Large Filing Separator Sheet

Case Number: 17-1139-GA-AIR
17-1140-GA-ATA
17-1141-GA-AAM

File Date: 2/13/2018

Section: 4 of 4

Number of Pages: 139

Description of Document: Exhibit

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
OPERATING REVENUE AND EXPENSES BY ACCOUNTS - JURISDICTIONAL ALLOCATION
12 MONTHS ENDED DECEMBER 31 2017

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP C2-.1; WP SFR Data Base

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	UNADJUSTED TOTAL COMPANY (C)	ALLOCATION % (D)	UNADJUSTED JURISDICTION (E=CxD)	ALLOCATION DESCRIPTION (F)
1						
2		TAXES OTHER THAN INCOME TAXES				
3	408110	GROSS RECEIPTS TAX	$ 778,778	89.13%	$ 694,125	See Cost of Service Study
4	408110	FEDERAL UNEMPLOYMENT	11,484	88.43%	10,155	
5	408110	FEDERAL FICA	397,683	88.43%	351,671	
6	408110	PUCO ASSESSMENT	20,040	89.13%	17,862	
7	408110	UNEMPLOYMENT	6,801	88.43%	6,014	
8	408110	USE	19,235	88.99%	17,117	
9	408110	EMPLOYER'S EXCISE	540	88.99%	481	
10	408110	CONSUMERS COUNSEL	1,680	89.13%	1,497	
11	408110	PUCO SAFETY AUDIT	2,400	88.99%	2,136	
12	408110	MCF TAX	326,894	54.18%	177,111	
13	408110	PROPERTY TAX	919,200	86.70%	796,946	
14	408110	MISC	-	89.13%	-	
15	408110	TRF TO CLEARING ACCTS	(88,749)	88.43%	(78,481)	
16			$ 2,395,986		$ 1,996,634	

OHIO GAS COMPANY
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OPERATING REVENUE AND EXPENSES BY ACCOUNTS - JURI_ _TIONAL ALLOCATION
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1						
2		INCOME TAXES				
3	409100	INCOME TAXES - ACCRUAL ONLY	$ 985,230	C4.1	$ 329,706	
4	410100	PROV FOR DEF INC TAXES	(284,020)	C4.1	(257,602)	
5	411400	INVEST TAX CREDIT ADJ	(3,071)	85.27%	(2,619)	See COSS
6			$ 698,139		$ 69,485	

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERA INCOME
12 MONTHS ENDED DECEMBER 31 2017

Schedule C-3
Page 1 of 1

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): No Applicable Working Papers

Witness Responsible:

LINE NO.	SCH REF (A)	ACCOUNT TITLE (B)	
1		OPERATING REVENUES	$ -
2		OPERATING EXPENSES	
3		OPERATING EXPENSES - TRANSMISSION	-
4		OPERATING EXPENSES - DISTRIBUTION	-
5		OPERATING EXPENSES - CUSTOMER ACCOUNTS	-
6		OPERATING EXPENSES - CUSTOMER SERVICE	-
7		OPERATING EXPENSES - SALES	-
8		OPERATING EXPENSES - ADMINISTRATIVE AND GENERAL	-
9		TOTAL OPERATING EXPENSES	-
10		MAINTENANCE EXPENSES	
11		MAINTENANCE EXPENSES - TRANSMISSION	-
12		MAINTENANCE EXPENSES - DISTRIBUTION	-
13		MAINTENANCE EXPENSES - ADMINISTRATIVE & GENERAL	-
14		TOTAL MAINTENANCE EXPENSES	-
15			
16		DEPRECIATION EXPENSE	-
17		TAXES OTHER THAT INCOME TAXES	
18		GROSS RECEIPTS TAX	-
19		FEDERAL UNEMPLOYMENT	-
20		FEDERAL FICA	-
21		PUCO ASSESSMENT	-
22		UNEMPLOYMENT	-
23		USE	-
24		EMPLOYER'S EXCISE	-
25		CONSUMERS COUNSEL	-
26		PUCO SAFETY AUDIT	-
27		MCF TAX	-
28		PROPERTY TAX	-
29		MISC	-
30		TRF TO CLEARING ACCTS	-
31		TOTAL TAXES OTHER THAN INCOME TAXES	-
32			
33		INCOME TAXES	
34		INCOME TAXES - ACCRUAL ONLY	-
35		PROV FOR DEF INC TAXES	-
36		INVEST TAX CREDIT ADJ	-
37		TOTAL INCOME TAXES	-
38			
39		TOTAL OPERATING EXPENSES	-
40			
41		NET OPERATING INCOME	$ -

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
STAFF ADJUSTMENTS TO REVENUE AND EXPENSE ITEMS
AS OF DECEMBER 31 2016

Data: 3 Actual 9 Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): No Applicable Working Papers
Witness Responsible:

LINE NO.	ACCT #	ACCOUNT TITLE	TOTAL CO ADJ	ALLOC %	ALLCOATED TOTAL	WORKING PAPER REF
	OPERATING REVENUES					
1	480209	UNBILLED REVENUES	-	100.00%	$ -	-
2	487000	GAS SALES-FORFEIT DISC	-	100.00%	-	-
3	488000	GAS SALES-MISC SERV REV	-	100.00%	-	-
4	488100	GAS SALES-$10 RET CK CHG	-	100.00%	-	-
5	489120	REV FROM TRANSP-COMM CEP	-	100.00%	-	-
6	489200	REV FROM TRANSP-RESD CEP	-	100.00%	-	-
7	489210	REV FROM TRANSP-IND CEP	-	100.00%	-	-
8	489300	REV FROM TRANSP-COM INTER	-	0.00%	-	-
9	489400	REV FROM TRANSP-COM FIRM	-	0.00%	-	-
10	489400	REV FROM TRANSP-COM FIRM	-	100.00%	-	-
11	489500	REV FROM TRANSP-IND INTER	-	0.00%	-	-
12	489600	REV FROM TRANSP-IND FIRM	-	0.00%	-	-
13	489600	REV FROM TRANSP-IND FIRM	-	100.00%	-	-
14					-	
15	OPERATING EXPENSES - TRANSMISSION					
16	850000	OPERATION, SUPVSION, ENG	-	71.44%	-	-
17	851000	SYS CONTROL,LOAD DISPATCH	-	71.44%	-	-
18	852000	TELEMETRY SYSTEM EXPS	-	71.44%	-	-
19	856000	MAINS EXPENSES	-	71.44%	-	-
20	856100	MAINS EXPENSES-CATH PROT	-	71.44%	-	-
21	856200	MAINS EXPENSES-LOC,PROTEC	-	71.44%	-	-
22	857000	MEAS AND REG STATION EXP	-	71.44%	-	-
23	857100	MEAS AND REG ST-WITNESS	-	71.44%	-	-
24	859184	TRANSP/TELECOM-OP TRANSM	-	71.44%	-	-
25					-	

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
STAFF ADJUSTMENTS TO REVENUE AND EXPENSE ITEMS
AS OF DECEMBER 31 2016

Data: x Actual Estimated
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Work Paper Reference No(s): Witness Responsible:

LINE NO.	ACCT #	ACCOUNT TITLE	TOTAL CO ADJ	ALLOC %	ALLCOATED TOTAL	WORKING PAPER REF
1	OPERATING EXPENSES - DISTRIBUTION					
2	870000	OPERATION,SUPRVSN,ENG	-	87.83%	-	-
3	871000	DISTR LOAD DISPATCH	-	87.83%	-	-
4	874000	MAIN/SVC EXP	-	87.83%	-	-
5	874100	MAIN/SVC EXP-CATH PROT	-	87.83%	-	-
6	874200	MAIN/SVC EXP-LOC,PROT	-	87.83%	-	-
7	874300	MAIN/SVC EXP-MANHOLE SURV	-	87.83%	-	-
8	874400	MAIN/SVC EXP-DAM PREVENT	-	87.83%	-	-
9	874500	MAINS/SERVICES - TRAINING	-	87.83%	-	-
10	875000	MEAS/REG STA EXP-GEN	-	87.83%	-	-
11	876000	IND MTR/REG EXP	-	99.13%	-	-
12	876100	IND MTR/REG EXP-AN CHANGE	-	99.13%	-	-
13	876200	IND MTR/REG EXP-LOAD STDY	-	99.13%	-	-
14	877000	MEAS/REG STA CHRTS EXP	-	87.83%	-	-
15	878000	MTR, HSE REG EXP	-	100.00%	-	-
16	878100	MTR, HSE REG EXP-AN CHNGE	-	100.00%	-	-
17	878200	TURN ON/OFF-READ IN/OUT	-	98.60%	-	-
18	878300	REPAIR METER SET LEAKS	-	98.60%	-	-
19	879000	CUSTOMER CALL EXPENSES	-	98.60%	-	-
20	879100	PRIORITY CALLS	-	98.60%	-	-
21	880000	OTHER EXPENSES	-	87.83%	-	-
22	880100	OFFICE SUPPLIES	-	88.43%	-	-
23	880163	STORES EXP-OPERS DISTR	-	87.85%	-	-
24	880184	TRANSP/TELECOM-OPER DISTR	-	87.83%	-	-
25	880200	DRUG AND ALCOHOL PROGRAM	-	88.36%	-	-
26	880300	UNIFORMS	-	88.44%	-	-
27	880400	MAPS AND RECORDS	-	87.83%	-	-
28	881000	RENTS	-	87.83%	-	-
29					-	

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
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AS OF DECEMBER 31 2016

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Work Paper Reference No(s): Witness Responsible:

LINE NO.	ACCT #	ACCOUNT TITLE	TOTAL CO ADJ	ALLOC %	ALLCOATED TOTAL	WORKING PAPER REF
1	OPERATING EXPENSES - CUSTOMER ACCOUNTS					
2	901000	SUPERVISION	-	99.13%	-	-
3	902000	METER READING EXPENSES	-	99.13%	-	-
4	903000	CUST RECORDS/COLLCT EXP	-	99.13%	-	-
5	903100	COMPUTER EXPENSES	-	99.13%	-	-
6	904000	UNCOLLECTIBLE ACCOUNTS	-	100.00%	-	-
7	904003	UNCOLL EXP-PIP CUST	-	100.00%	-	-
8	905163	STORES EXP-OPERS CUST ACC	-	99.13%	-	-
9	905184	TRANSP/TELECOM-OP CUST AC	-	99.13%	-	-
10					-	
11	OPERATING EXPENSES - CUSTOMER SERVICE					
12	909000	INFORMATIONAL ADVERTISING	-	85.01%	-	-
13	910000	MISC CUST SVC - REV	-	85.01%	-	-
14	910100	MISC CUST SVC - EXP	-	85.01%	-	-
15	910184	TRANSP/TELECOM-OP CUSTSER	-	85.01%	-	-
16					-	
17	OPERATING EXPENSES - SALES					
18	911000	SUPERVISION	-	85.02%	-	-
19	912000	SALARIES AND EXPENSES	-	85.02%	-	-
20	913000	ADVERTISING EXP	-	85.02%	-	-
21	913100	ADVERTISING EXP-BLDRS	-	100.00%	-	-
22	913300	ADVERTISING EXP-CUST EXP	-	85.02%	-	-
23	916000	MISC SALES EXP	-	85.02%	-	-
24	916100	ECONOMIC DEVELOPMENT EXPS	-	0.00%	-	-
25	916184	TRANSP/TELECOM-OPER SALES	-	85.02%	-	-
26					-	

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AS OF DECEMBER 31 2016

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LINE NO.	ACCT #	ACCOUNT TITLE	TOTAL CO ADJ	ALLOC %	ALLCOATED TOTAL	WORKING PAPER REF
1	OPERATING EXPENSES - ADMINISTRATIVE AND GENERAL					
2	920100	ADMIN/GEN SALARY-GEN OFF	-	89.13%	-	-
3	920200	ADMIN/GEN SALARY-OFF EMPL	-	89.13%	-	-
4	921100	OFFICE SUP/EXP- OFFICER	-	89.13%	-	-
5	921200	OFFICE SUP/EXP-EMPLOYEES	-	89.13%	-	-
6	921300	OFFICE SUP/EXP	-	89.13%	-	-
7	921400	PC SUPPLIES & EXPENSES	-	89.13%	-	-
8	923100	OUTSIDE SVC EMPLD-FEES	-	89.13%	-	-
9	923300	OUTSIDE SVC EMPLD-SP SVC	-	89.13%	-	-
10	923350	OUTSIDE SV-GRANT THORNTON	-	89.13%	-	-
11	923400	OUTSIDE SVC-LEGAL-OHIO	-	89.13%	-	-
12	923401	OUTSIDE SVC-LEGAL-LOCAL	-	89.13%	-	-
13	923500	OUTSIDE SVC-TRAINING&EDU	-	88.44%	-	-
14	923900	PC OUTSIDE SVC & TRAINING	-	88.42%	-	-
15	924000	PROPERTY INSURANCE	-	85.27%	-	-
16	925000	INJURIES AND DAMAGES	-	88.43%	-	-
17	925200	EMPLOYEE SAFETY EQUIP,SUP	-	88.43%	-	-
18	926100	EMPL PENS/BNFTS-PENSION	-	88.43%	-	-
19	926200	EMPL PENS/BNFTS-EMPL BEN	-	88.43%	-	-
20	926210	EMPL BNFTS-L/T DISAB	-	88.43%	-	-
21	926220	EMPL BNFTS-GTL INS	-	88.43%	-	-
22	926225	EMPL BNFTS-VOLUNTARY LIFE	-	89.10%	-	-
23	926230	EMPL BNFTS - EAP	-	88.43%	-	-
24	926240	EMPL BNFTS-ACCIDENT INS	-	88.43%	-	-
25	926260	EMPL BNFTS-HEALTH INS	-	88.43%	-	-
26	926270	EMPL BNFTS-VISION INS	-	88.43%	-	-
27	926280	EMPL BNFTS-DENTAL INS	-	88.43%	-	-
28	926300	DEFINED CONTR PLAN-401K	-	88.43%	-	-
29	926400	MERA / FSA / HRA EXPENSE	-	88.43%	-	-

CASE NO. 17-1139-GA-AIR
STAFF ADJUSTMENTS TO REVENUE AND EXPENSE ITEMS
AS OF DECEMBER 31 2016

Data: x Actual Estimated
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Witness Responsible:

LINE NO.	ACCT #	ACCOUNT TITLE	TOTAL CO ADJ	ALLOC %	ALLCOATED TOTAL	WORKING PAPER REF
1	OPERATING EXPENSES - ADMINISTRATIVE AND GENERAL					
2	926450	EMPL BNFTS - HSA CASH CON	-	88.43%	-	-
3	926500	NON-PENSION PR BNFT EXP	-	88.43%	-	-
4	928000	REGULATORY COMM EXP	-	85.49%	-	-
5	930100	INSTIT OR GOODWILL AD EXP	-	89.13%	-	-
6	930184	TRANSP/TELECOM-OPERS A&G	-	89.13%	-	-
7	930200	MISC GEN EXP	-	89.13%	-	-
8					-	
9	MAINTENANCE EXPENSES - TRANSMISSION					
10	861000	MAINT, SPRVSN, & ENG	-	71.44%	-	-
11	863000	MAINTENANCE OF MAINS	-	71.44%	-	-
12	863100	MAINT OF MAINS-CATH PROT	-	71.44%	-	-
13	863300	MAINT OF MAINS-LEAK SURV	-	71.44%	-	-
14	865000	MAINT OF MEAS-REG STA EQ	-	71.44%	-	-
15	866000	MAINT OF TELEMETRY EQUIP	-	71.44%	-	-
16	867000	MAINT OF RADIO EQUIP	-	71.44%	-	-
17	867184	TRANSP/TELECOM-MNT TRANSM	-	71.44%	-	-
18					-	
19	MAINTENANCE EXPENSES - DISTRIBUTION					
20	885000	MAINT, SPRVSN, ENG	-	87.83%	-	-
21	886000	MAINT OF STRUCT & IMPROV	-	87.83%	-	-
22	887000	MAINT OF MAINS	-	87.83%	-	-
23	887100	MAINT OF MAIN-CATH PROT	-	87.83%	-	-
24	887200	MAINT OF MAIN-3RD PTY DMG	-	87.83%	-	-
25	887205	MAINT MAIN-3RD PTY BIL	-	87.83%	-	-
26	887210	MAINT MAIN-3RD PTY WAV	-	87.83%	-	-
27	887300	MAINT OF MAIN-LEAK SURVEY	-	87.83%	-	-

