have the option of taking standard
16 transportation service under OTP's transportation tariff. However, the way the OTP
17 Tariff is currently drafted, that simply is not an option for Orwell.

18 **Q. Why?**

19 **A.** Some of the most critical terms and conditions of the OTP Tariff lack clarity, and would
20 need to be more clearly defined before Orwell could decide if selecting standard
21 transportation service under the OTP Tariff is the best option. First, the OTP Tariff does
22 not have a standard transportation service rate. Rather, it indicates that "the rates and
23 charges for transportation services will be established pursuant to contracts submitted to

the Commission for approval under Section 4905.31 of the Revised Code."[30] This means Orwell has no option but to enter into a transportation contract with OTP. But Orwell's good-faith attempts to negotiate a new transportation rate with OTP have failed. And because the OTP Tariff lacks a specified transportation rate, Orwell has only two options: (1) continue complying with OTP's unreasonable demands or (2) file a complaint with the Commission. Orwell was forced to pursue the second option, which is why I am testifying in this case. However, if OTP had a reasonable tariff (which would include a defined transportation rate), Orwell would have the ability to take general transportation service as another option. In the future, this option would be preferable to Orwell filing a complaint every time a contractual dispute arises with OTP.

Q. Do you have other concerns regarding the way the OTP Tariff is currently drafted?

A. Yes. OTP's tariff states that "[u]nless otherwise agreed, the Customer shall have the right to retain, pursuant to this Tariff, 100% of the gas delivered to the Receipt Point(s), less the Shrinkage."[31] The Orwell-OTP Contract does not have a specified shrinkage percentage; rather, it states "Shrinkage: TBD." Because there is no defined amount of shrinkage, Orwell is unable to determine whether the amounts OTP charges for shrink are justified. It is Orwell's position that defining a specific amount for shrinkage in the OTP Tariff would help provide transparency with respect to the amounts OTP is charging Orwell for shrink.

Q. Why is having a transparent shrinkage rate important?

[30] OTP Tariff, Section 7, First Revised Sheet No. 6.

[31] OTP Tariff, Section 6, First Revised Sheet No. 7.

1 **A.** Disputes between OTP and Orwell have occurred recently regarding the appropriate
2 amount of shrinkage. Before September 2014, OTP never charged Orwell for shrink. In
3 September 2014, OTP sent Orwell an invoice that included retroactive charges for shrink
4 of 5% which dated back to July 1, 2013. In September 2014, I informed OTP that it did
5 not have authority to retroactively charge Orwell for shrinkage and informed OTP that it
6 had no basis for charging 5% for shrinkage considering that its US DOT Pipeline and
7 Hazardous Material Safety report indicates that its shrinkage is 3.7%.[32] If OTP is required
8 by the Commission to have a specified shrinkage rate, then OTP would have to justify
9 any shrinkage charges different from the specified rate. This would provide Orwell a
10 basis to challenge any shrinkage charge that appears to be unjustified or inconsistent with
11 the rate specified in the tariff.

12 **Q. Do other pipelines regulated by the Commission include a specified amount for**
13 **shrinkage in their tariffs?**

14 **A.** Yes. Both Spelman's and Cobra's tariff contain standard form "Transportation Service
15 Agreements" for customers that desire to enter into standard transportation agreements
16 with the pipelines. These standard form agreements for both Spelman and Cobra have a
17 specified amount for shrinkage of 3.5%.

18 **Q. Was the fact that the OTP Tariff lacks a specified amount for shrinkage an issue in**
19 **the Commission-ordered investigation of Orwell, Northeast, and Brainard?**

20 **A.** Yes. In the Commission-ordered investigation of Orwell, Northeast, and Brainard, the
21 ("COI case"), the auditor recommended that OTP's tariff be modified to include specific
22 percentage of shrinkage.

[32] OTP's Annual Report for Calendar Year Gas Distribution System, attached hereto as **MSZ Attachment L.**

V. ORWELL'S RECOMMENDATIONS FOR THE COMMISSION

Q. What are your recommendations regarding the complaint filed in Case No. 14-1654-GA-CSS?

A. The Commission should find that the two invoices submitted by OTP to Orwell totaling $2,670,130.73 are unjust and unreasonable. The Commission should issue an order that prohibits OTP from terminating or disrupting service for Orwell as a result of Orwell's decision not to pay these two invoices. In addition, the Commission should state in its order that OTP is prohibited from submitting similar retrospective charges in the future unless such charges are allowed by OTP's tariff, Commission rule, or Commission order.

Q. You have discussed a number of concerns regarding the Orwell-OTP Contract and the OTP Tariff. Please explain how you propose the Commission address these issues.

A. First, the Commission should determine that the Orwell-OTP Contract, as currently drafted, is unjust and unreasonable. Orwell requests that the Commission modify the Orwell-OTP Contract until OTP is required to file a new approved tariff. Orwell suggests the following revisions to the interim Orwell-OTP Contract, which would form the basis for the relationship between Orwell and OTP until OTP files an approved tariff:

- Paragraph 1.1- The Commission should change the contract from interruptible service to firm service.
- Paragraph 1.2- The Commission should void the sole-source provision of the contract, and permit Orwell to obtain transportation service from alternative sources to obtain least cost gas for its customers.

- Paragraph 3.1 -The Commission should modify the term of the contract. The contract should be in effect only until OTP files an approved tariff, or Orwell and OTP negotiate a true arm's-length transportation contract.
- Paragraph 7.6 – The Commission should void the arbitration provision, and assert sole and exclusive jurisdiction over all matters related to this contract and/or dispute.
- The Commission should modify the transportation rate OTP is currently charging Orwell. A just and reasonable transportation rate for an interim arrangement is $0.60.

The Commission should require OTP to file a new tariff that contains a specified shrink percentage. In addition, the tariff should contain a standard transportation rate. Whatever transportation rate OTP proposes, OTP should be required to establish a legitimate basis for the proposed charge. Until OTP files a new Commission-approved tariff, the Commission should require OTP to comply with the modified terms of the Orwell-OTP Contract as Orwell recommends above.

Q. Does this conclude your testimony?

A. Yes. However, I reserve the right to supplement or revise my testimony.

NATURAL GAS TRANSPORTATION SERVICE AGREEMENT

BY THIS AGREEMENT, executed this 1st day of July, 2008 Orwell-Trumbull Pipeline Co., LLC ("OTPC"), Orwell Natural Gas Company ("ONG") and Brainard Gas Corp. ("BGC") (hereinafter ONG and BGC shall collectively be referred to as "Shipper"), OTPC and Shipper are hereinafter sometimes referred to collectively as the Parties and individually as a Party) for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, do hereby recite and agree as follows:

RECITALS

WHEREAS, OTPC owns a natural gas transmission pipeline system described on Exhibit A to this Agreement (Pipeline); and

WHERAS, OTPC is an Ohio intrastate pipeline operating natural gas pipelines and related facilities located within the State of Ohio under authority of the Public Utility Commission of Ohio; and

WHEREAS, Shipper desires to utilize OTPC's Pipeline for the transportation of natural gas within the State of Ohio; and

WHEREAS, OTPC has agreed to provide such transportation to Shipper subject to the terms and conditions hereof,

WITNESSETH: In consideration of the mutual covenants herein contained, the Parties hereto agree that OTPC will transport for Shipper, on an interruptible basis, and Shipper will furnish, or cause to be furnished, to OTPC natural gas for such transportation during the term hereof, at prices and on the terms and conditions hereinafter provided:

AGREEMENTS

DEFINITIONS

Except where the context otherwise indicates another or different meaning or intent, the following terms are intended and used herein and shall be construed to have the meaning as follows:

A. "Btu" shall mean the British thermal unit as defined by international standards.

B. "Business Day" shall mean any weekday, excluding federal banking holidays.

C. **"Central Clock Time"** (C.T.) shall mean Central Standard Time adjusted for Daylight Savings Time.

D. **"Company"** means OTPC, its successors and assigns.

E. **"Customer"** means any individual, governmental, or corporate entity taking transportation service hereunder.

F. **"Dekatherm"** or **"Dth"** means the Company's billing unit measured by its thermal value. A dekatherm is 1,000,000 Btus. Dekatherm shall be the standard unit for purposes of nominations, scheduling, invoicing, and balancing.

G. **"Delivery Point(s)"** shall mean the specific measurement location(s) listed on Exhibit B at which OTPC delivers Shipper-owned Gas to Shipper and Shipper receives such Gas from OTPC. Exhibit B is hereby incorporated into this Agreement.

H. **"Delivery Volume"** shall mean the volume of Gas actually taken at the Delivery Point(s) by or on behalf of Shipper.

I. **"Firm"** shall mean that each Dth Shipper tenders at the Receipt Point will be delivered to Shipper's Delivery Point(s) minus OTPC's Shrinkage without interruption except under Force Majeure conditions or an energy emergency declared by the Commission.

J. **"Gas"** shall mean natural gas of interstate pipeline quality.

K. **"Gas Day"** or **"Day"** shall mean a period of 24 consecutive hours, beginning at 9:00 a.m. Central Clock Time, as adjusted for Daylight Savings Time, and the date of the Day shall be that of its beginning.

L. **"Heating Value"** shall mean the gross heating value on a dry basis, which is the number of British thermal units produced by the complete combustion at constant pressure of the amount of dry gas (gas containing no water vapor) that would occupy a volume of one Cubic Foot at 14.73 psia and 60° F with combustion air at the same temperature and pressure as the gas, the products of combustion being cooled to the initial temperature of the gas and air, and the water formed by combustion condensed to the liquid state.

M. **"Imbalance"** shall mean the daily difference between the Dths tendered by or for Customer's account at the Receipt Point minus OTPC's Shrinkage and the metered volumes allocated to Shipper at the Delivery Point(s).

N. **"Interruptible"** shall mean that each Dth Shipper tenders at the Receipt Point Will be delivered to Shipper's Delivery Point(s) less OTPC's Shrinkage if OTPC, using reasonable judgment, determines that capacity exists after all the Firm transport needs are accounted for to permit redelivery of tendered gas.

O. **"Maximum Daily Quantity"** or **"(MDQ)"** shall mean the maximum daily firm natural gas quantity which Shipper shall be entitled to nominate during any 24-hour period. Shipper's MDQ shall be negotiated between Shipper and OTPC and incorporated into Shipper's Service Agreement with OTPC.

P. **"Month"** shall mean a calendar month beginning at 9:00 a.m. Central clock time on the first day of the calendar month and ending at 9:00 a.m. Central clock time the first day of the following calendar month.

Q. **"OTPC System"** shall mean the intrastate pipeline system owned by OTPC.

R. **"Nomination"** shall mean the confirmed Quantity of Gas which Shipper shall arrange to have delivered to the Receipt Point(s) for redelivery by OTPC to the Delivery Point(s). The Nomination shall include sufficient gas to account for OTPC's Shrinkage.

S. **"Operational Flow Order"** or **"OFO"** shall mean a declaration made by OTPC that conditions are such that OTPC can only safely transport an amount of Gas during a calendar day equal to the amount of Gas which Shipper will actually receive at the Receipt Point on that calendar day. OTPC shall only declare an Operational Flow Order if an upstream pipeline declares an operational flow order or otherwise restricts the flow of Gas which normally would be delivered to OTPC at the Receipt Point.

T. **"Overrun"** shall mean any volume of Gas actually transported which, as measured on a daily basis, exceeds the maximum daily quantity (MDQ) established by this Agreement.

U. **"PUCO"** or **"Commission"** means the Public Utilities Commission of Ohio or any successor governmental authority.

V. **"Quantity of Gas"** shall mean the number of units of gas expressed in Dth or MMBtu unless otherwise specified.

W. **"Receipt Point(s)"** shall mean those measurement locations where Shipper-owned gas enters OTPC's system.

X. **"Service Agreement"** Each Customer shall sign an individual Agreement with OTPC prior to commencement of service that identifies the Receipt Point and Delivery Point(s),the MDQ, declares whether the transportation is Firm or Interruptible and establishes the cost

for the transportation. The Service Agreements shall be filed with the Commission pursuant to Section 4905.31, Revised Code for approval.

Y. **"Shrinkage"** shall mean the quantity of Gas required by OTPC to replace the estimated quantity of Gas which is required for compressor fuel, and lost-or-unaccounted-for Gas when transporting the tendered quantities. This percentage is set forth in Exhibit B.

Z. **"Written Notice"** shall mean a legible communication received by the intended recipient of the communication by United States mail, express courier, or confirmed facsimile. Written Notice may also be provided by Email, but shall not be effective until such time as (a) the Email is acknowledged by the intended recipient; (b) or a copy of such Email is received by the intended recipient by US mail, express courier, or facsimile.

I. DELIVERY AND TRANSPORTATION

1.1 Shipper shall arrange with suppliers of Shipper's selection to have Gas in an amount not to exceed Shipper's MDQ adjusted for OTPC's Shrinkage as specified on Exhibit B, tendered to the Receipt Point(s) as specified on Exhibit B, for delivery into the OTPC Pipeline on Shipper's behalf. OTPC shall then redeliver, on an interruptible basis, such quantities, less OTPC's Shrinkage, to Shipper, or on behalf of Shipper, at the Delivery Point(s) as specified on Exhibit B. All transportation by OTPC for Shipper shall be governed by OTPC's then current transportation tariff on file with the PUCO, except as expressly modified hereby.

1.2 ONG agrees that during the term of this Transportation Service Agreement it will use only OTPC's pipelines to transport gas for any of its customers; provided, however, that this exclusive use of the OTPC pipelines shall remain in effect as long as OTPC has available capacity within its pipelines. Should available capacity not exist, then during that period only ONG may use other pipelines to transport its gas requirements. This Transportation Service Agreement will only be utilized by BGC for back up purposes only and on an as needed basis.

1.3 For planning purposes, Shipper shall provide Written Notice, at least three (3) business days prior to the start of each calendar Month, to OTPC of the amount of Gas it intends to transport each day of the upcoming Month. Shipper shall submit its Nomination to OTPC by no later than 10:00 a.m. Central Clock Time for Gas flow the following day. This nomination should correspond to scheduled deliveries Shipper makes on the upstream interstate pipeline and downstream local distribution company operating the applicable Delivery Point(s). Should the Shipper desire to modify its Nomination either on the current Day or after the Nomination deadline for Gas flow the following day, OTPC shall make every attempt to accommodate Shipper's request provided OTPC can confirm such quantities with the upstream pipeline at the Receipt Point(s) and downstream entity at the Delivery Point(s).

1.4 Shipper shall be permitted to have delivered into and removed from OTPC's Pipeline its nominated Gas volume, adjusted for OTPC's Shrinkage, up to the MDQ previously agreed to and found on Exhibit B.

1.5 If any of the interstate pipelines interconnected with OTPC issues an operational flow order then OTPC may issue its own matching OFO on its Pipeline that will apply to Shippers. The OFO may restrict Shippers to nominate into the OTPC Pipeline only that volume of Gas which Shipper will have redelivered the same day adjusted for Shrinkage. OTPC will use its best efforts to limit such OFO to just the time necessary to comply with applicable upstream interstate OFOs. OTPC will only assess OFO penalties on a pro-rata basis if OTPC is actually assessed penalties by an applicable upstream pipeline.

1.6 Imbalances caused by Shipper at the Delivery Point(s) shall be resolved by OTPC and Shipper within thirty (30) days. Imbalances at the Receipt Point are governed by the terms and conditions of the upstream pipeline(s) delivering into OTPC. Any imbalance charges or penalties or costs of any kind incurred by OTPC as a result of Shipper's over or under delivery of natural gas into OTPC's system, either on a daily or monthly basis, will be reimbursed by Shipper within ten (10) days of receipt thereof. If Shipper fails to make any payments under this Agreement when due, OTPC has the right to terminate this Agreement upon two (2) days notice, unless such payment is made by the date specified in the termination notice.

1.7 Shipper warrants that it has title to all Gas delivered to OTPC, free and clear of all claims, liens, and other encumbrances, and further covenants and agrees to indemnify and hold harmless from all claims, demands, obligations, suits, actions, debts, accounts, damages, costs, losses, liens, judgments, orders, attorneys fees, expenses and liabilities of any kind or nature arising from or attributable to the adverse claims of any and all other persons or parties relating to such Gas tendered by Shipper at the Receipt Point.

II. QUANTITY AND PRICE

2.1 Shipper shall pay OTPC a Commodity Rate plus Shrinkage, as stated on Exhibit B, for each volume of Gas delivered to the Delivery Point(s).

III. TERM

3.1 The Agreement shall be effective as of 1st day of July, 2008 and shall continue in full force and effect, terminating 15 years thereafter and shall continue from year to year thereafter, unless cancelled by either party upon 30 days written notice.

IV. MEASUREMENT AND QUALITY OF GAS

4.1 Measurement of the Gas delivered and billed to Shipper shall be based upon an allocation conducted by the operator of the Delivery Point(s). Disputes regarding allocated throughput shall be handled in accordance with the tariff of the Delivery Point(s) operator. Billings for all receipts and deliveries hereunder shall be made on a thermal basis in Dth. OTPC shall provide to Shipper at Shipper's request, pertinent tariff information pertaining to method of allocating deliveries at Delivery Point(s).

4.2 All Gas delivered under this Agreement shall be commercially free from solid and liquid impurities and shall satisfy all pipeline quality standards reasonably established from time to time by OTPC and upstream or downstream pipelines.

V. BILLING AND PAYMENT

5.1 On or about the tenth (10th) day of each calendar month, OTPC will render to Shipper a statement setting forth the total volume of Gas delivered hereunder for Shipper during the immediately preceding Month. In the event OTPC was not able to take actual meter readings at any meter, or if OTPC has not received the necessary meter statements from the owner or operator of any applicable meter in time for preparation of the monthly statement, OTPC may use an estimated Gas delivery volume based upon confirmed nominations. Any such estimated delivery volume shall be corrected in the first statement after the actual meter readings become available.

5.2 In the event of a meter failure a reconstructed bill using the best information available shall be used.

5.3 Shipper agrees to pay OTPC the amount payable according to such statement on or before the twenty-fifth (25th) day of the month or within ten (10) days of receipt of the invoice whichever is later.

5.4 Failure to tender payment within the above specified time limit shall result in a monthly interest charge of one and one half percent (1-1/2%) per month on the unpaid balance. In addition, should Shipper's payment be delinquent by more than thirty (30) days, OTPC shall have the right, at its sole discretion, to terminate this Agreement and to terminate Gas transportation in addition to its seeking other legal redress. OTPC will first contact Shipper about any payment issues and try to resolve those issues in a reasonable manner.

5.5 Any notice, request, demand, statement, or other correspondence shall be given by Written Notice to the Parties hereto, as set forth below:

Shipper:	Orwell Natural Gas Company or Brainard Gas Company, as applicable 8500 Station Street, Suite 100 Mentor, Ohio 44060
EMAIL:	tsmith13@sprynet.com
PHONE:	(440) 974-3770
FAX:	(440) 974-0844
ATTN:	Thomas J. Smith
OTPC:	OTPC Gas Transmission Company, LLC 8500 Station Street Suite 100 Mentor, OH 44060
EMAIL:	srigo@orwellgas.com
PHONE	(440) 974-3770
FAX:	(440) 205-8680
ATTN:	Stephen G. Rigo

VI. FORCE MAJEURE

6.1 Except with regards to a party's obligation to make payment due under Section 5 and Imbalance Charges under Section 2, neither party shall be liable to the other for failure to perform a firm obligation; to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 6.2.

6.2 Force Majeure shall include but not be limited to the following (1) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii); (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, terrorism, insurrections or wars; and (v) governmental actions such as necessity for compliance with any court order, law statute, ordinance, or regulations promulgated by a governmental authority having jurisdiction. The Parties shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event of occurrence once it has occurred in order to resume performance.

6.3 Neither party shall be entitled to the benefit of the provision of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary firm transportation unless primary, in-path, firm transportation is also curtailed; (ii) the party claiming Force Majeure failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship. The claiming of Force Majeure shall not relieve either party from meeting all payment obligations.

6.4 Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be entirely within the sole discretion of the party experiencing such disturbances.

6.5 The party whose performance is prevented by Force Majeure must provide notice to the other party. Initial notice may be given orally; however, written notification with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written notification of Force Majeure to the other party, the affected party will be relieved of its obligation to make or accept delivery of Gas as applicable to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligation to the other during such occurrences or event.

VII. ADDITIONAL TERMS

7.1 Shipper shall join with OTPC in support of the application to the PUCO for approval of this Agreement pursuant to Section 4905.31, Revised Code.

7.2 In the event of an energy emergency declared by the Governor or any other lawful official or body, it is understood that OTPC shall and will follow the dictates of any energy emergency rule, or order. OTPC shall not be liable for any loss or damage suffered by Shipper as a result thereof.

7.3 This Agreement shall be construed under the laws of the State of Ohio.

7.4 This Agreement, together with all schedules and exhibits hereto, constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

7.5 This Agreement shall be binding upon and. inurs to the benefit of the Parties and their respective permitted successors and assigns. Neither this Agreement nor any of the rights, benefits or obligations hereunder shall be assigned, by operation of law or otherwise, by any Party hereto without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Except as expressly provided herein, nothing in this Agreement is intended to confer upon any person other than the Parties and their respective permitted successors and assigns, any rights, benefits or obligations hereunder.

7.6 The parties agree that any dispute arising hereunder or related to this Agreement shall be resolved by binding arbitration under the auspices of the American Arbitration Association. Prehearing discovery shall be permitted in accordance with the procedures of the Ohio Rules of Civil Procedure. The arbitrator or arbitrators shall have authority to impose any remedy at law or in equity, including injunctive relief. The parties agree that any hearing will be conducted in Lake County, Ohio.

7.7 Recovery by either Party of damages, if any, for breach of any provision hereof shall be limited to direct, actual damages. Both Parties waive the right, if any, to recover consequential, indirect, punitive and exemplary damages.

7.8 Both parties shall have the right to demand credit assurances from the other party. If the financial responsibility of any Party is at any time unsatisfactory to the other Party for any reason, then the defaulting Party will provide the requesting Party with satisfactory security for the defaulting Party's performance hereunder upon requesting Party's demand. Defaulting Party's failure to abide by the provisions of this Section shall be considered a breach hereof, and the requesting Party may terminate this Agreement, provided the defaulting Party is afforded an opportunity to cure any default within three (3) business days notice of any breach. Both Parties have the right, in addition to all other rights and remedies, to set-off any such unpaid balance due the other Party, or by the parent or any subsidiary of the other Party, under any separate agreement or transaction.

7.9 No presumption shall operate in favor of or against either party regarding the construction or interpretation of this Agreement as a result of either party's responsibility for drafting this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed as of the date set forth above.

Orwell-Trumbull Pipeline Co., LLC

By: _____
Stephen G. Rigo,
Executive Vice President

Date: July 1, 2008

Brainard Gas Corp.

By: _____
Thomas J. Smith, President

Date: July 1, 2008

Orwell Natural Gas Company

By: _____
Thomas J. Smith, President

Date: July 1, 2008

Exhibit A

OTPC Gas Transmission, LLC

ALL PIPELINES OWNED BY OTPC LOCATED IN NORTHEASTERN OHIO.

Exhibit B

OTPC Gas Transmission, LLC

Primary Receipt Point

Interconnection between OTPC and North Coast Gas Transmission, LLC's Pipeline in Mantua, Ohio

Primary Delivery Point(s)

For BGC: Various interconnections between OTPC and BGC, as required for back-up services only.

For ONG: Various interconnections between OTPC and ONG.

Shrinkage

TBD

2000 Dth/day

***RATES**

Commodity Charge (paid only on quantity transported)

November-March $ per Thousand Cubic Feet (Mcf)

April-October $ *per Thousand Cubic Feet (Mcf)*

*Rates will adjust every five (5) years commencing on July 1, 2013 and continuing on each fifth (5th) anniversary date for the remaining term of this Agreement to reflect the higher of $0.95 per Thousand Cubic Feet (Mcf) or a negotiated rate to reflect the then current market conditions existing on each such rate adjustment date. If the parties cannot agree on a rate adjustment amount, OTPC shall have the option to increase the Rate by the increase in the consumer price index all items (Cleveland, Ohio) ("CPI") as calculated from July 1, 2008 to each applicable rate adjustment date.

Orwell Trumbull Pipeline Company/Great Plains Exploration

3511 Lost Nation Road, Suite 213
Willoughby, OH 44094
(440) 255-1945

INVOICE

Bill To:

Orwell Natural Gas
8500 Station Street
Mentor OH 44060

Date 09/08/14
Invoice # 5002
Due upon receipt

YEAR	DESCRIPTION		TOTAL
2010	Farm Tap volumes delivered on 2" gathering lines	229,172.5 MCF	$ 217,713.88
2011	Farm Tap volumes delivered on 2" gathering lines	269461.7 MCF	$ 339,817.09
2012	Farm Tap volumes delivered on 2" gathering lines	312,373.9MCF	$ 296,755.21
2013	Farm Tap volumes delivered on 2" gathering lines	379,321.1 MCF	$ 360,355.05
2014	Farm Tap volumes delivered on 2" gathering lines	269,200.0 MCF	$ 255,740.00
Note:	Please see next page for detail.		
		GRAND TOTAL:	$ 1,470,381.23

*****PLEASE SEND THIS REMITTANCE WITH PAYMENT*****

Bill To:
Orwell Natural Gas
8500 Station Street
Mentor OH 44060

Date 09/08/14
Invoice # 5002
Total $ 1,470,381.23

Amount Paid: _____

OTP 2" Meter Usage Summary
2010-Current

Farm Taps

Station Name	Total 2010	Total 2011	Total 2012	Total 2013	Total 2014	Total Meter
8760 Tyler FT (612)	349.1	379.7	302.8	439	343.6	1,813.9
8780 Tyler Blvd (613)	375.5	301.9	351.2	546	506.9	2,081.2
Accurate Metal Saw	2,025.0	2,155.8	1,828.5	2,548	2,091.9	10,649.4
ACG Equip	165.2	164.6	106.0	214	175.7	825.8
Cars Auto	370.7	149.7				520.4
Cast Nylon			1,907.8	4,045	2,559.6	8,511.9
Comm - Chardon twp 606	1,289.0	1,384.7	1,379.2	1,533	992.5	6,578.3
Comm - Mentor 104	14,415.5	15,153.0	4,991.8	7,167	4,896.2	46,623.8
Comm - Newbury		60.8	204.8	395	239.4	899.7
Comm - Painesville 104	7,322.7	4,405.1	235.1	1,200	258.1	13,420.6
Comm- Concord 104	3,366.2	3,068.2	2,372.9	2,659	2,506.1	13,972.5
Comm Mentor 603	178.2	246.6	199.6	341	359.6	1,324.6
Comm Painesville 624			743.4	1,016	978.8	2,738.2
Deep Spring Trout	650.3	656.3	644.7	835	597.8	3,383.7
Eastlake (618)	3,761.1	4,052.1	2,859.0	3,538	2,458.3	16,668.8
Hopkins Rd ext FT (608)	622.8	761.4	460.2	624	644.8	3,112.7
JDOG Transports ORW - Industrials	35,704.8	66,683.6	63,013.8	58,724	35,604.7	259,731.3
JDOG Transports ORW (tyler, grand river, d center, 104, others)	133,756.0	136,203.6	122,507.4	167,696	138,348.1	698,510.8
Kobelt Hamilton FT (614)	1,388.4	1,727.8	1,317.3	1,900	1,498.0	7,831.3
Lake West	10,495.2	71,908.0	52,432.3	60,899	30,799.1	226,533.3
Leroy North 627			158.0	692	635.8	1,486.2
MC Sign	1,181.6	1,281.7	995.7	1,368	918.2	5,745.2
Mentor 623		76.1	329.9	443	175.6	1,024.8
Mentor Med	1,835.2	13,168.2	9,781.0	16,484	5,261.6	46,479.9
Mercantile FT (607)	1,256.0	1,249.4	507.1	879	939.6	4,831.3
Newbury Schools		8,391.4	4,845.9	8,796	6,091.8	28,125.1
Red Wine & Brew				126	1,001.4	1,127.2
Res - Chardon twp 104	1,483.8	1,503.6	1,801.6	2,342	1,645.4	8,776.5
Res - Concord 104	1,810.8	1,856.2	1,595.4	2,362	1,590.0	9,214.3
Res - Kirtland 104	234.1	484.5	325.7	253	215.7	1,513.4
Res - Leroy	1,528.9	1,640.8	1,526.7	1,581	1,263.4	7,541.0
Res - Mentor	885.7	1,126.9	1,112.6	2,169	886.5	6,181.1
Res - Newbury 104	1,039.0	1,312.6	1,282.5	1,528	1,403.5	6,565.3
Res - Painesville 104	112.5	322.8	117.6	205	77.1	834.6
Res Chardon 633				275	460.1	734.7
Res Concord 625			118.6	241	167.0	526.1
Res Concord 647					175.5	175.5
Res Leroy (621)		335.1	563.8	1,071	800.3	2,770.5
Res Leroy 634				123	151.5	274.3
Res Leroy 636				76	191.6	267.9
Res Leroy 637				60	216.8	276.8
Res Leroy 638				31	129.5	160.0
Res Leroy 645					100.4	100.4
Res Mentor 622		275.5	666.9	870	802.7	2,614.7
Res Mentor 626			190.7	415	211.7	817.6
Res Mentor 631			33.5	227	191.2	451.7
Res Mentor 648					52.3	52.3
Res Newbury 646					96.0	96.0
Residential _ Leroy (619)	412.0	470.5	467.3	662	575.1	2,587.2
Samco Service FR (616)	445.3	593.9	536.4	608	460.4	2,643.8
St. Denis (605)	711.9	742.1	740.1	1,005	667.1	3,866.0
Tran - Painesville 104		1,932.0	5,969.6	6,444	5,243.6	19,589.0
Tran- Concord		279.3	902.0	953	828.2	2,962.5
Transind Mentor 104		560.9	1,314.4	1,345	1,259.1	4,479.2
Transother Mentor 104		2,628.9	8,111.2	9,131	8,282.4	28,153.8
Wisner Road 630			65.6	240	172.7	478.4
YMA West		3,825.5	4,390.5			8,216.0
YMCA Central		4,181.4	6,115.8			10,297.2
Total Farm Tap Per Year	229,172.5	357,702.2	312,373.9	379,321.1	269,200.0	1,547,769.7

Orwell Trumbull Pipeline Company/Great Plains Exploration

3511 Lost Nation Road, Suite 213
Willoughby, OH 44094
(440) 255-1945

INVOICE

Bill To:

Orwell Natural Gas
8500 Station Street
Mentor OH 44060

Date 09/08/14
Invoice # 5001
Due upon receipt

YEAR	DESCRIPTION		TOTAL
2010	Metered volumes delivered on 2" gathering lines	168,146.6 MCF	$ 159,739.27
2011	Metered volumes delivered on 2" gathering lines	269461.7 MCF	$ 255,988.52
2012	Metered volumes delivered on 2" gathering lines	271,742.2 MCF	$ 258,155.09
2013	Metered volumes delivered on 2" gathering lines	331,425.8 MCF	$ 314,854.51
2014	Metered volumes delivered on 2" gathering lines	222,117.9 MCF	$ 211,012.01
Note:	Please see next page for detail.		
		GRAND TOTAL:	**$ 1,199,749.50**

*****PLEASE SEND THIS REMITTANCE WITH PAYMENT*****

Bill To:
Orwell Natural Gas
8500 Station Street
Mentor OH 44060

Date 09/08/14
Invoice # 5001
Total $ 1,199,749.50

Amount Paid: _____

OTP 2" Meter Usage Summary
2010-Current

Station No	Station Name	Total 2010	Total 2011	Total 2012	Total 2013	Total 2014	Total Meter
23	18th Century	2,066.0	2,623.0	2,461.0	6,434.0	3,129.5	16,713.5
51	Andrews - Osborne	13,479.0	13,610.0	12,708.0	14,094.0	11,358.0	65,249.0
72	Breckenridge	26,984.0	29,123.0	24,250.0	30,408.0	21,962.0	132,727.0
30	Camboden Creek	1,472.0	1,670.0	2,178.0	4,534.0	4,553.0	14,407.0
76	Curtis Blvd	717.0	1,914.0	3,208.0	3,866.0	2,416.0	12,121.0
70	Gracewoods	4,001.0	3,188.0	2,314.0	4,988.0	3,675.0	18,166.0
66	Grand River #1	26,701.0	13,188.0	30,258.0	32,239.0	17,698.0	120,084.0
66	Grand River #2	9,704.6	38,779.3	29,672.0	35,716.0	15,387.0	129,258.9
61	Hendricks			3,977.2	7,784.8	5,022.5	16,784.5
	JET Center					4,489.0	4,489.0
67	Kirtland Tudor Estates	386.0	102.0	492.1	3,271.2	531.5	4,782.8
77	Lake West	14,042.0	71,596.0	56,248.0	64,170.0	43,743.0	249,799.0
56	Melrose Farms	1,136.0	1,097.0	1,335.0	3,085.0	2,572.0	9,225.0
74	Mentor Medical Campus	3,173.0	15,078.0	15,883.0	16,434.0	9,196.0	59,764.0
19	Nature Preserve	19,447.0	18,957.7	21,445.0	26,979.1	21,906.4	108,735.2
78	Orchard Rd	8.0	106.0	12,571.0	6,699.0	912.0	20,296.0
81	Shamrock Blvd		155.0	1,179.0	1,470.0	363.0	3,167.0
43	St. John's Bluff	4,001.0	4,678.0	4,811.0	6,024.0	4,876.0	24,390.0
65	Tyler Blvd	24,620.0	31,777.7	19,612.9	31,063.1	24,857.0	131,930.7
14A-B	Tyler Tinman	10,874.0	11,889.0	14,946.0	12,059.6	12,537.0	62,305.6
55	Willoughby Crossing	5,335.0	5,570.0	4,207.0	10,855.0	5,388.0	31,355.0
80	YMCA West		4,360.0	7,986.0	9,252.0	5,546.0	27,144.0
	Total Metered Per Year	**168,146.6**	**269,461.7**	**271,742.2**	**331,425.8**	**222,117.9**	**1,262,894.2**

1 legal issues, responses, and overseeing the
2 day-to-day workings of the company.
3 Q. Okay. What is your job title with
4 Orwell-Trumbull Pipeline, if you know?
5 A. My general job title across the board
6 is accounting manager.
7 Q. Okay. So that would hold true for
8 Orwell-Trumbull Pipeline, Cobra, Lakeshore Gas
9 Storage, Chowder Gas Storage, correct?
10 A. Correct.
11 Q. You're an accounting manager?
12 A. Correct.
13 Q. And in terms of your clerical duties,
14 those are both accounting oriented and otherwise,
15 or are they just clerical?
16 A. Just clerical.
17 Q. Do you have an official job title with
18 these other sort of miscellaneous companies?
19 A. No, I do not.
20 Q. Okay. How would you describe the
21 duties other than the way you've described them in
22 terms of being in charge of accounts receivable,
23 bookkeeping and responding to legal requests?
24 How would you describe your duties as

1 through contractual terms. Is that right?
2 A. Correct.
3 Q. Now, as an accounting manager and
4 somebody who is responsible for accounts
5 receivable, in summary form, when you send bills
6 to Great Plains Exploration, what are those bills
7 for?
8 A. Okay. They are charged on the amount
9 of gas transported across Orwell-Trumbull's lines
10 at a 95 cent rate for transport.
11 Q. Okay. So if I can take it in stages
12 again. I'm not completely slow witted, but in
13 order to get all this down, if we could just take
14 it in stages again.
15 A. Absolutely.
16 Q. Would I be correct in saying Great
17 Plains Exploration essentially buys gas from gas
18 producers?
19 A. Great Plains Exploration has its own
20 gas wells and then it also ships for a few other
21 producers on the Orwell-Trumbull line.
22 Q. Okay. And the producers that Great
23 Plains actually owns, the wells that they own, are
24 those then owned by Mr. Osborne?