CASE NO. 17-1139-GA-AIR
STAFF ADJUSTMENTS TO REVENUE AND EXPENSE ITEMS
AS OF DECEMBER 31 2016

Data: x Actual Estimated
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Work Paper Reference No(s): Witness Responsible:

LINE NO.	ACCT #	ACCOUNT TITLE	TOTAL CO ADJ	ALLOC %	ALLCOATED TOTAL	WORKING PAPER REF
1	MAINTENANCE EXPENSES - DISTRIBUTION					
2	887500	MAINT OF MAINS - TRAINING	-	87.83%	-	-
3	889000	MAINT OF MEAS/REG STA GEN	-	87.83%	-	-
4	889100	MAINT OF MEAS/REG-CALIB	-	87.89%	-	-
5	889200	MAINT OF MEAS/REG-PAINT	-	87.83%	-	-
6	890000	MAINT OF IND MTR/REG-IN	-	98.27%	-	-
7	890100	MAINT OF IND MTR/REG-OUT	-	98.27%	-	-
8	890200	MAINT OF IND INSTR INSHOP	-	98.27%	-	-
9	890300	MAINT OF IND INSTR OUTSID	-	98.27%	-	-
10	890400	MAINT OF IND TELEMETRY EQ	-	98.27%	-	-
11	890500	MAINT OF IND M/R TRAINING	-	98.27%	-	-
12	891000	MAINT OF MEAS/REG-CTY GAT	-	87.83%	-	-
13	892000	MAINT OF SERVICES	-	98.27%	-	-
14	892200	MAINT OF SVC-3RD PTY DMGE	-	98.27%	-	-
15	892205	MAINT OF SVC-3RD PTY BILL	-	98.27%	-	-
16	892210	MAINT OF SVC-3RD PTY WAVE	-	98.27%	-	-
17	892300	MAINT OF SVC-LEAK SURVEY	-	98.27%	-	-
18	892400	MAINTENANCE 1ST CUTS	-	100.00%	-	-
19	893000	MAINT - ERT	-	100.00%	-	-
20	893100	SMALL METER TESTING	-	100.00%	-	-
21	893200	SMALL METER REPAIR	-	100.00%	-	-
22	893300	SMALL REGULAR-REPAIR/TEST	-	100.00%	-	-
23	894000	MAINT OF OTHER EQUIP	-	87.83%	-	-
24	894100	MAINT OF OPERATION EQUIP	-	87.83%	-	-
25	894163	STORES EXP-MAINT DISTR	-	87.83%	-	-
26	894184	TRANSP/TELECOM-MAINT DIST	-	87.83%	-	-
27	894200	MAINT OF CONSTR EQUIP	-	87.83%	-	-
28					-	
29	MAINTENANCE EXPENSES - ADMINISTRATIVE & GENERAL					
30	935000	MAINT GENERAL PLANT	-	89.13%	-	-
31	935184	TRANSP/TELECOM-MAINT A&G	-	89.13%	-	-
32					-	

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1	TAXES OTHER THAT INCOME TAXES					
2	408110	GROSS RECEIPTS TAX	-	89.13%	-	-
3	408110	FEDERAL UNEMPLOYMENT	-	88.43%	-	-
4	408110	FEDERAL FICA	-	88.43%	-	-
5	408110	PUCO ASSESSMENT	-	89.13%	-	-
6	408110	UNEMPLOYMENT	-	88.43%	-	-
7	408110	USE	-	88.99%	-	-
8	408110	EMPLOYER'S EXCISE	-	88.99%	-	-
9	408110	CONSUMERS COUNCEL	-	89.13%	-	-
10	408110	PUCO SAFETY AUDIT	-	88.99%	-	-
11	408110	MCF TAX	-	54.18%	-	-
12	408110	PROPERTY TAX	-	86.70%	-	-
13	408110	MISC	-	89.13%	-	-
14	408110	TRF TO CLEARING ACCTS	-	88.43%	-	-
15					-	
16	INCOME TAXES					
17						
18						
19	411400	INVEST TAX CREDIT ADJ	-	84.54%	-	-
20					-	

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
ADJUSTED JURISDICTIONAL INCOME TAXE.
12 MONTHS ENDED DECEMBER 31 2017

Schedule C-4
Page 1 of 1

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): No Applicable Working Papers

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	AT CURRENT RATES JURISDICTIONAL C4.1 (C)	SCHEDULE C-3 ADJUSTMENTS (D)	ADJUSTED (E)	AT PROPOSED RATES PROFORMA ADJUSTMENTS (F)	PROFORMA (G)
1		OPERATING INCOME	$ 178,769	$ -	$ 178,769		
2		FEDERAL INCOME TAX	69,485	-	69,485		
3		OPERATING INCOME BEFORE FIT (1) + (2)	248,254	-	248,254	3,467,493	3,715,747
4		RECONCILING ITEMS:					
5		INTEREST CHARGES - CUSTOMER DEPOSITS	(17,167)	-	(17,167)	-	(17,167)
6		DONATIONS	(19,015)	-	(19,015)	-	(19,015)
7							
8		TAX DEPRECIATION	(1,683,608)	-	(1,683,608)	-	(1,683,608)
9		BOOK DEPRECIATION	2,707,686	-	2,707,686	-	2,707,686
10		EXCESS OF TAX OVER BOOK (8) + (9)	1,024,078	-	1,024,078	-	1,024,078
11							
12		OTHER RECONCILING ITEMS:					
13		PROPERTY TAX	-	-	-	-	-
14		EXCISE TAX	-	-	-	-	-
15		GIS DEFERRED EXPENSE	(470,545)	-	(470,545)	-	(470,545)
16		ACCRUED VACATION PAY	-	-	-	-	-
17		PENSION EXPENSE	204,119	-	204,119	-	204,119
18		OPEB	-	-	-	-	-
19		TOTAL OTHER RECONCILING ITEMS (12) Thru (18)	(266,426)	-	(266,426)	-	(266,426)
20							
21		TAXABLE INCOME (3) + (5) + (6) + (10) + (19)	969,724	-	969,724	3,467,493	4,437,217
22							
23		FEDERAL INCOME TAX PAYABLE @ Tax Rate	329,710	-	329,706	1,178,948	1,508,654
24							
25		DEFERRED INCOME TAXES:					
26		EXCESS OF TAX OVER BOOK (10) x Tax Rate	(348,190)	-	(348,187)	-	(348,187)
27		OTHER RECONCILING ITEMS (19) x Tax Rate	90,580	-	90,585	-	90,585
28		TOTAL DEFERRED TAXES	(257,610)	-	(257,602)	-	(257,602)
29							
30		TOTAL FEDERAL INCOME TAXES	72,100	-	72,104	1,178,948	1,251,052
31							
32							
33							
34							
35							
36							
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40							
41							

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
DEVELOPMENT OF JURISDICTIONAL INCOME T,
12 MONTHS ENDED DECEMBER 31 2017

Schedule C-4.1

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP C2-.1; WP SFR Data Base

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	UNADJUSTED TOTAL COMPANY (C)	SCHEDULE OR ALLOCATION %	UNADJUSTED JURISDICTION (D)
1		OPERATING INCOME	$ 1,400,416	C-2	$ 178,769
2		FEDERAL INCOME TAX	698,139	C-2	69,485
3		OPERATING INCOME BEFORE FIT (1) + (2)	2,098,555		248,254
4		RECONCILING ITEMS:			
5		INTEREST CHARGES - CUSTOMER DEPOSITS	(17,167)	100.00%	(17,167)
6		DONATIONS	(19,015)	100.00%	(19,015)
7					
8		TAX DEPRECIATION	(1,974,444)	85.27%	(1,683,608)
9		BOOK DEPRECIATION	3,130,800	C-2 & B3.2	2,707,686
10		EXCESS OF TAX OVER BOOK (8) + (9)	1,156,356		1,024,078
11					
12		OTHER RECONCILING ITEMS:			
13		PROPERTY TAX	-	86.70%	-
14		EXCISE TAX	-	89.13%	-
15		GIS DEFERRED EXPENSE	(551,829)	85.27%	(470,545)
16		ACCRUED VACATION PAY	-	89.13%	-
17		PENSION EXPENSE	230,825	88.43%	204,119
18		OPEB	-	88.43%	-
19		TOTAL OTHER RECONCILING ITEMS (12) Thru (18)	(321,004)		(266,426)
20					
21		TAXABLE INCOME (3) + (5) + (6) + (10) + (19)	2,897,725		969,724
22					
23		FEDERAL INCOME TAX PAYABLE @ Tax Rate	985,230		329,706
24					
25		DEFERRED INCOME TAXES:			
26		EXCESS OF TAX OVER BOOK (10) x Tax Rate	(393,160)		(348,187)
27		OTHER RECONCILING ITEMS (19) x Tax Rate	109,140		90,585
28		TOTAL DEFERRED TAXES	(284,020)		(257,602)
29					
30		TOTAL FEDERAL INCOME TAX	701,210		72,104
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
SOCIAL AND SERVICE CLUB DUES
12 MONTHS ENDED DECEMBER 31 2017

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP SFR Data Base

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	UNADJUSTED TOTAL COMPANY (C)	ALLOCATION %	JURISDICTIONAL
1	850000	OPERATION, SUPVSION, ENG	$ 61	71.44%	$ 44
2	851000	SYS CONTROL,LOAD DISPATCH	$ 244	71.44%	$ 174
3	871000	DISTR LOAD DISPATCH	$ 244	87.83%	$ 214
4	921100	OFFICE SUP/EXP- OFFICER	$ 1,119	89.13%	$ 997
5			$ 1,668		$ 1,429
6					
7		ROTARY INTERNATIONAL	$ 1,668		
8					
9					

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
CHARITABLE CONTRIBUTIONS
12 MONTHS ENDED DECEMBER 31 2017

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): No Applicable Work Papers

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	UNADJUSTED TOTAL COMPANY (C)	ALLOCATION %	JURISDICTIONAL
			NONE		

OHIO GAS COMPANY
CASE NO. 17-[illegible]4-AIR
CUSTOMER SERVICE AND INFORMATIONAL, SALES E[illegible]NSES, AND GENERAL ADVERTISING EXPENSE
12 MONTHS ENDED DECEMBER 31 2017

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP C9, WP SFR Data Base

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	LABOR (C)	NON LABOR (D)	UNADJUSTED TOTAL COMPANY (E=C+D)	ALLOCATION % (F)	UNADJUSTED JURISDICTION (G=ExF)	ALLOCATION DESCRIPTION (G)
1								
2		OPERATING EXPENSES - CUSTOMER SERVICE						
3	909000	INFORMATIONAL ADVERTISING	$ -	$ 5,171	$ 5,171	85.01%	$ 4,396	See Cost of Service Study
4	910000	MISC CUST SVC - REV	-	(225)	(225)	85.01%	(191)	
5	910100	MISC CUST SVC - EXP	-	35	35	85.01%	30	
6	910184	TRANSP/TELECOM-OP CUSTSER	-	1,093	1,093	85.01%	929	
7			$ -	$ 6,074	$ 6,074		$ 5,164	

OHIO GAS C NY
CASE NO. 17-1 GA-AIR
CUSTOMER SERVICE AND INFORMATIONAL, SALES EXPENSES, AND GENERAL ADVERTISING EXPENSE
12 MONTHS ENDED DECEMBER 31 2017

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP C9, WP SFR Data Base

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	LABOR (C)	NON LABOR (D)	UNADJUSTED TOTAL COMPANY (E=C+D)	ALLOCATION % (F)	UNADJUSTED JURISDICTION (G=ExF)	ALLOCATION DESCRIPTION (G)
1								
2		OPERATING EXPENSES - SALES						
3	911000	SUPERVISION	$ 29,981	$ 200	$ 30,181	85.02%	$ 25,660	
4	912000	SALARIES AND EXPENSES	101,619	1,063	102,682	85.02%	87,300.00	
5	913000	ADVERTISING EXP	-	14,344	14,344	85.02%	12,195.00	
6	913100	ADVERTISING EXP-BLDRS	-	3,300	3,300	100.00%	3,300.00	See Cost of
7	913300	ADVERTISING EXP-CUST EXP	-	3,297	3,297	85.02%	2,803.00	Service Study
8	916000	MISC SALES EXP	-	5,037	5,037	85.02%	4,282.00	
9	916100	ECONOMIC DEVELOPMENT EXPS	-	8,350	8,350	0.00%	-	
10	916184	TRANSP/TELECOM-OPER SALES	-	22,495	22,495	85.02%	19,125.00	
11			$ 131,600	$ 58,086	$ 189,686		$ 154,665	

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
RATE CASE EXPENSE
12 MONTHS ENDED DECEMBER 31 2017

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP SFR Data Base

Witness Responsible: Kim A. Watkins

Comparison of Projected Expenses Associated With The Current Case To Prior Rate Case

Item of Expense	Current Case Estimated	Prior Case 84-1500-GA-AIR Actual
Legal, Consultants & Other	$ -	$ 94,000
Legal	100,000	-
Consultants	38,000	-
Other	-	-
Total	$ 138,000	$ 94,000

Schedule of Rate Case Expense Amortization

Rate Case	Total Expense to be Amortized	Opinion/Order Date	Authorized Amortization Period	Amount Amortized/ Expensed to Date	Expenses Included in Unadjusted Test Year
Current (Estimated)	$ 138,000		3	-	$ 46,000

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
OPERATION AND MAINTENANCE PAYROLL CL
12 MONTHS ENDED DECEMBER 31 2017

Schedule C-9
Page 1 of 1

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP C9, WP SFR Data Base

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	UNADJUSTED TOTAL COMPANY (C)	UNADJUSTED JURISDICTIONAL	ADJUSTMENTS	ADJUSTED REVENUE & EXPENSES
1		PAYROLL COSTS:				
2		DIRECT LABOR (INCLUDING PTO)	$ 4,199,600	$ 3,815,628	$ -	$ 3,815,628
3						
4		EMPLOYEE BENEFITS				
5		PENSION/401-K (Note A)	959,889	848,830	-	848,830
6		ALL OTHER FRINGE BENEFITS (Note B)	676,644	598,357	-	598,357
7		TOTAL EMPLOYEE BENEFITS	1,636,533	1,447,187	-	1,447,187
8						
9		PAYROLL TAXES (Note C)	327,219	289,359	-	289,359
10						
11		TOTAL PAYROLL COSTS	$ 6,163,352	$ 5,552,174	$ -	$ 5,552,174
12						

13 Note: Adjustments on this schedule represent labor only and will not match the adjustments on Schedules C3.1 and C3.2. There is a separate
14 input area on the INPUT TAB for this.
15
16 Note A - Sch C2.1 and C3.2, 926100, 926300)
17
18 Note B - Sch C2.1 and C3.2, 926200, 926210, 926220, 926225, 926230, 926240, 926260, 926270, 926280, 926400, 926450)
19
20 Note C - Sch C2.1 and C3.2, Fed Unpl, Fed FICA, St Unpl, Trf to Other Accts)