1 corresponds to the invoice number for 2013, right?
2 A. Yes.
3 Q. And finally, the 222,117.9 Mcf, that
4 corresponds to the 222,117.9 in the -- on page 21
5 at the bottom of total year 2014, right?
6 A. Yes.
7 Q. Okay. Now, if you go to the end of the
8 total metered per year on page 21, I see the
9 number $1,262,894.02.
10 Do you see that?
11 A. Yes. But I don't think it's dollars.
12 I think it's Mcf.
13 Q. Okay. That is the total metered
14 volume, that number, 1,262,894.2 is a volume
15 number, not a dollar number?
16 A. Correct.
17 Q. These volumes over these three years,
18 had Orwell-Trumbull Pipeline charged Orwell
19 Natural Gas for transporting these volumes
20 previously?
21 A. Yes.
22 Q. Okay. And how much was the charge that
23 they had charged them previously?
24 A. 95 cents an Mcf.

1 Q. So am I correct in saying that
2 Orwell-Trumbull Pipeline Company and Orwell
3 Natural Gas had a transportation agreement that
4 stated Orwell-Trumbull Pipeline Company will
5 charge Orwell Natural Gas 95 cents per Mcf for
6 transporting gas?
7 A. Yes.
8 Q. And that transportation agreement I
9 believe was filed at the Public Utilities
10 Commission. Is that correct?
11 A. Yes.
12 Q. And each month that Orwell-Trumbull
13 Pipeline Company transported gas volumes for
14 Orwell Natural Gas from the year -- from January
15 2010 through December 2014, Orwell-Trumbull
16 Pipeline Company would get -- would send Orwell
17 Natural Gas Company an invoice. Is that right?
18 A. Yes.
19 Q. Now, were those invoices paid?
20 A. Yes.
21 Q. Okay. Now, did Great Plains
22 Exploration have a similar contract with Orwell
23 Natural Gas Company?
24 MR. DORTCH: Objection.

1 Q. The charges on the invoice dated 9-8 of
2 '14, then, they were in addition to the charges
3 that Orwell-Trumbull Pipeline Company had already
4 sent to Orwell Natural Gas. Is that right?
5 A. Yes.
6 Q. So the actual charge for transportation
7 assuming -- and I'm going to assume as a
8 hypothetical, okay, that -- it might not be a
9 hypothetical to you, but for the purposes of the
10 deposition I'm going to assume as a hypothetical
11 that all of these charges are due, the actual
12 charge for transporting gas would be $1.90 per
13 Mcf. Is that right?
14 A. Say it again.
15 Q. Okay. So I apologize. It was an
16 unfortunate question.
17 These charges here on this invoice of
18 September 8, 2014, this number $1,199,749.50, that
19 represents the volumes transported over the
20 two-inch gathering lines at 95 cents per Mcf. Is
21 that right?
22 A. Correct.
23 Q. And the previous charges for these same
24 volumes that were sent on a monthly basis from

AGREEMENT

This Agreement is entered into by The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") and ~~Orwell~~ Natural Gas Company ("Orwell") this 14th day of April, ~~2005~~.

In consideration of the promises set forth below, the parties agree as follows:

Article 1 Transportation Rates

1.1 DEO shall bill Orwell, at General Transportation Service ("GTS") rates, on the basis of the aggregate usage for all of Orwell's delivery points.

1.2 The demand charges and volumetric rates for each year of this Agreement shall be determined as follows. Before the effective date and each anniversary date of this Agreement, DEO shall estimate Orwell's total load and the corresponding revenues for the subsequent 12-month period. The demand charge for each month of that 12-month period shall be 1/12 of 90% of those estimated revenues. The remaining 10% of those estimated revenues shall be used to calculate the volumetric rate for that subsequent 12-month period.

1.3 DEO shall waive the requirements of Section ~~3.2~~ 3.2 & 6.3 of the GTS rate schedule. EGM requirement $3.00/MDQ/mo.

1.4 DEO shall provide firm service up to the amount of gas scheduled for the gas day for delivery to Orwell. All service beyond that amount shall be interruptible service. There shall be no additional charge for standby service.

1.5 If, at any time during the term of this Agreement, including the primary term and any renewal periods, Orwell begins to serve a customer already served by DEO or reduces deliveries from DEO at existing interconnects by using other supply sources, DEO may reduce the effective discount provided to Orwell under the billing arrangement described in Section 1.1 above by an amount up to the revenue lost by DEO as a result of Orwell's action. If the revenue loss exceeds the effective discount, DEO may terminate this Agreement with 60 days' notice and thereafter render service to Orwell under maximum tariff rates and all applicable terms and conditions, including Section 3.2, & 6.3 of the GTS rate schedule, without aggregating Orwell's accounts.

Article 2 DEO/OIGTC Application

2.1 DEO and Ohio Intrastate Gas Transmission Company ("OIGTC") will be filing a joint application (the "DEO/OIGTC Joint Application") for approval by The Public Utilities Commission of Ohio ("PUCO") of DEO's purchase of OIGTC's assets. Orwell shall not file to intervene in that proceeding or in any way oppose the DEO/OIGTC Joint Application.

Article 3 Regulatory Approvals

3.1 DEO and Northeast Ohio Natural Gas Corporation ("NEONG") will be filing a joint application (the "DEO/NEONG Joint Application") for PUCO approval of an asset

exchange. This Agreement is contingent on PUCO approval of both (i) the DEO/NEONG Joint Application, and (ii) the DEO/OIGTC Joint Application.

Article 4 Term

4.1 This Agreement shall be effective on the date the PUCO approves the second of the two applications on approval of which this Agreement is contingent. This Agreement has a primary term of seven years, unless earlier terminated by DEO as permitted under Section 1.5 above, and shall automatically renew thereafter year to year unless terminated by either party with 60 days' written notice.

Article 5 Notices

5.1 All notices required or permitted under this Agreement, except those relating to billing, shall be sent by facsimile, hand delivery, or certified mail addressed to the following:

If to DEO:	If to Orwell:
P.O. Box 5759 Cleveland, OH 44101-0759 Facsimile No. (216) 736-6247 Attention: Jeffrey A. Murphy Director, Pricing and Regulatory Affairs	P.O. Box 190 Orwell, OH 44706 Facsimile No. (440) 974-5114 Attention: Stephen G. Rigo President

5.2 Either party may change its address for receipt of notices by giving written notice to that effect, as provided in Section 5.1, to the other party.

Article 6 Assignment

6.1 This Agreement may not be assigned by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld.

6.2 This Agreement shall be binding on and inure to the benefit of the parties' successors and assigns.

Article 7 Entire Agreement

7.1 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement. No amendment, modification, or change to this Agreement shall be valid unless made in writing signed by the parties.

THE EAST OHIO GAS COMPANY
D/B/A DOMINION EAST OHIO

By _____

ORWELL NATURAL GAS
COMPANY

By _____
Stephen G. Rigo, President

Dominion East Ohio
1201 East 55th Street, Cleveland, OH 44103
Mailing Address: P.O. Box 5759
Cleveland, OH 44101-0759
Web address: www.dom.com

Dominion
East Ohio

September 13, 2005

Mr. Stephen G. Rigo
Orwell Natural Gas
8500 Station Street
Suite 100
Mentor, Ohio 44060

Re: DEO Agreement No. 11943, dated April 14, 2005
Subject: Transportation Migration Riders

Dear Steve:

Pursuant to our discussion on Friday, September 9, 2005, Dominion East Ohio will agree to waive the Transportation Migration Rider Parts A and B (Riders) for all volumes delivered under the subject Agreement. However, Orwell Natural Gas agrees to pay the Riders if Dominion East Ohio is required by the Public Utilities Commission of Ohio to apply them to the subject Agreement for any service that has been or will be rendered to Orwell Natural Gas by Dominion East Ohio.

Please indicate your acceptance of the above by signing both copies of this letter in the space provided below. One fully executed original will be returned to you.

Thank you,

Michael J. Mallady
Dominion East Ohio

AGREED AND ACCEPTED BY:

ORWELL NATURAL GAS COMPANY

By: _____

Title: Executive Vice President

Date: September 20, 2005

THE EAST OHIO GAS COMPANY

By: _____

Title: Director

Date: _____

By: _____
Legal Counsel

General Transportation Service (GTS)

1. Applicability

   1.1 Transportation service pursuant to this rate schedule is available to Customers throughout East Ohio's service area who:

   a) have purchased or otherwise arranged for a supply of natural gas of acceptable quality and have provided for the delivery of such gas to East Ohio's system for redelivery at a point on the East Ohio system; and

   b) qualify for transportation service under the PUCO Gas Transportation Program Guidelines; and

   c) have entered into a written contract (the "contract") with East Ohio for service under this rate schedule for a minimum of 12 months.

   1.2 Transportation service pursuant to this rate schedule is subject to East Ohio's General Terms and Conditions of Transportation Service.

2. Character of Service

   The gas received by East Ohio on any Day for the account of the Customer shall be delivered by East Ohio to the Customer on the same Day on a firm basis, provided, however, that East Ohio's obligation to deliver gas to the Customer on any Day is limited to the Maximum Daily Transportation Quantity specified in the contract and is subject to the provisions of Section 2 of East Ohio's General Terms and Conditions of Transportation Service.

3. Measurement of Deliveries

   3.1 Delivery Points specified in the contract may be equipped with monthly gas measurement equipment instead of real-time electronic gas measurement ("EGM") capability, except as specified in Section 3. 2 below. For any Delivery Point so equipped, the average daily volume of gas delivered by East Ohio to the Customer shall be calculated by dividing the total volume of gas delivered by East Ohio during the Customer's Billing Cycle by the number of days in the Billing Cycle. In addition:

   a) Customers without EGM devices are subject to East Ohio's issuance of operational flow orders.

   3.2 Any Customer that does not receive all of its natural gas requirements through East Ohio shall be required to equip all of its Delivery Points with EGM capability. Any

other Customers may elect to equip some or all of its Delivery Points with EGM capability. If EGM capability approved and required by East Ohio is not available at any of the Delivery Points specified in the contract at the time the contract is executed, such equipment shall be installed, owned, operated, and maintained by East Ohio, provided, however, that all costs associated with the purchase and installation of such equipment shall be borne by the Customer and paid to East Ohio in equal monthly installments over a period specified in the contract, which period shall not exceed 24 months. In addition:

a) The Customer shall provide, at no cost to East Ohio and in a timely manner, a 120 volt, 15 ampere, AC power supply and a telephone tie to the Customer's telephone system accessible at Customer's meter location(s), and any necessary telephone enhancements to properly transmit data.

b) The Customer shall pay all charges for continuous electric and telephone service necessary for the operation of the EGM equipment.

c) Customers with EGM devices are subject to East Ohio's issuance of operational matching orders.

4. Tolerances

Positive and Negative Imbalance Volumes will be reconciled pursuant to Sections 5 and 6 of East Ohio's General Terms and Conditions of Transportation Service.

5. Volume Banking Service

5.1 Customers purchasing transportation service pursuant to this rate schedule are required to subscribe to Volume Banking Service. The minimum Monthly Tolerance Level for such Customers is two percent (2%) of monthly consumption volumes.

5.2 Customers will be billed the applicable rate per Mcf on all Delivery Volumes according to the level of Volume Banking set forth in their service agreements.

Monthly Tolerance Level	Rate per Mcf for all Delivery Volumes
Two Percent	$0.022
Four Percent	$0.027
Six Percent	$0.034
Eight Percent	$0.040
Ten Percent	$0.046

6. Rates and Charges

6.1 The volumetric charge for each Customer at each Delivery Point served under this rate schedule shall not exceed the rates set forth below plus any riders applicable to service rendered under this rate schedule:

For the first 100 Mcf each month, $1.3128 per Mcf,
For the next 400 Mcf each month, $1.0528 per Mcf,
For all over 500 Mcf each month, $0.8788 per Mcf.

In no event shall the volumetric charge for volumes delivered under this rate schedule be less than the Variable Cost of Service.

6.2 In addition to the volumetric charge, each Customer shall be charged a Customer charge of $102.50 per Delivery Point per month.

6.3 Any Customer that does not receive all of its natural gas requirements through East Ohio will be subject to a surcharge equal to $3.00 per Mcf times the Customer's Maximum Daily Transportation Quantity, payable monthly.

6.4 Any Customer initiating transportation service under this rate schedule who was exclusively a sales customer of East Ohio as of November 8, 1994 shall continue to be responsible for charges pursuant to East Ohio's Interim Emergency and Temporary PIP Plan Rider. Such Customer shall also be responsible for East Ohio's Uncollectible Expense Rider and receive a credit for $0.0601 per Mcf in recognition thereof.

Dominion East Ohio Transportation Customer Rates

Daily Transportation Customers (DTS)

Monthly Service Charge:	$	377.00	
Transportation Rate			
First 500 Mcf/month	$	1.0803	Mcf
Next 24,500 Mcf/month	$	0.9113	Mcf
Next 25,000 Mcf/month	$	0.5603	Mcf
Over 50,000 Mcf/month	$	0.1663	Mcf
PIPP RIDER[2] (effective 05/12/99):	$	0.1110	Mcf
Transition Cost :	$	-	Mcf
Migration Rider Part A[3]:	$	0.0990	Mcf
Energy Choice Program Costs:	$	-	Mcf
Uncollectible Expense Rider[2]:	$	0.2531	Mcf
Excise Tax Rider			
First 100 Mcf/month	$	0.1593	Mcf
Next 1,900 Mcf/month	$	0.0877	Mcf
Over 2,000 Mcf/month	$	0.0411	Mcf

Storage

Volume Banking			
Monthly Tolerance Level			
2%	$	0.0220	
4%	$	0.0270	
6%	$	0.0340	
8%	$	0.0400	
10%	$	0.0460	
FSS Storage			
Base Rate (MSC):	$	0.4030	Mcf
Injections:			
FSS:	$	0.0580	Mcf
EFSS:	$	0.0830	Mcf
Withdrawals:			
FSS:	$	0.0570	Mcf
EFSS:	$	0.0820	Mcf
In/Out Storage			
Reservation fee (MDSC):	$	1.8700	Mcf
Maximum Storage Capacity (MSC):	$	0.0410	Mcf
Injections/Withdrawals:	$	0.0220	Mcf

General Transportation Customers[1] (GTS)

Monthly Service Charge:	$	102.50	
Transportation Rate			
First 100 Mcf/month	$	1.3128	Mcf
Next 400 Mcf/month	$	1.0528	Mcf
Over 500 Mcf/month	$	0.8788	Mcf
PIPP RIDER[2] (effective 05/12/99):	$	0.1110	Mcf
Transition Cost :	$	-	Mcf
Migration Rider Part A[3]:	$	0.0990	Mcf
Energy Choice Program Costs:	$	-	Mcf
Uncollectible Expense Rider[2]:	$	0.2531	Mcf
Excise Tax Rider			
First 100 Mcf/month	$	0.1593	Mcf
Next 1,900 Mcf/month	$	0.0877	Mcf
Over 2,000 Mcf/month	$	0.0411	Mcf

Effective Date: 06-Jul-05

Transportation Service for Schools[1] (TSS)

Monthly Service Charge:	$	50.00	
Transportation Rate			
First 100 Mcf/month	$	1.4568	Mcf
Next 400 Mcf/month	$	1.1968	Mcf
Over 500 Mcf/month	$	1.0228	Mcf
PIPP RIDER[2] (effective 05/12/99):	$	0.1110	Mcf
Transition Cost :	$	-	Mcf
Migration Rider Part A[3]:	$	0.0990	Mcf
Energy Choice Program Costs:	$	-	Mcf
Uncollectible Expense Rider[2]:	$	0.2531	Mcf
Excise Tax Rider			
First 100 Mcf/month		$0.1593	Mcf
Next 1,900 Mcf/month		$0.0877	Mcf
Over 2,000 Mcf/month		$0.0411	Mcf

Effective Date: 06-Jul-05

1. All GTS and TSS customers are required to take a minimum of 2% volume banking. GTS customers include Full-Requirement and General customers.
2. Any Customer initiating transportation service under this rate schedule who was exclusively a sales customer of East Ohio as of November 8, 1994 shall continue to be responsible for charges pursuant to East Ohio's Interim Emergency and Temporary PIP Plan Rider. *Such Customers shall also be responsible for East Ohio's Uncollectible Expense Rider and receive a credit for $0.0601 per Mcf in recognition thereof.*
3. Pursuant to The Public Utilities Commission of Ohio Opinion and Order in Case Nos. 97-219-GA-GCR and 97-119-GA-FOR dated November 5, 1998 the Transportation Migration Rider, Part A, has been increased from $0.000 per Mcf to $0.099 per Mcf. The transition cost recovery surcharge has been reduced to $0.000 per Mcf from its prior level of $0.012 per Mcf which was capped at 10% of all transportation related charges.

Account Name: Orwell Natural Gas
Account Number: Various
Transportation Services effective date: October 1, 2005

SPECIAL GENERAL TRANSPORTATION SERVICE (SGTS)
NORTHEAST OHIO NATURAL GAS

			JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
MONTHLY VOLUMES (MCF):			25,618	19,788	24,233	9,711	5,824	1,102	1,136	1,361	1,547	4,653	11,321	16,986	123,297
Transport Rate															
First...	100	$1.3128	$ 131	$ 131	$ 131	$ 131	$ 131	$ 131	$ 131	$ 131	$ 131	$ 131	$ 131	$ 131	$ 1,576
Next...	400	$1.0528	$ 421	$ 421	$ 421	$ 421	$ 421	$ 421	$ 421	$ 421	$ 421	$ 421	$ 421	$ 421	$ 5,053
Over...	500	$0.9788	$ 22,072	$ 16,950	$ 20,857	$ 8,094	$ 4,679	$ 529	$ 559	$ 774	$ 920	$ 3,850	$ 9,509	$ 14,488	$ 103,081
UER Discount:		$0.0000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal Transport Rates:			$ 22,624	$ 17,503	$ 21,409	$ 8,647	$ 5,231	$ 1,082	$ 1,112	$ 1,326	$ 1,473	$ 4,202	$ 10,062	$ 15,040	$ 109,710
Excise Tax (Effective July, 2001)															
First...	100	$0.0000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Next...	1900	$0.0000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Over...	2000	$0.0000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal Excise Tax:			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Volume Banking Fee		$ 0.022	$ 564	$ 435	$ 533	$ 214	$ 128	$ 24	$ 25	$ 30	$ 34	$ 102	$ 249	$ 374	$ 2,713
	MDTQ	Demand Rate													
MDTQ Surcharge	0	$ 3.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RIDERS															
PIPP:		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Migration Rider (Part A):		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Uncollectible Expense Rider:		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Monthly Service Fee:		$ 102.50	$ 103	$ 103	$ 103	$ 103	$ 103	$ 103	$ 103	$ 103	$ 103	$ 103	$ 103	$ 103	$ 1,230
TOTAL MONTHLY COSTS:			$ 23,289.94	$ 18,040.35	$ 22,044.77	$ 8,962.90	$ 5,462.03	$ 1,208.45	$ 1,239.17	$ 1,459.05	$ 1,609.04	$ 4,406.92	$ 10,413.37	$ 15,518.31	$ 113,552

Summary

Annual Volume (Mcf)	Annual Revenue	90% of Revenue	Monthly Demand Charge	10% of Revenue	Volumetric Charge ($/Mcf)
123,297	$ 113,552	$ 102,287	$ 8,524	$ 11,365	$ 0.092

NEO 782,594 $712,051 53,404 .090

#Meters
34

Saving:
$75,000/yr

Dominion East Ohio
1201 East 55th Street, Cleveland, OH 44103
Mailing Address: P.O. Box 5759
Cleveland, OH 44101-0759
Web address: www.dom.com

Dominion
EastOhio

April 14, 2005

Larry – I have Orwell's original.
4/15

Mr. Stephen G. Rigo
President
Orwell Natural Gas
8500 Station Street
Suite 100
Mentor, Ohio 44060

Re: Agreement Dated April 14, 2005

Dear Steve:

Enclosed is your original copy of our fully executed Agreement. Please keep this copy for your records.

352-3469
FAX: Mel Resnick
FROM: Steve Rigo
7 pages
4/18/06

Sincerely,

Bruce C Klink

Bruce C. Klink
Dominion East Ohio

Encl.

DATE,TIME	04/18 09:51
FAX NO./NAME	3523469
DURATION	00:01:54
PAGE(S)	07
RESULT	OK
MODE	STANDARD ECM

TRANSMISSION VERIFICATION REPORT

TIME : 04/18/2006 12:25
NAME : STEPHEN RIGO
FAX : +00000000000
TEL : 0000000000
SER.# : BRDJ1J620391

1 break?
2 MS. PIACENTINO: Yeah, yeah.
3 THE VIDEOGRAPHER: Off the record.
4 - - - -
5 (Off the record.)
6 - - - -
7 THE VIDEOGRAPHER: We are back on
8 the record.
9 BY MS. PIACENTINO:
10 Q. Mr. Osborne, before we went on the record, I had
11 handed you what has been marked as Osborne
12 Exhibit Number 2. It's the Natural Gas
13 Transportation Service Agreement between
14 Orwell-Trumbull Pipeline Company, Orwell Natural
15 Gas Company and Brainard Gas Corp.
16 Is that what you have in your hand right now?
17 A. Yes.
18 Q. Okay. At the time the transportation service
19 agreement was entered into, which was the 1st day
20 of July, 2008, what was your affiliation with
21 Orwell-Trumbull Pipeline Company, Orwell Natural
22 Gas Company and Brainard Gas Corp.?
23 A. Well, I was the managing member of
24 Orwell-Trumbull Pipeline. And whatever my title
25 was, was what my title was with Orwell Natural

1 Gas and Brainard.
2 Q. And you say whatever your title was was whatever
3 your title was. Did you have any --
4 A. I don't know what -- I don't know what my title
5 was.
6 Q. Okay. That's okay. Did you have any --
7 A. I mean, at that time, you know, it shows that Tom
8 Smith was the president of Brainard and Tom Smith
9 was the president of Orwell. Steve Rigo worked
10 for Orwell-Trumbull as the executive
11 vice-president.
12 Q. So I'm just going to backtrack you, just so I
13 understand.
14 Would you have, then, ownership interest in
15 Orwell Natural Gas Company at the time in 2008
16 that this contract was entered into?
17 A. Yeah. I owned a hundred percent of it.
18 Q. Okay. And then how about Brainard Gas
19 Corporation? Did you own --
20 A. Yeah, I owned a hundred percent of Brainard.
21 Q. When did you start Brainard Gas Corporation, do
22 you recall?
23 A. I bought it from somebody, I couldn't tell you
24 when.
25 Q. When you purchased it, did Brainard Gas company

1 A. Yes.
2 Q. With the address of 8500 Station Street, Suite
3 100, Mentor, Ohio 44060. Is that correct?
4 A. Yes.
5 Q. Okay. An e-mail of SRigo@Orwellgas.com. Is that
6 correct?
7 A. Yes.
8 Q. And then a phone number of 440-974-3770. Is that
9 correct?
10 A. Yes.
11 Q. Just looking at the top of this document and the
12 information that we just recited, it looks
13 like -- and you can correct me if I'm wrong --
14 that the shipper, Orwell Natural Gas Company or
15 Brainard Gas Company, has the same address as the
16 OTPC Gas Transmission Company, LLC, which the
17 address is 8500 Station Street, Suite 100,
18 Mentor, Ohio. Is that correct?
19 A. Yes.
20 Q. Can you explain to me why they would have the
21 same addresses?
22 A. No. I mean, you know, he could have been in my
23 -- he could have been in my offices. I was in
24 the same building as -- as Orwell-Trumbull. I
25 was in the same building as Orwell Natural Gas.

1 You know, we always had separate offices
2 here. You know, I can't explain why.
3 Q. But the two have -- separate entities shared the
4 same address?
5 A. I don't know about the fax number. He never
6 mentioned that. That could be different.
7 Q. Yeah, the fax number is different. Yes, sir.
8 The fax number for Orwell Natural Gas Company.
9 A. Okay. You know.
10 Q. Okay. And just for clarification, too, as well,
11 the phone number for Orwell Natural Gas Company
12 is listed as 440-974-3770 and the phone number
13 listed for OTPC Gas Transmission Company is the
14 same phone number, which is 440 --
15 A. Yeah.
16 Q. -- 974-3770, and this could be the same
17 explanation as to why --
18 A. So what?
19 Q. I'm just asking.
20 A. Well, you tell me why. I mean, I don't know why
21 they were the -- you know. So they have the same
22 address. So what?
23 Q. Okay. I'm just clarifying. I just have two
24 different entities here. I just want to be sure
25 I understand they have the same address and phone

1 number.
2 Okay. So Mr. Steve Rigo and Mr. Tom Smith,
3 who are both signators to this document in front
4 of you, which is Exhibit Number 2, did they both
5 report to you?
6 A. Yes.
7 Q. And you hired both of them, correct?
8 A. Yes.
9 Q. And from the document, since Mr. Rigo signed on
10 behalf of Orwell-Trumbull Pipeline Company, when
11 he made decisions on behalf of Orwell-Trumbull
12 Pipeline Company, would you approve those
13 decisions?
14 A. I can't tell you. I'd say no.
15 Q. You did not approve Mr. Rigo's decisions with
16 respect to those made on behalf of
17 Orwell-Trumbull Pipeline Company?
18 A. No.
19 Q. Okay. How about Thomas Smith, who signed on
20 behalf of Brainard Gas Corp. and on behalf of
21 Orwell Natural Gas Company, both as president of
22 those entities?
23 In the instance that he made any decisions on
24 behalf of Brainard Gas Corporation or Orwell
25 Natural Gas Company, would you review or approve

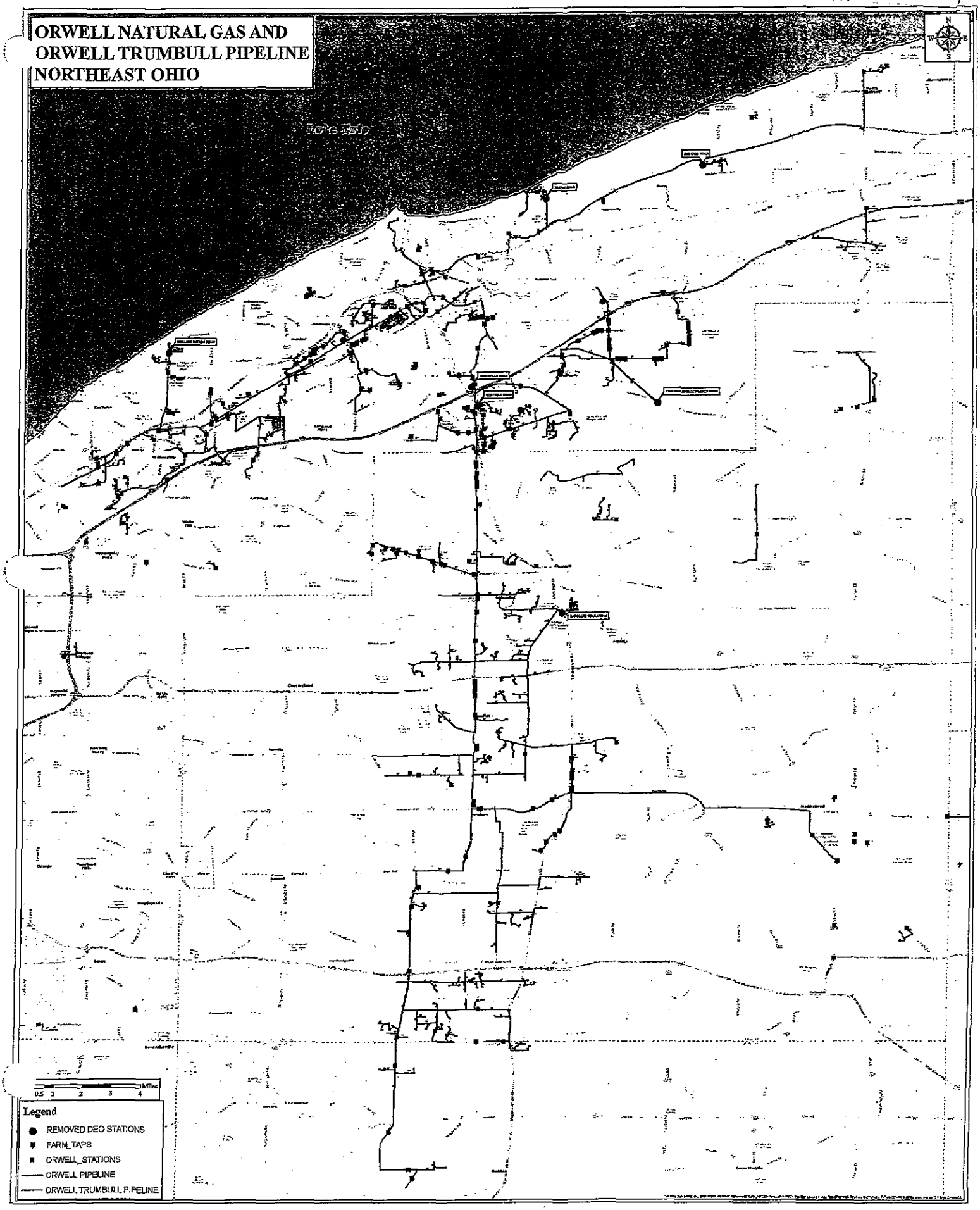
1 Mr. Osborne?
2 A. Yes.
3 Q. Okay. Top of the page, the first page of Osborne
4 Exhibit Number 3, says "Agreement," and it starts
5 off: "This agreement is entered into by the East
6 Ohio Gas Company, dba, Dominion East Ohio and
7 Orwell Natural Gas Company, Orwell, this 14th day
8 of April, 2005." Is that correct?
9 A. Yes.
10 Q. Okay. Do you recall the terms of this agreement,
11 Mr. Osborne, either by reviewing the document or
12 by memory?
13 A. No.
14 Q. Do you recall any of the customers that this
15 agreement would have dealt with?
16 A. No.
17 Q. If you want to take a second to review the
18 agreement, there are some questions involving
19 whether or not the contract prohibited your
20 company from serving anyone, if you recall.
21 A. I don't know. I mean, it's not in effect
22 anymore, so --
23 Q. I know it's not in effect, but it was in effect
24 at one point. So that's why --
25 A. Well, what does it have to do with this?