OHIO GA .MPANY
CASE NO. 17-1139-GA-AIR
TOTAL COMPANY PAYROLL ANALYSIS
TEST YEAR AND FIVE MOST RECENT CALENDAR YEARS

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule C-9.1
Page 1 of 1
Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	TEST YEAR 3 & 9	MOST RECENT FIVE CALENDAR YEARS 12/31/2016	12/31/2015	12/31/2014	12/31/2013	12/31/2012
1	MANHOURS						
2	STRAIGHT-TIME HOURS	170,478	172,232	177,334	170,070	171,832	172,772
3	OVERTIME HOURS	3,643	3,626	3,833	4,153	3,753	3,538
4	TOTAL MANHOURS	174,121	175,858	181,167	174,223	175,585	176,310
5							
6	RATIO OF OVERTIME HOURS TO STRAIGHT-TIME HOURS	2.14	2.11	2.16	2.44	2.18	2.05
7							
8	LABOR DOLLARS						
9	STRAIGHT-TIME DOLLARS	$ 5,343,081	$ 5,199,305	$ 4,963,804	$ 4,880,968	$ 4,794,591	$ 4,722,692
10	OVERTIME DOLLARS	130,155	126,813	130,512	136,330	120,291	109,812
11	TOTAL LABOR DOLLARS	$ 5,473,236	$ 5,326,118	$ 5,094,316	$ 5,017,298	$ 4,914,882	$ 4,832,504
12							
13	RATIO OF OVERTIME DOLLARS TO STRAIGHT-TIME DOLLARS	2.44	2.44	2.63	2.79	2.51	2.33
14							
15	O&M LABOR DOLLARS	$ 4,199,600	$ 3,989,422	$ 3,814,295	$ 3,794,083	$ 3,643,467	$ 3,645,182
16	RATIO OF O&M LABOR DOLLARS TO TOTAL LABOR DOLLARS	76.73	74.90	74.87	75.62	74.13	75.43
17							
18	TOTAL EMPLOYEE BENEFITS	$ 2,078,077	$ 1,919,955	$ 1,577,122	$ 1,356,556	$ 1,620,851	$ 1,702,873
19	EMPLOYEE BENEFITS EXPENSED	$ 1,636,072	$ 1,484,560	$ 1,224,466	$ 1,001,186	$ 1,219,984	$ 1,369,440
20	RATIO OF BENEFITS EXPENSED TO TOTAL BENEFITS	78.73	77.32	77.64	73.80	75.27	80.42
21							
22	TOTAL PAYROLL TAXES	$ 415,968	$ 391,994	$ 400,137	$ 378,051	$ 373,451	$ 361,124
23	PAYROLL TAXES EXPENSED	$ 327,220	$ 301,155	$ 315,148	$ 303,608	$ 295,253	$ 292,767
24	RATIO OF PAYROLL TAXES EXPENSED TO TOTAL						
25	PAYROLL TAXES	78.66	76.83	78.76	80.31	79.06	81.07
26							
27	AVERAGE EMPLOYEE LEVELS	81	81	80	79	82	81
28	YEAR END EMPLOYEE LEVELS	81	81	80	80	81	81

OHIO GA MPANY
CASE NO. 17-1139-GA-AIR
COMPARATIVE BALANCE SHEETS (TOTAL COMPANY)
AS OF DECEMBER 31, 2016 AND DECEMBER 31,2011 - 2015

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule C-10.1

Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	DATE CERTAIN 12/31/2016	MOST RECENT FIVE CALENDAR YEARS 12/31/2015	12/31/2014	12/31/2013	12/31/2012	12/31/2011
1	UTILITY PLANT						
2	TOTAL GAS PLANT IN SERVICE	$ 100,493,155	$ 97,434,556	$ 95,164,983	$ 92,663,909	$ 89,568,649	$ 86,683,662
3	CONSTRUCTION WORK IN PROGRESS	-	328,498	239,164	171,019	182,852	162,425
4	TOTAL ACCUM PROV FOR DEPR OF UTILITY PL/	(62,914,270)	(61,145,755)	(58,561,751)	(55,972,977)	(53,499,945)	(51,131,710)
5	PLANT ACQUISITION ADJUSTMENTS	570,841	570,841	570,841	570,841	570,841	570,841
6	ACCUM PROV FOR AMORT OF ACQ ADJS	(570,841)	(570,841)	(570,841)	(570,841)	(570,841)	(570,841)
7	NET UTILITY PLANT	37,578,885	36,617,299	36,842,396	36,861,951	36,251,556	35,714,377
8	OTHER PROPERTY AND INVESTMENTS						
9	INVESTMENT IN SUBSIDIARY COMPANIES	15,136,595	14,819,573	14,508,844	14,091,229	13,648,882	13,199,445
10	OTHER INVESTMENTS	208	208	208	208	208	208
11	TOTAL OTH PROP AND INVESTMENTS	15,136,803	14,819,781	14,509,052	14,091,437	13,649,090	13,199,653
12	CURRENT AND ACCRUED ASSETS						
13	CASH & WORKING FUNDS	4,837	8,500	75,920	28,234	128,441	189,613
14	WORKING FUNDS	615	665	980	980	51,183	73,150
15	NOTES RECEIVABLE	30,750	70,287	70,287	77,727	77,727	72,727
16	CUSTOMER ACCOUNTS RECEIVABLE	5,790,568	4,433,465	6,628,678	7,168,219	5,001,008	6,017,066
17	OTHER ACCOUNTS RECEIVABLE	219,890	113,702	8,630	87,407	127,608	111,517
18	ACCUM PROV FOR UNCOLLECTIBLE ACCTS	(1,596)	(1,596)	(1,596)	(1,596)	(1,596)	(1,596)
19	NOTES RECEIVABLE FROM ASSOC COMPANIES	4,000,000	6,300,000	7,000,000	5,600,000	6,400,000	7,200,000
20	ACCOUNTS RECEIVABLE FROM ASSOC COS	12,367	15,825	15,819	13,398	13,991	19,008
21	PLANT MATERIALS AND OPERATING SUPPLIES	504,287	519,331	542,761	775,229	955,272	725,325
22	PREPAYMENTS	315,825	350,166	374,179	353,231	330,281	329,591
23	TOTAL CURRENT AND ACCRUED ASSETS	10,877,543	11,810,345	14,715,658	14,102,829	13,083,915	14,736,401
24	DEFERRED DEBITS						
25	MISCELLANEOUS DEFERRED DEBITS	413,394	365,723	393,546	131,772	218,947	411,708
26	TOTAL DEFERRED DEBITS	413,394	365,723	393,546	131,772	218,947	411,708
27	TOTAL ASSETS AND OTHER DEBITS	$ 64,006,625	$ 63,613,148	$ 66,460,652	$ 65,187,989	$ 63,203,508	$ 64,062,139

OHIO GA MPANY
CASE NO. 17-1139-GA-AIR
COMPARATIVE BALANCE SHEETS
AS OF DECEMBER 31, 2016 AND DECEMBER 31,2011 - 2015

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s):

Schedule C-10.1

Witness Responsible:

LINE NO.	DESCRIPTION	DATE CERTAIN 12/31/2016	MOST RECENT FIVE CALENDAR YEARS 12/31/2015	12/31/2014	12/31/2013	12/31/2012	12/31/2011
28	PROPRIETORY CAPITAL						
29	COMMON STOCK ISSUED	$ 12,354,750	$ 12,354,750	$ 12,354,750	$ 12,354,750	$ 12,354,750	$ 12,354,750
30	MISCELLANEOUS PAID-IN CAPITAL	8,753,055	8,753,055	8,753,055	8,753,055	8,753,055	8,753,055
31	UNAPPROPRIATED RETAINED EARNINGS	13,874,557	14,877,033	15,444,691	14,592,840	14,455,671	16,468,130
32	UNAPPROP UNDIST SUBDIDIARY EARNINGS	12,169,865	11,827,110	11,490,650	11,045,287	10,562,762	10,070,529
33	ACCUM OTHER COMPREHENSIVE INCOME	(4,978,148)	(5,134,998)	(4,891,710)	(3,663,443)	(5,867,902)	(5,370,084)
34	TOTAL PROPRIETORY CAPITAL	42,174,079	42,676,950	43,151,436	43,082,489	40,258,336	42,276,380
35	CURRENT AND ACCRUED LIABILITIES						
36	ACCOUNTS PAYABLE	2,813,396	2,737,255	2,148,313	1,571,310	2,984,669	2,170,420
37	ACCOUNTS PAYABLE TO ASSOCIATED COS	3,636,601	2,986,630	5,918,335	5,695,457	3,382,239	4,501,468
38	CUSTOMER DEPOSITS	557,611	652,339	704,116	679,035	661,780	678,712
39	TAXES ACCRUED	2,066,709	1,696,868	1,232,818	1,851,400	1,584,834	457,551
40	INTEREST ACCRUED	62,963	61,423	57,974	56,357	52,142	50,087
41	MISC CURRENT AND ACCRUED LIABILITIES	7,281,540	6,883,595	6,711,905	5,157,698	8,290,113	8,050,450
42	TOTAL CURRENT ACCRUED LIABILITIES	16,418,820	15,018,110	16,773,461	15,011,257	16,955,777	15,908,688
43	DEFERRED CREDITS						
44	CUST ADV FOR CONSTRUCTION	581,308	668,000	616,236	530,209	568,107	544,348
45	OTHER DEFERRED CREDITS	272,617	293,206	322,598	354,750	385,007	421,019
46	OTHER REGULATORY LIABILITIES	551,353	574,678	623,014	664,379	716,835	633,983
47	ACCUM DEFERRED INVESTMENT TAX CREDITS	9,477	13,409	20,861	31,029	45,189	63,559
48	ACCUM DEF INCOME TAXES - ACCEL AMORT	(153,707)	(172,146)	(191,898)	(212,663)	(234,916)	(258,739)
49	ACCUM DEF INCOME TAXES - LIBERALIZED DEPR	6,798,380	7,145,429	7,689,832	7,754,038	7,590,953	7,438,012
50	ACCUM DEF INCOME TAXES - OTHER	(2,645,702)	(2,604,488)	(2,544,888)	(2,027,499)	(3,081,780)	(2,965,111)
51	TOTAL DEFERRED CREDITS	5,413,726	5,918,088	6,535,755	7,094,243	5,989,395	5,877,071
52	TOTAL LIABILITIES PLUS PROP CAPITAL	$ 64,006,625	$ 63,613,148	$ 66,460,652	$ 65,187,989	$ 63,203,508	$ 64,062,139

OHIO GA .MPANY
CASE NO. 17-1139-GA-AIR
COMPARATIVE INCOME STATEMENTS (TOTAL COMPANY)
TEST YEAR AND FIVE MOST RECENT CALENDAR YEARS

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule C-10.2
Page 1 of 1
Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	TEST YEAR 3 & 9	MOST RECENT FIVE CALENDAR YEARS 12/31/2016	12/31/2015	12/31/2014	12/31/2013	12/31/2012
1	OPERATING REVENUES	$ 16,235,779	$ 16,364,979	$ 16,871,728	$ 18,699,609	$ 17,509,072	$ 15,580,801
2							
3	OPERATING EXPENSES						
4	OPERATION EXPENSE	7,556,646	7,294,498	6,795,747	6,211,186	6,483,437	6,589,339
5	MAINTENANCE EXPENSE	1,222,992	1,014,850	1,083,434	1,218,614	958,597	984,245
6	DEPRECIATION EXPENSE	2,961,600	2,843,480	3,054,970	2,987,305	2,912,571	2,819,231
7	TAXES OTHER THAN INCOME TAXES	2,395,986	2,337,543	2,409,431	2,555,253	2,431,823	2,200,303
8	INCOME TAXES	698,155	945,733	1,164,887	1,908,790	1,559,185	977,511
9	TOTAL OPERATING EXPENSES	14,835,379	14,436,104	14,508,469	14,881,148	14,345,613	13,570,629
10	NET OPERATING INCOME	1,400,400	1,928,875	2,363,259	3,818,461	3,163,459	2,010,172
11							
12	OTHER OPERATING INCOME						
13	EQUITY IN EARNINGS OF SUBSIDIARIES	433,970	342,755	336,460	445,363	482,525	492,233
14	INTEREST AND DIVIDEND INCOME (NET OF FIT)	68,122	128,381	129,249	109,341	47,821	84,923
15	DONATIONS	(19,015)	(16,195)	(12,764)	(16,918)	(12,556)	(10,555)
16	TOTAL OTHER INCOME AND DEDUCTIONS	483,077	454,941	452,945	537,786	517,790	566,601
17							
18	INTEREST CHARGES						
19	OTHER INTEREST EXPENSE	17,167	17,806	19,654	18,855	18,762	18,514
20	TOTAL INTEREST CHARGES	17,167	17,806	19,654	18,855	18,762	18,514
21							
22	NET INCOME	$ 1,866,310	$ 2,366,010	$ 2,796,550	$ 4,337,392	$ 3,662,487	$ 2,558,259
		118,120	(211,490)	67,665	74,734	93,340	28,474
							$ 23,728

OHIO GAS COMI
CASE NO. 17-1139-G-. ...
REVENUE STATISTICS (TOTAL COMPANY) - GAS REVENUES
2012 - 2022

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule C-11.1
Page 1 of 1
Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS 2012	2013	2014	2015	2016	TEST YEAR 3 & 9	FIVE PROJECTED CALENDAR YEARS 2018	2019	2020	2021	2022
1	REVENUE BY CUSTOMER CLASS (A)											
2	TRANSPORTATION REVENUES											
3	RESIDENTIAL	$ 8,425,479	$ 9,400,618	$ 10,116,964	$ 9,180,474	$ 8,891,997	$ 9,050,364	$ 12,500,096	$ 12,519,763	$ 12,539,430	$ 12,559,098	$ 12,578,765
4	COMMERCIAL - INTERRUPTIBLE	1,236	1,890	509	-	-	-	-	-	-	-	-
5	COMMERCIAL - FIRM	2,948,808	3,487,310	3,817,368	3,398,485	3,307,564	3,199,104	3,571,711	3,573,165	3,574,619	3,576,073	3,577,527
6	INDUSTRIAL - INTERRUPTIBLE	460,011	420,999	372,127	252,032	313,960	228,043	228,043	228,043	228,043	228,043	228,043
7	INDUSTRIAL - FIRM	3,354,046	3,785,332	3,856,497	3,577,825	3,524,284	3,681,744	3,702,636	3,702,636	3,702,559	3,702,483	3,702,483
8	TOTAL TRANSPORTATION REVENUES	$ 15,189,580	$ 17,096,149	$ 18,163,465	$ 16,408,816	$ 16,037,805	$ 16,159,255	$ 20,002,485	$ 20,023,607	$ 20,044,651	$ 20,065,696	$ 20,086,817
9												
10	# OF CUSTOMERS BY CLASS - MONTH END											
11	TRANSPORTATION CUSTOMERS											
12	RESIDENTIAL	43,196	43,502	43,818	44,068	44,483	44,822	45,079	45,336	45,593	45,850	46,107
13	COMMERCIAL - INTERRUPTIBLE	1	1	-	-	-	-	-	-	-	-	-
14	COMMERCIAL - FIRM	4,723	4,755	4,773	4,785	4,815	4,858	4,877	4,896	4,915	4,934	4,953
15	INDUSTRIAL - INTERRUPTIBLE	28	27	24	24	24	24	24	24	24	24	24
16	INDUSTRIAL - FIRM	301	311	317	318	317	327	329	329	328	327	327
17	TOTAL TRANSPORTATION CUSTOMERS	48,249	48,596	48,932	49,195	49,639	50,031	50,309	50,585	50,860	51,135	51,411
18												
19	# OF CUSTOMERS BY CLASS - 12 MONTH AVG											
20	TRANSPORTATION CUSTOMERS											
21	RESIDENTIAL	42,659	42,939	43,210	43,588	43,957	44,309	44,566	44,823	45,080	45,337	45,594
22	COMMERCIAL - INTERRUPTIBLE	2	2	1	-	-	-	-	-	-	-	-
23	COMMERCIAL - FIRM	4,667	4,712	4,731	4,757	4,777	4,815	4,834	4,853	4,872	4,891	4,910
24	INDUSTRIAL - INTERRUPTIBLE	34	33	32	31	24	24	24	24	24	24	24
25	INDUSTRIAL - FIRM	342	343	351	354	319	320	322	322	321	320	320
26	TOTAL TRANSPORTATION CUSTOMERS	47,704	48,029	48,325	48,730	49,077	49,468	49,746	50,022	50,297	50,572	50,848
27												
28	AVERAGE REVENUE PER CUSTOMER											
29	TRANSPORTATION CUSTOMERS											
30	RESIDENTIAL	198	219	234	211	202	204	280	279	278	277	276
31	COMMERCIAL - INTERRUPTIBLE	618	945	509	#DIV/0!	-	-	-	-	-	-	-
32	COMMERCIAL - FIRM	632	740	807	714	692	664	739	736	734	731	729
33	INDUSTRIAL - INTERRUPTIBLE	13,530	12,758	11,629	8,130	13,082	9,502	9,502	9,502	9,502	9,502	9,502
34	INDUSTRIAL - FIRM	9,807	11,036	10,987	10,107	11,048	11,505	11,499	11,499	11,534	11,570	11,570

(A) INCLUDES BILLED AND UNBILLED REVENUES AND EXCLUDES FORFEITED DISCOUNTS (487.000), MISC SERVICE REVENUE (488.000) AND RETURNED CHECK CHARGE (488.000).