1 Q. I just have some questions for you about it.
2 A. I know. Ask the questions.
3 Q. Okay. Do you recall who any of the customers
4 were or buildings that the Dominion East Ohio
5 agreement dealt with?
6 A. No.
7 Q. Okay. And you had mentioned earlier that your --
8 well, I guess Dominion East Ohio's rates were
9 higher than yours, is that correct?
10 A. Yes.
11 Q. Okay. Do you recall what the cost per MCF under
12 this agreement was?
13 A. No.
14 Q. Do you recall if Orwell Natural Gas Company paid
15 monthly demand charges?
16 A. I don't know.
17 Q. Okay. Do you recall if the company, Orwell
18 Natural Gas, was receiving any discount based on
19 this rate structuring with Dominion East Ohio?
20 A. I don't know that.
21 Q. And you said you had kind of a shaky relationship
22 with Dominion East Ohio, is that correct?
23 A. Yes.
24 Q. And when you took over the company, you had
25 mentioned that the Dominion East Ohio agreement

1 was already in effect.
2 A. To my knowledge, yes.
3 Q. Okay. Did you try to do anything to terminate
4 the agreement between Dominion East Ohio and
5 Orwell Natural Gas Company?
6 A. Yeah, we probably terminated it when we started
7 with Orwell-Trumbull.
8 Q. And why would you have terminated the agreement?
9 A. Because we didn't want to do business with them
10 anymore.
11 Q. And why did you not want to do business with them
12 anymore?
13 A. Because they were a higher price and they were
14 always trying to squeeze us, squeeze our
15 expansion.
16 Q. At the time of the agreement, Dominion East Ohio
17 and Orwell Natural Gas Company, that's Osborne
18 Exhibit Number 3, were either Steve Rigo and Tom
19 Smith, the individuals we've discussed a couple
20 times in this deposition, a part of Orwell
21 Natural Gas Company, if you recall?
22 A. Yes, I believe they were, yes.
23 Q. Do you know if both of them were a part of Orwell
24 Natural Gas Company or just Steve Rigo or just
25 Tom Smith?

1 A. No.
2 Q. Do you recall that The Commission issued an order
3 that found that the $1.50 adder JDOG was an
4 unnecessary addition to costs and, therefore, was
5 disallowed?
6 A. Yes.
7 Q. And what was your role in determining that $1.50
8 fee, if any?
9 A. I didn't have a role in it.
10 Q. So it's your testimony that the $1.50 fee came
11 solely from Mr. Smith and that he didn't discuss
12 that matter with you at all?
13 MR. DORTCH: Objection.
14 Objection.
15 A. Well, it could have --
16 MR. DORTCH: Go ahead and answer,
17 Rick.
18 A. It could have come from Becky Howell, too.
19 Q. If Ms. Howell would have made the decision, would
20 she have discussed it with you?
21 A. No.
22 Q. So to the best of your knowledge, you had no
23 input into the decision to charge the $1.50 fee?
24 A. Yes.
25 Q. You indicated, previously, that there are a

1 number of taps between Orwell and Dominion East
2 Ohio Gas Company, correct?
3 A. Yes.
4 Q. Did you, at some time, approximately 2008 or
5 2009, direct Marty Whelan to dismantle or abandon
6 a number of those taps?
7 A. Yes.
8 Q. And do you know who Mr. Whelan is?
9 A. Yeah. He's president of Northeast Ohio Natural
10 Gas now.
11 Q. And did you make him president of Northeast Ohio
12 Natural Gas?
13 A. No.
14 Q. Did you make Mr. Whelan vice-president of
15 Northeast Ohio and Orwell when you were still
16 affiliated with the LDCs?
17 A. I couldn't tell you if I did. I don't think he
18 would have been associated with Orwell. He might
19 have, I don't know.
20 Q. When -- do you recall the dismantling or
21 abandoning of the Dominion taps?
22 A. Yes.
23 Q. And do you recall Mr. Whelan coming to you and
24 recommending that you not abandon or dismantle
25 the taps?


ORWELL NATURAL GAS AND
ORWELL TRUMBULL PIPELINE
NORTHEAST OHIO
Lake Erie
N
W
E
S
0.5 1 2 3 4 Miles
Legend
REMOVED DEO STATIONS
FARM_TAPS
ORWELL_STATIONS
ORWELL PIPELINE
ORWELL TRUMBULL PIPELINE

NATURAL GAS TRANSPORTATION SERVICE AGREEMENT

BY THIS AGREEMENT, executed this 1st day of July, 2008 Orwell-Trumbull Pipeline Co., LLC ("OTPC") and Great Plains Exploration, LLC ("Shipper"), OTPC and Shipper are hereinafter sometimes referred to collectively as the Parties and individually as a Party) for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, do hereby recite and agree as follows:

RECITALS

WHEREAS, OTPC owns a natural gas transmission pipeline system described on **Exhibit A** to this Agreement (Pipeline); and

WHEREAS, OTPC is an Ohio intrastate pipeline operating natural gas pipelines and related facilities located within the State of Ohio under authority of the Public Utility Commission of Ohio; and

WHEREAS, Shipper desires to utilize OTPC's Pipeline for the transportation of natural gas within the State of Ohio; and

WHEREAS, OTPC has agreed to provide such transportation to Shipper subject to the terms and conditions hereof.

WITNESSETH: In consideration of the mutual covenants herein contained, the Parties hereto agree that OTPC will transport for Shipper, on an Interruptible basis, and Shipper will furnish, or cause to be furnished, to OTPC natural gas for such transportation during the term hereof, at prices and on the terms and conditions hereinafter provided:

AGREEMENTS

DEFINITIONS

Except where the context otherwise indicates another or different meaning or intent, the following terms are intended and used herein and shall be construed to have the meaning as follows:

A. **"Btu"** shall mean the British thermal unit as defined by international standards.

B. **"Business Day"** shall mean any weekday, excluding federal banking holidays.

C. **"Central Clock Time"** (C.T.) shall mean Central Standard Time adjusted for Daylight Savings Time.

D. **"Company"** means OTPC, its successors and assigns.

E. **"Customer"** means any individual, governmental, or corporate entity taking transportation service hereunder.

F. **"Dekatherm"** or **"Dth"** means the Company's billing unit measured by its thermal value. A dekatherm is 1,000,000 Btus. Dekatherm shall be the standard unit for purposes of nominations, scheduling, invoicing, and balancing.

G. **"Delivery Point(s)"** shall mean the specific measurement location(s) listed on **Exhibit B** at which OTPC delivers Shipper-owned Gas to Shipper and Shipper receives such Gas from OTPC. **Exhibit B** is hereby incorporated into this Agreement.

H. **"Delivery Volume"** shall mean the volume of Gas actually taken at the Delivery Point(s) by or on behalf of Shipper.

I. **"Firm"** shall mean that each Dth Shipper tenders at the Receipt Point will be delivered to Shipper's Delivery Point(s) minus OTPC's Shrinkage without interruption except under Force Majeure conditions or an energy emergency declared by the Commission.

J. "Gas" shall mean natural gas of interstate pipeline quality.

K. ***"Gas Day" or "Day"*** shall mean a period of 24 consecutive hours, beginning at 9:00 a.m. Central Clock Time, as adjusted for Daylight Savings Time, and the date of the Day shall be that of its beginning.

L. ***"Heating Value"*** shall mean the gross heating value on a dry basis, which is the number of British thermal units produced by the complete combustion at constant pressure of the amount of dry gas (gas containing no water vapor) that would occupy a volume of one Cubic Foot at 14.73 psia and 60° F with combustion air at the same temperature and pressure as the gas, the products of combustion being cooled to the initial temperature of the gas and air, and the water formed by combustion condensed to the liquid state.

M. **"Imbalance"** shall mean the daily difference between the Dths tendered by or for Customer's account at the Receipt Point minus OTPC's Shrinkage and the metered volumes allocated to Shipper at the Delivery Point(s).

N. **"Interruptible"** shall mean that each Dth Shipper tenders at the Receipt Point will be delivered to Shipper's Delivery Point(s) less OTPC's Shrinkage if OTPC, using reasonable judgment, determines that capacity exists after all the Firm transport needs are accounted for to permit redelivery of tendered gas.

O. ***"Maximum Daily Quantity" or "(MDQ)"*** shall mean the maximum daily firm natural gas quantity which Shipper shall be entitled to nominate during any 24-hour period. Shipper's MDQ shall be negotiated between Shipper and OTPC and incorporated into Shipper's Service Agreement with OTPC.

P. **"Month"** shall mean a calendar month beginning at 9:00 a.m. Central clock time on the first day of the calendar month and ending at 9:00 a.m. Central clock time the first day of the following calendar month.

Q. **"OTPC System"** shall mean the intrastate pipeline system owned by OTPC.

R. **"Nomination"** shall mean the confirmed Quantity of Gas which Shipper shall arrange to have delivered to the Receipt Point(s) for redelivery by OTPC to the Delivery Point(s). The Nomination shall include sufficient gas to account for OTPC's Shrinkage.

S. **"Operational Flow Order" or "OFO"** shall mean a declaration made by OTPC that conditions are such that OTPC can only safely transport an amount of Gas during a calendar day equal to the amount of Gas which Shipper will actually receive at the Receipt Point on that calendar day. OTPC shall only declare an Operational Flow Order if an upstream pipeline declares an operational flow order or otherwise restricts the flow of Gas which normally would be delivered to OTPC at the Receipt Point.

T. **"Overrun"** shall mean any volume of Gas actually transported which, as measured on a daily basis, exceeds the maximum daily quantity (MDQ) established by this Agreement.

U. **"PUCO" or "Commission"** means the Public Utilities Commission of Ohio or any successor governmental authority.

V. **"Quantity of Gas"** shall mean the number of units of gas expressed in Dth or MMBtu unless otherwise specified.

W. **"Receipt Point(s)"** shall mean those measurement locations where Shipper-owned gas enters OTPC's system.

X. **"Service Agreement"** Each Customer shall sign an individual Agreement with OTPC prior to commencement of service that identifies the Receipt Point and Delivery Point(s),

the MDQ, declares whether the transportation is Firm or Interruptible and establishes the cost for the transportation. The Service Agreements shall be filed with the Commission pursuant to Section 4905.31, Revised Code for approval.

Y. **"Shrinkage"** shall mean the quantity of Gas required by OTPC to replace the estimated quantity of Gas which is required for compressor fuel, and lost-or-unaccounted-for Gas when transporting the tendered quantities. This percentage is set forth in **Exhibit B.**

Z. **"Written Notice"** shall mean a legible communication received by the intended recipient of the communication by United States mail, express courier, or confirmed facsimile. Written Notice may also be provided by Email, but shall not be effective until such time as (a) the Email is acknowledged by the intended recipient; (b) or a copy of such Email is received by the intended recipient by US mail, express courier, or facsimile.

I. DELIVERY AND TRANSPORTATION

1.1 Shipper shall arrange with suppliers of Shipper's selection to have Gas in an amount not to exceed Shipper's MDQ adjusted for OTPC's Shrinkage as specified on **Exhibit B**, tendered to the Receipt Point(s) as specified on **Exhibit B**, for delivery into the OTPC Pipeline on Shipper's behalf. OTPC shall then redeliver, on an Interruptible basis, such quantities, less OTPC's Shrinkage, to Shipper, or on behalf of Shipper, at the Delivery Point(s) as specified on **Exhibit B**. All transportation by OTPC for Shipper shall be governed by OTPC's then current transportation tariff on file with the PUCO, except as expressly modified hereby.

1.2 For planning purposes, Shipper shall provide Written Notice, at least three (3) business days prior to the start of each calendar Month, to OTPC of the amount of Gas it intends to transport each day of the upcoming Month. Shipper shall submit its Nomination to OTPC by no later than 10:00 a.m, Central Clock Time for Gas flow the following day. This nomination should correspond to scheduled deliveries Shipper makes on the upstream interstate pipeline and downstream local distribution company operating the applicable Delivery Point(s). Should the Shipper desire to modify its Nomination either on the current Day or after the Nomination deadline for Gas flow the following day, OTPC shall make every attempt to accommodate Shipper's request provided OTPC can confirm such quantities with the upstream pipeline at the Receipt Point(s) and downstream entity at the Delivery Point(s).

1.3 Shipper shall be permitted to have delivered into and removed from OTPC's Pipeline its nominated Gas volume, adjusted for OTPC's Shrinkage, up to the MDQ previously agreed to and found on **Exhibit B**.

1.4 If any of the interstate pipelines interconnected with OTPC issues an operational flow order then OTPC may issue its own matching OFO on its Pipeline that will apply to all Shippers. The OFO may restrict Shippers to nominate into the OTPC Pipeline only that volume of Gas which Shipper will have redelivered the same day adjusted for Shrinkage. OTPC will use its best efforts to limit such OFO to just the time necessary to comply with applicable upstream interstate OFOs. OTPC will only assess OFO penalties on a pro-rata basis if OTPC is actually assessed penalties by an applicable upstream pipeline.

1.5 Imbalances caused by Shipper at the Delivery Point(s) shall be resolved by OTPC and Shipper within thirty (30) days. Imbalances at the Receipt Point are governed by the terms and conditions of the upstream pipeline(s) delivering into OTPC. Any imbalance charges or penalties or costs of any kind incurred by OTPC as a result of Shipper's over or under delivery of natural gas into OTPC's system, either on a daily or monthly basis, will be reimbursed by Shipper within ten (10) days of receipt thereof. If Shipper fails to make any payments under this

Agreement when due, OTPC has the right to terminate this Agreement upon two (2) days notice, unless such payment is made by the date specified in the termination notice.

1.6 Shipper warrants that it has title to all Gas delivered to OTPC, free and clear of all claims, liens, and other encumbrances, and further covenants and agrees to indemnify and hold harmless from all claims, demands, obligations, suits, actions, debts, accounts, damages, costs, losses, liens, judgments, orders, attorneys fees, expenses and liabilities of any kind or nature arising from or attributable to the adverse claims of any and all other persons or parties relating to such Gas tendered by Shipper at the Receipt Point.

II. QUANTITY AND PRICE

2.1 Shipper shall pay OTPC a Commodity Rate plus Shrinkage, as stated on **Exhibit** B, for each volume of Gas delivered to the Delivery Point(s).

III. TERM

3.1 The term of this Agreement shall commence on July 1, 2008 and end on June 30, 2008 and continue from month to month thereafter unless terminated by either party upon thirty days (30) prior written notice.

IV. MEASUREMENT AND QUALITY OF GAS

4.1 Measurement of the Gas delivered and billed to Shipper shall be based upon an allocation conducted by the operator of the Delivery Point(s). Disputes regarding allocated throughput shall be handled in accordance with the tariff of the Delivery Point(s) operator. Billings for all receipts and deliveries hereunder shall be made on a thermal basis in Dth. OTPC shall provide to Shipper at Shipper's request, pertinent tariff information pertaining to method of allocating deliveries at Delivery Point(s).

4.2 All Gas delivered under this Agreement shall be commercially free from solid and liquid impurities and shall satisfy all pipeline quality standards reasonably established from time to time by OTPC and upstream or downstream pipelines.

V. BILLING AND PAYMENT

5.1 On or about the tenth (10th) day of each calendar month, OTPC will render to Shipper a statement setting forth the total volume of Gas delivered hereunder for Shipper during the immediately preceding Month. In the event OTPC was not able to take actual meter readings at any meter, or if OTPC has not received the necessary meter statements from the owner or operator of any applicable meter in time for preparation of the monthly statement, OTPC may use an estimated Gas delivery volume based upon confirmed nominations. Any such estimated delivery volume shall be corrected in the first statement after the actual meter readings become available.

5.2 In the event of a meter failure a reconstructed bill using the best information available shall be used.

5.3 Shipper agrees to pay OTPC the amount payable according to such statement on or before the twenty-fifth (25th) day of the month or within ten (10) days of receipt of the invoice whichever is later.

5.4 Failure to tender payment within the above specified time limit shall result in a monthly interest charge of one and one half percent (1-1/2%) per month on the unpaid balance. In addition, should Shipper's payment be delinquent by more than thirty (30) days, OTPC shall have the right, at its sole discretion, to terminate this Agreement and to terminate Gas transportation in addition to its seeking other legal redress. OTPC will first contact Shipper about any payment issues and try to resolve those issues in a reasonable manner.

5.5 Any notice, request, demand, statement, or other correspondence shall be given by Written Notice to the Parties hereto, as set forth below:

Shipper:	Great Plains Exploration, LLC
	8500 Station Street, Suite 100
	Mentor, Ohio 44060
EMAIL:	tsmith13@sprynet.com
PHONE:	(440) 974-3770
FAX:	(440) 974-0844
ATTN:	Gregory J. Osborne

OTPC:	OTPC Gas Transmission Company, LLC
	8500 Station Street
	Suite 100
	Mentor, OH 44060
EMAIL:	srigo@orwellgas.com
PHONE	(440) 974-3770
FAX:	(440) 205-8680
ATTN:	Stephen G. Rigo

VI. FORCE MAJEURE

6.1 Except with regards to a party's obligation to make payment due under Section 5 and Imbalance Charges under Section 2, neither party shall be liable to the other for failure to perform a firm obligation; to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 6.2.

6.2 Force Majeure shall include but not be limited to the following (1) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii); (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, terrorism, insurrections or wars; and (v) governmental actions such as necessity for compliance with any court order, law statute, ordinance, or regulations promulgated by a governmental authority having jurisdiction. The Parties shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event of occurrence once it has occurred in order to resume performance.

6.3 Neither party shall be entitled to the benefit of the provision of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary firm transportation unless primary, in-path, firm transportation is also curtailed; (ii) the party claiming Force Majeure failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship. The claiming of Force Majeure shall not relieve either party from meeting all payment obligations.

6.4 Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be entirely within the sole discretion of the party experiencing such disturbances.

6.5 The party whose performance is prevented by Force Majeure must provide notice to the other party. Initial notice may be given orally; however, written notification with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written notification of Force Majeure to the other party, the affected party will be relieved of its obligation to make or accept delivery of Gas as applicable to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligation to the other during such occurrences or event.

VII. ADDITIONAL TERMS

7.1 Shipper shall join with OTPC in support of the application to the PUCO for approval of this Agreement pursuant to Section 4905.31, Revised Code.

7.2 In the event of an energy emergency declared by the Governor or any other lawful official or body, it is understood that OTPC shall and will follow the dictates of any energy emergency rule, or order. OTPC shall not be liable for any loss or damage suffered by Shipper as a result thereof.

7.3 This Agreement shall be construed under the laws of the State of Ohio.

7.4 This Agreement, together with all schedules and exhibits hereto, constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

7.5 This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns. Neither this Agreement nor any of the rights, benefits or obligations hereunder shall be assigned, by operation of law or otherwise, by any Party hereto without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Except as expressly provided herein, nothing in this Agreement is intended to confer upon any person other than the Parties and their respective permitted successors and assigns, any rights, benefits or obligations hereunder.

7.6 The parties agree that any dispute arising hereunder or related to this Agreement shall be resolved by binding arbitration under the auspices of the American Arbitration Association. Prehearing discovery shall be permitted in accordance with the procedures of the Ohio Rules of Civil Procedure. The arbitrator or arbitrators shall have authority to impose any remedy at law or in equity, including injunctive relief. The parties agree that any hearing will be conducted in Lake County, Ohio.

7.7 Recovery by either Party of damages, if any, for breach of any provision hereof shall be limited to direct, actual damages. Both Parties waive the right, if any, to recover consequential, indirect, punitive and exemplary damages.

7.8 Both parties shall have the right to demand credit assurances from the other party. If the financial responsibility of any Party is at any time unsatisfactory to the other Party for any reason, then the defaulting Party will provide the requesting Party with satisfactory security for the defaulting Party's performance hereunder upon requesting Party's demand. Defaulting Party's failure to abide by the provisions of this Section shall be considered a breach hereof, and the requesting Party may terminate this Agreement, provided the defaulting Party is afforded an opportunity to cure any default within three (3) business days notice of any breach. Both Parties have the right, in addition to all other rights and remedies, to set-off any such unpaid balance due the other Party, or by the parent or any subsidiary of the other Party, under any separate agreement or transaction.

7.9 No presumption shall operate in favor of or against either party regarding the construction or interpretation of this Agreement as a result of either party's responsibility for drafting this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed as of the date set forth above.

Orwell-Trumbull Pipeline Co., LLC

By: _____
Stephen G. Rigo
Its: Executive Vice President
Date: 11/14/2008

Great Plains Exploration, LLC

By: _____
Gregory J. Osborne
Its: President
Date: 11/14/08

Exhibit A

OTPC Gas Transmission, LLC

ALL PIPELINES OWNED BY OTPC LOCATED IN NORTHEASTERN OHIO.

Exhibit B

OTPC Gas Transmission, LLC

Primary Receipt Points

Interconnection with North Coast Gas Transmission, LLC's Pipeline in Mantua, Ohio and all other points of receipt along OTPC

Primary Delivery Point(s)

All delivery interconnections along OTPC

Shrinkage

TBD

MDQ

2000 Dth/day

RATES

Commodity Charge (paid only on quantity transported)

November-March	$0.95 per Thousand Cubic Feet (Mcf)
April-October	$0.95 per Thousand Cubic Feet (Mcf)

1009

TRANSPORTATION SERVICE AGREEMENT No. 101
Orwell-Trumbull Pipeline Co., LLC

THIS AGREEMENT, made and entered into as of the 15 day of January, 2009, by and between ORWELL-TRUMBULL PIPELINE CO., LLC. ("Company") and JOHN D. OIL & GAS MARKETING, LLC (Customer").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. **Transportation Service to be Rendered.** In accordance with the provisions of the effective applicable transportation service provisions of Company's Tariff, on file with the Public Utilities Commission of Ohio (PUCO), and the terms and conditions herein contained, Company shall receive the quantities of gas requested by Customer to be transported and shall redeliver said gas to Customer's Delivery Point(s). The Point(s) of Receipt and Customer's Delivery Point(s) to be identified in Attachments B and C respectively.

Section 2. **Incorporation of Tariff Provisions.** This Transportation Service Agreement shall be subject to the provisions of the Company's Tariff PUCO No. 1, as the same may be amended or superseded from time to time, which is incorporated herein by this reference.

Section 3. **Regulation.** This Transportation Service Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations. This Agreement shall become void or expire, as appropriate, if any necessary regulatory approval or authorization is not so received or continued.

Section 4. **Term.** This Transportation Service Agreement shall become effective as of the Customer's February, 2009 billing cycle following its execution and shall continue through the last day of Customer's March, 2015 billing cycle, provided however, that the Agreement shall continue in effect after that date on a year-to-year basis with each term ending on the last day of Customer's March billing cycle, unless terminated in accordance with this section.

Company may terminate this Transportation Service Agreement effective as of the end of Customer's applicable March billing cycle consistent with the above terms, upon written notice to Customer on or before the preceding January 2.

Customer may terminate this Agreement, effective as of the end of the applicable March billing cycle consistent with the above terms, or request a change in the level or quality of service, upon written notice to Company on or before the preceding January 2. Company will approve or deny any request by Customer to change the level or quality of service, to be effective as of the beginning of its April billing cycle, on or before the preceding January 2, or as soon thereafter as practicable.

Section 5. **Notices.** Any notices, except those relating to billing or interruption of service, required or permitted to be given hereunder shall be effective only if delivered personally to an officer or authorized representative of the party being notified, or if mailed by certified mail to the address provided in Section 7 of this Agreement.

Section 6. **Cancellation of Prior Agreements.** This agreement supersedes and cancels, as of the effective date herein, any previous service agreements between the parties hereto.

TRANSPORTATION SERVICE AGREEMENT No. 101
Orwell-Trumbull Pipeline Co., LLC

Section 7. Conditions of Service

Quality of Service: FIRM

Balancing Time Period: Monthly

Rates: For incremental loads per Attachment A

NOTICES:

To Orwell-Trumbull :

Orwell-Trumbull Pipeline Co. LLC
8500 Station Street Suite 315
Mentor, OH 44060
Attention: Customer Service
Phone: 440-205-4600
Fax: 440-205-8680
E-Mail: bwollet@cobrapipeline.com

To. Customer:

John D. Oil and Gas Marketing, LLC
3511 Lost Nation Rd Suite 201
Willoughby, OH 44094
Attention: Supply Services
Phone:440 269-8778
Fax: 440 255-1985
E-Mail: lmolnar@johndoilandgas.com

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of the date hereinafter first mentioned.

JOHN D. OIL AND GAS MARKETING, LLC

By: Leslie Molnar

Print Name: Leslie Molnar

Title: Marketing Manager

Date: 1/15/2009

ORWELL-TRUMBULL PIPELINE CO., LLC.

By: Brian Wollet

Print Name: Brian Wollet

Title: Supply Analyst

Date: 1/15/2009

Exhibit A

RATES

$0.50 per MCF (thousand cubic feet) for incremental volumes only, as agreed to below:

Eye Lighting	Mentor
Accurate Metal Saw	Mentor
MC Sign	Mentor
Classic Chevy	Mentor
Classic BMW (old)	Mentor
Clasic Ford	Mentor
Classic VW	Mentor
Classic Cadillac	Mentor
Classic Hyndai	Mentor
Classic Toyota	Mentor
Classic Mini	Mentor
Classic Lexus	Willoughby
Classic BMW (new)	Willoughby
Component Repair	Mentor
Osborne Concrete and Stone Co.	Grand River
Mentor Lumber and Supply	Mentor
Aexcel Corporation	Mentor
B.S. Bradley Co., Inc.	Painesville
Roll Kraft	Mentor
Cres Cor	Mentor
Anodizing Specialists	Mentor
Andrews Osborne Academy	Willoughby
Lake Erie College (9 buildings)	Painesville
U. S. Endoscopy	Mentor
R. W. Sidley (Scale House)	Grand River
Brennens	Grand River

Initial

For Company BMW Date 2/26/09

For Customer YM Date 2/26/09

Contract #: 101

Exhibit B

POINTS OF RECEIPT INTO ORWELL-TRUMBULL PIPELINE CO. LTD.

Check all that apply:

Cobra Pipeline __X____

North Coast Pipeline __X_____

List other: Local Production

Initial

For Company RMW Date 2/26/09

For Customer YM Date 2/26/09

Contract #: 101
Date: January 15, 2009

Exhibit C

DELIVERY POINTS FROM ORWELL-TRUMBULL PIPELINE CO. LTD.

Orwell Natural Gas TBS ___X____

Brainard Gas TBS _____X_____

List other

_____

_____

Initial

For Company BMW Date 2/26/01

For Customer YM Date 2/26/09

Contract #: 101

TRANSPORTATION SERVICE AGREEMENT No. 1006

THIS AGREEMENT made and entered into as of the 27th day of July, 2009, by and between ORWELL-TRUMBULL PIPELINE COMPANY, LLC. ("Company") and NEWBURY LOCAL SCHOOLS, NEWBURY, OHIO ("Customer") (sometimes jointly referred to as "Parties").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Transportation Service to be Rendered. In accordance with the provisions of the effective applicable transportation service provisions of Company's approved Tariff Gas P.U.C.O No. 1 on file with the Public Utilities Commission of Ohio (PUCO), and the terms and conditions herein contained, Company shall receive the quantities of gas requested by Customer to be transported and shall redeliver said gas to Customer's Delivery Point(s). The Point(s) of Receipt, Customer's Delivery Point(s), the Maximum Daily Quantity (MDQ) if applicable and the quality of service shall be set forth in Section 7 of this Transportation Service Agreement.

Section 2. Incorporation of Tariff Provisions. This Transportation Service Agreement shall be subject to and governed by the provisions of the Company's Tariff Gas P.U.C.O. No. 1, as the same may be amended or superseded from time to time, which is incorporated herein by this reference.

Section 3. Regulation. This Transportation Service Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations. This Agreement shall become void or expire, as appropriate, if any necessary regulatory approval or authorization is not so received or continued.

Section 4. Term. This Transportation Service Agreement shall have a commencement date of the date that service is made available and shall continue for a period of 5 years from the commencement date,

Section 5. Notices. Any notices, except those relating to billing or interruption of service, required or permitted to be given hereunder shall be effective only if delivered personally to an officer or authorized representative of the party being notified, or if mailed by certified mail, facsimile transmission confirmed by ordinary mail or e-mail confirmed by ordinary mail to the address provided in Section 7(E) of this Agreement.

Section 6. Cancellation of Prior Agreements. This agreement supersedes and cancels, as of the effective date herein, any previous service agreements between the parties hereto.

Section 7. Contract Data

A. PRIMARY POINT(S) OF RECEIPT INTO ORWELL-TRUMBULL PIPELINE COMPANY, LLC.

Gate Station	Township	County
1)Orwell Trumbull Pipeline Interconnect Meter No. 740018	Middlefield	Geauga
2)		
3)		

B. DELIVERY POINT(S) FROM ORWELL-TRUMBULL PIPELINE COMPANY, LLC.

Meters	Township	County
1) Highschool	Newbury	Geauga
2) Elementary School	Newbury	Geauga
3)		

C. TRANSPORTATION SERVICE - VOLUME DETAIL

Quality of Service: FIRM (X) INTERRUPTIBLE (____)

Shrinkage: _____%. This percentage may be adjusted annually by the Company.

Maximum Daily Quantity (MDQ): 60 Dth

D. TRANSPORTATION SERVICE RATE: $0.90 per Mcf Delivered

E. MONTHLY SERVICE CHARGE: $10.00 Per Meter Per Month

F. NOTICES

To Orwell Trumbull:

Orwell Trumbull Pipeline
Attention: Steve Rigo
3511 Lost NationRd.
Suite 213
Willoughby, OH 44094
Phone: 440-255-1945
Fax: 440-255-1985
srigo@orwellgas.com

To. Customer:

Newbury Local Schools
Attention: David M. Hoskin
14775 Auburn Rd.
Newbury, OH 44065
440-564-5501
Fax: 440-564-9460
E-mail Address: ne_hoskin@lgca.org

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of the date hereinafter first mentioned.

NEWBURY LOCAL SCHOOLS	ORWELL-TRUMBULL PIPELINE CO., LLC.
By: David M. Hoskin	By: Steve S. Allemin
David M. Hoskin	
[PRINT NAME]	[PRINT NAME]
Title: Treasurer	Title: Operations Manager

E. NOTICES

To Cobra:

Cobra Pipeline Company, Ltd.
Attention: Steve Williams
3511 Lost NationRd.
Suite 213
Willoughby, OH 44094
Phone: 440-255-1945
Fax: 440-255-1985
swilliams@cobrapipeline.com

To. Customer:

Newbury Local Schools
Attention: David M. Hoskin
14775 Auburn Rd.
Newbury, OH 44065
440-564-5501
Fax: 440-564-9460
E-mail Address: ne_hoskin@lgca.org

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of the date hereinafter first mentioned.

NEWBURY LOCAL SCHOOLS	COBRA PIPELINE COMPANY, LTD.
By: David M. Hoskin	By: Steven J. Williams
[PRINT NAME]	[PRINT NAME]
Title: Treasurer	Title: Operations Manager

MSZ Attachment J

Richard M. Osborne
8500 Station Street, Suite 113
Mentor, OH 44060
Ph. 440-951-1111

September 29, 2014

Marty Whelan

Orwell Natural Gas

8500 Station Street

Mentor, OH 44060

Dear Marty,

As stated in Exhibit B of the Orwell Trumbull contract with Orwell Natural Gas, "OTPC shall have the option to increase the Rate by the increase in the consumer price index all items (Cleveland, Ohio) ("CPI") as calculated from July 1, 2008 to each applicable rate adjustment date."

A. July 1,2006 Cleveland CPI Index 193.1

B. July 1, 2013 Cleveland CPI Index 219.251

C. Change 26.151 (A - B)

D. Percentage Change 0.135427 (C/A)

E. OTP Transportation Rate 7/1/2006 $0.95

F. Increase $0.13 (E * D)

G. New Rate $1.08 (E + F)

Effective as of September 2014 invoicing, the new rate of $1.08 per MCF will be charged on Orwell Natural Gas transport on Orwell Trumbull Pipeline. I am also sending an invoice for the past amounts owed from July 2013 through August 2014.

Thank you for bringing the contract to my attention.

Sincerely,

Richard M. Osborne

cc: Gregory Osborne, James Sprague

Orwell Trumbull Pipeline Company

3511 Lost Nation Road, Suite 213
Willoughby, OH 44094
(440) 255-1945

INVOICE

Bill To:

Orwell Natural Gas
8500 Station Street
Mentor OH 44060

Date 10/01/14
Invoice # 5004
Due upon receipt

Month	MCF Volume	$0.95 Rate	$1.08 Rate	Difference Owed
Jul-13	11,039.4	$ 39,383.20	$ 11,922.55	$ 1,435.12
Aug-13	9,836.8	$ 39,412.65	$ 10,623.74	$ 1,278.78
Sep-13	12,242.1	$ 39,442.10	$ 13,221.47	$ 1,591.47
Oct-13	32,097.5	$ 39,470.60	$ 34,665.30	$ 4,172.68
Nov-13	67,320.8	$ 39,500.05	$ 72,706.46	$ 8,751.70
Dec-13	101,148.3	$ 39,528.55	$ 109,240.16	$ 13,149.28
Jan-14	125,989.1	$ 39,558.00	$ 136,068.23	$ 16,378.58
Feb-14	102,933.8	$ 39,587.45	$ 111,168.50	$ 13,381.39
Mar-14	102,724.6	$ 39,614.05	$ 110,942.57	$ 13,354.20
Apr-14	37,369.3	$ 39,643.50	$ 40,358.84	$ 4,858.01
May-14	18,682.3	$ 39,672.00	$ 20,176.88	$ 2,428.70
Jun-14	9,800.1	$ 39,701.45	$ 10,584.11	$ 1,274.01
Jul-14	11,092.6	$ 39,729.95	$ 11,980.01	$ 1,442.04
*1.5% Late Fee will be charged if payment is delinquent more than 30 days.				
			GRAND TOTAL:	$ 83,495.97

PLEASE SEND THIS REMITTANCE WITH PAYMENT

Bill To:
Orwell Natural Gas
8500 Station Street
Mentor OH 44060

Date 10/01/14
Invoice # 5004
Total $ 83,495.97

Amount Paid: _____

	January	February	March	April	May	June	July	August	September	October	November	December			
OTP Volume past 12 months	125,989.1	103,835.8	102,724.6	38,221.5	33,251.4	10,017.7	11,244.7	12,233.1	12,242.1	32,097.5	67,320.8	101,148.3	650,326.6	Savings per MCF	
OTP Cost plus Chicago basis	$ 254,497.58	$ 209,748.32	$ 207,503.69	$ 77,207.43	$ 67,167.83	$ 20,235.75	$ 22,714.29	$ 24,710.86	$ 24,729.04	$ 64,836.95	$ 135,988.02	$ 204,319.57	$ 1,313,659.73	0.353769	
OTP Volume @ 2000 MDQ	62,000.0	56,000.0	62,000.0	38,221.5	33,251.4	10,017.7	11,244.7	12,233.1	12,242.1	32,097.5	60,000.0	62,000.0	451,308.0	OTP Volume	
OTP Cost plus Chicago basis	$ 125,240.00	$ 113,120.00	$ 125,240.00	$ 77,207.43	$ 67,167.83	$ 20,235.75	$ 22,714.29	$ 24,710.86	$ 24,729.04	$ 64,836.95	$ 121,200.00	$ 125,240.00	$ 911,642.15	OTP Cost	
Displaced to Dominion	63,989.1	47,835.8	40,724.6								7,320.8	39,148.3	199,018.6	Dominion Volume	
Dominion Cost plus Basis	$ 55,286.58	$ 41,390.18	$ 35,188.05	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,325.17	$ 33,824.13	$ 171,952.06	Dominion Cost	
													$ 1,083,594.21	Combined total	
													$ 230,065.52	Savings	

Chicago winter basis	0.63	Dominion winter basis	-0.758
North Coast transport	0.38	Dominion Transport	1.62
OTP transport	1.01		0.864
	2.02		

255862.87
158203.5
1.617502209

MSZ Attachment K

NOTICE: This report is required by 49 CFR Part 191. Failure to report can result in a civil penalty not to exceed 100,000 for each violation for each day that such violation persists except that the maximum civil penalty shall not exceed $1,000,000 as provided in 49 USC 60122.	OMB NO: 2137-0522 EXPIRATION DATE: 01/31/2014

U.S Department of Transportation
Pipeline and Hazardous Materials Safety Administration

Initial Date Submitted:	03/12/2014
Form Type:	INITIAL
Date Submitted:	

ANNUAL REPORT FOR CALENDAR YEAR 2013 GAS DISTRIBUTION SYSTEM

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2137-0522. Public reporting for this collection of information is estimated to be approximately 16 hours per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, PHMSA, Office of Pipeline Safety (PHP-30) 1200 New Jersey Avenue, SE, Washington, D.C. 20590.

PART A - OPERATOR INFORMATION	(DOT use only)	20142383-21411

1. Name of Operator	ORWELL TRUMBULL PIPELINE COMPANY, LLC
2 LOCATION OF OFFICE (WHERE ADDITIONAL INFORMATION MAY BE OBTAINED)	
2a. Street Address	3511 Lost Nation Rd
2b. City and County	Willoughby,Lake
2c. State	OH
2d. Zip Code	44094
3. OPERATOR'S 5 DIGIT IDENTIFICATION NUMBER	32382
4. HEADQUARTERS NAME & ADDRESS	
4a. Street Address	3511 LOST NATION RD
4b. City and County	WILLOUGHBY,US
4c. State	OH
4d. Zip Code	44094
5. STATE IN WHICH SYSTEM OPERATES	OH

PART B - SYSTEM DESCRIPTION

1.GENERAL

	STEEL									
	UNPROTECTED		CATHODICALLY PROTECTED							
	BARE	COATED	BARE	COATED	DUCTILE IRON	COPPER	CAST/ WROUGHT IRON	PLASTIC	OTHER	TOTAL
MILES OF MAIN	0.000	0.000	0.000	69.320	0.000	0.000	0.000	0.640	0.000	69.960
NO. OF SERVICES	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.000	0.000	4.000

2.MILES OF MAINS IN SYSTEM AT END OF YEAR

MATERIAL	UNKNOWN	2" OR LESS	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8" THRU 12"	OVER 12"	TOTAL
STEEL	0.000	7.821	15.503	45.996	0.000	0.000	69.320
DUCTILE IRON	0.000	0.000	0.000	0.000	0.000	0.000	0.000
COPPER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
CAST/WROUGHT IRON	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PLASTIC PVC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PLASTIC PE	0.000	0.640	0.000	0.000	0.000	0.000	0.640
PLASTIC ABS	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PLASTIC OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	8.461	15.503	45.996	0.000	0.000	69.960

3.NUMBER OF SERVICES IN SYSTEM AT END OF YEAR

AVERAGE SERVICE LENGTH: 100

MATERIAL	UNKNOWN	1" OR LESS	OVER 1" THRU 2"	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8"	TOTAL
STEEL	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DUCTILE IRON	0.000	0.000	0.000	0.000	0.000	0.000	0.000
COPPER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
CAST/WROUGHT IRON	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PLASTIC PVC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PLASTIC PE	0.000	0.000	4.000	0.000	0.000	0.000	4.000
PLASTIC ABS	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PLASTIC OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	4.000	0.000	0.000	0.000	4.000

4.MILES OF MAIN AND NUMBER OF SERVICES BY DECADE OF INSTALLATION

	UNKNOWN	PRE-1940	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010-2019	TOTAL
MILES OF MAIN	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	69.960	69.960
NUMBER OF SERVICES	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.000	4.000

PART C - TOTAL LEAKS AND HAZARDOUS LEAKS ELIMINATED/REPAIRED DURING THE YEAR

CAUSE OF LEAK	MAINS		SERVICES	
	TOTAL	HAZARDOUS	TOTAL	HAZARDOUS
CORROSION				
NATURAL FORCES				
EXCAVATION DAMAGE				
OTHER OUTSIDE FORCE DAMAGE				
MATERIAL OR WELDS				
EQUIPMENT				
INCORRECT OPERATIONS				
OTHER				

NUMBER OF KNOWN SYSTEM LEAKS AT END OF YEAR SCHEDULED FOR REPAIR : 0

PART D - EXCAVATION DAMAGE

NUMBER OF EXCAVATION DAMAGES: 0

NUMBER OF EXCAVATION TICKETS : 3304

PART E-EXCESS FLOW VALUE(EFV) DATA

NUMBER OF EFV'S INSTALLED THIS CALENDER YEAR ON SINGLE FAMILY RESIDENTIAL SERVICES: 0

ESTIMATED NUMBER OF EFV'S IN SYSTEM AT THE END OF YEAR: 0

PART F - LEAKS ON FEDERAL LAND

TOTAL NUMBER OF LEAKS ON FEDERAL LAND REPAIRED OR SCHEDULED TO REPAIR: 0

PART G-PERCENT OF UNACCOUNTED FOR GAS

UNACCOUUNTED FOR GAS AS A PERCENT OF TOTAL INPUT FOR THE 12 MONTHS ENDING JUNE 30 OF THE REPORTING YEAR.

INPUT FOR YEAR ENDING 6/30: 3.7%

PART H - ADDITIONAL INFORMATION

PART I - PREPARER AND AUTHORIZED SIGNATURE

Mark Callahan,Compliance Manager (Preparer's Name and Title)	(440) 255-1945 (Area Code and Telephone Number)
mcallahan@egas.net (Preparer's email address)	(440) 255-1985 (Area Code and Facsimile Number)

OTP #1

Orwell-Trumbull Pipeline Co., LLC
3511 Lost Nation Road
Suite 213
Willoughby, OH 44094

October 28, 2015

Orwell Natural Gas
8470 Station Street
Mentor, Ohio 44060

Please be advised that invoice nos. 5001 and 5002 issued on September 8, 2014 were improvidently sent and are hereby withdrawn.

Sincerely,

Jessica Carothers

Jessica Carothers

WULIGER, FADEL & BEYER, LLC.
Attorneys at Law
www.wfblaw.com

WILLIAM T. WULIGER, ESQ.
wtwuliger@wtwuligerlaw.com

The Brownell Building
1340 Sumner Avenue
Cleveland, Ohio 44115-2851
216-781-7777
216-781-0621 fax
wfblaw@wfblaw.com

March 12, 2015

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

American Arbitration Association
Case Filing Services
1101 Laurel Oak Road, Suite 100
Voorhees, NJ 08043

Re: Demand for Arbitration

To whom it may concern:

Enclosed please find four (4) copies of a Demand for Arbitration with attachments. In addition, I am enclosing a check in the amount of $1,650.00 pursuant to the Flexible Fee Schedule. The original Demand for Arbitration has been forwarded to the Respondent via certified mail. Please process same accordingly to your procedures, and forward a copy to the undersigned in the self-addressed stamped envelope provided as soon as possible.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely yours,

WILLIAM T. WULIGER

MEK:Arbitration
Encls.
MEK:OrwellTrumbullArbitration

07P
#2

AMERICAN ARBITRATION ASSOCIATION | INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION

COMMERCIAL ARBITRATION RULES
DEMAND FOR ARBITRATION

For Consumer or Employment cases, please visit www.adr.org for appropriate forms.

You are hereby notified that a copy of our arbitration agreement and this demand are being filed with the American Arbitration Association with a request that it commence administration of the arbitration. The AAA will provide notice of your opportunity to file an answering statement.

Name of Respondent: Orwell Natural Gas			Name of Representative (if known):		
Address: 8470 Station Street			Name of Firm (if applicable): Kohrman, Jackson & Krantz		
			Representative's Address: 1375 E. Ninth Street, 20th Floor		
City: Mentor	State: OH	Zip Code:44076	City: Cleveland	State: OH	Zip Code:44114
Phone No.: (440) 205-4600	Fax No.: (440) 974-0644		Phone No.: (216) 696-8700	Fax No.: (216) 621-6536	
Email Address:			Email Address:		

The named claimant, a party to an arbitration agreement, which provides for arbitration under the Commercial Arbitration Rules of the American Arbitration Association, hereby demands arbitration.

Brief Description of the Dispute: **Respondent is in breach of Natural Gas Transportation Service Agreement dated July 1, 2008. Pursuant to that Agreement ONG agreed to exclusively use OTPC's pipelines to transport gas to its customers. Past damages in the amount of $100,000 are ongoing. Paragraph 7.6 provides for arbitration.**

Dollar Amount of Claim: $150,000

Other Relief Sought:
☐ Attorneys Fees ☐ Interest ☒ Arbitration Costs
☐ Punitive/ Exemplary ☐ Other

Amount enclosed: $ 1,650 — In accordance with Fee Schedule: ☒ Flexible Fee Schedule ☐ Standard Fee Schedule

Please describe the qualifications you seek for arbitrator(s) to be appointed to hear this dispute: **Expertise in the energy industry, with a particular emphasis on natural gas services.**

Hearing locale: Lake County, Ohio — *(check one)* ☐ Requested by Claimant ☒ Locale provision included in the contract

Estimated time needed for hearings overall: hours or 5 days	Type of Business: Claimant: Natural Gas Supplier Respondent: Natural Gas Supplier

Are any parties to this arbitration, or their controlling shareholder or parent company, from different countries than each other? No

Signature (may be signed by a representative):			Date: 3/12/2015		
Name of Claimant: Orwell-Trumbull Pipeline Co., LLC			Name of Representative: William T. Wuliger		
Address (to be used in connection with this case): 3511 Lost Nation Road Suite 213			Name of Firm (if applicable): Wuliger, Fadel & Beyer, LLC		
			Representative's Address: 1340 Sumner Avenue		
City: Willoughby	State: OH	Zip Code: 44094	City: Cleveland	State: OH	Zip Code: 44115
Phone No.:	Fax No.:		Phone No.: (216) 781-7777	Fax No.: (216) 781-0621	
Email Address:			Email Address: wtwuliger@wtwuligerlaw.com		

To begin proceedings, please send a copy of this Demand and the Arbitration Agreement, along with the filing fee as provided for in the Rules, to: American Arbitration Association, Case Filing Services, 1101 Laurel Oak Road, Suite 100 Voorhees, NJ 08043. At the same time, send the original Demand to the Respondent.

Please visit our website at www.adr.org if you would like to file this case online. AAA Case Filing Services can be reached at 877-495-4185.

7.6 The parties agree that any dispute arising hereunder or related to this Agreement shall be resolved by binding arbitration under the auspices of the American Arbitration Association. Preheating discovery shall be permitted in accordance with the procedures of the Ohio Rules of Civil Procedure. The arbitrator or arbitrators shall have authority to impose any remedy at law or in equity, including injunctive relief. The parties agree that any heating will be conducted in Lake County, Ohio.

1001
1003

NATURAL GAS TRANSPORTATION SERVICE AGREEMENT

BY THIS AGREEMENT, executed this 1st day of July, 2008 Orwell-Trumbull Pipeline Co., LLC ("OTPC"), Orwell Natural Gas Company ("ONG") and Brainard Gas Corp. ("BGC") (hereinafter ONG and BGC shall collectively be referred to as "Shipper"), OTPC and Shipper are hereinafter sometimes referred to collectively as the Parties and individually as a Party) for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, do hereby recite and agree as follows:

RECITALS

WHEREAS, OTPC owns a natural gas transmission pipeline system described on Exhibit A to this Agreement (Pipeline); and

WHERAS, OTPC is an Ohio intrastate pipeline operating natural gas pipelines and related facilities located within the State of Ohio under authority of the Public Utility Commission of Ohio; and

WHEREAS, Shipper desires to utilize OTPC's Pipeline for the transportation of natural gas within the State of Ohio; and

WHEREAS, OTPC has agreed to provide such transportation to Shipper subject to the terms and conditions hereof,

WITNESSETH: In consideration of the mutual covenants herein contained, the Parties hereto agree that OTPC will transport for Shipper, on an interruptible basis, and Shipper will furnish, or cause to be furnished, to OTPC natural gas for such transportation during the term hereof, at prices and on the terms and conditions hereinafter provided:

AGREEMENTS

DEFINITIONS

Except where the context otherwise indicates another or different meaning or intent, the following terms are intended and used herein and shall be construed to have the meaning as follows:

A. "Btu" shall mean the British thermal unit as defined by international standards.

B. "Business Day" shall mean any weekday, excluding federal banking holidays.

C. "Central Clock Time" (C.T.) shall mean Central Standard Time adjusted for Daylight Savings Time.

D. "Company" means OTPC, its successors and assigns.

E. "Customer" means any individual, governmental, or corporate entity taking transportation service hereunder.

F. "Dekatherm" or "Dth" means the Company's billing unit measured by its thermal value. A dekatherm is 1,000,000 Btus. Dekatherm shall be the standard unit for purposes of nominations, scheduling, invoicing, and balancing.

G. "Delivery Point(s)" shall mean the specific measurement location(s) listed on Exhibit B at which OTPC delivers Shipper-owned Gas to Shipper and Shipper receives such Gas from OTPC. Exhibit B is hereby incorporated into this Agreement.

H. "Delivery Volume" shall mean the volume of Gas actually taken at the Delivery Point(s) by or on behalf of Shipper.

I. "Firm" shall mean that each Dth Shipper tenders at the Receipt Point will be delivered to Shipper's Delivery Point(s) minus OTPC's Shrinkage without interruption except under Force Majeure conditions or an energy emergency declared by the Commission.

J. "Gas" shall mean natural gas of interstate pipeline quality.

K. "Gas Day" or "Day" shall mean a period of 24 consecutive hours, beginning at 9:00 a.m. Central Clock Time, as adjusted for Daylight Savings Time, and the date of the Day shall be that of its beginning.

L. "Heating Value" shall mean the gross heating value .on a dry basis, which is the number of British thermal units produced by the complete combustion at constant pressure of the amount of dry gas (gas containing no water vapor) that would occupy a volume of one Cubic Foot at 14.73 psia and 60° F with combustion air at the same temperature and pressure as the gas, the products of combustion being cooled to the initial temperature of the gas and air, and the water formed by combustion condensed to the liquid state.

M. "Imbalance" shall mean the daily difference between the Dths tendered by or for Customer's account at the Receipt Point minus OTPC's Shrinkage and the metered volumes allocated to Shipper at the Delivery Point(s).

N. "Interruptible" shall mean that each Dth Shipper tenders at the Receipt Point Will be delivered to Shipper's Delivery Point(s) less OTPC's Shrinkage if OTPC, using reasonable judgment, determines that capacity exists after all the Firm transport needs are accounted for to permit redelivery of tendered gas.

O. "Maximum Daily Quantity" or "(MDQ)" shall mean the maximum daily firm natural gas quantity which Shipper shall be entitled to nominate during any 24-hour period. Shipper's MDQ shall be negotiated between Shipper and OTPC and incorporated into Shipper's Service Agreement with OTPC.

P. "Month" shall mean a calendar month beginning at 9:00 a.m. Central clock time on the first day of the calendar month and ending at 9:00 a.m. Central clock time the first day of the following calendar month.

Q. "OTPC System" shall mean the intrastate pipeline system owned by OTPC.

R. "Nomination" shall mean the confirmed Quantity of Gas which Shipper shall arrange to have delivered to the Receipt Point(s) for redelivery by OTPC to the Delivery Point(s). The Nomination shall include sufficient gas to account for OTPC's Shrinkage.

S. "Operational Flow Order" or "OFO" shall mean a declaration made by OTPC that conditions are such that OTPC can only safely transport an amount of Gas during a calender day equal to the amount of Gas which Shipper will actually receive at the Receipt Point on that calender day. OTPC shall only declare an Operational Flow Order if an upstream pipeline declares an operational flow order or otherwise restricts the flow of Gas which normally would be delivered to OTPC at the Receipt Point.

T. "Overrun" shall mean any volume of Gas actually transported which, as measured on a daily basis, exceeds the maximum daily quantity (MDQ) established by this Agreement.

U. "PUCO" or "Commission" means the Public Utilities Commission of Ohio or any successor governmental authority.

V. "Quantity of Gas" shall mean the number of units of gas expressed in Dth or MMBtu unless otherwise specified.

W. "Receipt Point(s)" shall mean those measurement locations where Shipper-owned gas enters OTPC's system.

X. "Service Agreement" Each Customer shall sign an individual Agreement with OTPC prior to commencement of service that identifies the Receipt Point and Delivery Point(s),the MDQ, declares whether the transportation is-Firm or Interruptible and establishes the cost

for the transportation. The Service Agreements shall be filed with the Commission pursuant to Section 4905.31, Revised Code for approval.

Y. "Shrinkage" shall mean the quantity of Gas required by OTPC to replace the estimated quantity of Gas which is required for compressor fuel, and lost-or-unaccounted-for Gas when transporting the tendered quantities. This percentage is set forth in Exhibit B.

Z. "Written Notice" shall mean a legible communication received by the intended recipient of the communication by United States mail, express courier, or confirmed facsimile. Written Notice may also be provided by Email, but shall not be effective until such time as (a) the Email is acknowledged by the intended recipient; (b) or a copy of such Email is received by the intended recipient by US mail, express courier, or facsimile.

I. DELIVERY AND TRANSPORTATION

1.1 Shipper shall arrange with suppliers of Shipper's selection to have Gas in an amount not to exceed Shipper's MDQ adjusted for OTPC's Shrinkage as specified on Exhibit B, tendered to the Receipt Point(s) as specified on Exhibit B, for delivery into the OTPC Pipeline on Shipper's behalf. OTPC shall then redeliver, on an interruptible basis, such quantities, less OTPC's Shrinkage, to Shipper, or on behalf of Shipper, at the Delivery Point(s) as specified on Exhibit B. All transportation by OTPC for Shipper shall be governed by OTPC's then current transportation tariff on file with the PUCO, except as expressly modified hereby.

1.2 ONG agrees that during the term of this Transportation Service Agreement it will use only OTPC's pipelines to transport gas for any of its customers; provided, however, that this exclusive use of the OTPC pipelines shall remain in effect as long as OTPC has available capacity within its pipelines. Should available capacity not exist, then during that period only ONG may use other pipelines to transport its gas requirements. This Transportation Service Agreement will only be utilized by BGC for back up purposes only and on an as needed basis.

1.3 *For planning purposes, Shipper shall provide Written Notice, at least three (3)* business days prior to the start of each calender Month, to OTPC of the amount of Gas it intends to transport each day of the upcoming Month. Shipper shall submit its Nomination to OTPC by no later than 10:00 a.m. Central Clock Time for Gas flow the following day. This nomination should correspond to scheduled deliveries Shipper makes on the upstream interstate pipeline and downstream local distribution company operating the applicable Delivery Point(s). Should the Shipper desire to modify its Nomination either on the current Day or after the Nomination deadline for Gas flow the following day, OTPC shall make every attempt to accommodate Shipper's request provided OTPC can confirm such quantities with the upstream pipeline at the Receipt Point(s) and downstream entity at the Delivery Point(s).

1.4 Shipper shall be permitted to have delivered into and removed from OTPC's Pipeline its nominated Gas volume, adjusted for OTPC's Shrinkage, up to the MDQ previously agreed to and found on Exhibit B.

1.5 If any of the interstate pipelines interconnected with OTPC issues an operational flow order then OTPC may issue its own matching OFO on its Pipeline that will apply to Shippers. The OFO may restrict Shippers to nominate into the OTPC Pipeline only that volume of Gas which Shipper will have redelivered the same day adjusted for Shrinkage. OTPC will use its best efforts to limit such OFO to just the time necessary to comply with applicable upstream Interstate OFOs. OTPC will only assess OFO penalties on a pro-rata basis if OTPC is actually assessed penalties by an applicable upstream pipeline.

1.6 Imbalances caused by Shipper at the Delivery Point(s) shall be resolved by OTPC and Shipper within thirty (30) days. Imbalances at the Receipt Point are governed by the terms and conditions of the upstream pipeline(s) delivering into OTPC. Any imbalance charges or penalties or costs of any kind incurred by OTPC as a result of Shipper's over or under delivery of natural gas into OTPC's system, either on a daily or monthly basis, will be reimbursed by Shipper within ten (10) days of receipt thereof. If Shipper fails to make any payments under this Agreement when due, OTPC has the right to terminate this Agreement upon two (2) days notice, unless such payment is made by the date specified in the termination notice.

1.7 Shipper warrants that it has title to all Gas delivered to OTPC, free and clear of all claims, liens, and other encumbrances, and further covenants and agrees to indemnify and hold harmless from all claims, demands, obligations, suits, actions, debts, accounts, damages, costs, losses, liens, judgments, orders, attorneys fees, expenses and liabilities of any kind or nature arising from or attributable to the adverse claims of any and all other persons or parties relating to such Gas tendered by Shipper at the Receipt Point.

II. QUANTITY AND PRICE

2.1 Shipper shall pay OTPC a Commodity Rate plus Shrinkage, as stated on Exhibit B, for each volume of Gas delivered to the Delivery Point(s).

III. TERM

3.1 The Agreement shall be effective as of 1st day of July, 2008 and shall continue in full force and effect, terminating 15 years thereafter and shall continue from year to year thereafter, unless cancelled by either party upon 30 days written notice.

IV. MEASUREMENT AND QUALITY OF GAS

4.1 Measurement of the Gas delivered and billed to Shipper shall be based upon an allocation conducted by the operator of the Delivery Point(s). Disputes regarding allocated throughput shall be handled in accordance with the tariff of the Delivery Point(s) operator. Billings for all receipts and deliveries hereunder shall be made on a thermal basis in Dth. OTPC shall provide to Shipper at Shipper's request, pertinent tariff information pertaining to method of allocating deliveries at Delivery Point(s).

4.2 All Gas delivered under this Agreement shall be commercially free from solid and liquid impurities and shall satisfy all pipeline quality standards reasonably established from time to time by OTPC and upstream or downstream pipelines.

V. BILLING AND PAYMENT

5.1 On or about the tenth (10th) day of each calendar month, OTPC will render to Shipper a statement setting forth the total volume of Gas delivered hereunder for Shipper during the immediately preceding Month. In the event OTPC was not able to take actual meter readings at any meter, or if OTPC has not received the necessary meter statements from the owner or operator of any applicable meter in time for preparation of the monthly statement, *OTPC may use an estimated Gas delivery volume based upon confirmed nominations.* Any such estimated delivery volume shall be corrected in the first statement after the actual meter readings become available.

5.2 *In the event of a meter failure a reconstructed bill using the best information* available shall be used.

5.3 Shipper agrees to pay OTPC the amount payable according to such statement on or before the twenty-fifth (25th) day of the month or within ten (10) days of receipt of the invoice whichever is later.

5.4 Failure to tender payment within the above specified time limit shall result in a monthly interest charge of one and one half percent (1-1/2%) per month on the unpaid balance. In addition, should Shipper's payment be delinquent by more than thirty (30) days, OTPC shall have the right, at its sole discretion, to terminate this Agreement and to terminate Gas transportation in addition to its seeking other legal redress. OTPC will first contact Shipper about any payment issues and try to resolve those issues in a reasonable manner.

5.5 Any notice, request, demand, statement, or other correspondence shall be given by Written Notice to the Parties hereto, as set forth below:

Shipper:	Orwell Natural Gas Company or Brainard Gas Company, as applicable 8500 Station Street, Suite 100 Mentor, Ohio 44060
EMAIL:	tsmith13@sprynet.com
PHONE:	(440) 974-3770
FAX:	(440) 974-0844
ATTN:	Thomas J. Smith
OTPC:	OTPC Gas Transmission Company, LLC 8500 Station Street Suite 100 Mentor, OH 44060
EMAIL:	srigo@orwellgas.com
PHONE	(440) 974-3770
FAX:	(440) 205-8880
ATTN:	Stephen G. Rigo

VI. FORCE MAJEURE

6.1 Except with regards to a party's obligation to make payment due under Section 5 and Imbalance Charges under Section 2, neither party shall be liable to the other for failure to perform a firm obligation; to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 6.2.

6.2 Force Majeure shall include but not be limited to the following (1) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which .cause freezing or failure of wells or lines of pipe; (iii); (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, terrorism, insurrections or wars; and (v) governmental actions such as necessity for compliance with any court order, law statute, ordinance, or regulations promulgated by a governmental authority having jurisdiction. The Parties shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event of occurrence once it has occurred in order to resume performance.

6.3 Neither party shall be entitled to the benefit of the provision of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary firm transportation unless primary, in-path, firm transportation is also curtailed; (ii) the party claiming Force Majeure failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship. The claiming of Force Majeure shall not relieve either party from meeting all payment obligations.

6.4 Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be entirely within the sole discretion of the party experiencing such disturbances.

6.5 The party whose performance is prevented by Force Majeure must provide notice to the other party. Initial notice may be given orally; however, written notification with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written notification of Force Majeure to the other party, the affected party will be relieved of its obligation to make or accept delivery of Gas as applicable to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligation to the other during such occurrences or event.

VII. ADDITIONAL TERMS

7.1 Shipper shall join with OTPC in support of the application to the PUCO for approval of this Agreement pursuant to Section 4905.31, Revised Code.

7.2 In the event of an energy emergency declared by the Governor or any other lawful official or body, it is understood that OTPC shall and will follow the dictates of any energy emergency rule, or order. OTPC shall not be liable for any loss or damage suffered by Shipper as a result thereof.

7.3 This Agreement shall be construed under the laws of the State of Ohio.

7.4 This Agreement, together with all schedules and exhibits hereto, constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

7.5 This Agreement shall be binding upon and, inure to the benefit of the Parties and their respective permitted successors and assigns. Neither this Agreement nor any of the rights, benefits or obligations hereunder shall be assigned, by operation of law or otherwise, by any Party hereto without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Except as expressly provided herein, nothing in this Agreement is intended to confer upon any person other than the Parties and their respective permitted successors and assigns, any rights, benefits or obligations hereunder.

7.6 The parties agree that any dispute arising hereunder or related to this Agreement shall be resolved by binding arbitration under the auspices of the American Arbitration Association. Preheating discovery shall be permitted in accordance with the procedures of the Ohio Rules of Civil Procedure. The arbitrator or arbitrators shall have authority to impose any remedy at law or in equity, including injunctive relief. The parties agree that any heating will be conducted in Lake County, Ohio.

7.7 Recovery by either Party of damages, if any, for breach of any provision hereof shall be limited to direct, actual damages. Both Parties waive the right, if any, to recover consequential, indirect, punitive and exemplary damages.

7.8 Both parties shall have the right to demand credit assurances from the other party. If the financial responsibility of any Party is at any time unsatisfactory to the other Party for any reason, then the defaulting Party will provide the requesting Party with satisfactory security for the defaulting Party's performance hereunder upon requesting Party's demand. Defaulting Party's failure to abide by the provisions of this Section shall be considered a breach hereof, and the requesting Party may terminate this Agreement, provided the defaulting Party is afforded an opportunity to cure any default within three (3) business days notice of any breach. Both Parties have the right, in addition to all other rights and remedies, to set-off any such unpaid balance due the other Party, or by the parent or any subsidiary of the other Party, under any separate agreement or transaction.

7.9 No presumption shall operate in favor of or against either party regarding the construction or interpretation of this Agreement as a result of either party's responsibility for drafting this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed as of the date set forth above.

Orwell-Trumbull Pipeline Co., LLC

By: _____
Stephen G. Rigo,
Executive Vice President

Date: July 1, 2008

Brainard Gas Corp.

By: _____
Thomas J. Smith, President

Date: July 1, 2008

Orwell Natural Gas Company

By: _____
Thomas J. Smith, President

Date: July 1, 2008

Exhibit A

OTPC Gas Transmission, LLC

ALL PIPELINES OWNED BY OTPC LOCATED IN NORTHEASTERN OHIO.

Exhibit B

OTPC Gas Transmission, LLC

Primary Receipt Point

Interconnection between OTPC and North Coast Gas Transmission, LLC's Pipeline in Mantua, Ohio

Primary Delivery Point(s)

For BGC: Various interconnections between OTPC and BGC, as required for back-up services only.

For ONG: Various interconnections between OTPC and ONG.

Shrinkage

TBD

2000 Dth/day

*RATES

Commodity Charge (paid only on quantity transported)

November-March $0.95 per Thousand Cubic Feet (Mcf)

April-October $0.95 per Thousand Cubic Feet (Mcf)

*Rates will adjust every five (5) years commencing on July 1, 2013 and continuing on each fifth (5th) anniversary date for the remaining term of this Agreement to reflect the higher of $0.95 per Thousand Cubic Feet (Mcf) or a negotiated rate to reflect the then current market conditions existing on each such rate adjustment date. If the parties cannot agree on a rate adjustment amount, OTPC shall have the option to increase the Rate by the increase in the consumer price index all items (Cleveland, Ohio) ("CPI") as calculated from July 1, 2008 to each applicable rate adjustment date.