OHIO GAS COM.
CASE NO. 17-1139-GA-AIR
REVENUE STATISTICS (TOTAL JURISDICTIONAL) - GAS REVENUES
2012 - 2022

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule C-11.2
Page 1 of 1
Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS 2012	2013	2014	2015	2016	TEST YEAR 3 & 9	FIVE PROJECTED CALENDAR YEARS 2018	2019	2020	2021	2022
1	REVENUE BY CUSTOMER CLASS (A)											
2	TRANSPORTATION REVENUES											
3	RESIDENTIAL	$ 8,425,479	$ 9,400,618	$ 10,116,964	$ 9,180,474	$ 8,891,997	$ 9,050,364	$ 12,500,096	$ 12,519,763	$ 12,539,430	$ 12,559,098	$ 12,578,765
4	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
5	COMMERCIAL - FIRM	2,674,764	3,202,235	3,535,140	3,133,733	3,076,295	2,975,732	3,348,339	3,349,793	3,351,247	3,352,701	3,354,155
6	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
7	INDUSTRIAL - FIRM	485,650	615,587	732,560	563,896	556,324	590,382	611,274	611,274	611,197	611,121	611,121
8	TOTAL TRANSPORTATION REVENUES	$ 11,585,893	$ 13,218,440	$ 14,384,664	$ 12,878,103	$ 12,524,616	$ 12,616,478	$ 16,459,708	$ 16,480,830	$ 16,501,874	$ 16,522,919	$ 16,544,040
9												
10	# OF CUSTOMERS BY CLASS - MONTH END											
11	TRANSPORTATION CUSTOMERS											
12	RESIDENTIAL	43,196	43,502	43,818	44,068	44,483	44,822	45,079	45,336	45,593	45,850	46,107
13	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
14	COMMERCIAL - FIRM	4,715	4,747	4,765	4,777	4,807	4,850	4,869	4,888	4,907	4,926	4,945
15	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
16	INDUSTRIAL - FIRM	248	258	264	264	261	271	273	273	272	271	271
17	TOTAL TRANSPORTATION CUSTOMERS	48,159	48,507	48,847	49,109	49,551	49,943	50,221	50,497	50,772	51,047	51,323
18												
19	# OF CUSTOMERS BY CLASS - 12 MONTH AVG											
20	TRANSPORTATION CUSTOMERS											
21	RESIDENTIAL	42,659	42,939	43,210	43,588	43,957	44,309	44,566	44,823	45,080	45,337	45,594
22	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
23	COMMERCIAL - FIRM	4,631	4,673	4,692	4,719	4,770	4,808	4,827	4,846	4,865	4,884	4,903
24	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
25	INDUSTRIAL - FIRM	243	243	252	254	263	263	265	265	264	263	263
26	TOTAL TRANSPORTATION CUSTOMERS	47,533	47,855	48,154	48,561	48,990	49,380	49,658	49,934	50,209	50,484	50,760
27												
28	AVERAGE REVENUE PER CUSTOMER											
29	TRANSPORTATION CUSTOMERS											
30	RESIDENTIAL	198	219	234	211	202	204	280	279	278	277	276
31	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
32	COMMERCIAL - FIRM	578	685	753	664	645	619	694	691	689	686	684
33	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
34	INDUSTRIAL - FIRM	1,999	2,533	2,907	2,220	2,115	2,245	2,307	2,307	2,315	2,324	2,324

(A) INCLUDES BILLED AND UNBILLED REVENUES AND EXCLUDES FORFEITED DISCOUNTS (487.000), MISC SERVICE REVENUE (488.000) AND RETURNED CHECK CHARGE (488.000).

OHIO GAS COMI
CASE NO. 17-1139-GA-...
MCF STATISTICS (TOTAL COMPANY) - MCF TRANSPORTATION
2012 - 2022

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule C-11.3
Page 1 of 1
Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS 2012	2013	2014	2015	2016	TEST YEAR 3 & 9	FIVE PROJECTED CALENDAR YEARS 2018	2019	2020	2021	2022
1	MCF TRANS BY CUSTOMER CLASS (A)											
2	TRANSPORTATION REVENUES											
3	RESIDENTIAL	3,310,212.9	3,912,762.3	4,407,329.9	3,743,911.0	3,517,238.4	3,680,524.8	3,701,855.8	3,723,186.8	3,744,517.8	3,765,848.8	3,787,179.8
4	COMMERCIAL - INTERRUPTIBLE	1,488.9	2,277.7	612.9	-	-	-	-	-	-	-	-
5	COMMERCIAL - FIRM	1,602,484.8	1,955,444.9	2,194,209.5	1,886,932.4	1,809,817.0	1,770,761.2	1,777,753.2	1,784,745.2	1,791,737.2	1,798,729.2	1,805,721.2
6	INDUSTRIAL - INTERRUPTIBLE	595,431.4	364,444.8	269,452.0	155,461.8	208,429.5	149,373.7	149,373.7	149,373.7	149,373.7	149,373.7	149,373.7
7	INDUSTRIAL - FIRM	4,645,270.5	5,105,719.8	5,246,410.7	4,710,168.1	4,656,867.2	4,790,684.9	4,820,626.9	4,820,626.9	4,805,655.9	4,790,684.9	4,790,684.9
8	TOTAL TRANSPORTATION REVENUES	10,154,888.5	11,340,649.5	12,118,015.0	10,496,473.3	10,192,352.1	10,391,344.6	10,449,609.6	10,477,932.6	10,491,284.6	10,504,636.6	10,532,959.6
9												
10	# OF CUSTOMERS BY CLASS - MONTH END											
11	TRANSPORTATION CUSTOMERS											
12	RESIDENTIAL	43,196	43,502	43,818	44,068	44,483	44,822	45,079	45,336	45,593	45,850	46,107
13	COMMERCIAL - INTERRUPTIBLE	1	1	-	-	-	-	-	-	-	-	-
14	COMMERCIAL - FIRM	4,723	4,755	4,773	4,785	4,815	4,858	4,877	4,896	4,915	4,934	4,953
15	INDUSTRIAL - INTERRUPTIBLE	28	27	24	24	24	24	24	24	24	24	24
16	INDUSTRIAL - FIRM	301	311	317	318	317	327	329	329	328	327	327
17	TOTAL TRANSPORTATION CUSTOMERS	48,249	48,596	48,932	49,195	49,639	50,031	50,309	50,585	50,860	51,135	51,411
18												
19	# OF CUSTOMERS BY CLASS - 12 MONTH AVG											
20	TRANSPORTATION CUSTOMERS											
21	RESIDENTIAL	42,659	42,939	43,210	43,588	43,957	44,309	44,566	44,823	45,080	45,337	45,594
22	COMMERCIAL - INTERRUPTIBLE	2	2	1	-	-	-	-	-	-	-	-
23	COMMERCIAL - FIRM	4,667	4,712	4,731	4,757	4,777	4,815	4,834	4,853	4,872	4,891	4,910
24	INDUSTRIAL - INTERRUPTIBLE	34	33	32	31	24	24	24	24	24	24	24
25	INDUSTRIAL - FIRM	342	343	351	354	319	320	322	322	321	320	320
26	TOTAL TRANSPORTATION CUSTOMERS	47,704	48,029	48,325	48,730	49,077	49,468	49,746	50,022	50,297	50,572	50,848
27												
28	AVERAGE MCF TRANS PER CUSTOMER											
29	TRANSPORTATION CUSTOMERS											
30	RESIDENTIAL	78	91	102	86	80	83	83	83	83	83	83
31	COMMERCIAL - INTERRUPTIBLE	744	1,139	613	-	-	-	-	-	-	-	-
32	COMMERCIAL - FIRM	343	415	464	397	379	368	368	368	368	368	368
33	INDUSTRIAL - INTERRUPTIBLE	17,513	11,044	8,420	5,015	8,685	6,224	6,224	6,224	6,224	6,224	6,224
34	INDUSTRIAL - FIRM	13,583	14,885	14,947	13,306	14,598	14,971	14,971	14,971	14,971	14,971	14,971

(A) INCLUDES BILLED AND UNBILLED MCF TRANSPORTATION.

OHIO GAS COMI
CASE NO. 17-1139-GA-AIR
MCF STATISTICS (JURISDICTIONAL) - MCF TRANSPORTATION
2012 - 2022

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule C-11.4
Page 1 of 1

Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS 2012	2013	2014	2015	2016	TEST YEAR 3 & 9	FIVE PROJECTED CALENDAR YEARS 2018	2019	2020	2021	2022
1	MCF TRANS BY CUSTOMER CLASS (A)											
2	TRANSPORTATION REVENUES											
3	RESIDENTIAL	3,310,212.9	3,912,762.3	4,407,329.9	3,743,911.0	3,517,238.4	3,680,524.8	3,701,855.8	3,723,186.8	3,744,517.8	3,765,848.8	3,787,179.8
4	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
5	COMMERCIAL - FIRM	1,417,269.8	1,761,084.3	2,003,071.6	1,709,965.0	1,654,092.5	1,621,219.8	1,627,622.8	1,634,025.8	1,640,428.8	1,646,831.8	1,653,234.8
6	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
7	INDUSTRIAL - FIRM	286,517.1	376,231.5	467,025.4	342,414.3	333,797.7	363,130.1	365,892.1	365,892.1	364,511.1	363,130.1	363,130.1
8	TOTAL TRANSPORTATION REVENUES	5,013,999.8	6,050,078.1	6,877,426.9	5,796,290.3	5,505,128.6	5,664,874.7	5,695,370.7	5,723,104.7	5,749,457.7	5,775,810.7	5,803,544.7
9												
10	# OF CUSTOMERS BY CLASS - MONTH END											
11	TRANSPORTATION CUSTOMERS											
12	RESIDENTIAL	43,196	43,502	43,818	44,068	44,483	44,822	45,079	45,336	45,593	45,850	46,107
13	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
14	COMMERCIAL - FIRM	4,715	4,747	4,765	4,777	4,807	4,850	4,869	4,888	4,907	4,926	4,945
15	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
16	INDUSTRIAL - FIRM	248	258	264	264	261	271	273	273	272	271	271
17	TOTAL TRANSPORTATION CUSTOMERS	48,159	48,507	48,847	49,109	49,551	49,943	50,221	50,497	50,772	51,047	51,323
18												
19	# OF CUSTOMERS BY CLASS - 12 MONTH AVG											
20	TRANSPORTATION CUSTOMERS											
21	RESIDENTIAL	42,659	42,939	43,210	43,588	43,957	44,309	44,566	44,823	45,080	45,337	45,594
22	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
23	COMMERCIAL - FIRM	4,631	4,673	4,692	4,719	4,770	4,808	4,827	4,846	4,865	4,884	4,903
24	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
25	INDUSTRIAL - FIRM	243	243	252	254	263	263	265	265	264	263	263
26	TOTAL TRANSPORTATION CUSTOMERS	47,533	47,855	48,154	48,561	48,990	49,380	49,658	49,934	50,209	50,484	50,760
27												
28	AVERAGE MCF TRANS PER CUSTOMER											
29	TRANSPORTATION CUSTOMERS											
30	RESIDENTIAL	78	91	102	86	80	83	83	83	83	83	83
31	COMMERCIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
32	COMMERCIAL - FIRM	306	377	427	362	347	337	337	337	337	337	337
33	INDUSTRIAL - INTERRUPTIBLE	-	-	-	-	-	-	-	-	-	-	-
34	INDUSTRIAL - FIRM	1,179	1,548	1,853	1,348	1,269	1,381	1,381	1,381	1,381	1,381	1,381

(A) INCLUDES BILLED AND UNBILLED MCF TRANSPORTATION.

OHIO GAS COMPA.

CASE NO. 17-1139-GA-AIR

ANALYSIS OF RESERVE FOR UNCOLLECTIBLE ACCOUNTS

2014 - 2016AND THE TWELVE MONTHS ENDING DECEMBER 31, 2017

Data: x Actual Estimated

Schedule C-12

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): No Applicable Work Paper

Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	MOST RECENT THREE CALENDAR YEARS 2014	2015	2016	TEST YEAR
1					
2	RESERVE AT BEGINNING OF YEAR	$ -	$ -	$ -	$ -
3					
4	CURRENT YEAR PROVISION	-	-	-	-
5					
6	WRITE-OFFS NET OF RECOVERIES	-	-	-	-
7					
8	RESERVE AT END OF YEAR	$ -	$ -	$ -	$ -

NOTE: UNCOLLECTIBLE ACCOUNTS ARE TRACKED THROUGH EITHER THE PIPP OR UNCOLLECTIBLE EXPENSE RIDERS, THEREFORE, ACTIVITY NETS TO ZERO IN THE RESERVE FOR UNCOLLECTIBLE ACCOUNTS.

OHIO GAS COMPANY
CASE NO. 1 9-GA-AIR
RATE OF RETURN SUMMARY
AS OF DECEMBER 31 2016

Schedule D-1
Page 1 of 1

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP SFR Data Base

Witness Responsible: Joseph G. Bowser; Kim A. Watkins

LINE NO.		CLASS OF CAPITAL	REFERENCE	DOLLAR AMOUNT	% OF TOTAL	% COST	WEIGHTED COST %
1		LONG-TERM DEBT	D-3	$ -	0.00%	0.00%	0.00%
2		PREFERRED STOCK	D-4	-	0.00%	0.00%	0.00%
3		COMMON EQUITY (A)		42,174,079	100.00%	9.00%	9.00%
4		TOTAL CAPITAL		$ 42,174,079	100.00%		9.00%
5	255	ACCUMULATED DEFERRED INVESTMENT TAX CREDIT		$ 9,477			
6	281	ACCUMULATED DEFERRED INCOME TAXES		$ (153,707)			
7	282	ACCUMULATED DEFERRED INCOME TAXES		$ 6,798,380			
8	283	ACCUMULATED DEFERRED INCOME TAXES (A)		$ (2,645,702)			
9	(A)	Common Equity is adjusted for Accumulated Other Comprehensive Income (OCI) and Deferred Taxes are adjusted for the tax effect of OCI.					

OHIO GAS COMPANY
CASE NO. 1 9-GA-AIR
COMMON EQUITY
AS OF DECEMBER 31 2016

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP SFR Data Base

Witness Responsible: Kim A. Watkins

LINE NO.		COMMON STOCK DOLLAR AMOUNT	PAID-IN CAPITAL DOLLAR AMOUNT	RETAINED EARNINGS DOLLAR AMOUNT	ACCUMULATED OTHER COMPREHENSIVE INCOME DOLLAR TOTAL	INTERCOMPANY ELIMINATIONS DOLLAR AMOUNT	TOTAL COMMON EQUITY DOLLAR AMOUNT
1	OHIO GAS COMPANY COMMON EQUITY (A)	$ 12,354,750	$ 8,753,055	$ 26,044,422	$ (4,978,148)	$ -	$ 42,174,079

(A) Common Equity is adjusted for Accumulated Other Comprehensive Income (OCI) and Deferred Taxes are adjusted for the tax effect of OCI.