FOR SECURITY PURPOSES, THE BORDER OF THIS DOCUMENT CONTAINS MICROPRINTING

WILLIAM T. WULIGER ATTORNEY AT LAW
1340 Sumner Avenue
Cleveland, OH 44115-2851

56-12/410

13919

DATE 3-12-15

PAY TO THE ORDER OF American Arbitration Association $ 1,650.00

One thousand six hundred fifty and no/100 DOLLARS

PNC BANK
PNC BANK, N.A.
CLEVELAND, OH 44115

MEMO: Orwell Trumbull Arbitration

AUTHORIZED SIGNATURE

DETAILS ON BACK.

SECURITY FEATURES INCLUDED

⑈013919⑈ ⑆041000124⑆ 4224287969⑈

BEFORE THE AMERICAN
ARBITRATION ASSOCIATION

ORWELL TRUMBULL PIPELINE CO., LLC	)	CASE NO. 01-15-0002-9137
	)	
Claimant,	)	
	)	ARBITRATOR SPENCER NETH
v.	)	
	)	
ORWELL NATURAL GAS CO.,	)	
	)	**CLAIMANT'S ANSWER TO**
Respondent,	)	**RESPONDENT'S COUNTERCLAIM**
	)	
	)	

Now comes the Claimant, Orwell Trumbull Pipeline Company ("OTPC"), by and through counsel, and for its Answer to the Respondent's Counterclaim, state and aver as follows:

COUNT ONE – BREACH OF CONTRACT

1. OTPC admits that it operates a natural gas transmission system.

2. OTPC admits that the parties' Agreement requires ONG to exclusively use OTPC's pipelines for the transportation of natural gas if OTPC has available capacity.

3. OTPC denies that it failed to operate its pipeline in a commercially reasonable manner.

4. OTPC denies that it failed to maintain pressure as required.

5. To the extent that there was ever a problem with pressures, it was the direct result of ONG's acts and/omissions and/or conditions beyond OTPC's control.

6. OTPC denies that it failed to satisfy its obligations under the parties' Agreement and/or otherwise breached the contract.

7. OTPC denies that ONG sustained any damages due to the acts and/or omissions of OTPC.

COUNT TWO – BREACH OF CONTRACT

8. OTPC admits that Exhibit B to the parties' Agreement indicated that the shrinkage rate would be determined.

9. OTPC could not and did not charge more than a commercially reasonable shrinkage rate.

10. On an annual basis, OTPC reported its line loss to the PUCO.

11. The line loss reported to the PUCO would, in turn, be used to calculate the shrinkage rate that was charged to ONG.

12. Shrinkage rates greater than 5% are presumptively unreasonable.

13. OPTC's shrinkage rates are below 5% and are presumptively reasonable.

14. OPTC denies that the parties failed to reach agreement with regard to the shrinkage rate.

15. ONG paid shrinkage rates as agreed.

16. ONG reported the shrinkage rates to the PUCO.

17. The shrinkage rates paid by ONG to other shippers such as Dominion East Ohio are greater than 5% and are presumptively unreasonable.

18. OTPC denies that it failed to satisfy its obligations under the parties' Agreement and/or otherwise breached the contract regarding shrinkage.

19. OTPC denies that ONG sustained any damages due to the acts and/or omissions of OTPC regarding charges for shrinkage.

COUNT THREE -- FRAUD

20. OTPC denies that it filed an Application on November 20, 2009 in Case No. 08-1244-PL-AEC as alleged.

21. OTPC denies that it held any interest in ONG; or that ONG held any interest in OTPC.

22. OTPC denies that the Application filed on November 20, 2008 contains information that is false.

23. OTPC admits that the PUCO approved the Application filed on November 20, 2008, but denies that the approval was obtained through any fraud or misrepresentation.

24. The Application filed by OTPC in Case No. 08-1244 specifically disclosed that the parties were affiliates under common ownership.

25. OTPC denies that the PUCO and ONG was unaware that the parties were affiliates under common ownership.

26. OTPC denies that ONG justifiably relied upon any representation made in the Application, or that any representation therein was false.

27. OTPC denies that ONG sustained any damages due to the representations made by OTPC to the PUCO.

COUNT FOUR – UNJUST ENRICHMENT

28. A contract does exists between the parties, which was approved by the PUCO, and performed for half of its stated term.

29. The Agreement between the parties was an arms-length transaction negotiated by representatives of OTPC and ONG.

30. OTPC denies that Richard M. Osborne improperly interfered with and/or influenced the negotiations and/or terms of the parties' Agreement.

31. Both OTPC and ONG benefitted from the Agreement.

32. OTPC fulfilled its obligations under the Agreement, and operated its pipeline in a commercially reasonable manner.

33. To the extent that there was ever a problem with pressures, it was the direct result of ONG's acts and/omissions and/or conditions outside of OTPC's control.

34. The fact that ONG is no longer satisfied with the terms of the Agreement does not constitute unjust enrichment.

35. OTPC denies that ONG is entitled to damages for unjust enrichment.

COUNT FIVE – UNJUST ENRICHMENT

36. A contract does exists between the parties, which was approved by the PUCO, and performed for half of its stated term.

37. The Agreement between the parties was an arms-length transaction negotiated by representatives of OTPC and ONG.

38. The Agreement provides that the shrinkage rate would be determined.

39. OTPC did not charge more than a commercially reasonable shrinkage rate.

40. The shrinkage rate was calculated based upon line losses reported to the PUCO.

41. ONG agreed to pay the shrinkage rate charged by OTPC.

42. ONG reported the shrinkage rates to the PUCO.

43. The shrinkage rates paid by ONG to Dominion East Ohio were higher than that charged by OTPC.

44. The fact that ONG is no longer satisfied with the shrinkage rates it agreed to and did pay does not constitute unjust enrichment.

45. OTPC denies that ONG is entitled to damages for unjust enrichment for shrinkage charges.

AFFIRMATIVE DEFENSES

1. Failure to state a claim upon which relief can be granted.
2. This forum lacks jurisdiction over any claim involving any fraud alleged to have been perpetrated upon the PUCO.
3. This forum lacks jurisdiction over any claim seeking to invalidate and/or rescind the parties' Agreement.
4. This forum lacks jurisdiction over any claim seeking to modify the terms of the parties' Agreement.
5. This forum lacks jurisdiction over any claim regarding services and operations, including those involving pressure maintenance.
6. This forum lacks jurisdiction over any claim regarding rates and charges, including charges for shrinkage.
7. The fact that ONG is no longer satisfied with the terms of the Agreement does not provide a claim for damages.
8. The Counterclaim fails to allege fraud with requisite particularity.
9. The Counterclaim fails to allege fraud regarding the Agreement which governs the parties' rights and obligations.
10. Custom and usage.
11. Estoppel.
12. Laches.
13. Waiver.

14. Unclean hands.

15. Failure to mitigate damages.

16. Mistake.

17. Novation.

18. Unjust enrichment.

19. Bad faith.

20. Substantial compliance.

21. The contract does not provide for attorney fees.

WHEREFORE, Claimant Orwell Trumbull Pipeline Company prays that Respondent's Counterclaim be dismissed at Respondent's costs, and for whatever other relief this Court finds fair, just and equitable.

Respectfully submitted,

/s/ Mark E. Kremser
WILLIAM T. WULIGER, ESQ. (0022271)
MARK E. KREMSER, ESQ. (0066642)
WULIGER, FADEL & BEYER, LLC
1340 Sumner Avenue
Cleveland, Ohio 44115
(PH) 216-781-7777
(FX) 216-781-0621
wtwuliger@wtwuligerlaw.com
mkremser@wuliger@wuligerlaw.com

Counsel for Claimant

CERTIFICATE OF SERVICE

This is to certify that a true copy of the foregoing was sent this ___ day of September 2015 **via electronic mail** to Gina M. Piacentino, The Weldele & Piacentino Law Group Co., L.P.A., 88 East Broad Street, Suite 1560, Columbus, OH 43215, gpiacentino@wp-lawgroup.com.

/s/ Mark E. Kremser
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THE WELDELE & PIACENTINO
LAW GROUP CO., LPA

Eric D. Weldele
eweldele@wp-lawgroup.com
Gina M. Piacentino
gpiacentino@wp-lawgroup.com

August 21, 2015

Via Email, AAA Webfile and US Mail

Arbitrator Spencer Neth
2542 Stratford Road
Cleveland Heights, Ohio 44118

Re: *Orwell-Trumbull Pipeline Company, LLC v. Orwell Natural Gas Company*
Case No: 01-15-0002-9137

Arbitrator Neth:

This letter constitutes a **Counterclaim** to the Demand for Arbitration filed against Orwell Natural Gas Company.

Claimant, Orwell Trumbull Pipeline Co., LLC (hereinafter "OTPC") claims Respondent, Orwell Natural Gas Company (hereinafter "ONG"), is in breach of a Natural Gas Transportation Service Agreement (hereinafter "Agreement") between OTPC and ONG. Specifically, OTPC alleges that ONG breached the exclusivity provisions of the Agreement.

COUNTERCLAIMS

Count One Breach of Contract: Under the terms of the Agreement, a fundamental requirement of OTPC is that it operate a natural gas transmission pipeline system. OTPC is asserting that the Agreement requires ONG and its customers to rely exclusively on OTPC as its sole source of natural gas transportation services. Operation of a transmission pipeline system requires OTPC to maintain at a minimum a level of pressure to meet the threshold obligation of a transmission system. OTPC, on numerous occasions, failed to operate the transmission pipeline in a commercially reasonable manner, failed to maintain minimum pressure, and as a result failed to meet its minimum obligations under the Agreement to operate as a transmission pipeline system. As a direct cause of OTPC's breach of the Agreement, ONG was compelled to purchase, nominate, and deliver significantly greater quantities of natural gas than it would

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otherwise had to purchase, nominate, and deliver had OTPC not breached the Agreement and failed to operate the transmission pipeline in a commercially reasonable manner. ONG has suffered actual damages as a result of OTPC's breach in an amount in excess of $15,000.

Count Two Breach of Contract: OTPC failed to file its shrinkage with, and seek approval from, the Public Utilities Commission of Ohio for its shrinkage percentage. Pursuant to the Agreement, shrinkage was an item that was not negotiated by the parties at the time of the Agreement but rather left pursuant to Exhibit B as "TBD" by the parties to the Agreement. ONG did not agree with OTPC regarding shrink percentage and under protest paid the shrinkage invoices. OTPC has failed to substantiate its shrinkage although demands have been made for such substantiation. OTPC failed to file its shrinkage with the Public Utilities Commission of Ohio or seek approval for its shrinkage with the Public Utilities Commission of Ohio. As a direct result of OTPC's breach of the Agreement, ONG suffered actual damages in the amount in excess of $120,280.18 and continues to suffer damage resulting from the unsubstantiated shrinkage OTPC continues to invoice ONG regarding.

Count Three Fraud. OTPC filed an Application with the PUCO November 20, 2009, Case No. 08-1244-PL-AEC. In the Application at Paragraph 6, OTPC stated as follows: "No party to the agreement holds any interest in any other party to the agreement. Applicant and each of its Shippers currently are affiliates under common ownership." OTPC filed this Application knowing that Paragraph 6 was false and misrepresented. OTPC knew, or acted recklessly in not knowing, that said Application was false. The PUCO approved the Application based on the misrepresentation in Paragraph 6. The representation referenced above was material to the Agreement and the PUCO's approval of the Application. OTPC made the representation falsely, with knowledge of its falsity, or with such utter disregard and recklessness as to whether it is true or false that knowledge may be inferred. OTPC intended to mislead ONG and the PUCO. As a direct and proximate result of the fraud perpetrated by OTPC, ONG has suffered damages, in an amount to be determined.

In the Alternative to its Counts One and Two Breach of Contract Claims, ONG Pleads Unjust Enrichment. In the event the Arbitrator fails to find in favor of ONG on its Breach of Contract Counts One, Two, and/or Three, ONG pleads in the alternative that OTPC has been unjustly enriched.

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Background

At the time the Agreement was entered, Richard M. Osborne was in control of both OTPC and ONG, and the parties that executed the Agreement, Stephen G. Rigo, Executive Vice President for OTPC and Thomas J. Smith, President of both Brainard Gas Corp. and ONG, reported directly or were obligated to Richard M. Osborne as the controlling member of ONG and OTPC. Both Messrs. Rigo and Smith worked out of the 8500 Station Street, Suite 100 Mentor, Ohio offices, which is the same office where Richard M. Osborne worked and directed the activates for both OTPC and ONG. Neither Thomas J. Smith nor Stephen G. Rigo operated independently of Richard M. Osborne, and neither negotiated the Agreement independently of Richard M. Osborne. As a result, ONG did not have independent representation, the Agreement was not an arms-length Agreement, and therefore, ONG could not have had a meeting of the minds on the Agreement with OTPC in its formation. Only OTPC and Richard M. Osborne benefited, unjustly, from the Agreement regarding multiple material terms including but not limited to exclusivity, sole source, fifteen (15) year term, shrinkage "TBD", and failure to define system parameters.

Count Four Unjust Enrichment Regarding Failure of Adequate Operation. In the alternative to Count One, OTPC was unjustly enriched through obligating ONG to a sole source agreement without any obligation on the part of OTPC to operate its transmission pipeline system in a commercially reasonable manner with minimum pressure standards. Each time ONG had to source, nominate, and deliver natural gas in quantities in excess of its actual need to service ONG's customers, ONG suffered actual damages and OTPC was unjustly enriched by compelling through its failure ONG to create pressure in its system to get natural gas to ONG's customers. ONG suffered actual damages and OTPC in an amount to be determined at trial in excess of $15,000.00, plus interest and fees.

Count Five Unjust Enrichment Regarding Shrinkage. Regarding Count Two, OTPC was unjustly enriched by the total amount ONG has paid OTPC since the inception of the Agreement to date since OTPC has failed to substantiate its shrinkage. ONG has suffered actual damages in excess of $120,280.18 for shrinkage charged by OTPC and OTPC is unjustly enriched by the same amount.

Respectfully,

Gina M. Piacentino

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Complaint of Orwell Natural Gas Company,	)	
Complainant,	)	
v.	)	Case No. 15-637-GA-CSS
Orwell-Trumbull Pipeline Company, LLC,	)	
Respondent.	)	

ORWELL NATURAL GAS COMPANY'S RESPONSES TO ORWELL-TRUMBELL PIPELINE COMPANY, LLC'S FIRST SET OF INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

Respondent Orwell-Trumbell Pipeline Company, LLC ("OTP") submits the following Interrogatories and Requests for Production of Documents pursuant to Sections 4901-1-19 and 4901-1-20 and of the Ohio Adm. Code for to the Orwell Natural Gas Company, ("ONG"). These discovery requests are to be answered within twenty (20) days of the date appearing on the certificate of service appended hereto, via electronic service to the extent possible, to Michael D. Dortch, 65 E. State Street, Suite 200, Columbus, Ohio 43215, mdortch@kravitzllc.com.

INSTRUCTIONS

1. With respect to each discovery request, all information is to be divulged that is within the knowledge, possession or control of the parties to whom it is addressed, including their agents, employees, attorneys and/or investigators.

2. Where an interrogatory calls for an answer in more than one part, each part should be separated in the answer so that the answer is clearly understandable.

3. All answers must be separately and fully stated in writing under oath.

OTP #3

4. Pursuant to Rules 4901-1-16(D) and (E) of the Ohio Administrative Code, you are under a continuing duty to seasonably supplement all discovery responses with respect to any question directly addressed to the identity and locations of persons having knowledge of discoverable matters, the identity of each person expected to be called as an expert witness at the hearing, and the subject matter on which the expert is expected to testify. Further, a party who knows or later learns that a response is incorrect is under a duty to seasonably correct the response.

DEFINITIONS

For purpose of these discovery requests, the following terms shall have meanings set forth below:

1. As used herein, "document," "documentation" and/or "record," whether stated as the singular or the plural, means any course of binders, book, pamphlet, periodical, letter, correspondence, memoranda, including but not limited to, any memorandum or report of a meeting or telephone or other conversation, invoice, account, credit memo, debit memo, financial statement, general ledger, ledger, journal, work papers, account work papers, report, diary, telegram, record, contract, agreement, study, draft, telex, handwritten or other note, sketch, picture, photograph, plan, chart, paper, graph, index, tape, data processing card, data processing disc, data cells or sheet, check acceptance draft, e-mail, studies, analyses, contracts, estimates, summaries, statistical statements, analytical records, reports and/or summaries of investigations, opinions or reports of consultants, opinions or reports of accountants, trade letters, comparisons, brochures, pamphlets, circulars, bulletins, notices, forecasts, electronic communication, printouts, all other data compilations from which information can be obtained (translated if necessary by defendants into usable form), any preliminary versions, drafts or revisions of any of the foregoing, and/or any other written, recorded, transcribed, punched, taped, filmed or graphic matter, however produced or reproduced and regardless of origin or location, in the possession, custody and/or control of the defendant and/or their agents, accountants, employees, representatives and/or attorneys. "Document" and "record" also mean all copies of documents by whatever means made, if the copy bears any other markings or notations not found on the original.

2. The terms "relating to," "referring to," "referred to," "pertaining to," "pertained to" and "relates to" means referring to, reporting, embodying, establishing, evidencing, comprising, connected with, commenting on, responding to, showing, describing, analyzing, reflecting, presenting and/or constituting and/or in any way involving

3. To "produce" or to "identify and produce," shall mean that the FirstEnergy shall produce each document or other requested tangible thing to undersigned counsel for OTP. For each tangible thing which ONG contends is privileged or otherwise excludable from discovery, there shall be included a statement by ONG as to the basis for such claim of privilege or other grounds for exclusion.

4. "Commission" or "PUCO" shall mean the Public Utilities Commission of Ohio.

5. "Staff" shall mean any person employed by the PUCO.

6. "Communication" shall mean any transmission of information by oral, graphic, written, pictorial, or otherwise perceptible means, including, but not limited to, telephone conversations, letters, telegrams, and personal conversations. A request seeking the identity of a communication addressing, relating or referring to, or discussing a specified matter encompasses documents having factual, contextual, or logical nexus to the matter, as well as communications in which explicit or implicit reference is made to the matter in the course of the communication.

7. The "substance" of a communication or act includes the essence, purport or meaning of the same, as well as the exact words or actions involved.

8. "And" or "Or" shall be construed conjunctively or disjunctively as necessary to make any request inclusive rather than exclusive.

9. "You," and "Your," or "Yourself" refer to the party requested to produce documents and any present or former director, officer, agent, contractor, consultant, advisor, employee, partner, or joint venture of such party.

10. Each singular shall be construed to include its plural, and vice versa, so as to make the request inclusive rather than exclusive.

11. Words expressing the masculine gender shall be deemed to express the feminine and neuter genders; those expressing the past tense shall be deemed to express the present tense; and vice versa.

12. "Person" includes any firm, corporation, joint venture, association, entity, or group of natural individuals, unless the context clearly indicates that only a natural individual is referred to in the discovery request.

13. "Identify," or "the identity of," or "identified" means as follows:

    a. When used in reference to an individual, to state his full name and present or last known position and business affiliation, and his position and business affiliation at the time in question;

    b. When used in reference to a commercial or governmental entity, to state its full name, type of entity (e.g., corporation, partnership, single proprietorship), and its present or last known address;

    c. When used in reference to a document, to state the date, author, title, type of document (e.g., letter, memorandum, photograph, tape recording, etc.), general subject matter of the document, and its present or last known location and custodian;

d. When used in reference to a communication, to state the type of communication (i.e., letter, personal conversation, etc.), the date thereof, and the parties thereto and the parties thereto and, in the case of a conversation, to state the substance, place, and approximate time thereof, and identity of other persons in the presence of each party thereto;

e. When used in reference to an act, to state the substance of the act, the date, time, and place of performance, and the identity of the actor and all other persons present; and

f. When used in reference to a place, to state the name of the location and provide the name of a contact person at the location (including that person's telephone number), state the address, and state a defining physical location (for example: a room number, file cabinet, and/or file designation).

g. The terms "PUCO" and "Commission" refer to the Public Utilities Commission of Ohio, including its Commissioners, personnel (including Persons working for the PUCO Staff as well as in the Public Utilities Section of the Ohio Attorney General's Office), and offices.

14. "OCC" means the Office of the Ohio Consumers' Counsel.

15. "ONG" means Orwell Natural Gas Company.

16. "OTP" means Orwell-Trumbull Pipeline Co., LLC.

17. The "Transportation Contract" means that Natural Gas Transportation Service Agreement that OTP and ONG entered in to on July 8, 2008, and that was attached as Exhibit A to ONG's Complaint in this matter.

INTERROGATORIES

1. Identify all individuals whom you intend to call as a witness in this case, and identify the subject matter of that individual's testimony.

RESPONSE:

1. **Mike Zappitello. Mike Zappitello will testify as to gas purchases and system balancing.**

2. Omitting invoices, identify all communications between ONG and OTP from January 2007 to present that relate in any way to the Transportation Contract or these proceedings.

RESPONSE:

See attached.

3. Identify all communications among any combination of Rick Osborne, Tom Smith, and Steve Rigo from January 2007 to present that relate in any way to the Transportation Contract or to these proceedings.

RESPONSE:

See attached.

4. Identify all analyses performed at any time between January 2004 and the present date that compare the costs of transporting natural gas on OTP to the costs of transporting natural gas using any other pipeline facilities.

RESPONSE:

See attached.

5. Identify all analyses performed at any time between January 2004 and the present date that compare the "all – in" costs of delivering natural gas to ONG customers via any combination of facilities and natural gas suppliers.

RESPONSE:

See attached.

6. Identify all documents prepared between 2004 and 2008 involving any discussion of the benefits or detriments of utilizing facilities belonging to Dominion East Ohio.

RESPONSE:

See attached.

7. Identify both pre and post tax revenues as reported by ONG for each year beginning January 2004 through 2014.

RESPONSE:

See attached spreadsheet.

8. Identify both pre and post tax profits (losses) as reported by ONG for each year beginning January 2004 through 2014.

RESPONSE:

See attached spreadsheet.

9. Identify all documents that purport to determine a value for ONG at any point in time.

RESPONSE:

See attached Valuation.

10. Identify all documents that purport to determine a value for OTP at any point in time.

RESPONSE:

See attached Valuation.

11. Identify all individuals who assisted in any way in preparing responses to these interrogatories and requests for production, and identify the specific assistance each provided in responding to each interrogatory or request.

RESPONSE:

Mike Zappitello.

REQUESTS FOR PRODUCTION OF DOCUMENTS

1. Produce all documents you identified in response to the foregoing Interrogatories.

   See attached.

2. *Produce all documents you relied upon in preparing responses to the foregoing* Interrogatories.

   See attached.

3. Omitting invoices, produce all communications between ONG and OTP from January 2004 to present that relate in any way to the Transportation Contract or to these proceedings.

   See attached.

4. Produce all communications among any combination of Rick Osborne, Tom Smith, and Steve Rigo from January 2007 to present that relate in any way to the Transportation Contract or these proceedings.

   Objection. Complainant objects to this request for the production of documents on the grounds that it is vague, overly broad, unduly burdensome, and seeks information that is neither relevant to this action nor reasonably calculated to lead to the discovery of admissible evidence.

Gina M. Placentino-0086225

5. Produce all documents that constitute, show or depict any comparison of OTP's natural gas transportation rates with those of any other pipeline.

Objection. Complainant objects to this request for the production of documents on the grounds that it is vague, overly broad, unduly burdensome, and seeks information that is neither relevant to this action nor reasonably calculated to lead to the discovery of admissible evidence.

Gina M. Piacentino-0086225

6. Produce ONG's federal tax returns for the years dated 2008 – 2015.

Objection. Complainant objects to this request for the production of documents on the grounds that it is vague, overly broad, unduly burdensome, and seeks information that is neither relevant to this action nor reasonably calculated to lead to the discovery of admissible evidence.

Gina M. Piacentino-0086225

7. Produce all income statements, balance sheets, cash flow statements, income projections, and cash flow projections related to ONG operations, prepared during the years 2008-2015.

Objection. Complainant objects to this request for the production of documents on the grounds that it is vague, overly broad, unduly burdensome, and seeks information that is neither relevant to this action nor reasonably calculated to lead to the discovery of admissible evidence.

Gina M. Piacentino-0086225

8. Produce any analysis of ONG's weighted average cost of capital.

Objection. Complainant objects to this request for the production of documents on the grounds that it is vague, overly broad, unduly burdensome, and seeks information that is neither relevant to this action nor reasonably calculated to lead to the discovery of admissible evidence.

Gina M. Piacentino-0086225

9. Produce any analysis of ONG's return on equity.

Objection. Complainant objects to this request for the production of documents on the grounds that it is vague, overly broad, unduly burdensome, and seeks information that is neither relevant to this action nor reasonably calculated to lead to the discovery of admissible evidence.

Gina M. Piacentino-0086225

10. Produce any transcripts of any testimony provided in any action involving ONG by any of the following individuals.

Pursuant to OAC 4901-1-20 Production of documents and things; entry upon land or other property: (D) Where a request calls for the production of a public document on file in this state, or a document which the party upon whom the request is served has furnished to the party submitting the request within the preceding twelve months, it is a sufficient response to such request to specify the location of the document or the circumstances under which the document was furnished to the party submitting the request.

a. Michael Zapitello- 2010-0212-GA-GCR

b. Marty Whelen-2010-0212-GA-GCR; 2012-0212-GA-GCR; 2014-0212-GA-GCR

c. Thomas Smith-2010-0212-GA-GCR; 2012-0212-GA-GCR;2011-0206-GA-GCR

d. Steve Rigo-2010-0212-GA-GCR

e. Rebecca Howell – 2010-0212-GA-GCR; 2012-0212-GA-GCR

f. Gregory Osborne- none

g. Richard Osborne-none

h. Jessica Carothers-none

Respectfully submitted,

THE WELDELE & PIACENTINO LAW GROUP CO., LPA

GINA M. PIACENTINO (0086225)
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Columbus, OH 43215
Phone: (614) 221-0800
Fax: (614) 221-0803
Email: gpiacentino@wp-lawgroup.com
Counsel for Orwell Natural Gas Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of this *Orwell Natural Gas Company's Responses to Orwell Trumbull-Pipeline Company LLC's First Set of Discovery* was served on the persons stated below via electronic transmission, this 23rd day of October, 2015.

Werner Margard
Katie Johnson
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Gina M. Piacentino-0086225

INTERROGATORY #2, 3 & 6 ATTACHMENT

facsimile transmission

ORWELL NATURAL GAS CO.
Stephen G. Rigo, President
8500 Station Street, Suite 100, Mentor, Ohio 44060
Phone: 440-974-5120; Fax: -5114
E-Mail: sgr_sn@sbcglobal.net

To:	RMO	Fax #:	(814) 484-3970
From:	Stephen G. Rigo	Date:	8/5/2004
Re:	Dominion East Ohio Contracts	Pages:	Two (2) including cover page
Cc:	Tom Smith		

☐ Urgent ■ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

The attached spreadsheet summarizes our agreements with Dominion East Ohio Gas. You will note that all of the contracts expire with the March 2007 billing cycle and they all rollover, year-to-year, unless we cancel 60 days prior to the rollover date. All of the contracts specifically prohibit us from serving customers or buildings that have been served by DEO within the preceding 12 months.

Transporting gas through all of the new interconnects is very expensive (between $0.86 and $1.3128 per Mcf, depending on the monthly throughput). These rates are for meters in our new market areas, primarily Lake County. The contracts require that ALL of the gas delivered in these new pipeline systems must be received from DEO; i.e. the contract is breached if any other source of gas, such as well gas, enters the system. I estimate that the annual volume in 2004 from these new DEO interconnects will be less than 4,000 Mcf.

The five meter stations on the original contracts, which I renegotiated a couple of years ago, provide for a much lower rate ($0.315 per Mcf) once aggregate monthly volume for the five meters exceeds 4,000 Mcf [volume drained off by the Little Inch will negatively affect our ability to achieve that rate]. Historically these systems had also received gas from local producers, so the contract for these five meters does not prohibit gas entering from other sources. Accordingly, it would appear that the Little Inch could serve these same systems without breaching the DEO contract. Of course, DEO may try to "fix" that issue in 2007, when the current agreement expires. I estimate that the annual volume in 2004 from these DEO interconnects will be about 95,000 Mcf.

In conclusion, I recommend that we do not breach our agreements with DEO. If we do, they may try to cut us off completely. Since that might draw more fire from the PUCO than it's worth, they are more likely to charge us full tariff, which would not only increase the already high transportation rates, but would also add back the costs of a number of riders that I negotiated out of the current contracts.

I believe that DEO would not make a big fuss if we took some of their customers who are in buildings currently owned by you. I know they would not like us taking other current customers. They also do not want to be just a peak-load back up supplier and they have a nasty tariff to help them avoid it. Due to our contract, they probably can't avoid it for now in the original market area. And, since that is where the lion's share of our DEO volume is, I would be very careful not to breach that contract.

Stephen G. Rigo

From: Stephen G. Rigo [srigo@orwellgas.com]
Sent: Thursday, November 01, 2007 8:51 AM
To: 'Becky Howell'; 'Brian Wollet'; 'ataylor@orwellgas.com'
Cc: 'tsmith13@sprynet.com'
Subject: DEO Charges effective 10.01/07
Attachments: oledata.mso; image001.wmz

Below is a comparison of DEO's transportation charges for the period beginning 10/01/2007 with the prior 12 months.

The Monthly Demand charge increased for NEO due to increased throughput.

Orwell's charges increased due reduction in the DEO discount resulting from Orwell serving former DEO customers. Orwell's charges will only be in effect from October 1st thru the end of this year. DEO has terminated the discounted tariff agreement effective 1/1/2008, at which time Orwell will pay DEO's full tariff, unless a new discounted tariff is negotiated.

Steve

	10/1/2007 to 9/30/2008	10/1/2006 to 9/30/2007
Orwell		
Monthly Demand Charge	$9,332.43	$8,161.00
Volumetric Charge/Mcf	$0.1494	$0.0923
Prior year Mcf	83,265	117,932
NEO		
Monthly Demand Charge	$59,390.00	$48,785.00
Volumetric Charge/Mcf	$0.0900	$0.0900
Prior year Mcf	876,205	719,223

RMD - tx.i.
New Monthly Demand Charges.
DSoe
10/3

Stephen G. Rigo
8500 Station Street, Suite 100
Mentor, Ohio 44060
Phone: (440) 974-5120
Fax: (440) 205-8680

DOE GLOBAL AGREEMENT

DISCOUNT BASED ON 2006 VOLUME

	DISCOUNT		
	Without	With	Difference
Meters	31	1	
Month Charge/Meter	$102.50	$102.50	
$/Month	$3,178	$103	$3,075
Annual Meter Charge	**$38,130**	**$1,230**	**$36,900**
Annual Transportation	**$92,913**	**$84,266**	**$8,648**
Migration Rider	**$9,340**	**$0**	
Full Requirements Surcharge*	**$11,170**	**$0**	
Total Annual	**$151,554**	**$85,496**	**$66,058**
	$1.606	**$0.906**	**$0.700**
		Savings:	***43.59%***
Electronic Gas Measurement* **	**$62,000**	**$0**	***$62,000***

** Estimated*

*** One time capital expense*

000019

DEO Deliveries (Mcf)

$8,161 Monthly Demand Charge

TOTAL SYSTEM

	2007	2006	2005	2004	2003	2002	2001
January	15,886.4	27,873.4	25,728	25,854	19,647	10,285	0
February	18,435.7	13,496.8	19,902	18,355	25,644	7,487	0
March	10,959.1	10,796.9	23,925	6,619	14,597	7,937	0
April	8,030.2	16,260.6	9,754	3,956	4,513	4,378	0
May	0.0	3,306.4	5,824	10,585	497	3,293	0
June	0.0	1,177.4	1,102	3,028	428	566	0
July	0.0	1,033.1	1,136	1,417	1,175	354	0
August	0.0	1,010.7	1,499	1,383	912	103	0
September	0.0	1,172.8	2,027	1,554	1,037	160	137
October	0.0	3,633.4	4,069	4,769	5,324	3,056	1,526
November	0.0	6,758.6	11,299	11,418	6,957	10,890	4,194
December	0.0	9,849.0	26,436	17,222	16,374	17,855	5,852
Total	**55,318**	**98,375**	**132,701**	**106,158**	**97,105**	**66,364**	**11,710**

BASS LAKE #59142 (Station 4249)

	2007	2006	2005	2004	2003	2002	2001
January	0	12698.9	14,563.2	8,261.0	7,331.0	7,971.0	
February	0	3798.2	10,697.1	2,412.0	15,204.0	5,576.0	
March	0	3066.6	11,536.8	659.0	6,542.0	5,821.0	
April	0	0	4,764.9	65.3	3,325.0	2,973.0	
May		0	2,724.1	192.9	368.0	1,541.0	
June		0	118.8	239.5	171.0	22.0	
July		0	6.2	0.0	10.0	0.0	
August		0	22.3	0.0	7.0	0.0	
September		0	0.0	0.0	6.0	0.0	20.9
October		0	1,213.6	1,615.9	2,519.0	1,119.0	911.4
November		0	4,758.0	2,781.9	3,085.0	4,542.0	3,047.3
December		0	8,882.6	9,094.4	9,387.0	7,593.0	4,271.0
Total	**0**	**19,564**	**59,290**	**25,322**	**47,955**	**37,158**	**8,251**

TAYLOR MAY #57658

	2007	2006	2005	2004	2003	2002	2001
January	0	4215	243.7	378.0	4,103.0	80.0	
February	0	992.2	456.3	447.0	3,295.0	123.0	
March	0	0	356.2	18.0	2,425.0	361.0	
April	0	0	81.4	24.1	208.0	738.0	
May		0	57.5	0.0	1.0	987.0	
June		0	0.0	0.0	1.0	140.0	
July		0	0.0	0.0	0.0	12.0	
August		0	0.0	0.0	0.0	29.0	
September		0	0.0	0.0	0.0	34.0	0.0
October		0	0.0	0.0	94.0	1,214.0	0.0
November		0	0.0	0.0	575.0	2,712.0	0.0
December		0	3,714.2	0.0	10.0	3,302.0	32.0
Total	**0**	**5,207**	**4,909**	**867**	**10,712**	**9,732**	**32**

DRAFT FOR RMO APPROVAL 6-15-07

ORWELL NATURAL GAS COMPANY SUPPLY SOURCES

Overview: Natural Gas is delivered to the Orwell Natural Gas Co.'s local distribution systems from pipelines owned by Columbia Gas Transmission, Dominion East Ohio, the Orwell-Trumbull Pipeline via North Coast Pipeline, and from local production gathering lines. As such, Orwell has access to gas supply from the several major interstate and intrastate markets. Orwell has firm or firm equivalent service to all of its distribution pipeline systems with exception of a very few small, isolated customers served by local production. Likewise, most systems have redundant interstate supply availability, many also with local production backup.