OHIO GAS COMPANY
CASE NO. 1 9-GA-AIR
EMBEDDED OST OF SHORT TERM DEBT
AS OF DECEMBER 31 2016

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP SFR Data Base

Witness Responsible: Kim A. Watkins

NONE

OHIO GAS COMPANY
CASE NO. 1 9-GA-AIR
EMBEDDED OST OF LONG TERM DEBT
AS OF DECEMBER 31 2016

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP SFR Data Base

Witness Responsible: Kim A. Watkins

NONE

OHIO GAS COMPANY
CASE NO. 1 9-GA-AIR
EMBEDDED OST OF PREFERRED STOCK
AS OF DECEMBER 31 2016

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): WP SFR Data Base

Witness Responsible: Kim A. Watkins

NONE

OHIO GAS COM
CASE NO. 17-1139-G. ..
COMPARATIVE FINANCIAL DATA
2016 - 2007

Data: x Actual Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): WP SFR Data Base

Schedule D-5
Page 1 of 1
Witness Responsible: Kim A. Watkins

LINE NO.	DESCRIPTION	TEST YEAR OR DATE CERTAIN	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
1	PLANT DATA											
2	GROSS PLANT IN SERVICE											
3	PRODUCTION	$ 18,490	$ 18,490	$ 18,490	$ 18,490	$ 18,490	$ 18,490	$ 18,490	$ 18,490	$ 18,490	$ 18,490	$ 18,490
4	TRANSMISSION	18,758,679	18,758,679	17,434,292	17,285,567	16,075,360	15,038,136	14,147,692	10,827,133	10,796,865	10,653,479	10,646,683
5	DISTRIBUTION	77,149,622	77,149,622	71,281,851	69,283,705	67,967,463	66,070,744	64,382,203	62,308,409	59,876,271	58,683,623	57,029,815
6	GENERAL	4,566,364	4,566,364	8,699,923	8,577,221	8,602,596	8,441,279	8,135,277	6,460,944	5,821,036	5,407,396	4,908,563
7	TOTAL GROSS PLANT IN SERVICE	$ 100,493,155	$ 100,493,155	$ 97,434,556	$ 95,164,983	$ 92,663,909	$ 89,568,649	$ 86,683,662	$ 79,614,976	$ 76,512,662	$ 74,762,988	$ 72,603,551
8												
9	NET PLANT IN SERVICE											
10	PRODUCTION	$ 12,726	$ 12,726	$ 12,726	$ 12,868	$ 13,010	$ 13,152	$ 13,294	$ 13,436	$ 13,578	$ 13,720	$ 13,862
11	TRANSMISSION	9,528,526	9,528,526	8,622,255	8,897,026	8,095,398	7,451,010	6,928,171	3,922,992	4,145,610	4,276,326	4,541,251
12	DISTRIBUTION	26,966,300	26,966,300	24,991,593	24,637,385	25,062,708	24,670,981	24,495,917	24,077,340	23,271,800	23,635,520	23,437,615
13	GENERAL	1,071,333	1,071,333	2,662,227	3,055,953	3,519,816	3,933,561	4,114,570	2,755,771	2,484,830	2,430,411	2,213,279
14	TOTAL NET PLANT IN SERVICE	$ 37,578,885	$ 37,578,885	$ 36,288,801	$ 36,603,232	$ 36,690,932	$ 36,068,704	$ 35,551,952	$ 30,769,539	$ 29,915,818	$ 30,355,977	$ 30,206,007
15												
16	% OF CONSTRUCTION EXPENDITURES											
17	FINANCED INTERNALLY	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
18												
19	CAPITAL STRUCTURE											
20	LONG-TERM DEBT	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	PREFERRED STOCK	-	-	-	-	-	-	-	-	-	-	-
22	COMMON EQUITY	42,174,079	42,174,079	42,676,950	43,151,436	43,082,489	40,258,336	42,276,380	44,800,766	46,391,310	46,035,530	48,898,014
23	TOTAL CAPITAL	$ 42,174,079	$ 42,174,079	$ 42,676,950	$ 43,151,436	$ 43,082,489	$ 40,258,336	$ 42,276,380	$ 44,800,766	$ 46,391,310	$ 46,035,530	$ 48,898,014
24												
25	CONDENSED INCOME STATEMENT											
26	OPERATING REVENUES	$ 16,235,779	$ 16,364,979	$ 16,871,728	$ 18,699,609	$ 17,509,072	$ 15,580,801	$ 16,931,780	$ 15,999,548	$ 16,686,496	$ 17,127,684	$ 16,870,361
27	OPERATING EXPENSES EXCL F.I.T.	14,137,224	13,490,371	13,343,582	12,972,358	12,786,428	12,593,118	12,526,817	12,483,142	12,664,398	12,111,972	11,561,775
28	F.I.T. CURRENT, DEFERRED , ITC AMORT	698,155	945,733	1,164,887	1,908,790	1,559,185	977,511	1,443,302	1,141,125	1,308,867	1,644,301	1,747,588
29	OPERATING INCOME	1,400,400	1,928,875	2,363,259	3,818,461	3,163,459	2,010,172	2,961,661	2,375,281	2,713,231	3,371,411	3,560,998
30	AFDC	-	-	-	-	-	-	-	-	-	-	-
31	OTHER INCOME (NET)	483,077	454,941	452,945	537,786	517,790	566,601	628,453	851,014	1,183,657	1,230,399	1,243,346
32	INCOME AVAILABLE FOR FIXED CHARGES	1,883,477	2,383,816	2,816,204	4,356,247	3,681,249	2,576,773	3,590,114	3,226,295	3,896,888	4,601,810	4,804,344
33	INTEREST CHARGES	17,167	17,806	19,654	18,855	18,762	18,514	18,695	28,114	18,177	16,751	8,228
34	NET INCOME	1,866,310	2,366,010	2,796,550	4,337,392	3,662,487	2,558,259	3,571,419	3,198,181	3,878,711	4,585,059	4,796,116
35	PREFERRED DIVIDENDS	-	-	-	-	-	-	-	-	-	-	-
36	EARNINGS AVAILABLE FOR COMMON EQUITY	$ 1,866,310	$ 2,366,010	$ 2,796,550	$ 4,337,392	$ 3,662,487	$ 2,558,259	$ 3,571,419	$ 3,198,181	$ 3,878,711	$ 4,585,059	$ 4,796,116
37												
38	COMMON STOCK DATA											
39	SHARES OUTASANDING	988,380	988,380	988,380	988,380	988,380	988,380	988,380	988,380	988,380	988,380	988,380
40	EARNINGS PER SHARE	$ 1.89	$ 2.39	$ 2.83	$ 4.39	$ 3.71	$ 2.59	$ 3.61	$ 3.24	$ 3.92	$ 4.64	$ 4.85
41	DIVIDENDS	$ 3,025,731	$ 3,025,731	$ 3,027,748	$ 3,040,178	$ 3,042,796	$ 4,078,485	$ 4,144,131	$ 4,146,428	$ 4,172,164	$ 4,206,431	$ 4,206,495
42	DIVIDENDS PER SHARE	$ 3.06	$ 3.06	$ 3.06	$ 3.08	$ 3.08	$ 4.13	$ 4.19	$ 4.20	$ 4.22	$ 4.26	$ 4.26
43												
44	RATE OF RETURN MEASURES											
45	RETURN ON COMMON EQUITY	4.43%	5.61%	6.55%	10.05%	8.50%	6.35%	8.45%	7.14%	8.36%	9.96%	9.81%

Attachment 2

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
VARIANCE ANALYSIS - 3 & 9 OVER (UNDER) 12 MONTHS FORECAST
DECEMBER 31 2017

Data: 3 Actual 9 Estimated

Type of Filing: Original x Updated Revised

Work Paper Reference No(s): No Applicable Work Paper

Witness Responsible: Kim A. Watkins

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	Schedule C-2 UNADJUSTED TOTAL COMPANY 12 MOS 3&9	Schedule C-2 UNADJUSTED TOTAL COMPANY 12 MOS forecast	VARIANCE 3&9 OVER (UNDER) 12 MOS FORECAST	UNADJUSTED TOTAL COMPANY 3 MOS ACTUAL	UNADJUSTED TOTAL COMPANY 3 MOS FORECAST	VARIANCE 3&9 OVER (UNDER) 12 MOS FORECAST	
1		OPERATING REVENUES	$ 16,235,779	$ 16,861,700	$ (625,921)	$ 6,337,048	$ 6,962,969	$ (625,921)	(A)
2		OPERATING EXPENSES							
3		OPERATING EXPENSES - TRANSMISSION	459,851	506,190	(46,339)	95,231	141,570	(46,339)	(B)
4		OPERATING EXPENSES - DISTRIBUTION	2,157,856	2,212,480	(54,624)	492,296	546,920	(54,624)	(C)
5		OPERATING EXPENSES - CUSTOMER ACCOUNTS	1,333,978	1,340,170	(6,192)	333,118	339,310	(6,192)	(D)
6		OPERATING EXPENSES - CUSTOMER SERVICE	6,074	6,930	(856)	1,104	1,960	(856)	(E)
7		OPERATING EXPENSES - SALES	189,686	191,880	(2,194)	46,406	48,600	(2,194)	(F)
8		OPERATING EXPENSES - ADMINISTRATIVE AND GENERAL	3,409,201	3,442,170	(32,969)	834,361	867,330	(32,969)	(G)
9		TOTAL OPERATING EXPENSES	7,556,646	7,699,820	(143,174)	1,802,516	1,945,690	(143,174)	
10		MAINTENANCE EXPENSES							
11		MAINTENANCE EXPENSES - TRANSMISSION	240,382	248,560	(8,178)	31,042	39,220	(8,178)	(H)
12		MAINTENANCE EXPENSES - DISTRIBUTION	971,251	966,220	5,031	237,881	232,850	5,031	(I)
13		MAINTENANCE EXPENSES - ADMINISTRATIVE & GENERAL	11,359	11,760	(401)	2,259	2,660	(401)	(J)
14		TOTAL MAINTENANCE EXPENSES	1,222,992	1,226,540	(3,548)	271,182	274,730	(3,548)	
15									
16		DEPRECIATION EXPENSE	2,961,600	2,961,600	-	740,400	740,400	-	
17		TAXES OTHER THAN INCOME TAXES							
18		GROSS RECEIPTS TAX	778,778	796,360	(17,582)	309,288	326,870	(17,582)	(K)
19		FEDERAL UNEMPLOYMENT	11,484	11,470	14	3,374	3,360	14	
20		FEDERAL FICA	397,683	400,780	(3,097)	90,023	93,120	(3,097)	(L)
21		PUCO ASSESSMENT	20,040	20,040	-	5,010	5,010	-	
22		UNEMPLOYMENT	6,801	2,490	4,311	6,611	2,300	4,311	(M)
23		USE	19,235	14,400	4,835	8,435	3,600	4,835	(N)
24		EMPLOYER'S EXCISE	540	720	(180)	-	180	(180)	
25		CONSUMERS COUNSEL	1,680	1,680	-	420	420	-	
26		PUCO SAFETY AUDIT	2,400	2,400	-	600	600	-	
27		MCF TAX	326,894	335,410	(8,516)	141,284	149,800	(8,516)	(O)
28		PROPERTY TAX	919,200	919,200	-	229,800	229,800	-	
29		MISC	-	-	-	-	-	-	
30		TRF TO CLEARING ACCTS	(88,749)	(89,170)	421	(17,789)	(18,210)	421	
31		TOTAL TAXES OTHER THAN INCOME TAXES	2,395,986	2,415,780	(19,794)	777,056	796,850	(19,794)	
32									
33		INCOME TAXES							
34		INCOME TAXES - ACCRUAL ONLY	985,230	1,227,670	(242,440)	885,571	1,127,990	(242,419)	
35		PROV FOR DEF INC TAXES	(284,020)	(370,770)	86,750	45,685	(41,070)	86,755	
36		INVEST TAX CREDIT ADJ	(3,071)	(3,080)	9	(771)	(780)	9	
37		TOTAL INCOME TAXES	698,139	853,820	(155,681)	930,485	1,086,140	(155,655)	
38									
39		TOTAL OPERATING EXPENSES	14,835,363	15,157,560	(322,197)	4,521,639	4,843,810	(322,171)	
40									
41		NET OPERATING INCOME	$ 1,400,416	$ 1,704,140	$ (303,724)	$ 1,815,409	$ 2,119,159	$ (303,750)	

OHIO GAS COMPANY
CASE NO. 17-1139-GA-AIR
VARIANCE ANALYSIS - 3 & 9 OVER (UNDER) 12 MONTHS FORECAST
DECEMBER 31 2017

Data: 3 Actual 9 Estimated
Type of Filing: Original x Updated Revised
Work Paper Reference No(s): No Applicable Work Paper

Witness Responsible: Kim A. Watkins

(A) See WP 3&9 - Revenue Analysis. Actual Tariff Revenues were less than Forcasted Tariff Revenues by (8.87%). The Degree Day Variance was (13.76%).

(B)	OPERATING EXPENSES - TRANSMISSION		
	VARIANCE EXPLANATIONS - WP 3&9-O&M Analysis - PAGE 1 OF 12	$	(43,833)
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 11 OF 12		(2,506)
		$	(46,339)
(C)	OPERATING EXPENSES - DISTRIBUTION		
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 2 OF 12	$	(46,905)
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 11 OF 12		(7,719)
		$	(54,624)
(D)	OPERATING EXPENSES - CUSTOMER ACCOUNTS		
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 5 OF 12	$	(3,943)
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 11 OF 12		(2,249)
		$	(6,192)
(E)	OPERATING EXPENSES - CUSTOMER SERVICE		
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 6 OF 12	$	(759)
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 11 OF 12		(97)
		$	(856)
(F)	OPERATING EXPENSES - SALES		
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 6 OF 12	$	(1,689)
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 11 OF 12		(505)
		$	(2,194)
(G)	OPERATING EXPENSES - ADMINISTRATIVE AND GENERAL		
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 6 OF 12	$	(557)
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 7 OF 12		(20,699)
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 8 OF 12		(8,177)
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 10 OF 12		(300)
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 11 OF 12		(3,236)
		$	(32,969)
(H)	MAINTENANCE EXPENSES - TRANSMISSION		
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 3 OF 12	$	(6,790)
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 11 OF 12		(1,388)
		$	(8,178)
(I)	MAINTENANCE EXPENSES - DISTRIBUTION		
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 4 OF 12	$	7,631
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 11 OF 12		(2,600)
		$	5,031
(J)	MAINTENANCE EXPENSES - ADMINISTRATIVE AND GENERAL		
	VARIANCE EXPLANATIONS - WP 3&9 -O&M Analysis- PAGE 6 OF 12	$	(156)
	VARIANCE EXPLANATIONS - WP 3&9 - O&M Analysis-PAGE 11 OF 12		(245)
		$	(401)

(K) GROSS RECEIPTS TAX - ACTUAL LESS THAN FORECAST AS REVENUES ARE LESS THAN FORECAST.
(L) FICA - FORECAST IS HIGH.
(M) STATE UNEMPLOYMENT - FORECAST IS LOW.
(N) USE TAX - FORECAST IS LOW.
(O) MCF TAX - ACTUAL LESS THAN FORECAST AS MCF SALES ARE LESS THAN FORECAST.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

7/17/2017 9:57:31 AM

in

Case No(s). 17-1139-GA-AIR, 17-1140-GA-ATA, 17-1141-GA-AAM

Summary: Report Compliance Filing of Ohio Gas Company electronically filed by Mr. Frank P Darr on behalf of Ohio Gas Company

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
In the Matter of the Application of Ohio Gas Company for Tariff Approval	)))	Case No. 17-1140-GA-ATA
In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority	)))	Case No. 17-1141-GA-AAM

OHIO GAS COMPANY'S PROOF OF PUBLICATION

Frank P. Darr (Reg. No. 0025469)
(Counsel of Record)
Matthew R. Pritchard (Reg. No. 0088070)
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AUGUST 29, 2017

ATTORNEYS FOR OHIO GAS COMPANY

C0104143:1

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
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In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority	)))	Case No. 17-1141-GA-AAM

OHIO GAS COMPANY'S
PROOF OF PUBLICATION

Pursuant to the Entry dated July 26, 2017 in the above-captioned matter, the Ohio Gas Company ("Company") has published notice of its application in the following newspapers:

Newspaper	Publication Date
The Toledo Blade	August 8 & 16, 2017
The Crescent-News	August 4 & 11, 2017
The Bryan Times	August 5 & 12, 2017

Attached are copies of the newspaper notices and affidavits from the newspaper publishers verifying publication of the Company's legal notice in these cases.

Respectfully submitted,

/s/ Matthew R. Pritchard

Frank P. Darr (Reg. No. 0025469)
(Counsel of Record)
Matthew R. Pritchard (Reg. No. 0088070)
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21 East State Street, 17TH Floor
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Telephone: (614) 469-8000
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(willing to accept service by e-mail)
mpritchard@mwncmh.com
(willing to accept service by e-mail)

Attorneys for Ohio Gas Company

The Blade/toledoblade.com 541 N. Superior St. Toledo, OH 43660 419-724-6500

AFFIDAVIT OF PUBLICATION

STATE OF OHIO, LUCAS COUNTY}SS.

COPY

Advertiser's Name: Ohio Gas Company

Account # 118433

Width: 3 columns Depth: 8 inches Ad# 473551 Price: $3718.56

Run dates: AUGUST 8 & AUGUST 16, 2017 Section: Section A, Main News

I, Jeffrey A. Weckesser being first duly Sworn, make oath and say that I am an Advertising Clerk in the employ of THE TOLEDO BLADE CO., the publishers of THE BLADE, that I personally know the facts herein stated, that said BLADE is a daily newspaper printed, and of general circulation in excess of 90,000, in said County, and in said State, and that the notice of which the below is a true copy of the text, was published in said Daily BLADE according to the above run schedule.

Subscribed in my presence and sworn to before me this 16th day of Aug. A.D. 2017

Connie Paul

Notary Public, State of Ohio

NOTARY PUBLIC STATE OF OHIO

CONNIE J. PAUL
Notary Public, State of Ohio
My Commission Expires 02-26-2022

Ohio Gas Company
Case Nos. 17-1139-GA-AIR, et al.
Schedule S-3
Proposed Legal Notice

Ohio Gas Company has filed with the Public Utilities Commission of Ohio ("PUCO") an Application seeking authorization to increase its rates for the provision of natural gas distribution and transportation service and to amend its tariffs and obtain approval for certain accounting changes. The Application, In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates, Case No. 17-1139-GA-AIR, and two related cases, In the Matter of the Application of Ohio Gas Company for Tariff Approval, Case No. 17-1140-GA-ATA, and In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority, Case No. 17-1141-GA-AAM, were filed on May 31, 2017.

The last time that Ohio Gas Company was authorized to increase its rates for the provision of natural gas service was in 1985. It is seeking an increase in rates because of increases in costs, increased investment in plant to serve customers, and an erosion in gas sales due to the increased energy content of the natural gas supplied to customers. The proposed rates reflect the investment needed to continue to provide safe and reliable natural gas distribution and transportation service to the customers of Ohio Gas Company at just and reasonable prices.

This case does not propose to change the way that natural gas will be secured for the customer under the Community Energy Partnership or transportation contracts that have been entered by certain large natural gas users and Ohio Gas Company.

Ohio Gas Company has proposed the rate change based on the costs it would incur during a test year from January 1, 2017 to December 31, 2017 and the value of gas distribution plant as of December 31, 2016. The Application seeks approval of an increase in the monthly customer charge from its current level of $5.45 per month to $10.91 per month. If a customer consumed 100 CCF of natural gas, the percentage increase in the customer's total bill would be 6.44% over current charges.

The Application also seeks increases in certain onetime charges including charges for reconnection, field collection of bills, and checks returned for insufficient funds, and new charges for tie-ins, meter relocations, installation of excess flow valves, and investigation fees associated with tampering and fraud.

Recommendations which differ from the Application may be made by the staff of the PUCO or by intervening parties and may be adopted by the PUCO.

Any person, firm, corporation, or association may file, pursuant to section 4909.19 of the Revised Code, an objection to such proposed increased rate by alleging that such proposal is unjust and discriminatory or unreasonable.

A copy of the Application is available for inspection at the office of Ohio Gas Company located at 200 West High Street, Bryan, Ohio 43506 and at the PUCO, Docketing Division, 11th Floor, Columbus, Ohio 43215. The Application and supporting documents may also be viewed at the PUCO's web page at https://www.puco.ohio.gov, by selecting DIS, inputting 17-1139 in the case lookup box, and selecting the date the Application was filed.

Ohio Gas
200 West High Street
Po Box 528
Bryan, Oh 43506

Account #157598
Ticket:442500
RE:Case No 17-1139-GA-AIR

Affidavit of Publication
The State of Ohio
Defiance County

Before, the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths, personally appeared Judy Dumire, Who being first duly sworn, deposes and says: that she is the Agent of The Crescent-News, published, issued and entered as second class mail in the city of Defiance: that she is authorized to make this affidavit and sworn statement: that the notice or other legal advertisement, a true copy of which is shown here to, was published in The Crescent-News on the following date(s): 08/4/17 & 8/11/17

Signature of sworn person above
Sworn to and subscribed before me this 08/22/2017

Signature of Notary Public
Cost of Notice: $468.03
Published on: 08/4/2017 & 8/11/2017

NOTARIAL SEAL STATE OF OHIO

KANDY S. GUILLIAM
Notary Public, State of Ohio
My Commission Expires January 29, 2018

APG Media of Ohio LLC dba:
The Crescent-News
624 W Second St
Defiance OH 43512
FED ID 61-17314 16

COPY

20 Notices | 20 Notices | 20 Notices

Ohio Gas Company
Case Nos. 17-1139-GA-AIR, et al.
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COPY

STATE OF OHIO
COUNTY OF WILLIAMS

Sally Heaston being first duly sworn, says that she is the Vice President of The Bryan Times, a daily newspaper, published and of general circulation in the county of Williams aforesaid, and that the annexed notice was published two issues in said paper, beginning with the 5th day of August, 2017 and ending with the 12th day of August, 2017.

Sally Heaston

Sally Heaston

Subscribed and sworn to before me this 18th day of August, 2017.

Ramona L. Engelberth Notary Public

Ramona L. Engelberth

PRINTER'S FEE, $410.40

NOTARY FEE, $1.50

RAMONA L. ENGELB
NOTARY PUBLIC, STATE OF OHIO
DEFIANCE COUNTY
My Commission Expires 7/11/2022

Ohio Gas Company
Case Nos. 17-1139-GA-AIR, et al.
Schedule S-3
Proposed Legal Notice

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CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Ohio Gas Company's Proof of Publication* as sent by, or on behalf of, the undersigned counsel for Ohio Gas to the following parties of record this 29th day of August 2017, *via* electronic transmission.

/s/ Matthew R. Pritchard
Matthew R. Pritchard

Kevin F. Moore (Reg. No. 0089228)
(Counsel of Record)
Assistant Consumers' Counsel
Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, OH 43215
Kevin.moore@occ.ohio.gov

ON BEHALF OF THE OFFICE OF THE OHIO CONSUMERS' COUNSEL

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ON BEHALF OF THE STAFF OF THE PUBLIC UTILITIES COMMISSION OF OHIO

Sarah Parrot
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ATTORNEY EXAMINERS

This foregoing document was electronically filed with the Public Utilities

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8/29/2017 3:55:27 PM

in

Case No(s). 17-1139-GA-AIR, 17-1140-GA-ATA, 17-1141-GA-AAM

Summary: Proof of Pub Ohio Gas Company's Proof of Publication electronically filed by Mr. Matthew R. Pritchard on behalf of Ohio Gas Company

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
In the Matter of the Application of Ohio Gas Company for Tariff Approval	)))	Case No. 17-1140-GA-ATA
In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority	)))	Case No. 17-1141-GA-AAM

OHIO GAS COMPANY'S PROOF OF PUBLICATION

Frank P. Darr (Reg. No. 0025469)
(Counsel of Record)
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JANUARY 9, 2018

ATTORNEYS FOR OHIO GAS COMPANY

C0107733:1

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
In the Matter of the Application of Ohio Gas Company for Tariff Approval	))	Case No. 17-1140-GA-ATA
In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority	)))	Case No. 17-1141-GA-AAM

OHIO GAS COMPANY'S
PROOF OF PUBLICATION

Pursuant to the Entry dated December 5, 2017 in the above-captioned matter, the Ohio Gas Company ("Company") has published notice of its application in the following newspapers:

Newspaper	Publication Date
The Toledo Blade	December 20 & 27, 2017
The Crescent-News	December 20 & 27, 2017
The Bryan Times	December 20 & 27, 2017

Attached are copies of the newspaper notices and affidavits from the newspaper publishers verifying publication of the Company's legal notice in these cases.

Respectfully submitted,

/s/ Matthew R. Pritchard

Frank P. Darr (Reg. No. 0025469)
(Counsel of Record)
Matthew R. Pritchard (Reg. No. 0088070)
McNees Wallace & Nurick LLC
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(willing to accept service by e-mail)

Attorneys for Ohio Gas Company

The Blade/toledoblade.com 541 N. Superior St. Toledo, OH 43660 419-724-6500

AFFIDAVIT OF PUBLICATION

STATE OF OHIO, LUCAS COUNTY}SS.

Advertiser's Name: OHIO GAS COMPANY

Account # 118433

Width: 3 column Depth: 4.50 inches Ad No. 488436 Cost: $2091.67

Run dates: DEC 20, DEC 27, 2017 Section: A Main News

I, Lisa Berg being first duly Sworn, make oath and say that I am an Advertising Clerk in the employ of THE TOLEDO BLADE CO., the publishers of THE BLADE, that I personally know the facts herein stated, that said BLADE is a daily newspaper printed, and of general circulation in excess of 90,000, in said County, and in said State, and that the notice of which the below is a true copy of the text, was published in said Daily BLADE according to the above run schedule.

Subscribed in my presence and sworn to before me this 29th day of Dec. . A.D. 2017

Connie Paul

Notary Public, State of Ohio

NOTARY PUBLIC STATE OF OHIO

CONNIE J. PAUL
Notary Public, State of Ohio
My Commission Expires 02-26-2022

LEGAL NOTICE

The Public Utilities Commission of Ohio has scheduled a local public hearing in Case Nos. 17-1139-GA-AIR, 17-1140-GA-ATA, and 17-1141-GA-AAM, *In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates, for Tariff Approval, and for Approval of Certain Accounting Authority.* This local public hearing is scheduled for the purpose of providing interested members of the public an opportunity to testify in these proceedings. The local public hearing will be held on January 3, 2018, at 6:00 p.m., at City Council Chambers, 631 Perry Street, Defiance, Ohio 43512. By its application, Ohio Gas requests a rate increase, which, if approved, would generate additional base revenue of $3,237,346 or 24.52 percent over current revenue. The staff of the Commission recommends a revenue increase between $2,441,967 and $2,873,410 or between 18.22 percent and 21.44 percent over current revenue.

Further information may be obtained by contacting the Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215-3793, by calling the Commission's hotline at 1-800-686-7826, or by visiting the Commission's website at http://www.puco.ohio.gov.

The Crescent-News

OHIO GAS COMPANY

200 W HIGH ST
BRYAN, OH 43506

Account: 168754
Ticket: 464344
RE: LEGAL NOTICE The Public Utilities Co

Affidavit of Publication
The State of Ohio
Defiance County

Before, the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths, personally appeared Judy Dumire, Who being first duly sworn, deposes and says: that she is the Agent of The Crescent-News, published, issued and entered as second class mail in the city of Defiance: that she is authorized to make this affidavit and sworn statement: that the notice or other legal advertisement, a true copy of which is shown here to, was published in The Crescent-News on the following date(s): 12/20/17, 12/27/17

Signature of sworn person above

LEGAL NOTICE

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Sworn to and subscribed before me this 12/27/2017.

Kandy S. Guilliam
Signature of Notary Public

Cost of Notice: $145.38
Published on: 12/20/2017, 12/27/2017

NOTARIAL SEAL STATE OF OHIO

KANDY S. GUILLIAM
Notary Public, State of Ohio
My Commission Expires January 29, 2018

APG Media of Ohio LLC dba:
The Crescent-News
624 W Second St
Defiance OH 43512

FED ID 61-1731416

LEGAL NOTICE

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STATE OF OHIO
COUNTY OF WILLIAMS

Christopher Cullis being first duly sworn, says that he is the President of The Bryan Times, a daily newspaper, published and of general circulation in the county of Williams aforesaid, and that the annexed notice was published two issues in said paper, beginning with the 20th day of December, 2017 and ending with the 27th day of December, 2017.

Christopher Cullis

Subscribed and sworn to before me this 28th day of December, 2017.

Ramona L. Engelberth Notary Public

Ramona L. Engelberth

PRINTER'S FEE, $144.96

NOTARY FEE, $1.50

RAMONA L. ENGELBERTH
NOTARY PUBLIC, STATE OF OHIO
DEFIANCE COUNTY
My Commission Expires 7/11/2022

LEGAL NOTICE

The Public Utilities Commission of Ohio has scheduled a local public hearing in Case Nos. 17-1139-GA-AIR, 174140-GA-ATA, and 17-1141-GA-AAM, in the Matter of the Application of Ohio Gas Company_for an Increase in Gas Distribution Rates, for Tariff Approval, and for Approval of Certain Accounting Authority. This local public hearing is scheduled for the purpose of providing interested members of the public an opportunity to testify in these proceedings. The local public hearing will be held on January 3, 2018, at 6:00 p.m., at City Council Chambers, 631 Perry Street, Defiance, Ohio 43512. By its application, Ohio Gas requests a rate increase, which, if approved, would generate additional base revenue of $3,237,346 or 24.52 percent over current revenue. The staff of the Commission recommends a revenue increase between $2,441,967 and $2,873,410 or between 18.22 percent and 21.44 percent over current revenue.

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CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Ohio Gas Company's Proof of Publication* as sent by, or on behalf of, the undersigned counsel for Ohio Gas to the following parties of record this 9th day of January 2018, *via* electronic transmission.

/s/ Matthew R. Pritchard
Matthew R. Pritchard

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ON BEHALF OF THE OFFICE OF THE OHIO CONSUMERS' COUNSEL

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ON BEHALF OF THE STAFF OF THE PUBLIC UTILITIES COMMISSION OF OHIO

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ATTORNEY EXAMINERS

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

1/9/2018 11:08:06 AM

in

Case No(s). 17-1139-GA-AIR, 17-1140-GA-ATA, 17-1141-GA-AAM

Summary: Proof of Pub Ohio Gas Company's Proof of Publication electronically filed by Mr. Matthew R. Pritchard on behalf of Ohio Gas Company

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
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In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority	)))	Case No. 17-1141-GA-AAM

TESTIMONY OF JOSEPH G. BOWSER IN SUPPORT OF THE JOINT STIPULATION AND RECOMMENDATION

Management policies, practices, and organization

Operating income

Rate base

Allocations

Rate of return

Rates and tariffs

X Other

January 29, 2018

C0107487:3

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
In the Matter of the Application of Ohio Gas Company for Tariff Approval	))	Case No. 17-1140-GA-ATA
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DIRECT TESTIMONY OF JOSEPH G. BOWSER ON BEHALF OF OHIO GAS COMPANY

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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority	)))	Case No. 17-1141-GA-AAM

DIRECT TESTIMONY OF JOSEPH G. BOWSER ON BEHALF OF OHIO GAS COMPANY

I. INTRODUCTION

Q1. Please state your name and business address.

A1. My name is Joseph G. Bowser, 21 East State Street, 17th Floor, Columbus, Ohio 43215.

Q2. By whom are you employed and in what position?

A2. I am a Technical Specialist for McNees Wallace & Nurick LLC ("McNees"), providing testimony on behalf of Ohio Gas Company.

Q3. Please describe your educational background.

A3. In 1976, I graduated from Clarion State College with a Bachelor of Science degree in Accounting. In 1988, I graduated from Rensselaer Polytechnic Institute with a Master of Science degree in Finance.

Q4. Please describe your professional experience.

A4. I have been employed by McNees since 2005, where I focus on assisting Industrial Energy Users-Ohio ("IEU-Ohio") members address issues that affect the price and availability of utility services. As part of my responsibilities, I provide IEU-Ohio members assistance as they evaluate and act upon opportunities to secure value for their demand response and other capabilities in the base residual auction ("BRA") and incremental auctions conducted by PJM Interconnection, L.L.C. ("PJM") as part of the Reliability Pricing Model ("RPM"). Prior to joining McNees, I worked with the Office of the Ohio Consumers' Counsel ("OCC") as Director of Analytical Services. There I managed the analysis of financial, accounting, and ratemaking issues associated with utility regulatory filings. I also spent ten years at Northeast Utilities, where I held positions in the Regulatory Planning and Accounting Departments, provided litigation support in regulatory hearings, and assisted in the preparation of the financial/technical documents filed with state and federal regulatory commissions. I began my career with the Federal Energy Regulatory Commission ("FERC"), where I led and conducted audits of gas and electric utilities in the Eastern and Midwestern regions of the United States. I am a Certified Public Accountant (inactive) and am a member of the American Institute of Certified Public Accountants and the Pennsylvania Institute of Certified Public Accountants.

Q5. Have you previously submitted expert testimony before the Public Utilities Commission of Ohio ("Commission" or "PUCO")?

A5. Yes. Since 1996, I have submitted testimony as an expert in numerous cases, including these proceedings. A listing of the cases I have testified in are contained in Exhibit JGB-1 in my testimony in support of the application, dated May 31, 2017.

II. PURPOSE OF TESTIMONY

Q6. What is the purpose of your testimony?

A6. The purpose of my testimony is to summarize, sponsor, and support the Joint Stipulation and Recommendation filed on January 26, 2018 ("Stipulation") for the Commission's consideration. My testimony discusses the criteria that the Commission utilizes when it considers the adoption of settlements and explains how the Stipulation in these cases meets those criteria. More specifically, my testimony supports the conclusion that the Stipulation:

1) Is the product of serious bargaining among capable, knowledgeable parties;
2) As a package, benefits ratepayers and the public interest; and
3) Does not violate any important regulatory principle or practice.