The following is a summary of Orwell's supply sources:

1. **Supply Pipelines**
    a. **Columbia Gas Transmission**
        i. **GTS Agreement (firm transportation with 92,859 Dth storage)**
    b. **Dominion East Ohio**
        i. **GTS Agreement (firm transportation for 117,932 Mcf)**
    c. **Orwell-Trumbull Pipeline**
        i. **Firm transportation contract**
2. **Local Production**
    a. **Purchased from various points of receipt.**
    b. **Volume for past year approximately 325,000 Mcf.**

Gas Purchases - Basis Summary

	TCO Gate	DEO	North Coast
Sep-08	$0.490	$0.620	
Aug-08	$0.750	$0.940	
Jul-08	$0.830	$0.940	
Jun-08	$0.845	$1.050	
May-08	$0.910	$0.930	
Apr-08	$0.815	$0.965	$0.720
Mar-08	$0.900	$0.740	$0.890
Feb-08	$0.705	$0.800	$0.880
Jan-08	$0.560	$0.835	$0.845
Dec-07	$0.585	$0.885	$0.780
Nov-07	$0.490	$0.515	$0.750
Oct-07	$0.410	$0.447	$0.640

[Click here and type address]

facsimile transmittal

To:	Rick Osborne	Fax:	440-975-1386
From:	Steve Rigo	Date:	4/6/2010
Re:	Rt. 86 DEO Meter	Pages:	Four (4) including cover
CC:			

☐ Urgent ■ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Rick:

The Dominion East Ohio meter on Rt. 86/Painesville-Warren Road, Leroy (#59468) is a delivery meter into Orwell's system. It is not a point where production gas is delivered to DEO.

The meter is still connected and has been kept as a backup to the local production serving Orwell's customers in the area. No gas has flowed since February 2009. However, the monthly charges total $492.68. Since the meter is not "Full Requirements" to DEO, they charge $339/month for the privilege of being a backup in addition to their monthly $120 meter charge and various Riders.

Chris Domonkos tells me that he is working with Neil to remove this and a couple other similar meters, as they have not been used in many months. Apparently Orwell's management has determined that insuring against the risk is no longer worth the cost.

Steve

Memorandum

To: Richard M. Osborne, Sr.

CC:

From: Steve Rigo

Date: 8/23/2002

Re: **Dominion East Ohio Interconnects – Pricing**

On several occasions you have asked me about the price of delivered gas and whether Orwell can make money selling gas in Dominion EOG's back yard.

In areas where Orwell's supply is fed through Dominion EOG, the answer is yes, but only with the right mix of customers; i.e.:

- Orwell pays the same tariff as any other Dominion EOG larger volume *commercial/industrial customer. The rates scale down as the monthly volume increases.* If we aggregate customers and buy at the higher volume rate and sell at the lower volume rate that the customer would pay Dominion, we can make a small margin (roughly between $0.35 and $0.55 per Mcf). However, the larger customers using over 500 Mcf per month (buildings larger than about 50,000 sq. ft.) would be able to buy at our cost, eliminating Orwell's margin.

- Orwell would enjoy a slightly larger margin (about $0.05 per Mcf more) when serving low volume commercial/industrial and residential customers, as a different tariff applies to them.

Note that Orwell would incur capital and operating expenses (e.g.: pipeline and meter station construction and maintenance, service tap and meter installation, meter reading costs, etc.) as the result of any expansion.

If Orwell's supply could be fed via direct interconnects with interstate gas transmission lines (e.g. Columbia Gas Transmission Co. or Tennessee Gas Pipeline Co.), Orwell could save most, if not all, of the Dominion EOG tariff (note: transmission transportation charges vary). In such event, Orwell's margin would likely be about $1.00 to $1.50 per Mcf. Of course, the increased margins would be needed to justify the significant pipeline construction costs.

As the result of my efforts, Tennessee is currently working to try to justify bringing a pipeline into northeastern Ohio. As the result of Dave Pemberton's referral, I am in contact with a more senior person at Columbia to purchase the portion of their pipeline that interconnects with Orwell's. I will keep you advised of my progress with both.

I hope you find the above helpful.

facsimile transmission

Stephen G. Rigo, President
Orwell Natural Gas Co.
8500 Station Street, Suite 205, Mentor, Ohio 44060
Phone: 440-974-5120; Fax: -5114
E-Mail: sgr_sr@amcitech.net

To:	Mel Resnick	Fax #:	(440) 352-3469
From:	Stephen G. Rigo	Date:	11/4/2002
Re:	Dominion East Ohio Gas Contracts	Pages:	Seven (7) including cover page
Cc:	Richard M. Osborne (w/o attachments)		

☐ Urgent ☐ For Review ☐ Please Comment ■ Please Reply ☐ Please Recycle

In response to your request, attached are two copies of the recently signed agreements with Dominion East Ohio Gas pertaining to the new Lost Nation and Tin Man taps.

One copy has been sanitized to be used for your review with the Willoughby City fathers and others (note item #4 under SPECIAL TERMS AND CONDITIONS, "The terms of this Agreement shall remain strictly confidential and Customer agrees never to reveal such terms to any person, unless required to do so by law."). I hope this indicates that the deal that I cut was sooo good that they don 't want anyone to find out!

I am including a copy of the full version not only for your reference, but also for your review and comment regarding whether SPECIAL TERMS AND CONDITIONS item #8, which prohibits Orwell from stealing their current customers, constitutes an anti-trust or other legal violation. Doesn't the Sherman Anti-Trust Act address something similar?

Even if item #8 is unenforceable, I recommend that we continue to try to nurture a mutually beneficial relationship with them, rather than do anything to antagonize them. They can hurt us a lot more than we can hurt them. At present, their cooperation is critical not only to our future growth plans, but also to our current business. In several market areas, they are our primary, if not sole, means of supply.

In that regard, you enquired about the easement agreement that they requested. Due to the requirements that we imposed, they have since decided not to improve their pipeline in that location at present. I suggest you store your file for possible future use.

To: Richard M. Osborne, Sr. **Date:** November 5, 2002
Cc: Gregory Osborne
From: Steve Rigo

RE: Dominion East Ohio Gas – New Contract Highlights

As you know, on Friday, 11/1/02, Mike Malady, Dominion's Manager of Large Volume Sales, and I signed two Full Requirements Transportation Service Agreements, one pertaining to new taps at Tin Man and Lost Nation and the other renewing and amending the agreements pertaining to the four existing Dominion EOG taps.

Both agreements:

- Contain discounted tariff provisions that are structured to encourage Orwell to direct more of its business through Dominion's pipelines.
- Are effective retroactive to October 1, 2002 and continue through March, 2007 and year-to-year thereafter.
- Give Dominion the opportunity to serve Orwell's growth provided that they are competitive.
- Give Dominion the right to match competing offers.
- Prohibit Orwell from serving any customer served by Dominion during the preceding twelve months (they were adamant about this point, stating that, since we are competitors, they would not enter into an agreement that would help us take their customers).
- Contain strict confidentiality provisions.

The advantages of continuing to nurture a positive working relationship with Dominion East Ohio Gas are significant. Current projects include:

- In addition to adding the two new Lake County taps, Dominion is working with us to upgrade two of our existing high growth Geauga County meter stations and add two new meter stations to loop each system.
- They are also working with us to add a new meter station to serve a new Parkman Township housing development.
- And, they are in the process of amending our agreement for the Roaming Shores interconnect to accommodate our increased load on their system due to the loss of the C-Gas' local well production.

Please let me know if you would like me to review the details of the agreements with you.

INTERROGATORY #4
ATTACHMENT

	January	February	March	April
OTP Volume past 12 months	125,989.1	103,835.8	102,724.6	38,221.5
OTP Cost plus Chicago basis	$ 254,497.98	$ 209,748.32	$ 207,503.69	$ 77,207.43

OTP Volume @ 2000 MDQ	62,000.0	56,000.0	62,000.0	38,221.5
OTP Cost plus Chicago basis	$ 125,240.00	$ 113,120.00	$ 125,240.00	$ 77,207.43
Displaced to Dominion	63,989.1	47,835.8	40,724.6	
Dominion Cost plus Basis	$ 55,286.58	$ 41,330.13	$ 35,186.05	$ -

Chicago winter basis	0.63
North Coast transport	0.38
OTP transport	1.01
	2.02

Dominion winter basis	-0.756
Dominion Transport	1.62
	0.864

This spreadsheet is based on 2000 / day MDQ c
Shrink on OTP / Northcoast is (1.5 + 3.7) 5.2%
Shrink on DEO is 5.1%

May	June	July	August	September	October	November
33,251.4	10,017.7	11,244.7	12,233.1	12,242.1	32,097.5	67,320.8
$ 67,167.83	$ 20,235.75	$ 22,714.29	$ 24,710.86	$ 24,729.04	$ 64,836.95	$ 135,988.02

33,251.4	10,017.7	11,244.7	12,233.1	12,242.1	32,097.5	60,000.0
$ 67,167.83	$ 20,235.75	$ 22,714.29	$ 24,710.86	$ 24,729.04	$ 64,836.95	$ 121,200.00
						7,320.8
$ -	$ -	$ -	$ -	$ -	$ -	$ 6,325.17

m OTP, the rest coming from DEO.

December		Savings per MCF
101,148.3	650,326.6	0.353769
$ 204,319.57	$ 1,313,659.73	

62,000.0	451,308.0	OTP Volume
$ 125,240.00	$ 911,642.15	OTP Cost
39,148.3	199,018.6	Dominion Volume
$ 33,824.13	$ 171,952.06	Dominion Cost
	$ 1,083,594.21	Combined total
	$ 230,065.52	Savings

255862.87
158203.5
1.617302209

INTERROGATORY #5
ATTACHMENT

	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12
Orwell OTP (DTH)	10,800.0	12,066.0	24,094.0	33,631.0	59,280.0
MCF Before Shrink	10,495.4	11,726.2	23,415.2	32,683.3	57,609.7
MCF After Shrink	10,495.4	11,726.2	23,415.2	32,683.3	57,609.7
Purchased cost per DTH	3.374	3.51	3.153	3.542	3.95
Commodity	$ 36,439.20	$ 42,351.66	$ 75,968.38	$ 119,121.00	$ 234,156.00
OTP Transport	$ 9,970.60	$ 11,139.86	$ 22,244.41	$ 31,049.10	$ 54,729.18
Total Cost	$ 46,409.80	$ 53,491.52	$ 98,212.79	$ 150,170.10	$ 288,885.18
Cost per MCF	$ 4.422	$ 4.562	$ 4.194	$ 4.595	$ 5.015

Jul-12	Aug-12	Sep-12	Oct-12	Nov-12
454.9	2,820.4	6,546.1	308.6	14,095.1
		3,273.1	5,917.4	21,142.6
727.9		935.2	15,752.7	11,583.0
2,106.2		1,589.8	1,402.7	11,390.0
1,364.7		748.1	2,057.3	
			1,496.3	
4,653.7	2,820.4	13,092.3	26,935.0	58,210.7

$ 1,687.00	$ 10,881.00	$ 10,395.00	$ 25,690.80	$ 58,800.00
$ 2,699.20		$ 2,571.20	$ 5,476.80	$ 86,197.50
$ 7,810.81		$ 5,463.80	$ 7,530.60	$ 50,532.00
$ 5,061.00		$ 3,214.00	$ 5,134.50	$ 53,052.80
		$ 22,498.00	$ 57,660.44	
			$ 1,129.59	
$ 17,258.01	$ 10,881.00	$ 44,142.00	$ 102,622.73	$ 248,582.30
$ 3.708	$ 3.858	$ 3.372	$ 3.810	$ 4.270

Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
61,059.0	95,561.0	85,664.0	84,977.0	37,962.0	24,351.0	18,723.0
59,338.2	92,868.1	83,250.0	82,582.0	36,892.1	23,664.7	18,195.0
59,338.2	92,868.1	83,250.0	82,582.0	36,892.1	23,664.7	18,195.0
4.255	3.669	3.712	4.063	4.574	4.752	4.718
$ 259,806.05	$ 350,613.31	$ 317,984.77	$ 345,261.55	$ 173,638.19	$ 115,715.95	$ 88,335.11
$ 56,371.29	$ 88,224.72	$ 79,087.53	$ 78,452.87	$ 35,047.46	$ 22,481.43	$ 17,285.22
$ 316,177.34	$ 438,838.03	$ 397,072.30	$ 423,714.42	$ 208,685.65	$ 138,197.38	$ 105,620.33
$ 5.328	$ 4.725	$ 4.770	$ 5.131	$ 5.657	$ 5.840	$ 5.805

Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
10,193.5	7,795.8	2,819.0	42,831.1	9,396.7	13,930.8	567.6
11,276.1	1,947.0	2,819.0	15,463.7	6,342.8		10,491.9
34,955.8	16,021.4	4,792.3	34,249.5	32,418.9		662.2
8,738.9	65,542.1	4,693.7				482.5
		41,063.7				4,966.8
		34,861.8				
65,164.3	91,306.3	91,049.5	92,544.3	48,158.4	13,930.8	17,171.0

$ 44,704.61	$ 30,270.24	$ 11,040.00	$ 173,505.63	$ 43,530.00	$ 69,973.20	$ 2,830.80
$ 45,000.00	$ 7,770.00	$ 11,190.00	$ 73,125.00	$ 31,293.00		$ 52,322.62
$ 162,043.20	$ 62,641.70	$ 19,023.00	$ 148,534.86	$ 159,597.00		$ 3,302.60
$ 40,510.80	$ 254,517.75	$ 18,106.95				$ 2,406.18
		$ 163,836.16				$ 24,769.50
		$ 156,354.20				
$ 292,258.61	$ 355,199.69	$ 379,550.31	$ 395,165.49	$ 234,420.00	$ 69,973.20	$ 85,631.70
$ 4.485	$ 3.890	$ 4.169	$ 4.270	$ 4.868	$ 5.023	$ 4.987

Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14
2,721.0	12,288.0	14,763.0	35,195.0	71,439.0	106,248.0	131,809.0
2,644.7	11,942.1	14,347.4	34,202.8	69,426.1	103,253.6	128,094.4
2,644.7	11,942.1	14,347.4	34,202.8	69,426.1	103,253.6	128,094.4
4.327	3.959	3.807	3.834	4.289	4.231	5.93
$ 11,773.77	$ 48,648.19	$ 56,202.74	$ 134,937.63	$ 306,401.87	$ 449,535.29	$ 781,627.37
$ 2,512.43	$ 11,344.96	$ 13,630.00	$ 32,492.63	$ 65,954.76	$ 98,090.89	$ 121,689.65
$ 14,286.20	$ 59,993.15	$ 69,832.74	$ 167,430.26	$ 372,356.63	$ 547,626.18	$ 903,317.02
$ 5.402	$ 5.024	$ 4.867	$ 4.895	$ 5.363	$ 5.304	$ 7.052

Supply Source of Gas

Supply Source of Gas

Volume Net of Cobra Shrink (3.

Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14
7,625.3	9,238.3	5,676.4	6,598.8	56,763.8	61,115.0	
				11,352.8	17,036.3	
7,625.3	9,238.3	5,676.4	6,598.8	68,116.6	78,151.3	-

$ 34,875.62	$ 38,659.64	$ 22,842.00	$ 28,583.55	$ 251,820.00	$ 259,135.20	
				$ 57,000.00	$ 80,500.00	
$ 34,875.62	$ 38,659.64	$ 22,842.00	$ 28,583.55	$ 308,820.00	$ 339,635.20	$ -
$ 4.574	$ 4.185	$ 4.024	$ 4.332	$ 4.534	$ 4.346	#DIV/0!

Feb-14	Mar-14	Apr-14	May-14	Jun-14	
108,085.0	107,870.0	40,619.0	21,390.0	12,251.0	
105,039.1	104,829.9	39,474.6	20,787.6	11,905.4	
105,039.1	104,829.9	39,474.6	20,787.6	11,905.4	1,178,667.6

9.787	24.154	0	5.155	0	
$ 1,057,827.90	$ 2,605,491.98	$ -	$ 110,265.45	$ -	
$ 99,787.11	$ 99,588.37	$ 37,500.84	$ 19,748.19	$ 11,310.10	
$ 1,157,615.01	$ 2,705,080.35	$ 37,500.84	$ 130,013.64	$ 11,310.10	$ 8,841,836.96
					$ 11,033,816.95
$ 11.021	$ 25.804	$ 0.950	$ 6.254	$ 0.950	

North Coast / OTP	61,521.0	-	7.501552567
Price Per	24.154	0	
Subtotal	$ 1,485,978.23	$ -	

Spellimen	48,000.0	42,066.0
Spelliman Cost	5.973	5.675
Subtotal	$ 286,704.00	$ 238,724.55
5%)	46,349.0	40,619.0
Cobra Transport	$ 23,174.50	$ 20,309.50
Subtotal	$ 309,878.50	$ 259,034.05

Total Volume DTH	107,870.0	40,619.0
Total Cost	$ 1,795,856.73	$ 259,034.05
OTP Transport	$ 99,588.37	$ 37,500.84
Total Cost	$ 1,895,445.10	$ 296,534.89

Cost DTH	17.572	7.300
Cost MCF	18.081	7.512

Feb-14	Mar-14	Apr-14	May-14	Jun-14	
-	-	-	-	-	700,443.4

$ -	$ -	$ -	$ -	$ -	$	3,009,101.05
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$	4.296

	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
Orwell DEO (DTH)	4,784.0	3,700.0	3,251.0	4,628.0	5,371.0	17,385.0
MCF Before Shrink	4,676.4	3,616.8	3,177.9	4,523.9	5,250.2	16,994.1
MCF After Shrink	4,400.5	3,403.4	2,990.4	4,257.0	4,940.4	15,991.4
Commodity	$ 12,433.62	$ 10,710.40	$ 10,054.65	$ 13,089.67	$ 16,927.47	$ 70,165.86
DEO Transport	$ 11,423.56	$ 10,053.96	$ 9,131.40	$ 10,889.28	$ 12,058.37	$ 23,181.32
Total Cost	$ 23,857.18	$ 20,764.36	$ 19,186.05	$ 23,978.95	$ 28,985.84	$ 93,347.18
Cost per MCF	$ 5.421	$ 6.101	$ 6.416	$ 5.633	$ 5.867	$ 5.837
	4,048.46	3,131.13	2,751.17	3,916.44	4,545.17	14,712.09
	16,482.08	13,841.53	12,805.82	17,006.11	21,472.64	84,877.95

Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13
24,470.0	24,830.0	23,357.0	17,630.0	8,093.0	5,084.0	4,028.0
23,919.8	24,271.7	22,831.9	17,133.1	7,864.9	4,940.7	3,914.5
22,508.5	22,839.7	21,484.8	16,156.5	7,416.6	4,659.1	3,691.4
$ 87,164.43	$ 89,345.73	$ 91,686.38	$ 79,548.70	$ 35,710.65	$ 21,656.20	$ 15,006.64
$ 28,798.25	$ 30,284.39	$ 28,014.36	$ 23,264.21	$ 17,429.02	$ 13,110.48	$ 11,607.65
$ 115,962.68	$ 119,630.12	$ 119,700.74	$ 102,812.91	$ 53,139.67	$ 34,766.68	$ 26,614.29
$ 5.152	$ 5.238	$ 5.571	$ 6.364	$ 7.165	$ 7.462	$ 7.210
20,707.82	21,012.52	19,766.02	14,863.98	6,823.27	4,286.37	3,396.09
107,872.25	110,358.25	111,452.40	94,412.68	42,533.92	25,942.57	18,402.73

Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
3,555.0	3,318.0	4,247.0	13,985.0	22,872.0	31,746.0	33,703.0
3,454.8	3,224.5	4,127.3	13,590.9	22,227.4	30,851.3	32,753.2
3,257.9	3,040.7	3,892.0	12,816.2	20,960.4	29,092.8	30,886.3
$ 11,230.69	$ 11,038.99	$ 14,431.30	$ 49,975.75	$ 86,215.92	$ 133,563.11	$ 273,490.20
$ 12,016.42	$ 11,091.17	$ 12,119.36	$ 21,620.83	$ 29,111.95	$ 36,403.44	$ 34,052.57
$ 23,247.11	$ 22,130.16	$ 26,550.66	$ 71,596.58	$ 115,327.87	$ 169,966.55	$ 307,542.77
$ 7.136	$ 7.278	$ 6.822	$ 5.586	$ 5.502	$ 5.842	$ 9.957
2,997.27	2,797.44	3,580.64	11,790.90	19,283.57	26,765.38	28,415.40
14,227.96	13,836.43	18,011.94	61,766.65	105,499.49	160,328.49	301,905.60

Mar-14	Apr-14	May-14	Jun-14	
28,058.0	16,476.0	7,873.0	4,408.0	
27,267.2	15,736.4	7,519.6	4,210.1	
25,713.0	14,870.9	7,106.0	3,978.5	290,354.4
$ 136,221.61	$ 75,211.80	$ 33,791.00	$ 15,635.45	
$ 33,060.74	$ 22,971.96	$ 17,200.12	$ 13,246.91	
$ 169,282.35	$ 98,183.76	$ 50,991.12	$ 28,882.36	$ 1,866,447.94
$ 6.584	$ 6.602	$ 7.176	$ 7.260	
23,655.96	13,681.23	6,537.52	3,660.22	
159,877.57	88,893.03	40,328.52	19,295.67	1,661,432.27
				5.722084005
				$ 205,015.67

INTERROGATORY #7 & 8 ATTACHMENT

Orwell Natural Gas Co.
Interrogatory #7 and #8

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Operating Revenue	4,236,540	6,928,598	7,056,621	8,153,346	10,276,690	8,997,582	8,505,757	9,041,723	6,644,160	9,539,900	12,433,152
Purchased Gas	2,812,681	4,504,267	5,036,448	5,486,941	7,045,167	5,484,812	5,951,596	5,030,146	3,100,481	5,111,881	7,752,965
Gross Margin	1,423,859	2,424,330	2,020,174	2,666,405	3,231,523	3,512,770	2,554,161	4,011,577	3,543,679	4,428,019	4,680,187
Operating Expenses	1,962,492	2,098,538	2,324,376	2,482,364	2,999,349	2,589,143	2,847,704	3,335,179	3,186,714	3,514,466	4,270,510
Other Inc / (Expenses)	410,927	84,023	121,670	153,278	131,728	106,168	89,237	78,981	110,231	155,777	182,485
Interest Expense	112,580	131,539	314,023	254,602	326,140	220,812	330,677	297,694	271,180	336,164	396,750
Income Before Tax	(231,086)	278,276	(496,555)	82,716	637,761	808,984	(534,982)	457,686	196,016	733,166	175,413
Provision for Inc Tax							(100,542)	(77,135)	2,452,318	191,351	80,057
Income/(Loss) After Tax	(231,086)	278,276	(496,555)	82,716	637,761	808,984	(434,441)	534,821	(2,256,302)	541,815	95,356

Note: Orwell started recording income tax expense in 2012.
The expense was recorded in Lightning in 2010 and 2011.

INTERROGATORY #9 & 10 ATTACHMENT

CONFIDENTIAL

ORWELL-TRUMBULL PIPELINE CO., LLC

VALUATION ANALYSIS

CONFIDENTIAL

June 2011

BRUML CAPITAL CORPORATION

Investment Banking for Entrepreneurs and the Middle Market

Ohio Saving Plaza, Suite 1620
1801 East Ninth Street
Cleveland, OH 44114
(216) 771-6660; FAX (216) 771-6673
www.brumlcapital.com

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TRANSPORTATION SERVICE AGREEMENT No. SPEL-ORW14

THIS AGREEMENT made and entered into as of the 28th day of February, 2014, by and between SPELMAN PIPELINE HOLDINGS, LLC. ("Company") and Orwell Natural Gas, ("Customer") (sometimes jointly referred to as "Parties").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Transportation Service to be Rendered. In accordance with the provisions of the effective applicable transportation service provisions of Company's Tariff, on file with the Public Utilities Commission of Ohio (PUCO), and the terms and conditions herein contained, Company shall receive the quantities of gas requested by Customer to be transported and shall redeliver said gas to Customer's Delivery Point(s). The Point(s) of Receipt, Customer's Delivery Point(s), the Maximum Daily Quantity (MDQ) if applicable and the quality of service shall be set forth in Section 7 of this Transportation Service Agreement.

Section 2. Incorporation of Tariff Provisions. This Transportation Service Agreement shall be subject to and governed by the provisions of the Company's Tariff Gas P.U.C.O. No. 1, as the same may be amended or superseded from time to time, which is incorporated herein by this reference.

Section 3. Regulation. This Transportation Service Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations. This Agreement shall become void or expire, as appropriate, if any necessary regulatory approval or authorization is not so received or continued.

Section 4. Term. This Transportation Service Agreement shall have a commencement date of February 28, 2014 and shall continue for a period of 3 years from the commencement date. Upon expiration, this Agreement shall continue on a month to month basis, unless cancelled with a 90 day notice, prior to the expiration by either party in writing to the other.

Section 5. Notices. Any notices, except those relating to billing or interruption of service, required or permitted to be given hereunder shall be effective only if delivered personally to an officer or authorized representative of the party being notified, or if mailed by certified mail, facsimile transmission confirmed by ordinary mail or e-mail confirmed by ordinary mail to the address provided in Section 7(E) of this Agreement.

Section 6. Cancellation of Prior Agreements. This agreement supersedes and cancels, as of the effective date herein, any previous service agreements between the

parties hereto.

Section 7. Contract Data

A. PRIMARY POINTS OF RECEIPT INTO SPELMAN PIPELINE HOLDINGS, LLC:

Gate Station	Township	County
1) 742639 Spelman Hunter Rd		
2) 742641 Spelman Ashland		
3)		

B. DELIVERY POINTS FROM SPELMAN PIPELINE HOLDINGS, LLC:

Gate Station	Township	County
1)		
2)		
3)		

C. TRANSPORTATION SERVICE - VOLUME DETAIL

Quality of Service: FIRM (____) INTERRUPTIBLE (X)

Shrinkage: 3.5 %; each calendar year during the term hereof as that term may be extended pursuant to Section 4 of this Transportation Service Agreement, Company may adjust this shrinkage percentage effective January 1 to reflect its operating experience.

Maximum Daily Quantity (MDQ): _____ Dth

D. TRANSPORTATION SERVICE RATE

Pursuant to the flexible rate authority granted in Spelman Pipeline Holdings, LLC's Tariff, P.U.C.O. No. 1, the maximum contractual volumetric rate hereunder is set at $ .50 per Dth commencing on the commencement date for deliveries on behalf of Customer.

D. NOTICES

To Spelman Pipeline Holdings, LLC:

Spelman Pipeline Holdings, LLC
Attention: Martin K. Whelan, President
8500 Station St. Suite 100
Mentor, Ohio 44060
(440) 974-3770
mwhelan@egas.net

To. Customer:

Orwell Natural Gas
Attention: Mike Zappitello
8500 Station St. Suite 100
Mentor, Ohio 44060
(440) 974-3770
mzappitello@egas.net

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of the date hereinafter first mentioned.

SPELMAN PIPELING HOLDINGS, LLC

By: _____
[PRINT NAME]
Title: President

ORWELL NATURAL GAS

By: _____
[PRINT NAME]
Title: _____

TRANSPORTATION SERVICE AGREEMENT No. N 0003

SYSTEM: Churchtown ___ Holmesville ___ North Trumbull X
SELECT ONLY ONE

THIS AGREEMENT, made and entered into as of the 24 day of January, 2008, by and between COBRA PIPELINE CO., LTD. ("Company") and Orwell Natural Company ("Customer").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Transportation Service to be Rendered. In accordance with the provisions of the effective applicable transportation service provisions of Company's Tariff, on file with the Public Utilities Commission of Ohio (PUCO), and the terms and conditions herein contained, Company shall receive the quantities of gas requested by Customer to be transported and shall redeliver said gas to Customer's Delivery Point(s). The Point(s) of Receipt, Customer's Delivery Point(s), the Maximum Daily Quantity (MDQ) if applicable and the quality of service shall be set forth in Section 7 of this Transportation Service Agreement.

Section 2. Incorporation of Tariff Provisions. This Transportation Service Agreement shall be subject to the provisions of the Company's Tariff PUCO No. 1, as the same may be amended or superseded from time to time, which is incorporated herein by this reference.

Section 3. Regulation. This Transportation Service Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations. This Agreement shall become void or expire, as appropriate, if any necessary regulatory approval or authorization is not so received or continued.

Section 4. Term. This Transportation Service Agreement shall become effective as of the Customer's _____, 20____ billing cycle following its execution and shall continue through the last day of Customer's _____, 20____ billing cycle, provided however, that the Agreement shall continue in effect after that date on a year-to-year basis with each term ending on the last day of Customer's March billing cycle, unless terminated in accordance with this section.

Company may terminate this Transportation Service Agreement effective as of the end of Customer's applicable March billing cycle consistent with the above terms, upon written notice to Customer on or before the preceding January 2.

Customer may terminate this Agreement, effective as of the end of the applicable March billing cycle consistent with the above terms, or request a change in the level or quality of service, upon written notice to Company on or before the preceding January 2. Company will approve or deny any request by Customer to change the level or quality of service, to be effective as of the beginning of its April billing cycle, on or before the preceding January 2, or as soon thereafter as practicable.

Section 5. Notices. Any notices, except those relating to billing or interruption of service, required or permitted to be given hereunder shall be effective only if delivered personally to an officer or authorized representative of the party being notified, or if mailed by certified mail to the address provided in Section 7 of this Agreement.

Section 6. Cancellation of Prior Agreements. This agreement supersedes and cancels, as of the effective date herein, any previous service agreements between the parties hereto.

Section 7. Meter Data ***See "Exhibit A" Points of receipt into Cobra Pipeline Company**
***See " Exhibit B" Points of delivery from Cobra Pipeline Company**

TRANSPORTATION SERVICE AGREEMENT No. 0003

SYSTEM: Churchtown ___ Holmesville ___ North Trumbull X
SELECT ONLY ONE

C. TRANSPORTATION SERVICE

Quality of Service: FIRM (___) Maximum Daily Quantity (MDQ): _____ Dth

INTERRUPTIBLE (✓)

Production Gas Heat Content*: _____ Btu/cubic foot (attach latest sample test)

Shrinkage: 3.5 %; After a date not earlier than three years from the date of the Entry of the Public Utilities Commission approving Cobra's Tariff, P.U.C.O. No. 1, and each calendar year thereafter during the term hereof as that term may be extended pursuant to Section 4 of this Transportation Service *Agreement, Company may adjust this shrinkage percentage to reflect its operating experience.*

Balancing Time Period: Monthly

D. PROCESSING AND COMPRESSION SERVICE* (applicable only if heat content is greater than 1,130 Btu/cu. ft.):

Accepted: (NA)

E. NOTICES

To Cobra:

Cobra Pipeline Co. Ltd
3611 Lost Nation Rd. Suite 213
Willoughby, Ohio 44094-7789
Attention: Customer Service
Phone: 440-255-1945
Fax: 440-255-1985
E-Mail: swilliams@cobrapipeline.com

To: Customer:

Orwell Natural Gas Company
8500 Station St Suite 100
Mentor OH 44060
Attention: Steve Rigo
Phone:
Fax:
E-Mail

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of the date hereinafter first mentioned.

Orwell Natural Gas Company

By: _____

Title: President

COBRA PIPELINE COMPANY, LTD.

By: _____

Title: _____

TRANSPORTATION SERVICE AGREEMENT No. N 0003

SYSTEM: Churchtown ___ Holmesville ___ North Trumbull X
SELECT ONLY ONE

C. TRANSPORTATION SERVICE

Quality of Service: FIRM (____) Maximum Daily Quantity (MDQ): _____ Dth

INTERRUPTIBLE (✓)

Production Gas Heat Content*: _____ Btu/cubic foot (attach latest sample test)

Shrinkage: 3.5 %; After a date not earlier than three years from the date of the Entry of the Public Utilities Commission approving Cobra's Tariff, P.U.C.O. No. 1, and each calendar year thereafter during the term hereof as that term may be extended pursuant to Section 4 of this Transportation Service Agreement, Company may adjust this shrinkage percentage to reflect its operating experience.

Balancing Time Period: Monthly

D. PROCESSING AND COMPRESSION SERVICE* (applicable only if heat content is greater than 1,130 Btu/cu. ft.):

Accepted: (NA)

E. NOTICES

To Cobra :

Cobra Pipeline Co. Ltd
3511 Lost Nation Rd. Suite 213
Willoughby, Ohio 44094-7789
Attention: Customer Service
Phone: 440-255-1945
Fax: 440-255-1985
E-Mail: swilliams@cobrapipeline.com

To. Customer:

Orwell Natural Gas Company
8500 Station St., Suite 100
Mentor, Ohio 44060
Attention: Steve Rigo
Phone:
Fax:
E-Mail

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of the date hereinafter first mentioned.

_____

By: _____

Title: President

COBRA PIPELINE COMPANY, LTD.

By: _____

Title: OPERATIONS MANAGER

Exhibit B

DELIVERY POINTS FROM COBRA PIPELINE CO. LTD.

Meter Station Number	Township	County	Meter Owner/Pipeline
730993	SOUTHINGTON	TRUMBULL	ORWELL NATURAL GAS
734296	CHAMPION	TRUMBULL	ORWELL NATURAL GAS
730996	FARMINGTON	TRUMBULL	ORWELL NATURAL GAS
739624	MILTON	MAHONING	ORWELL NATURAL GAS

INDEX

OF

GAS RATE SCHEDULES

OF

DOMINION EAST OHIO

FILED WITH

THE PUBLIC UTILITIES COMMISSION OF OHIO

Issued: December 22, 2008 Effective: December 22, 2008
Filed under authority of The Public Utilities Commission of Ohio in Case No. 07-829-GA-AIR
Bruce C. Klink, President

#4

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General Transportation Service (GTS)

1. Applicability

1.1 Transportation service pursuant to this rate schedule is available to Customers throughout East Ohio's service area who:

a) have purchased or otherwise arranged for a supply of natural gas of acceptable quality and have provided for the delivery of such gas to East Ohio's system for redelivery at a point on the East Ohio system; and

b) qualify for transportation service under the PUCO Gas Transportation Program Guidelines; and

c) have entered into a written contract (the "contract") with East Ohio for service under this rate schedule for a minimum of 12 months. East Ohio may waive the requirement that the Customer enter into a written contract to receive service under this rate schedule.

1.2 Transportation service pursuant to this rate schedule is subject to East Ohio's General Terms and Conditions of Transportation Service and to the Rules and Regulations contained in its tariff.

2. Character of Service

The gas received by East Ohio on any Day for the account of the Customer shall be delivered by East Ohio to the Customer on the same Day on a firm basis, subject to the provisions of East Ohio's General Terms and Conditions of Transportation Service. In the event of an emergency, service may be curtailed pursuant to PUCO rules or a curtailment plan approved for East Ohio by the PUCO.

3. Measurement of Deliveries

3.1 Delivery Points specified in the contract may be equipped with monthly gas measurement equipment instead of real-time electronic gas measurement ("EGM") capability, except as specified in Section 3. 2 below

3.2 Any Customer that does not receive all of its natural gas requirements through East Ohio may, at East Ohio's discretion in order to monitor system operations and maintain system integrity, be required to equip all of its Delivery Points with EGM capability. Any other Customer may elect to equip some or all of its Delivery Points with EGM capability. If EGM capability approved and required by East Ohio is not available at any of the Delivery Points specified in the contract at the time the contract is executed, such equipment shall be installed, owned, operated, and maintained by East Ohio, provided, however, that all costs associated with the purchase and installation of such equipment shall be borne by the Customer and paid to East Ohio in equal monthly

installments over a period specified in the contract, which period shall not exceed 24 months. In addition:

a) The Customer shall provide, at no cost to East Ohio and in a timely manner, a 120 volt, 15 ampere, AC power supply and a telephone tie to the Customer's telephone system accessible at Customer's meter location(s), and any necessary telephone enhancements to properly transmit data.

b) The Customer shall pay all charges for continuous electric and telephone service necessary for the operation of the EGM equipment.

4. Tolerances

Positive and Negative Imbalance Volumes will be reconciled pursuant to Sections 5 and 6 of East Ohio's General Terms and Conditions of Transportation Service.

5. Volume Banking Service

5.1 Customers purchasing transportation service pursuant to this rate schedule are required to subscribe to Volume Banking Service. The minimum Monthly Tolerance Level for such Customers is two percent (2%) of monthly consumption volumes.

5.2 Customers will be billed the applicable rate per Mcf on all Delivery Volumes according to the level of Volume Banking set forth in their service agreements.

Monthly Tolerance Level	Rate per Mcf for all Delivery Volumes
Two Percent	$0.0166
Four Percent	$0.0214
Six Percent	$0.0263
Eight Percent	$0.0311
Ten Percent	$0.0358

6. Rates and Charges

6.1 The volumetric charge for each Customer at each Delivery Point served under this rate schedule shall not exceed the rates set forth below plus the riders as specified in 6.4, applicable to service rendered under this rate schedule:

For the first	100	Mcf each month,	$1.250	per Mcf,
For the next	400	Mcf each month,	$0.990	per Mcf,
For the next	1,500	Mcf each month,	$0.875	per Mcf,
For all over	2,000	Mcf each month,	$0.711	per Mcf.

In no event shall the volumetric charge for volumes delivered under this rate schedule be less than the Variable Cost of Service.

6.2 In addition to the volumetric charge, each Customer shall be assessed a service charge of $120.00 per Delivery Point for each billing period or any portion thereof.

6.3 Any Customer that, after having received transportation service under this rate schedule as of its effective date, receives a greater portion of its natural gas requirements through a source other than East Ohio may be required to receive service under the Daily Transportation Service rate schedule or pay a charge based on the Standby Service rate schedule in recognition of the additional balancing services provided by East Ohio.

6.4 Customers receiving transportation service under this rate schedule shall be responsible for charges pursuant to East Ohio's Gross Receipts Tax Rider, Excise Tax Rider, Transportation Migration Rider-Part A, AMR Cost Recovery Charge and PIR Cost Recovery Charge. Any Customer initiating transportation service under this rate schedule who was exclusively a sales customer of East Ohio as of November 8, 1994 shall continue to be responsible for charges pursuant to East Ohio's Interim Emergency and Temporary PIP Plan Rider and Uncollectible Expense Rider. Any Customer initiating transportation service under this rate schedule who was exclusively a sales or Energy Choice customer in the West Ohio division as of October 16, 2008 shall continue to be responsible for charges pursuant to East Ohio's Interim Emergency and Temporary PIP Plan Rider and Uncollectible Expense Rider.

Daily Transportation Service (DTS)

1. Applicability

1.1 Transportation service pursuant to this rate schedule is available to Customers throughout East Ohio's service area who:

a) have purchased or otherwise arranged for a supply of natural gas of acceptable quality and have provided for the delivery of such gas to East Ohio's system for redelivery at a point on the East Ohio system; and

b) qualify for transportation service under the PUCO Gas Transportation Program Guidelines; and

c) have entered into a written contract (the "contract") with East Ohio for service under this rate schedule for a minimum of 12 months.

1.2 Transportation service pursuant to this rate schedule is subject to East Ohio's General Terms and Conditions of Transportation Service and to the Rules and Regulations contained in its tariff.

2. Character of Service

The gas received by East Ohio on any day for the account of the customer shall be delivered by East Ohio to the Customer on the same Day on a firm basis, subject to the provisions of East Ohio's General Terms and Conditions of Transportation Service. In the event of an emergency, service may be curtailed pursuant to PUCO rules or a curtailment plan approved for East Ohio by the PUCO.

3. Measurement of Deliveries

3.1 All Delivery Points specified in the contract shall be equipped with real-time electronic gas measurement ("EGM") capability. If EGM capability approved and required by East Ohio is not available at any of the Delivery Points specified in the contract at the time the contract is executed, such equipment shall be installed, owned, operated, and maintained by East Ohio, provided, however, that all costs associated with the purchase and installation of such equipment shall be born by the Customer and paid to East Ohio in equal monthly installments over a period specified in the contract, which period shall not exceed 24 months.

3.2 The Customer shall provide, at no cost to East Ohio and in a timely manner, a 120-volt, 15 ampere, AC power supply and a telephone tie to the Customer's telephone system accessible at Customer's meter location(s), and any necessary telephone enhancements to properly transmit data.

3.3 The Customer shall pay all charges for continuous electric and telephone service necessary for the operation of the EGM equipment.

3.4 Failure by the Customer to arrange for the installation of EGM equipment or the electric and telephone service required may result in East Ohio billing usage charges based on the General Transportation Service rate schedule.

4. Balancing Tolerances

4.1 The Customer's Daily Available Volume on any Day shall equal the Delivery Volume on that Day, plus or minus 5%. Daily imbalances in excess of the 5% tolerance shall be subject to an imbalance fee of $0.20 per Mcf per Day.

4.2 Positive and Negative Imbalance Volumes will be reconciled pursuant to Sections 5 and 6 of East Ohio's General Terms and Conditions of Transportation Service.

5. Optional Volume Banking Service

5.1 Customers purchasing transportation service pursuant to this rate schedule may elect to subscribe to Volume Banking Service. A Customer electing such service shall enter into a written service agreement for Volume Banking Service. The minimum Monthly Tolerance Level for such Customer is two percent (2%) of monthly consumption volumes.

5.2 Customers that subscribe to Volume Banking Service will be billed the applicable rate per Mcf on all Delivery Volumes according to the level of Volume Banking set forth in their service agreements.

Monthly Tolerance Level	Rate per Mcf for all Delivery Volumes
Two Percent	$0.0166
Four Percent	$0.0214
Six Percent	$0.0263
Eight Percent	$0.0311
Ten Percent	$0.0358

6. Rates and Charges

6.1 The volumetric charge for each Customer at each Delivery Point served under this rate schedule shall not exceed the rates set forth below plus the riders as specified in 6.4, applicable to service rendered under this rate schedule:

For the first	5,000	Mcf each month,	$1.0803	per Mcf,
for the next	45,000	Mcf each month,	$0.6500	per Mcf,
for all over	50,000	Mcf each month,	$0.1663	per Mcf.

In no event shall the volumetric charge for volumes delivered under this rate schedule be less than the Variable Cost of Service.

6.2 In addition to the volumetric charge, each Customer shall be assessed a service charge of $377.00 per Delivery Point for each billing period or any portion thereof.

6.3 Customers receiving transportation service under this rate schedule shall be responsible for charges pursuant to East Ohio's Gross Receipts Tax Rider, Excise Tax Rider, Transportation Migration Rider-Part A and PIR Cost Recovery Charge. Any Customer initiating transportation service under this rate schedule who was exclusively a sales customer of East Ohio as of November 8, 1994, shall continue to be responsible for charges pursuant to East Ohio's Interim Emergency and Temporary PIP Plan Rider and Uncollectible Expense Rider. Any Customer initiating transportation service under this rate schedule who was exclusively a sales or Energy Choice customer in the West Ohio division as of October 16, 2008 shall continue to be responsible for charges pursuant to East Ohio's Interim Emergency and Temporary PIP Plan Rider and Uncollectible Expense Rider.

INTERIM EMERGENCY AND TEMPORARY PERCENTAGE OF INCOME PAYMENT RIDER

An additional charge of $(0.1304) per thousand cubic feet shall be applied to all volumes sold each month pursuant to the Company's Rate Schedules incorporating this Rider by reference.

Uncollectible Expense Rider

Applicability

Applicable to all Customers responsible for payment of East Ohio's Interim Emergency and Temporary PIP Plan Rider.

An additional charge of $0.0383 per Mcf shall be applied to all volumes for service rendered under the applicable rate schedules to recover the cost associated with uncollectible accounts arising from those Customers responsible for paying the Uncollectible Expense Rider. East Ohio shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over- or under-collections.

Gross Receipts Tax Rider

Applicability

Applicable to all rates, fees, charges and riders billed by East Ohio pursuant to its Rules and Regulations, Rate Schedules, and Pooling Service and other agreements, as applicable, except for the cost of gas billed on behalf of an Energy Choice supplier under the Energy Choice Transportation Service – Residential, Energy Choice Transportation Service – Nonresidential, or Large Volume Energy Choice Transportation Service rate schedules. Further, this Rider shall not be billed to those Customers statutorily exempted from the payment of gross receipts taxes.

All bills rendered shall be adjusted to include the effect of the Ohio excise tax of gross receipts at a rate of 4.6044%.

Excise Tax Rider

Applicability

Applicable to all sales and transportation service rate schedules.

Rates for all customers except Flex Customers as defined by O.R.C. 5727.80(N).

First	100	Mcf per month	$0.1593	per Mcf
Next	1,900	Mcf per month	$0.0877	per Mcf
Over	2,000	Mcf per month	$0.0411	per Mcf

All bills rendered to a Flex Customer as defined by O.R.C. 5727.80(N) shall be adjusted to provide for recovery of East Ohio's excise tax liability at a rate of $0.020 per Mcf on all volumes delivered with a corresponding reduction to the flexed base rate(s) being billed.

Transportation Migration Rider - Part A

An additional charge of $0.099 per Mcf shall be applied to all volumes transported under the Daily Transportation Service, General Transportation Service, and Transportation Service for School's rate schedules.

Transportation Migration Rider – Part B

An additional charge of $0.1262 per Mcf based on the cost of operational balancing and other reconciliation adjustments shall be applied to all volumes delivered under the following rate schedules:

a) Energy Choice Transportation Service – Residential
b) Energy Choice Transportation Service – Nonresidential
c) Large Volume Energy Choice Transportation Service
d) General Sales Service – Residential
e) General Sales Service – Nonresidential
f) Large Volume General Sales Service

Transportation Surcredit Rider

1. Applicability

This rider shall be applied to all volumes delivered under the following Energy Choice rate schedules:

a) Energy Choice Transportation Service – Residential
b) Energy Choice Transportation Service – Nonresidential
c) Large Volume Energy Choice Transportation Service

2. Rates

A credit of $0.0173 per Mcf shall be applied to all volumes covered by the applicable rate schedules.

3. Applicability to Standard Service Offer Rate Schedules

In order to improve the comparability of rates, this rider shall also be applied to all volumes delivered under the following rate schedules, but shall be offset by a charge in the same amount added to the standard service offer gas cost rate:

a) General Sales Service – Residential
b) General Sales Service – Nonresidential
c) Large Volume General Sales Service

AMR Cost Recovery Charge

A monthly charge of $0.55 shall be added to the otherwise applicable monthly service charge for all customers receiving service under the following rate schedules to recover the depreciation, incremental property taxes and post in-service carrying charges associated with the installation of automated meter reading (AMR) equipment throughout East Ohio's system:

a) General Sales Service – Residential
b) General Sales Service – Nonresidential
c) Large Volume General Sales Service
d) Energy Choice Transportation Service – Residential
e) Energy Choice Transportation Service – Nonresidential
f) Large Volume Energy Choice Transportation Service
g) General Transportation Service
h) Transportation Service for Schools

PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE

APPLICABILITY

Applicable to all customers receiving service under the East Ohio's sales and transportation rate schedules.

PIR COST RECOVERY CHARGE

All customers receiving service under the following rate schedules shall be assessed a monthly charge, regardless of gas consumed, in addition to the otherwise applicable monthly service charge to recover the revenue requirement associated with East Ohio's pipeline infrastructure replacement program:

General Sales Service – Residential ("GSS-R")
General Sales Service – Nonresidential ("GSS-NR")
Energy Choice Transportation Service – Residential ("ECTS-R")
Energy Choice Transportation Service – Nonresidential ("ECTS-NR")
Large Volume General Sales Service ("LVGSS")
Large Volumes Energy Choice Transportation Service ("LVECTS")
General Transportation Service ("GTS")
Transportation Service for Schools ("TSS")

Customers receiving service under the Daily Transportation Service ("DTS") rate schedule shall be assessed a volumetric charge in addition to their volumetric delivery charge for that purpose. The maximum monthly PIR Cost Recovery Charge for any DTS customer shall be $1,000.00 per account.

The PIR Cost Recovery Charge shall be updated annually to reflect pipeline infrastructure replacement expenditures during the most recent calendar year. East Ohio shall submit a prefiling notice by November 30 each year, and an updated filing with actual data by February 28, with the revised PIR Cost Recovery Charge becoming effective as of the first billing cycle in May.

The charges for the respective gas service schedules are:

Rate Schedules GSS-R and GSS-NR	$6.70/month
Rate Schedules ECTS-R and ECTS-NR	$6.70/month
Rate Schedules LVGSS and LVECTS	$46.56/month
Rate Schedules GTS and TSS	$212.94/month
Rate Schedule DTS	$0.0497/Mcf

Demand Side Management Rider

An additional charge of $0.0251 per Mcf to recover the cost of demand side management programs shall be applied to all volumes delivered under the following rate schedules:

a) General Sales Service – Residential
b) General Sales Service – Nonresidential
c) Energy Choice Transportation Service – Residential
d) Energy Choice Transportation Service – Nonresidential

Rules and Regulations

SECTION I – SERVICE

1. **Minimum Service Standards.** East Ohio shall comply with the minimum gas service standards for natural gas companies as set forth in Chapter 4901:1-13 of the Ohio Administrative Code, a copy of which may be viewed on the Public Utilities Commission of Ohio's Web site at www.puco.ohio.gov, or obtained from the Public Utilities Commission of Ohio upon request. Where the Public Utilities Commission of Ohio has granted a waiver to East Ohio for any provision of the minimum gas service standards, East Ohio shall comply with the terms of any Order granting such waiver.

2. **Application for Service.** All applications for gas service shall be made to East Ohio. East Ohio may, prior to initiating gas service and at other reasonable times, require the applicant to establish that the applicant is the owner or bona fide lessee of the premise. A proper application for gas service by a non-residential customer shall further include verification that the business, corporation or nonprofit is properly registered with the Ohio Secretary of State as an entity licensed to do business in the State of Ohio and that the name in which the customer's account is to be opened is in the same name as that registered with the Ohio Secretary of State; or, if the non-residential customer is a federally-chartered institution, that it is properly registered with the federal agency having regulatory or supervisory authority over it and that the name in which the customer's account is to be opened is the same name as that registered with the appropriate federal agency.

3. **Security Deposit.** If an applicant for service cannot establish creditworthiness or cannot give a reasonably safe guaranty in an amount sufficient to secure the payment of bills for sixty days' total usage, the proposed customer may be required to deposit with East Ohio an amount sufficient to cover an estimate of the monthly average of the annual consumption by such customer plus 30%, upon which deposit interest at the minimum rate authorized by the *Public Utilities Commission of Ohio will be allowed and paid to the customer, provided it* remains on deposit for six consecutive months. Security deposits will be billed in three installments to be paid concurrently with the respective monthly bills.

   Residential security deposits shall be governed by the "Establishment of Credit for Residential Service" adopted by The Public Utilities Commission of Ohio and contained in Chapter 4901:1-17 of the Ohio Administrative Code. For small commercial customers, security deposits shall be governed by Rule 4901:1-13-08, "Standards specific to the provision of small commercial gas service" of the Ohio Administrative Code.

4. **Service Turn On.** The customer, after making proper application for service, shall notify East Ohio when he desires gas turned on. In no case shall he or his agent or employee turn on the gas. East Ohio may discontinue the supply of gas to premises where persons other than East Ohio's authorized agents or employees have turned on the gas.

5. **Service Continuity.** East Ohio will use its best efforts to furnish necessary and adequate service and facilities in compliance with Section 4905.22 of the Ohio Revised Code. East Ohio cannot and does not guarantee a sufficient supply of gas, adequate or uniform gas pressure, an uninterruptible supply of gas, or the quality of the gas supplied. East Ohio shall not be liable for any damage or loss directly or indirectly due or attributable to the insufficiency of the gas supply, any variation in the gas pressure, any partial or total interruption of gas service, or the quality of the gas supply. Nor shall East Ohio be liable for any damage or loss directly or indirectly resulting from the use of gas appliances on the customer's premises, or the presence thereon of any Company property. East Ohio will provide to customers, to the extent possible under the circumstances, prior notice of planned outages or interruptions in service.

6. **Service Disturbance.** No customer shall attach or use any appliance which may result in the injection of air, water, or other foreign matter into the Company's lines and, without prior approval from the Company, no customer shall attach or use any appliance which will increase or decrease the pressure in the Company's lines intermittently to such extent as to interfere with continuous service to other customers.

7. **Access to Premises.** The authorized agents and employees of East Ohio shall at all reasonable times have access to any premises supplied with gas by East Ohio. East Ohio may discontinue gas service to any premise where access is denied. Upon the customer's request, the employee or agent seeking access to the customer's premise shall identify himself/herself, and provide Company photo identification and state the reason for the visit.

8. **Customer's Request for Discontinuance of Service.** The customer shall notify East Ohio before vacating the premises where gas is used or before discontinuing the use of gas. The customer shall be liable for all charges for gas consumed on such premises until the earlier of East Ohio's completion of the service order or up to five business days after such notice has been received, provided that access to the premises shall have been given East Ohio within that period; and if access has not been given within such period then for all charges until such access has been given.

   If a customer, who is a property owner or the agent of a property owner, requests disconnection of service and the Company through reasonable efforts has determined that there are remaining residential tenants at the premises, the Company is required to notify the tenants of the disconnection of service. This notification will be mailed to such tenants or posted in a conspicuous place at the premises at least 10 working days prior to the scheduled date for disconnection of service. The property owner, or the agent of the property owner, shall continue to be liable for all gas consumed during the 10-day notice period. This notice provision shall not preclude the Company from taking appropriate actions where safety or tampering issues are raised as stated in Rule 9, subparagraphs (g) and (h), and Rule 10 of these Rules and Regulations.

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9. **Company's Right to Disconnect Service.** East Ohio shall have the right to disconnect service and/or remove from the premises of any customer the meter and any other property belonging to East Ohio for any of the following reasons or purposes:

a) Refusing access to its equipment for reading, testing, repairs or other purposes.
b) When providing service is in conflict or incompatible with any order of the PUCO, court of law, state of Ohio laws, federal government, or any of these Rules and Regulations.
c) Non-payment of bills for gas within the net payment period for such bills, including nonpayment of security deposits applied to delinquent bills as a condition for continued service.
d) When customer has moved from the service location.
e) Use of gas in a manner detrimental to the service to other customers.
f) Fraudulent representation or practice.
g) Whenever deemed necessary by East Ohio for the safety or integrity of the gas system or the customer's premise, including, but not limited to, situations in which a customer's houseline leak cannot be isolated to an individual appliance location drop.
h) Whenever there has been theft or vandalism, including, but not limited to, damage to the gas service meter, metering equipment, or the associated property was damaged, interfered with, displaced, bypassed or otherwise tampered with by a customer, consumer, or other person.
i) A person not authorized by East Ohio has reconnected service.
j) For good cause shown.

Disconnection of service to residential consumers or customers pursuant to Rule 9, subparagraph (a) of these Rules and Regulations shall include, but not be limited to, circumstances where despite its reasonable efforts to do so, East Ohio has been unable to obtain an actual meter reading at least once within any twelve-month period. "Actual meter reading" shall be as defined in Rule 18 of these Rules and Regulations. The reconnection of service after disconnection pursuant to Rule 9, subparagraph (a) of the Rules and Regulations shall be subject to prior payment of a fee of $33.00 for the disconnection and reconnection costs. Payment of the designated deposit shall also be required in conjunction with a reconnection when service has been disconnected for the nonpayment of bills, where there has been a fraudulent misrepresentation or practice, whenever there is evidence of tampering or theft, or when a person not authorized by East Ohio has reconnected service. Security deposits will be billed in three installments to be paid concurrently with the respective monthly bills.

Disconnection of service to residential consumers or customers shall be governed by the "Termination of Residential Service" adopted by The Public Utilities Commission of Ohio and contained in Chapter 4901:1-18 of the Ohio Administrative Code, except for areas where the Public Utilities Commission of Ohio has granted a waiver to East Ohio for any provision of these rules. For small commercial customers, disconnection of service shall be governed by Rule 4901:1-13-08, "Standards specific to the provision of small commercial gas service" of the Ohio Administrative Code.

SECTION II – METERING & BILLING

10. **Pressure Regulators, Gas Meters and Tampering.** The gas meter and any pressure regulator to be installed on a service line and connected with East Ohio's distribution system will be furnished by East Ohio and will remain its property, and the Company shall have the right to replace them as the Company may deem necessary. When a customer is served from the Company's field or gathering lines, the customer shall install and maintain, at his expense, a suitable regulator or regulators for reducing the pressure. The regulator or regulators shall be installed in the manner required by the Company. If any meter or regulator, or the pipes, fittings or connections used in supplying gas to such meter or regulator, is tampered with by a customer, his agent or employee, East Ohio may remove such meter or regulator and may discontinue the supply of gas to such customer until payment has been made for all unregistered gas, in an amount estimated by East Ohio, and for all damage to East Ohio's property, or, at East Ohio's option, it may discontinue gas service permanently to such customer.

11. **Meter Location.** The Company shall determine the location of the meter. When changes in a building or arrangements therein render the meter inaccessible or exposed to hazards, the Company may require the customer, at the customer's expense, to relocate the meter setting together with any portion of the customer's service line necessary to accomplish such relocation.

12. **Meter Connections.** The owner or customer shall not permit anyone who is not an authorized agent of the Company to connect or disconnect the Company's meters, regulators or gauges or in any way alter or interfere with the Company's meters, regulators or gauges.

13. **Bill Due Date.** The due date for each bill for gas shall be no earlier than fourteen (14) days after the date of its mailing or electronic delivery to the customer.

14. **Charge on Delinquent Bills.** Each monthly bill shall be due and payable within fourteen (14) days from the date of its mailing or electronic delivery. If not paid in full by the time the next bill is generated, a late payment charge of 1 1/2% may be imposed at the next bill date on all past due balances on the customer's account.

    Late payment charges will not be assessed to customers participating in the PIPP Plus program, which replaces the former Percentage Income Payment Plan ("PIPP"), or the Graduate PIPP Plus program, which replaces the former PIPP arrearage crediting program. Late payment charges will not be assessed to customers participating in a short-term payment plan or the budget billing plan provided they make the minimum payment required under the plan by the bill due date. If the required payment under a short-term payment plan or budget billing plan is paid late, the late payment charge will be applied only to amounts due but not paid under the payment plan.

15. **Billing Periods.** Bills ordinarily are rendered regularly at monthly intervals, but may be rendered more or less frequently at the Company's option. Non-receipt of bills by customer does not release or diminish the obligation of customer with respect to payment thereof. Unless otherwise ordered by the Commission, rate changes shall become effective for bills rendered as of the start of a billing cycle within the monthly billing period as determined by the Company.

16. **Payment of Bills.** Bills may be paid by the customer in any of the following ways:

    a) online at www.dom.com or through other providers' Web sites,
    b) by bank draft automated withdrawal from customer's bank account,
    c) by credit/debit card or electronic check through a participating agency,
    d) at any one of the Company's authorized payment locations,
    e) by U.S. mail at the address specified on the bill,
    f) by Electronic Data Interchange (EDI),
    g) by Automated Clearing House (ACH) transfer.

17. **Returned Payment Fee.** The customer will be charged a handling fee of $12 for each returned item tendered or authorized as payment on the customer's account and returned for any reason, including insufficient or uncollected funds, closed account, revoked authorization or stop payment.

18. **Meter Reading.** East Ohio will make reasonable attempts to obtain an actual meter reading by Company personnel or agents every other month. If East Ohio is unable to obtain an actual meter reading, it will render a bill based on estimated usage at the premise. East Ohio is required to obtain an actual meter reading at least once within each twelve-month period. "Actual meter reading" shall mean reading of an indoor or outdoor meter by an authorized agent or employee of Dominion East Ohio or through electronic or other means acceptable to the Commission. East Ohio will obtain an actual meter reading at the initiation and/or the termination of service if the meter has not been read within the immediately preceding seventy days and access to the meter is provided, or at the request of the customer if the meter has been read within the preceding seventy days.

    If the customer has refused East Ohio access to its meter or other property, or if East Ohio has been unable to obtain an actual meter reading at least once within any twelve-month period, East Ohio may terminate service in accordance with Rule 9 of these Rules and Regulations. East Ohio may obtain a court order to gain access to its meter or other property.

    If consumption is billed pursuant to an applicant requesting East Ohio to provide lighting services on an unmetered basis, such service shall be billed on an estimated basis.

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19. **Meter Testing.** In accordance with Section 4933.09 of the Ohio Revised Code, gas meters in use shall be tested on the request of the customer, in his presence if desired by him, with a tested and sealed meter-prover, by an authorized employee or agent of East Ohio. If the

meter is found to be correct, and it is deemed correct if the variation is not greater than three percent, the party requesting the inspection shall pay a fee for the removal of the meter for the purpose of the test. The fee for a residential or small commercial customer using a 250 or 400 class diaphragm meter is $40; for all other customers, the fee is $270. If the meter is proved incorrect, no fees or expense shall be paid by the customer, and East Ohio shall furnish a new meter without charge to the customer.

20. **Back Billing.** East Ohio shall back bill in accordance with the guidelines established by the Public Utilities Commission of Ohio and the Ohio legislature (Section 4933.28 of the Ohio Revised Code and Rule 4901:1-13-04 of the Ohio Administrative Code).

21. **Delinquent Balance Transfer.**

    a) Except as otherwise provided in subparagraph b., East Ohio shall have the right to transfer a delinquent commercial or industrial account balance, regardless of the service address, to another commercial or industrial account in the name of or owned by the same customer or owner of that business or establishment.

    For purposes of this Rule 22, "customer" means the party in whose name the account is carried.

    b) East Ohio may not transfer a delinquent commercial/industrial account to any residential account.

22. **Investigation Fee.** Whenever the gas service meter, metering equipment, or associated property was damaged, interfered with, displaced, bypassed or otherwise tampered with by a customer, consumer or other person, or when a person not authorized by East Ohio has reconnected service, and an East Ohio Service Investigator has been dispatched to investigate the matter prior to disconnection, the customer shall pay an Investigation Fee of $112 prior to reconnection in addition to other required reconnection charges. The Investigation Fee will only be levied in those circumstances where East Ohio has reasonable proof of the customer's fraudulent or damaging practice. Reasonable proof is defined as an admission by the customer, documentation evidencing the fraudulent or damaging practice, or personal observation by East Ohio personnel or authorized agents of East Ohio.

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SECTION III- SERVICE LINES & MAINLINE EXTENSIONS

23. **Service Line Installation.** In the installation of a service line, East Ohio will be responsible for all necessary connections with its distribution system and the extension of the service line from the distribution main to the meter without cost to the property owner or customer.