III. SUMMARY OF THE STIPULATION AND RECOMMENDATION

Q7. Did you participate in the negotiations which led to the Stipulation being submitted for consideration and approval by this Commission?

A7. Yes. I attended the settlement meetings held at the offices of the Commission and participated in other discussions, which led to the Stipulation. The parties represented in those meetings were the Ohio Gas Company, the Staff of the Commission ("Staff"), and the Ohio Consumers' Counsel ("OCC"). The Stipulation is attached to my testimony as Exhibit JGB-S1.

1 **Q8. Who are the Signatory Parties to the Stipulation?**

2 A8. The Signatory Parties are the Ohio Gas Company, OCC, and Staff. These parties
3 represent diverse interests including the Ohio Gas Company and its investor and
4 residential customers.

5 **Q9. Please provide an overview of the Stipulation.**

6 A9. The provisions of the attached Stipulation resolve all issues pending before the
7 Commission related to the Company's application for a rate increase. The
8 Stipulation provides for a rate increase of $2,419,587. This amount adjusts the
9 amount requested by the Company for changes recommended by the Staff Report,
10 the resolution of issues raised by the Staff Report noted by Ohio Gas in its
11 objections, and a reduction in the revenue requirement to account for recent
12 changes in federal income tax law. I further discuss the term of the Stipulation
13 addressing the federal income tax law changes below. Schedules attached as
14 Appendix A set out the basis for the rate increase. The increase would be collected
15 through an increase in the customer charge. As a result of the rate case, several
16 current charges would be eliminated as they would be incorporated into base rates.

17 In the Application, Ohio Gas Company also sought to update the general terms
18 and conditions of service. The Staff Report recommended one modification to the
19 proposed tariff. The recommendation was to allow for one meter test without
20 charge.

21 The Stipulation proposes that the Commission authorize Ohio Gas Company to
22 file the new tariff attached as Appendix B to the Stipulation. The proposed tariff

incorporates the change requested by the Staff Report to the charge for meter testing.

The Application also sought authority to make certain adjustments to the depreciation reserve balances on the books of Ohio Gas Company. The Stipulation provides that adjustments to the depreciation accrual reserves contained in Appendix D to the Stipulation should be approved by the Commission for Ohio Gas Company's use. The adjustments to the depreciation reserve have no effect on the proposed rates.

Q10. What concessions did Ohio Gas Company make that are recommended in the Stipulation?

A10. The Stipulation provides several concessions in addition to the reduction in the revenue requirement. Most significantly, Ohio Gas Company has agreed to recommend an out-of-period adjustment to account for changes in the federal corporate income tax rate. The Stipulation also states, "Ohio Gas understands that the Commission may order Ohio Gas to file a request to adjust rates in PUCO Case No. 18-0047-AU-CO or another case. To the extent that the order would permit Ohio Gas to seek to increase rates, Ohio Gas agrees to waive its opportunity to request such an increase. To the extent that the order would require Ohio Gas to reduce its rates, Ohio Gas agrees to make an application to effect that change, but may do so under protest. Further, it is agreed and recommended that the Commission find that no Party waives any legal, administrative, judicial, or appellate rights to challenge any change in rates of Ohio Gas if such a change is in addition to the rates set out in this Joint Stipulation and Recommendation."

Q11. Please explain why the Stipulation contains a provision regarding the recent enactment of changes in the federal corporate income tax rate.

A11. When Ohio Gas Company prepared the Application and filed it on May 31, 2017, it calculated rates based on the existing corporate federal income tax rate. Late in 2017, Congress approved a revision of the federal tax laws that included a reduction of the federal corporate tax rate to 21%. This change was not anticipated by Ohio Gas Company when it filed its Application or the Staff when it issued the Staff Report.

In its objections to the Staff Report, OCC raised its concern that the proposed revenue deficiency was overstated because the Staff Report did not incorporate the federal income tax law changes.

I am aware that the Commission has opened a proceeding to consider a regulatory response to the tax law changes, PUCO Case No. 18-0047-AU-COI. Because Ohio Gas Company has a pending rate case, it is proposing in the Stipulation to account for the change in the federal corporate income tax rate. Based upon the adjusted Staff Report schedules that are attached as Appendix A of the Stipulation, Ohio Gas Company has estimated that the monthly customer charge could be reduced by $1.01 to account for the change in the corporate tax rate.

Ohio Gas Company, the Staff, and OCC are also aware that the Commission may seek to address the effect of the change in the corporate tax rate on accumulated deferred income taxes or other matters that could positively or negatively affect the revenue requirement. As a means of addressing the concerns of the parties that

the adjustment for the federal income tax law changes in this case may not capture the outcome of the Commission-ordered investigation, Ohio Gas Company agreed not to seek an increase in rates if the Commission issued a decision in either the Commission ordered investigation or another case that would permit it to increase rates. If the Commission were to order Ohio Gas Company to file an application to reduce rates as a result of the recent federal income tax law changes, Ohio Gas Company would do so, but has reserved the option of file under protest and retain its rights for administrative and appellate review. The goal of this approach is to assign the risk of a Commission decision in the Commission-ordered investigation to the Company rather than its customers. OCC and the Staff agreed and support this approach.

IV. STANDARDS FOR CONSIDERING APPROVAL OF A STIPULATION

Q12. What are the standards that the Commission has used when considering approval of a stipulation?

A12. The Commission typically evaluates the adoption of stipulations that it is presented with for consideration by applying a three-part test. The questions that the Commission considers are:

1) Is the stipulation the product of serious bargaining among capable, knowledgeable parties;
2) Does the stipulation, as a package, benefits ratepayers and the public interest; and
3) Does the stipulation violate any important regulatory principle or practice?

Q13. Does the Stipulation in this case satisfy the above criteria?

A13. Yes, it does. I will explain in more detail below how the Stipulation fulfills each of the three criteria.

Q14. Is the Stipulation the product of serious bargaining among capable and knowledgeable parties?

A14. Yes, the Stipulation is the result of a process of negotiations involving experienced counsel representing members of several stakeholder groups. The parties that took part in the negotiations were capable and knowledgeable about the issues raised in this case. Parties have had the opportunity to participate in discovery, and the settlement process was open to all intervening parties. The settlement discussions ultimately lead to the Stipulation.

Q15. Please explain how the Stipulation benefits customers and the public interest.

A15. There are several benefits to the Stipulation. First, my understanding is that Ohio Gas will have one of the lowest customer charges in Ohio among regulated natural gas companies even after the approval of the rates proposed in this case. To that end, customers benefit from the fact that the starting point for calculating the revenue increase is approximately $189,000 below Ohio Gas Company's requested rate increase and reflects a lower rate of return than reflected in the rate increase recommended by Staff at its upper bound.

Second, customers will benefit from an immediate adjustment to base rates to account for changes in the corporate federal income tax rate. This adjustment to

the revenue increase reduces the customer charge by $1.01 monthly. Further, Ohio Gas is agreeing to forgo any increase for which it may be eligible as a result of the Commission-ordered investigation in PUCO Case No. 18-0047-AU-COI.

The Stipulation continues the certainty and predictability in customer rates that Ohio Gas Company's customers have had for the past three decades, dating back to the Company's last base rate increase in 1985. The certainty and predictability in rates has also been enhanced by Ohio Gas Company's excellent management of its operations, which has allowed the Company to avoid the need for rate riders to enhance revenues between rate cases.

The Stipulation also supports Ohio Gas Company's commitment to customer service. Its customer service has been exemplary as demonstrated by the virtual absence of customer complaints, as noted by the Staff Report. Under the proposed tariff, residential and small commercial customers will continue to benefit from Ohio Gas Company's policy to not impose requirements on these customers to establish creditworthiness. Additionally, the Ohio Gas Company will offer to customers one free meter test per year, in accordance with Staff's recommendation, thereby allowing a customer to determine the meter's accuracy, should that be a concern to a customer, at no cost.

In summary, this Stipulation advances the interests of the Company and its customers.

Q16. How does the rate design recommended in the Staff Report and adopted in the Stipulation benefit customers and the public interest?

1 A16. As I noted previously, use of a customer charge provides rate stability for both
2 customers and Ohio Gas Company. This is consistent with the demonstrated
3 interest of Ohio Gas Company's customers, a substantial portion of which have
4 elected budget billing. Clearly, those customers prefer predictable gas bills over
5 monthly bills based on volumetric rates. The use of a customer charge also
6 benefits Ohio Gas Company by providing a steady revenue stream for covering its
7 essentially fixed costs of providing distribution gas service.

8 **Q17. Does the Stipulation violate any important regulatory principle or practice?**

9 A17. No, the Stipulation does not violate any important regulatory principle or practice.
10 The terms of the Stipulation represent a compromise of the Signatory Parties to
11 the Stipulation, and none of the provisions of the Stipulation is inconsistent with or
12 violates any important Commission principle or practice. On the contrary, the
13 compromise reached in the Stipulation promotes the state policy expressed in Ohio
14 Revised Code 4929.02 of promoting the availability to consumers of adequate,
15 reliable and reasonably priced natural gas services and goods.

16 **Q18. Does this conclude your testimony?**

17 A18. Yes.

EXHIBIT JGB-S1

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
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JOINT STIPULATION AND RECOMMENDATION

JANUARY 26, 2018

EXHIBIT JGB-S1

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Gas Company for an Increase in Gas Distribution Rates	)))	Case No. 17-1139-GA-AIR
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In the Matter of the Application of Ohio Gas Company for Approval of Certain Accounting Authority	)))	Case No. 17-1141-GA-AAM

JOINT STIPULATION AND RECOMMENDATION

I. BACKGROUND

A. Rule 4901-1-30, Ohio Administrative Code ("OAC"), provides that any two or more parties to a proceeding may enter into a written or oral stipulation concerning the issues presented in such proceeding. Pursuant to Rule 4901-1-10 (C) OAC, the Staff of the Public Utilities Commission of Ohio ("Staff") is considered a party for the purpose of entering into a stipulation under Rule 4901-1-30 OAC.

B. The purpose of this document is to set forth the understanding of the Ohio Gas Company ("Ohio Gas"), the Office of the Ohio Consumers' Counsel ("OCC"), and the Staff (collectively, "Parties"), and to resolve all issues raised in this proceeding.

II. GENERAL MATTERS

A. It is understood by the Parties that this Stipulation and Recommendation ("Stipulation") is not binding upon the Commission. However, the agreement contained herein is supported by information provided herewith, is based upon the Parties' desire

to arrive at a reasoned and reasonable result considering the law, facts and circumstances and, accordingly, should be given careful consideration by the Commission.

B. This Stipulation is submitted for purposes of this case only and should not be understood to necessarily reflect the positions which the Parties would have taken if all the issues in the proceeding would have been litigated. Like most Stipulations and Recommendations reviewed by the Commission, the willingness of the Parties to jointly sponsor this document is predicated on the reasonableness of the Stipulation taken as a whole. The fact that this document is being offered by OCC, Staff, and Ohio Gas should not be construed as necessarily indicating agreement on theory or concepts.

C. The Parties believe that this Stipulation represents a reasonable compromise of varying interests. This Stipulation is expressly conditioned upon adoption in its entirety by the Commission without material modification. Each party has a right in its sole discretion to determine whether the Commission's approval of this Stipulation constitutes a "material modification" thereof. Should the Commission reject or materially modify all or any part of this Stipulation, the Parties shall have the right, within thirty (30) days of issuance of the Commission's order, to file an application for rehearing or to terminate and withdraw from the Stipulation by filing a notice with the Commission in this proceeding, including service to all the Parties. The Parties agree that they will not oppose or argue against any other Party's application for rehearing that seeks to uphold the original unmodified Stipulation. Upon the Commission's issuance of any entry on rehearing that does not adopt the Stipulation without material modification, any party may terminate and withdraw from the Stipulation by filing a notice with the Commission within

thirty (30) days of the Commission's entry on rehearing. Upon notice of termination or withdrawal by any party, pursuant to the above provisions, the Stipulation shall immediately become null and void. In such event, this proceeding shall go forward at the procedural point at which this Stipulation was filed, and the parties will be afforded the opportunity to present evidence through witnesses, cross-examine all witnesses, present rebuttal testimony, and brief all issues which shall be decided based upon the record as if this Stipulation had never been executed. In particular, no Party will be precluded from filing testimony in support of its objections to the Staff Report filed November 22, 2017.

D. Except for enforcement purposes, neither this Stipulation nor the information and data contained herein, nor the Commission Order approving the Stipulation shall be cited as precedent in any future proceedings for or against any Signatory Party, or the Commission itself.

E. In order to resolve all the issues in this proceeding, the agreement set forth below is offered for the Commission's consideration.

III. AUTHORIZED REVENUE DETERMINATION, RATE ADJUSTMENTS, TARIFF REVISIONS, AND ACCOUNTING ADJUSTMENTS

A. The Parties agree that the schedules attached hereto as Appendix A, being revised schedules to the Staff Report of Investigation, contain the appropriate information to determine the gross revenue and the revenue increase which Ohio Gas should have the opportunity to collect as a result of this proceeding.

B. The Parties agree that a revenue increase of $2,419,587, to be collected from customers through the non-gas cost recovery portion of Ohio Gas's total rate, is at the midpoint of the range produced by the upper and lower limits of the Staff's rate of

return recommendation in its Staff Report, as adjusted in the schedules attached as Appendix A, and is the amount of increase which should be authorized in this proceeding.[1]

C. The Parties agree that the agreed to increase should be collected from customers by increasing Ohio Gas's customer charge without any increase in the usage sensitive portion of Ohio Gas's rates.

D. The Parties agree that the tariff sheet attached hereto as Appendix B is expected to permit Ohio Gas the opportunity to collect from its customers no more than the agreed to increase plus current non-gas cost revenue, is reasonable, and should be approved.

E. The Parties agree that the customer notice contained in Appendix C attached hereto is reasonable and should be approved in order to permit Ohio Gas to properly notify its customers of the rate increase agreed to herein.

F. The Parties recommend that the Commission timely approve this Stipulation in order for the rates and charges contained on the tariff sheet attached hereto (Appendix B) to become effective for all service rendered on and after March 1, 2018.

G. The Parties are aware that the Commission is seeking comments regarding changes in federal tax law that became effective on January 1, 2018 in a separate proceeding, PUCO Case No. 18-0047-AU-COI. This Stipulation is intended to address the recently enacted changes to federal corporate income taxes and represents a compromise of several issues raised by those changes. To that end, the tariff proposed in this Stipulation incorporates a reduction in the federal income tax rate from 34% to 21%. Incorporation of the lower tax rate reduces the revenue requirement increase from

[1] This agreed revenue increase of $2,419,587 is based upon a return on equity of 9%.

$3,048,566 to $2,419,587. As part of the resolution of the issues related to the changes in federal tax law, Ohio Gas understands that the Commission may order Ohio Gas to file a request to adjust rates in PUCO Case No. 18-0047-AU-COI or another case. To the extent that that order would permit Ohio Gas to seek to increase rates, Ohio Gas agrees to waive its opportunity to request such an increase. To the extent that that order would require Ohio Gas to reduce its rates, Ohio Gas agrees to make an application to effect that change, but may do so under protest. Further, it is agreed and recommended that no Party waives any legal, administrative, judicial, or appellate rights to challenge or support any change in the rates of Ohio Gas if such a change is in addition to the rates set out in this Stipulation. Further, it is agreed and recommended that the Commission find that the settlement of issues related to the changes in federal income tax rates in this Stipulation is not intended to serve as a precedent or indicate the position of any Party regarding any other proceeding concerning the implementation of changes in federal income tax rates effective on January 1, 2018 and affecting a public utility other than Ohio Gas that is subject to regulation of its rates by the Commission.

H. The Parties agree that the Commission should approve the terms and conditions of service set out in Appendix B as PUCO No. 2. The effective date shall be upon approval of the Application and Stipulation and the filing of a tariff in compliance with the orders of the Commission.