24. **Service Line Responsibilities.** Unless and until East Ohio repairs or replaces an existing service line, the service line from the curb valve to the meter, or where there is no curb valve then from and including the tie-in coupling to the meter, shall be the property of the owner of the premises and shall be under the property owner's exclusive control, and East Ohio shall not be liable for any imperfections therein or for any damage, injury or loss resulting, directly or indirectly, from the escape of gas therefrom. East Ohio shall be responsible for these facilities in accordance with the applicable provisions of the Pipeline Safety Act, 49 U.S.C. 60101 et seq., 49 C.F.R. part 192 and all applicable federal regulations, and Chapter 4901:1-16 of the Ohio Administrative Code. Such responsibilities shall include, but not be limited to, East Ohio's responsibilities for cathodic protection and leak detection of the service line up to and including the meter. East Ohio shall bear the cost of repairs or replacements to the service line and shall assume ownership of and responsibility for the service line whenever it is separated from the distribution main and a pressure test is required before the line can be returned to service. In the event a service line must be repaired or replaced as the result of damage to the service line caused by the property owner, customer or another party, East Ohio will repair or replace the service line at the expense of the property owner, customer or other party. Damages caused by a contractor working on behalf of a party shall be deemed to be the responsibility of that party. All gas lines on the outlet side of the meter and all associated fittings and connections shall at all times be the property of the owner of the premises and shall be under the property owner's exclusive control, and East Ohio shall not be liable for any imperfections therein or for any damage, injury or loss resulting, directly or indirectly, from the escape of gas therefrom.

25. **Installation and Inspection.** Before applying to East Ohio to turn on gas, it shall be the duty of the applicant to see that the gas lines on the outlet side of the meter and all associated fittings and connections and all gas appliances and equipment connected thereto have been installed and tested and are maintained in accordance with applicable governmental codes and regulations including, but not limited to, the International Fuel Gas Code and with the reasonable requirements of East Ohio and are free of leaks. East Ohio shall comply with Rule 4901:1-13-05 of the Ohio Administrative Code with respect to testing gas piping downstream of the meter.

26. **Service Line Extensions Prohibited.** No service line supplying gas to any building shall be extended by the owner or customer so as to furnish gas to any other building.

27. **House Piping.** The customer shall install and maintain, at the customer's expense, the house piping from the outlet of the meter to gas burning appliances.

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28. **Appliances.** The customer shall install and maintain all appliances, at the customer's expense.

29. **Inspections of Altered Piping.** It shall be the duty of the customer to notify the Company promptly of any additions, changes, alterations, remodeling or reconstruction affecting gas piping on the customer's premises.

30. **Extension of Distribution Mains.** East Ohio will extend its distribution mains for the furnishing of natural gas on any dedicated street or highway without cost to the residential customer whenever at least one such customer on an average of each 100 additional feet of pipe in the street or highway in which the extension is to be run shall first agree to take a supply of gas at the applicable rate, measurement to be taken from the end of the nearest distribution main that has the capacity to serve the customer(s). Upon application for a service extension of main in excess of an average of 100 feet for each applicant for such service, East Ohio may enter into an extension agreement with the applicant or applicants providing for a deposit with East Ohio of a sum deemed adequate by East Ohio to cover the cost to be incurred by it for the excess of the extension over the average of 100 feet for each applicant to be served. Each applicant shall have the option of making such payment in the form of a one-time deposit or a monthly payment to be billed to the applicant and/or subsequent customer(s) at the same premises for a period of seven years or until the cost of the mainline extension is included in East Ohio's rates and charges for service, whichever comes first. If the applicant chooses to make the payment in the form of a one-time deposit, such deposit shall be refunded within a period of 10 years from the date of the agreement at a rate per each additional residential customer thereafter connected with said extension, equivalent to the rate per 100 feet deposited, the total amount refunded not to exceed the amount deposited. No refund shall be made after 10 years from the date of the extension agreement and such deposit shall, after such period, become the property of East Ohio. Extension deposits shall bear no interest. East Ohio shall apply the preceding terms for extension of distribution mains to home builders and residential developers on the basis of anticipated residential customers, and, as a result, the deposit installment payment and refund provisions are not applicable in such instances. Extensions of street and highway mains shall at all times be the property of East Ohio. Mainline extensions that are not installed in road right of way, or adjacent thereto, will be made only if the following guidelines are met:

a) A minimum 20 foot legally described easement or blanket right of way is made and granted, provided, however, that all gas mainlines with a maximum allowable operating pressure at or above 100 psi must have a minimum 30 foot easement.

b) Free and clear access to the gas mainline is maintained with no structures permitted on the easement.

East Ohio shall not be required to lay any service lines across paved streets or highways. East Ohio shall not be required to make any extensions of its mains or to lay any service lines during the months of December, January, February and March of any year.

Nothing contained herein shall be construed to prohibit East Ohio from making longer free extensions than herein prescribed provided like free extensions are made to other applicants under similar conditions.

31. **Right of Removal.** No person or entity shall erect any structure within a Company easement or change the existing grade over a Company gas line without the express permission of East Ohio. East Ohio shall have the right to remove any such structure or grade change at the expense of the customer or responsible party.

32. **Discontinuance of Supply on Notice of Defect in Customer's Property.** If, at any time, in the opinion of East Ohio the property owner's service line, other gas lines, fittings, connections, gas appliances or equipment on a customer's premises are defective or in such condition as to constitute a hazard, East Ohio, upon notice to it of such defect or condition, may discontinue the supply of gas to such appliances or equipment or to such service line or such other gas lines until such defect or condition has been rectified by the property owner or customer in a manner satisfactory to East Ohio.

SECTION IV – MISCELLANEOUS

33. **Tariff Disclosure.** A full and complete copy of East Ohio's current tariff covering rates and charges for service and terms and conditions of service will be available on www.dom.com or will be provided upon request within five business days. East Ohio shall comply with the tariff disclosure requirements established by The Public Utilities Commission of Ohio and set forth in Section 4901:1-1-03 of the Ohio Administrative Code, as amended from time to time.

34. **PUCO Orders.** These Rules and Regulations are subject to and include as part thereof all orders, rules and regulations applicable to East Ohio from time to time issued or established by the Public Utilities Commission of Ohio under its emergency powers.

35. **Right to Modify.** East Ohio reserves the right to modify, alter or amend the foregoing Rules and Regulations and to make such further and other rules and regulations as experience may suggest and as East Ohio may deem necessary or convenient in the conduct of its business.

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General Terms and Conditions of Transportation Service

Definitions

Core 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 taking transportation service hereunder.

Customer's 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 used by East Ohio for billing purposes.

Daily Available Volume -- the quantity of gas available to be redelivered by East Ohio to the Customer on any given day. This quantity is equal to the volume of gas delivered to East Ohio for the Customer's account on that day, less any appropriate unaccounted-for gas percentage, plus any adjustments associated with Positive Imbalance Volumes, which will be available during non-OFO periods.

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 to the Customer.

Delivery Volume -- the volume of gas delivered by East Ohio to the Customer based on actual or estimated usage.

EBB -- East Ohio's Electronic Bulletin Board.

FERC -- the Federal Energy Regulatory Commission.

Human Needs Customer -- any Customer who uses natural gas for heating a residence, or a governmental agency or other entity which 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.

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 and saturated with water vapor.

MMBtu -- one million (1,000,000) British thermal units.

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General Terms and Conditions of Transportation Service

Monthly Tolerance Level -- the imbalance tolerance level, expressed as a percentage of the sum of all daily volumes delivered to the Customer during the Customer's Billing Cycle, that establishes the degree to which the Customer's Positive Imbalance Volumes will be subject to reconciliation on a volumetric basis.

Negative Imbalance Volume -- the amount by which the sum of all daily volumes delivered to the Customer during the Customer's Billing Cycle exceeds the sum of the daily volumes available for redelivery by East Ohio to the Customer during the same period.

Positive Imbalance Volume -- the amount by which the sum of all daily volumes available for redelivery by East Ohio to a Customer during the Customer's Billing Cycle exceeds the sum of all daily volumes delivered to the Customer during the same period.

Production Receipt Point(s) -- the meter(s) at which Ohio produced gas is delivered into East Ohio's system for the Customer's account.

Production Volume -- the volume of gas delivered by the Customer 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.

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

Supplier -- any entity that has in effect a pooling service agreement with East Ohio or arranges for the production and/or delivery of Production Volumes to East Ohio.

Transportation Receipt Point(s) -- the interconnection(s) at which gas is delivered into East Ohio's system from an Upstream Pipeline for the Customer's account.

Transportation Volume -- the volume of gas delivered for the Customer's account on any Day into East Ohio's system at the Transportation Receipt Point(s).

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

Variable Cost of Service -- the portion of the cost of service that fluctuates according to the volume of service provided, including gas costs and associated riders as applicable, lost and unaccounted-for gas, and excise taxes.

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

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General Terms and Conditions of Transportation Service

1. Sources of Supply

1.1 Customers may receive gas supplies delivered to East Ohio from Upstream Pipelines and/or Production Receipts Points.

2. Authorized Daily Volume

2.1 Customer's Authorized Daily Volume on any Day consists of the sum of Customer's Daily Available Volume plus any additional volumes that East Ohio authorizes Customer to use on that Day. Delivery of Customer's Authorized Daily Volume is firm, except as provided in this Section 2.1. Such deliveries, however, shall be subject to interruption or curtailment based on the failure of an Upstream Pipeline to deliver Transportation Volumes, the failure of the Customer or its Supplier to deliver Production Volumes, Force Majeure conditions, or an order of the PUCO or other governmental body. The Customer and East Ohio shall use their best efforts to minimize such interruption or curtailment within the limitations of applicable law, regulations, and orders of any governmental authority. Customer, or a Supplier on Customer's behalf, must submit a valid nomination of supply that reasonably reflects Customer's anticipated usage. Consumption at Customer's facility in excess of the Authorized Daily Volume is interruptible service, and upon notice to Customer, East Ohio may interrupt service or require Customer to reduce consumption to Customer's Authorized Daily Volume whenever East Ohio deems it necessary to do so. East Ohio may, at its option, require such reductions in consumption by DTS Customers prior to imposing similar reductions on TSS or GTS Customers.

2.2 In the event Delivery Volumes are in excess of the Authorized Daily Volume on any day on which East Ohio requires Customer to limit gas consumption to that Authorized Daily Volume, Customer shall be liable for all gas costs, transportation costs, penalties, and fines incurred by East Ohio as a result of Customer's deliveries in excess of its Authorized Daily Volume.

3. Electronic Bulletin Board

3.1 All Customers and/or their authorized agents will have access to East Ohio's EBB. The EBB will provide, at a minimum, for the electronic nomination and confirmation of Customer's Production Volumes and Transportation Volumes, information concerning Customer's Delivery Volumes and imbalances and other information and critical postings.

4. Volume Banking Service

4.1 Under the Volume Banking Service, East Ohio will reconcile in subsequent Customer Billing Cycles, on a volumetric basis, any Positive Imbalance Volumes previously incurred.

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General Terms and Conditions of Transportation Service

4.2 Customers must subscribe to the Volume Banking Service set forth in Rate Schedules TSS, GTS, and DTS to be eligible for the provisions of Volume Banking Service. The service is optional for all DTS transportation Customers; a minimum Monthly Tolerance Level is specified in Rate Schedules TSS, and GTS. Customers must execute new or amended contracts reflecting their desired Monthly Tolerance Level. If Customer does not elect a specific percentage for a Monthly Tolerance Level, East Ohio will utilize ten percent (10%) for TSS, and GTS Customers and zero percent (0%) for DTS Customers.

5. Positive Imbalance Volumes

5.1 Unless Customer and East Ohio otherwise agree, East Ohio will purchase Customer's Positive Imbalance Volumes, in excess of Customer's Monthly Tolerance Level, at a rate determined by adding the current month's Positive Imbalance Volume reference gas cost, the minimum of the daily midpoints of common price spreads for gas entering Dominion South Point during the month as published in *Platt's Gas Daily* (The McGraw-Hill Companies, Inc.), or an appropriate successor index should it cease to be published, times eighty percent (80%), plus the variable transportation charges paid to bring the gas to East Ohio's system, adjusted for shrinkage.

5.2 Positive Imbalance Volumes within Customer's Monthly Tolerance Level shall be available for delivery to the Customer during non-OFO periods in the Customer Billing Cycle following the determination of the Positive Imbalance Volume (the "Adjustment Month"), by increasing the Customer's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the Positive Imbalance Volume divided by the number of days in the Adjustment Month.

6. Negative Imbalance Volumes

6.1 East Ohio will sell gas to Customer to eliminate Negative Imbalance Volumes at a rate determined by adding the current month's Negative Imbalance Volume reference gas cost, the maximum of the daily midpoints of common price spreads for gas entering Dominion South Point during the month as published in *Platt's Gas Daily* (The McGraw-Hill Companies, Inc.), or an appropriate successor index should it cease to be published, times one hundred and twenty percent (120%), plus the 100% load factor firm transportation charges to transport gas on Dominion Transmission, Inc. ("DTI") to East Ohio's interconnections with DTI, plus excise tax, adjusted for shrinkage. Charges for Negative Imbalance Volumes attributable to the Customer's failure to comply with operational flow orders or operational matching orders will be based on the provisions of Section 13. If the Customer's Negative Imbalance Volumes exceed 25% of all daily volumes delivered to the Customer during the Customer's Billing Cycle over two or more consecutive months, East Ohio may at its sole discretion in accordance with reasonable and standard industry practice, terminate the contract for transportation service upon thirty (30) days written notice to the Customer and commence rendering

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sales service pursuant to the applicable rate schedule upon termination of the contract for transportation service.

7. Transportation Receipt Points

7.1 All Transportation Volumes will be measured at Transportation Receipt Points in accordance with the terms of East Ohio's agreement with the Upstream Pipeline and shall be conclusive for purposes of these tariffs.

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 Customer's Transportation Volumes to an Mcf basis. For each calendar year, East Ohio will calculate the weighted average heat content of all gas delivered to East Ohio by Upstream Pipelines during this period. 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 Customer agree in writing to an alternative 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 Customer's account, unless Customer 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 Customer's account at Transportation Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.

8.2 Nominations must conform, in content and format, with East Ohio's specifications for Transportation Volume nominations, which shall include, at a minimum: Customer's East Ohio contract number; Upstream Pipeline; Upstream Pipeline contract number; and requested daily Transportation Volume.

8.3 East Ohio will either confirm, in total or in part, or reject Customer'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

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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 Customer 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 Customers and Suppliers fails to correct operational deficiencies, East Ohio may exercise its authority under Paragraph 13.1 to issue Supplier-specific and/or system-wide OFOs.

8.4 Confirmed nominations will become effective on the date specified in the Customer'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.

8.5 Nominations made in accordance with this Section do not relieve Customer of the obligation to submit corresponding nominations for service with an Upstream Pipeline.

9. Firm Receipt Point Option

9.1 The Customer 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 the contract.

9.2 Access to any receipt points on East Ohio's system, as to which an election pursuant to Section 9.1 above has not been made, shall be on a best efforts basis.

9.3 A Customer making an election pursuant to Section 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.

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 Customer or its Supplier shall be measured by orifice, rotary or other measurement facilities constructed, installed and operated in accordance with standard industry practices and East Ohio's requirements for such facilities, except where superceded by a Measurement Operating Agreement. 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

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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 temperature recorded for such Day shall be used.

10.2 The Production Volume delivered to East Ohio shall be delivered in its natural state, 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 East Ohio's gas quality standards in effect at the time. East Ohio reserves the right to accept gas of non-standard specification on a non-discriminatory basis pursuant to an agreement setting forth applicable terms, conditions and charges, if applicable, provided the acceptance of such gas does not adversely impact East Ohio's operations or service to customers.

10.3 If at any time the delivery by the Customer or its Supplier at the Production Receipt Point(s) specified by the Customer or its 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 the gas behind any such meter(s) to be measured pursuant to a Measurement Operating Agreement, by giving the Customer or its Supplier thirty (30) days' prior written notice.

10.4 The Production Receipt Points for Production Volumes from physical meters specified by the Customer or its Supplier and accepted by East Ohio shall be at measuring stations constructed to East Ohio's standards, where the measurement and regulation equipment will be operated and maintained by East Ohio, except where superceded by a Measurement Operating Agreement. The measuring station will be located at such points as East Ohio and the Customer or its Supplier shall agree, on East Ohio's lines as now constructed or on any extensions thereof that East Ohio may hereafter construct. The sites for said measuring stations may be furnished by East Ohio, or, if furnished by the Customer or its Supplier, shall provide rights of ingress and egress to East Ohio. In the event the Customer or its Supplier wishes to change any Production Receipt Points, the Customer or its Supplier shall reimburse East Ohio in advance for East Ohio's costs in connection with the change. The Customer or its Supplier shall be directly responsible for all other costs associated with the change. Measuring stations on East Ohio's lines existing as of the effective date of these terms and conditions and owned by the Customer, its Supplier or any other person, shall, subject to the approval of East Ohio, also be designated as Production Receipt Points, where the measurement and regulation equipment will be operated and maintained by East Ohio, except where superceded by a Measurement Operating Agreement.

10.5 The Customer or its 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

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Production Volumes shall be reported by the Customer or its Suppliers to East Ohio in a timely manner in accordance with reasonable and standard industry practice.

10.6 The Customer or its Supplier shall be responsible for the construction of any necessary pipeline extending from the wells to the Production Receipt Points agreed upon. The Customer or its Supplier, at their expense, shall construct any required measuring stations in accordance with East Ohio's standards. All new pipelines that connect wells specified by the Customer or its Supplier with East Ohio's measuring stations shall be owned and constructed by the Customer or its Supplier.

10.7 Unless otherwise agreed to by East Ohio and Customer or its Supplier, prior to construction of Production Receipt Point, East Ohio and the Customer or its Supplier 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 the Customer or its 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 hereunder while making repairs or alterations in its facilities or when East Ohio deems it to be operationally necessary in accordance with reasonable and standard industry practice. When practicable East Ohio shall notify the Customer or its Supplier in advance of its plans to suspend the taking of gas, giving its best 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 Volumes from meters. Subject to the foregoing, the Customer or its 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 hereunder at the existing delivery point or at an alternative delivery point. If the Customer or its Supplier compresses and pumps gas into East Ohio's system, the Customer or its 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.

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 Demand. In the event East Ohio exercises its right to restrict, limit, or halt its receipt of Production Volumes, it shall give the Customer or its Supplier notice by telephone, letter, or otherwise to decrease or terminate deliveries of

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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 Customer or its 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 Customer or its Supplier shall install and maintain at the Customer's or its Supplier's own expense, the necessary equipment for separating and removing oil, water, water vapor, 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 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 in effect at the time. East Ohio may bill the Customer or its Supplier for any and all costs associated with removing oil, water, water vapor, salt, dust and other foreign substances erroneously delivered into East Ohio's system.

10.11 East Ohio shall furnish, install, and maintain all meters and gauges at the Production Receipt Points, except where superceded by a Measurement Operating Agreement. East Ohio shall read the meters, which shall be accessible to inspection and examination by the Customer or its Supplier at all reasonable times. If either party challenges the accuracy of any meter in use under the contract and desires to have the meter tested, East Ohio shall test the meter in the presence of a Customer or Supplier employee or representative, if the Customer or its 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. If the meter on test proves to be incorrect, 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 twelve months prior to the date of challenge by either party. The statements of meter measurement and estimated deliveries rendered by East Ohio to the Customer or its Supplier monthly shall be final, excepting as to corrections or adjustments then pending or subsequently determined by East Ohio, unless exceptions to the statements are made and mailed to East Ohio within sixty (60) days after the Customer or its Supplier receives the statements. Corrections or adjustments shall be made by adjusting volumes in the first measurement period following their determination.

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11. Nomination of Production Volumes

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11.1 All Production Volumes received for Customer's account at Production Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.

11.2 Nominations must conform, in content and format, with East Ohio's specifications for Production Volume nominations, which shall include, at a minimum: Customer's East Ohio contract number and requested daily Production Volume.

11.3 Subject to the limits of East Ohio's operating conditions and facilities, and the reasonableness of Customer's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Customer's Production Volume nomination. Confirmed Production Volumes will be posted on East Ohio's EBB.

11.4 Confirmed nominations will become effective on the date specified in the Customer'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 Customer's account on the date specified in the Customer's nomination. When actual Production Volumes are known, any discrepancies between actual and confirmed Production Volumes will be reconciled, in the first full billing cycle following the determination of actual Production Volumes, in accordance with the provisions of Sections 5 and 6 hereunder.

13. Operational Flow Orders

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13.1 In order to support system operations and maintain system integrity, Customers are subject to East Ohio's issuance of operational flow orders ("OFO") which may direct Customers to adjust Daily Available Volumes as adjusted to reflect flowing supplies to match Delivery Volumes as determined by East Ohio. East Ohio may also issue OFOs that direct Customers to deliver specific quantities of gas to specific Transportation Receipt Points. Failure to comply with an operational flow order may result in the billing of the following incremental charges times the OFO shortfall which is defined as the imbalance between Daily Available Volumes and Delivery Volumes, as determined 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:

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

The maximum amount that the Customer shall pay pursuant to Section 13.1(B) over any Winter Season shall be 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.

(D) East Ohio shall credit all payments received for charges billed pursuant to this Section to costs recovered through Transportation Migration Rider – Part B.

13.2 Customers in compliance with an OFO shall not be subject to any incremental charges or costs.

14. Obligations

14.1 The Customer shall be deemed to be in control and possession of the gas delivered to East Ohio for Customer'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 redelivered to the Customer by East Ohio at the Delivery Point(s).

14.2 The Customer warrants the title to the gas delivered to East Ohio at the Transportation Receipt Point(s) or the Production Receipt Point(s), 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 delivered to East Ohio, provided, however, that if any person or party makes claim to any gas delivered to East Ohio adverse to Customer'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 with held amount(s) to the party entitled to payment, unless the Customer 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.

15. Provision for Human Needs Customers

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15.1 Human Needs Customers are required to have adequate installed operational alternate fuel equipment and fuel; arrange for firm natural gas commodity, capacity, and delivery service; or purchase Standby Service from East Ohio. Human Needs Customers must inform East Ohio if they have alternative fuel capabilities or firm natural gas service, or they will be billed the otherwise applicable Standby Service charges. East Ohio shall determine the sufficiency of a Customer's alternative fuel capability or firm natural gas service on a non-discriminatory basis. Failure to inform East Ohio and demonstrate sufficient alternative fuel capability or firm natural gas service will result in East Ohio automatically assigning and billing Customer for an appropriate level of Standby Service based on historical usage.

16. Force Majeure

16.1 The term "Force Majeure," as used herein, and as applied to East Ohio or the Customer, shall mean unforeseen 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, freezing of wells or pipelines, partial or entire failure of such wells, 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.

16.2 In the event East Ohio or the Customer 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 transportation service agreement and applicable rate schedules, and after notice of the Force 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, and the Force Majeure condition shall be remedied with all reasonable dispatch.

16.3 Whenever East Ohio has implemented its Emergency Curtailment Plan on file with the PUCO or is unable to meet its Core Demand due to Force Majeure conditions on, or upstream of, East Ohio's system, East Ohio shall have the right to use the Customer's flowing supplies to meet its Core Demand. Any interruption in the Customer's service entitlement resulting from such condition shall be remedied as quickly as possible, and must be preceded by the exhaustion of other reasonable alternatives to avoid the involuntary interruption of service. To the extent possible and appropriate in the circumstances, any necessary interruptions in service will be based on the size and location of the facilities involved, to minimize the absolute number of interruptions required.

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16.4 If East Ohio and the Customer have not entered into a contractual compensation arrangement covering the sale of Customer's gas to East Ohio, East Ohio shall compensate the Customer for gas diverted by East Ohio from the Customer pursuant to Section 16.3, above, as follows: East Ohio shall reimburse the Customer for the cost of the gas diverted plus a portion of the Customer's annual interstate pipeline demand charges, if any, in each month in which gas is taken by East Ohio. On the first Day on which gas is diverted in any month, the demand charge compensation shall equal 1/24 of the Customer's annual pipeline demand charges; if gas is diverted on two or more Days in a month, the demand charge compensation shall be 1/12 of the Customer's annual pipeline demand charges. In no event shall the monthly demand charge compensation exceed 1/12 of the Customer's annual pipeline demand charges. The total compensation determined in accordance with this Section shall not be less than the cost of gas as computed pursuant to Section 6.1 of these General Terms and Conditions of Transportation Service.

16.5 Neither East Ohio nor the Customer shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, Force Majeure.

16.6 Such causes or contingencies affecting the performance of the transportation service agreement by East Ohio or the Customer 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 performance of the transportation service 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 transportation service agreement relieve either party from its obligations to make payments of amounts then due under the Customer's transportation service agreement or applicable rate schedules in respect to gas already delivered.

17. Late Payment Charge

17.1 Charges previously billed to Customer 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.

18. Ownership of Facilities

18.1 Except as provided herein or otherwise agreed upon, all pipelines, fittings and other properties furnished under these General Terms and Conditions of Transportation Service shall remain the property of the party paying for the facilities, 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 contract.

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19. *Governmental Authorizations*

19.1 East Ohio and Customer shall file, as soon as practicable after execution of the transportation service agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations for the service contemplated by the agreement, and shall proceed with all due diligence to secure such governmental authorizations if required.

19.2 In the event governmental approval of the transportation service agreement is conditioned in any manner, East Ohio or Customer may, within 30 days of such event, elect to terminate the agreement by giving the other fifteen days notice, and upon such termination neither party shall have any liability or obligation to the other by reason of the transportation service agreement other than the obligation to make payments as provided for in the agreement with respect to events or transactions that have occurred prior to such termination.

19.3 If the transactions provided for under the transportation service agreement at any time subject either party to the jurisdiction or regulation by the FERC to an extent greater than any which exists on the date of the contract, whether by reason of statutory, regulatory or judicial action, then either party may elect to terminate the contract in the manner provided for in Section 19.2 above, provided, however, that termination shall not relieve either party of its obligations under the transportation service agreement or applicable rate schedules with respect to transactions that have occurred prior to the date of termination.

20. Limitation on Liability

20.1 East Ohio shall have no liability for acts arising out of obligations performed under its tariff, provided that East Ohio's actions are in accordance with its tariff and applicable industry standards. In no event shall East Ohio be liable for any consequential, incidental or punitive damages for acts or omissions that are alleged to violate East Ohio's tariff or applicable industry standards.

20.2 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

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without limitation sole or concurrent simple negligence, gross negligence, recklessness, and intentional acts or omissions.

21. Miscellaneous

21.1 No modification of the terms and provisions of the transportation service agreement shall be made or become effective except by the execution of a supplementary written agreement.

21.2 No waiver by East Ohio or the Customer of any one or more defaults by the other in the performance of any provision of the transportation service agreement or applicable rate schedules shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

21.3 The transportation service agreement shall not be assignable without the prior written consent of the other party, which consent shall not unreasonably be withheld.

21.4 The payments of the rates stated in the transportation service agreement or applicable rate schedules as well as the other provisions and conditions of these General Terms and Conditions of Transportation Service shall be subject to all applicable Federal and State laws and orders, rules and regulations.

21.5 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 pursuant to the transportation service agreement, the amount of such tax shall be borne by the Customer so far as it affects or relates to or is apportionable to the gas delivered to East Ohio under the transportation service agreement or applicable rate schedules. In the event East Ohio is required to pay such tax, the amount of the tax shall be billed directly to the Customer.

21.6 The Customer shall pay, or cause to be paid, any royalty payments due or owed on the gas delivered pursuant to the transportation service agreement, 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, the Customer shall reimburse East Ohio for any such payment and any costs associated with such payment. If the Customer fails to reimburse East Ohio, East Ohio may deduct the amount of such payments or costs from any payments accruing to the Customer under the transportation service agreement or applicable rate schedules, or take production in kind in satisfaction of the Customer's obligation.

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OCC EX 2A

OCC Attachment GS-3

Revised

Orwell-Trumbull Pipeline Charges for Gas Transportation Service to Brainard Natural Gas

	Total Volume Mcf	Rate $/Mcf	OTP Invoice for Gas $	Adjusted OTP Rate $/Mcf	Adjusted Invoice from OTP $
2008	4,041	$0.95	$3,838.95	$0.50	$2,020.50
2009	3,262	$0.95	$3,098.90	$0.50	$1,631.00
2010	4,388	$0.95	$4,168.60	$0.50	$2,194.00
2011	4,393	$0.95	$4,173.35	$0.50	$2,196.50
2012	1,952	$0.95	$1,854.40	$0.50	$976.00
2013	2,860	$0.95	$2,717.00	$0.50	$1,430.00
2014	3,199	$0.95	$3,039.05	$0.50	$1,599.50
2015 *	2,671	$1.01	$2,697.71	$0.50	$1,335.50
Total	26,766		$25,587.96		$13,383.00

Overpayment to Owell-Trumbull = **$12,204.96**

* 2015 volumes are through July 2015

Total volumes from Orwell-Trumbull Response to OCC INT 2-33, Case No. 15-637-GA-GSS

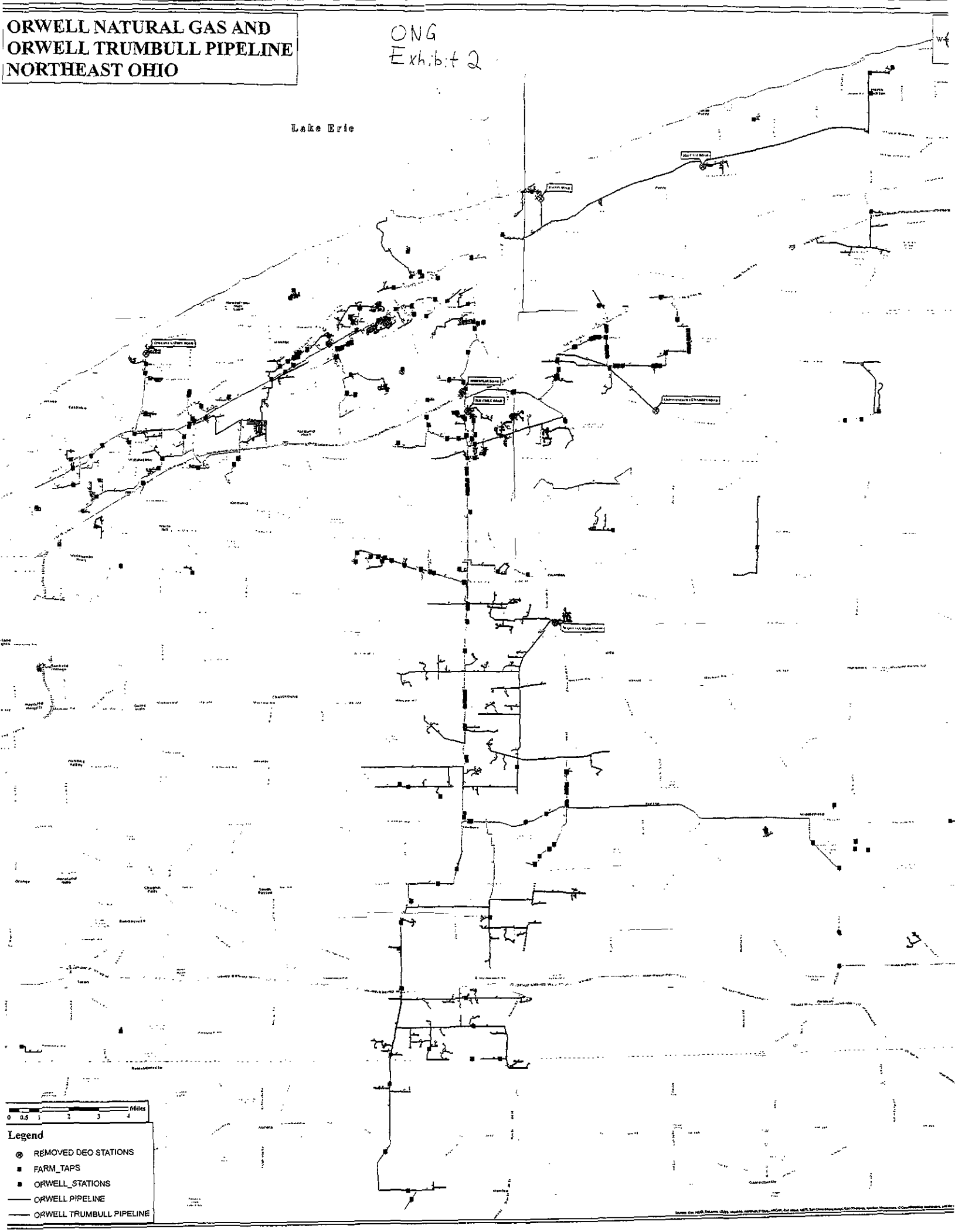
ORWELL NATURAL GAS AND ORWELL TRUMBULL PIPELINE NORTHEAST OHIO

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Exhibit 2