I. The Parties agree that the following exhibits should be admitted into the record:

- Joint Exhibit 1: Stipulation and Recommendation

- Company Exhibit 1: The Company's Application (the application and supporting schedules) filed in this proceeding on May 31, 2017.
- Company Exhibit 2: The Testimony of Company Witness Bowser in Support of the Application filed in this proceeding on May 31, 2017.
- Company Exhibit 3: The Testimony of Company Witness Watkins in Support of the Application filed in this proceeding on May 31, 2017.
- Company Exhibit 4: The Testimony of Company Witness Berg in Support of the Application filed in this proceeding on May 31, 2017.
- Company Exhibit 5: The Company's Compliance Filing filed in this proceeding on July 17, 2017.
- Company Exhibit 6: The Company's Proof of Publication of its Application filed in this proceeding on August 29, 2017.
- Company Exhibit 7: The Company's Proof of Publication of Local Public Hearing filed in this proceeding on January 9, 2018.
- OCC Exhibit 1: OCC's Objections to the Staff Report of Investigation filed December 22, 2017.
- Staff Exhibit 1: Staff Report of Investigation filed November 22, 2017.

J. The Parties agree that no party is prohibited from filing and presenting testimony in support of this Stipulation.

K. The Parties agree that notice of Ohio Gas's rate increase application has been properly published and all the procedural requirements necessary to permit the Commission to authorize the increase agreed to herein have been satisfied.

L. The Parties agree that Ohio Gas should include the customer notice, attached as Appendix C, with the first utility bill that each customer receives after the rates approved in this proceeding are in effect.

M. The Parties agree that adjustments to depreciation accrual reserves contained in Appendix D attached hereto should be approved by the Commission for Ohio Gas's use until otherwise ordered.

Jodi J. Bair per authorization
On behalf of the Staff of the
Public Utilities Commission of Ohio

On behalf of Ohio Gas Company

On behalf of the Office of the
Ohio Consumers' Counsel

EXHIBIT JGB-S1

APPENDIX A

SUPPORTING SCHEDULES

OHIO G. _OMPANY
CASE NO. 17-1139-GA-AIR
OVERALL FINANCIAL SUMMARY
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Reference No(s): See below

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	APPLICANT	STAFF LOWER BOUND	STAFF UPPER BOUND
1	RATE BASE AS OF DATE CERTAIN	B-1	$ 27,375,528	$ 27,209,247	$ 27,209,247
2					
3	OPERATING INCOME	C-2	428,640	628,154	628,154
4					
5	EARNED RATE OF RETURN (2 / 1)		1.57%	2.31%	2.31%
6					
7	RATE OF RETURN RECOMMENDED		9.00%	8.50%	9.50%
8					
9	REQUIRED OPERATING INCOME (1 x 4)		2,463,798	2,312,786	2,584,878
10					
11	OPERATING INCOME DEFICIENCY (5 - 2)		2,035,158	1,684,632	1,956,725
12					
13	GROSS REVENUE CONVERSION FACTOR	A-1.1	1.590710	1.328948	1.328948
14					
15	REVENUE DEFICIENCY (6 X 7)		3,237,346	2,238,788	2,600,385
16					
17	REVENUE INCREASE RECOMMENDED		3,237,346	2,238,788	2,600,385
18					
19	TEST YEAR ADJUSTED OPERATING REVENUES	C-1	13,204,030	13,404,196	13,404,196
20					
21	REVENUE REQUIREMENT (9 + 10)		$ 16,441,376	$ 15,642,984	$ 16,004,581
22					
23	INCREASE OVER CURRENT REVENUE (9 / 10)		24.52%	16.70%	19.40%

OHIO G. _OMPANY
CASE NO. 17-1139-GA-AIR
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Schedule A-1.1
Page 1 of 1

Reference No(s):

LINE NO.	DESCRIPTION	PERCENT OF INCREMENTAL GROSS REVENUES
1	GROSS REVENUE	100.0000%
2		
3	UNCOLLECTIBLES	0.0000%
4		
5	NET REVENUE (1) - (3)	100.0000%
6		
7	OHIO GROSS RECEIPTS TAX	4.7500%
8		
9	INCOME BEFORE FEDERAL INCOME TAXES (5) - (7)	95.2500%
10		
11	FEDERAL INCOME TAXES (9) x 21%	20.0025%
12		
13	OPERATING INCOME PERCENTAGE (9) - (11)	75.2475%
14		
15	**GROSS REVENUE CONVERSION FACTOR (1) / (13)**	**1.328948**

OHIO G. _OMPANY
CASE NO. 17-1139-GA-AIR
JURISDICTIONAL RATE BASE SUMMARY
AS OF DECEMBER 31, 2016

EXHIBIT JGB-S1

Schedule B-1
Page 1 of 1

Reference No(s): See below

LINE NO.	RATE BASE COMPONENT	SUPPORTING STAFF SCHEDULE REFERENCE	APPLICANT	STAFF
1	PLANT IN SERVICE	B-2	$ 87,960,627	$ 87,764,343
2				
3	RESERVE FOR ACCUMULATED DEPRECIATION	B-3	(55,918,091)	(55,901,277)
4				
5	NET PLANT IN SERVICE (1 + 3)		32,042,536	31,863,066
6				
7	CONSTRUCTION WORK IN PROGRESS 75% COMPLETE	B-4	-	-
8				
9	WORKING CAPITAL ALLOWANCE	B-5	979,015	992,205
10				
11	CONTRIBUTIONS IN AID OF CONSTRUCTION	B-6	-	
12				
13	OTHER RATE BASE ITEMS	B-6	(5,646,023)	(5,646,024)
14				
15	**JURISDICTIONAL RATE BASE (5) THRU (13)**		**$ 27,375,528**	**$ 27,209,247**

OHIO G. _OMPANY
CASE NO. 17-1139-GA-AIR
ALLOWANCE FOR WORKING CAPITAL
AS OF DECEMBER 31, 2016

EXHIBIT JGB-S1

Reference No(s): See Below

LINE NO.	ACCT NO. (A)	WORKING CAPITAL COMPONENT (B)	SCHEDULE REFERENCE NO. (C)	ADJUSTED JURISDICTIONAL (D)	ADJUSTED JURISDICTIONAL (E)
1		CASH COMPONENT			
2		TOTAL OPERATING AND MAINTENANCE EXPENSES	C2	8,046,714	
3					
4		CASH COMPONENT (2)/8			1,005,839
5					
6		1/4 OF OPERATING TAXES			
7		TAXES OTHER THAN INCOME TAXES	C2	2,001,097	
8		INCOME TAXES	C2	156,959	
9		TOTAL		2,158,056	
10					
11		1/4 OF OPERATING TAXES			(539,514)
12					
13		M&S - PIPE AND FITTINGS	Applicant B5.1		487,005
14		PIP CUST A/R 12 MO OLD	Applicant B5.1		(3,176)
15		DEFERRED BAD DEBT EXPENSE	Applicant B5.1		42,051
16		**TOTAL ALLOWANCE FOR WORKING CAPITAL**			**992,205**

OHIO ... COMPANY
CASE NO. 17-1139-GA-AIR
JURISDICTIONAL PROFORMA INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Reference No(s): Schedule C-2

LINE NO.	DESCRIPTION (A)	ADJUSTED REVENUE & EXPENSES (B)	PROPOSED INCREASE (C)	PROFORMA REVENUES & EXPENSES (D = B + C)
1	OPERATING REVENUES	$ 13,404,196	$ 3,237,346	$ 16,641,542
2				
3	OPERATING EXPENSES:			
4	OPERATION AND MAINTENANCE	8,046,714	-	8,046,714
5	DEPRECIATION EXPENSE	2,571,272	-	2,571,272
6	TAXES OTHER THAN INCOME TAXES	2,001,097	153,774	2,154,871
7	OPERATING EXPENSES BEFORE INCOME TAXES	12,619,083	153,774	12,772,857
8				
9	INCOME TAXES	156,959	647,550	804,509
10				
11	TOTAL OPERATING EXPENSES	12,776,042	801,324	13,577,366
12				
13	NET OPERATING INCOME	$ 628,154	$ 2,436,022	$ 3,064,176
14				
15	RATE BASE	$ 27,209,247		$ 27,209,247
16				
17	RATE OF RETURN	2.31%		11.26%

OHIO G. MPANY
CASE NO. 17-1139-GA-AIR
ADJUSTED TEST YEAR OOPERATING INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Reference No(s): Applicant's Schedule C-2.1 and Staff's Schedule C-3

LINE NO.	DESCRIPTION (A)	UNADJUSTED TOTAL COMPANY (B)	UNADJUSTED JURISDICTIONAL (C)	ADJUSTMENTS (D)	ADJUSTED REVENUE & EXPENSES (E)
1	**TOTAL OPERATING REVENUES**	$ 16,861,700	$ 13,204,030	$ 200,166	$ 13,404,196
2					
3	OPERATING EXPENSES:				
4					
5	OPERATIONS AND MAINTENANCE	8,926,360	8,005,581	41,133	8,046,714
6	**TOTAL OPERATIONS AND MAINTENANCE**	**8,926,360**	**8,005,581**	**41,133**	**8,046,714**
7					
8	DEPRECIATION EXPENSE	2,961,600	2,561,069	10,203	2,571,272
9	TAXES OTHER THAN INCOME TAXES	2,415,780	2,011,320	(10,223)	2,001,097
10	INCOME TAXES	853,820	123,558	33,401	156,959
11	TOTAL OPERATING EXPENSES	15,157,560	12,775,390	74,514	12,776,042
12					
13	**NET OPERATING INCOME**	$ 1,704,140	$ 428,640	$ 125,652	$ 628,154

OHIO COMPANY
CASE NO. 17-1139-GA-AIR
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Reference No(s): See Below

LINE NO.	SCHEDULE REFERENCE	TITLE OF ADJUSTMENT	AMOUNT
1		**OPERATING REVENUE ADJUSTMENTS**	
2			
3	C-3.1	COMMERCIAL CEP	$ 200,166
4			
5		**TOTAL REVENUE ADJUSTMENTS**	$ 200,166
6			
7		**OPERATING EXPENSE ADJUSTMENTS**	
8			
9	C-3.2	LABOR ADJUSTMENT	$ 13,311
10	C-3.3	EMPLOYEE BENEFITS ADJUSTMENT	47,987
11	C-3.4	SOCIAL/SERVICE CLUB DUES	(1,429)
12	C-3.5	ADVERTISING EXPENSE	(2,335)
13	C-3.6	RATE CASE EXPENSE	(16,400)
14			
15		**TOTAL OPERATIONS AND MAINTENANCE**	$ 41,133
16			
17	C-3.7	DEPRECIATION EXPENSE	10,203
18	C-3.8	TAXES OTHER THAT INCOME TAXES	(10,223)
19	C-4	FEDERAL INCOME TAXES	35,544
20			
21		**TOTAL EXPENSE ADJUSTMENTS**	**$ 76,657**

OHIO \ JMPANY
CASE NO. 17-1139-GA-AIR
LABOR ADJUSTMENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Schedule C-3.2
Page 1 of 1

Reference No(s): See below

LINE NO.	PURPOSE & DESCRIPTION					AMOUNT
1	**To annualize direct labor expense**					
2						
3	Direct Wages (a)		$	4,764,878		
4						
5	Overtime Ratio (b)	2.62%	$	124,840		
6						
7	Direct Wages + Overtime				$	4,889,717
8						
9	Bonuse Pay (c)		$	91,114		
10	Includes Health Waiver, Service Award, Executive Bonus, Discretionary Bonus					
11	Other Wages (d)		$	183,207		
12	Includes Need Allowance, On Call Wages, Auto Allowance					
13	Total Other Wages				$	274,321
14						
15	Total Direct Wages				$	5,164,039
16						
17	Jurisdictional Allocation (e)	90.73%			$	4,685,332
18						
19	O&M Wages (f)	82.08%			$	3,845,721
20						
21	Test Year O&M Labor				$	3,832,410
22						
23	**Adjustment**				**$**	**13,311**

(a) Derived from Staff Data Request 40
(b) Derived from Applicant's Schedule C-9.1, 3 Year Union O&M Percentage Average 2014 - 2016
(c) Derived from Staff Data Request 30
(d) Derived from Staff Data Request 19
(e) Derived from DR 7 and C-7 Allocations
(f) Derived from Staff Data Request 59

OHIO OMPANY
CASE NO. 17-1139-GA-AIR
PROPERTY TAXES ADJUSTMENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Schedule C-3.8b

Reference No(s): See below

LINE NO.	PURPOSE & DESCRIPTION			AMOUNT
1	**To calculate property taxes**			
2				
3	Real Property	(a)	$ 4,217,766	
4				
5	Real Property Assessment Valuation Percentage	(b)	6.93%	
6				
7	Assessed Value		292,291	
8				
9	Tax Rate Per $1,000	(c)	66.584	
10				
11	Real Property Taxes			$ 19,462
12				
13	Personal Property	(a)	$ 96,508,717	
14				
15	Personal Property Assessment Valuation Percentage	(c)	11.53%	
16				
17	Assessed Value		11,130,204	
18				
19	Personal Property Tax Rate Per $1,000	(c)	82.499	
20				
21	Personal Property Taxes			$ 918,228
22				
23	Total Property Taxes			937,689
24				
25	Test Year Property Taxes Expense	(d)	86.70%	
26				
27	Property Taxes Adjustment	(e)		$ 812,977
28				
29	Allocation Percentage			$ 796,946
30				
31	**Jurisdictional Amount**			16,031

(a) Staff Schedule B-2.1
(b) Derived from Staff's Schedule B-2.1 and DR 44
(c) Derived from Staff Data Request 44
(d) Applicant's Schedule C-2.1
(e) Line 23 minus Line 25

OHIO ᴺ JMPANY
CASE NO. 17-1139-GA-AIR
ADJUSTED JURISDICTIONAL INCOME TAXES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

EXHIBIT JGB-S1

Reference No(s): Staff's Schedules C-1 and C-3

			AT CURRENT RATES			AT PROPOSED RATES	
LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	JURISDICTIONAL UNADJUSTED (C)	SCHEDULE C-3 ADJUSTMENTS (D)	ADJUSTED (E)	PROFORMA ADJUSTMENTS (F)	PROFORMA (G)
1		OPERATING INCOME	$ 428,640	$ 123,509	$ 552,149		
2		FEDERAL INCOME TAX	197,420	35,544	232,964		
3		OPERATING INCOME BEFORE FIT (1) + (2)	626,060	159,053	785,113	3,083,572	3,868,685
4		RECONCILING ITEMS:					
5		INTEREST CHARGES - CUSTOMER DEPOSITS	(17,860)	-	(17,860)	-	(17,860)
6		DONATIONS	(19,830)	-	(19,830)	-	(19,830)
7							
8		TAX DEPRECIATION	(1,577,563)	-	(1,577,563)	-	(1,577,563)
9		BOOK DEPRECIATION	2,707,686	10,203	2,717,889	-	2,717,889
10		EXCESS OF TAX OVER BOOK (8) + (9)	1,130,123	10,203	1,140,326	-	1,140,326
11							
12		OTHER RECONCILING ITEMS:					
13		PROPERTY TAX	-	-	-	-	-
14		EXCISE TAX	-	-	-	-	-
15		GIS DEFERRED EXPENSE	(495,248)	-	(495,248)	-	(495,248)
16		ACCRUED VACATION PAY	-	-	-	-	-
17		PENSION EXPENSE	345,408	-	345,408	-	345,408
18		OPEB	-	-	-	-	-
19		TOTAL OTHER RECONCILING ITEMS (12) Thru (18)	(149,840)	-	(149,840)	-	(149,840)
20							
21		TAXABLE INCOME (3) + (5) + (6) + (10) + (19)	1,568,653	169,256	1,737,909	3,083,572	4,821,481
22							
23		FEDERAL INCOME TAX PAYABLE @ Tax Rate	329,417	35,544	364,961	647,550	1,012,511
24							
25		DEFERRED INCOME TAXES:					
26		EXCESS OF TAX OVER BOOK (10) x Tax Rate	(237,326)	(2,143)	(239,468)	-	(239,468)
27		OTHER RECONCILING ITEMS (19) x Tax Rate	31,466	-	31,466	-	31,466
28		TOTAL DEFERRED TAXES	(205,859)	(2,143)	(208,002)	-	(208,002)
29							
30		TOTAL FEDERAL INCOME TAXES	123,558	33,401	156,959	647,550	804,509

OHIO G JMPANY
CASE NO. 17-1139-GA-AIR
TYPICAL BILL COMPARISON

EXHIBIT JGB-S1

LINE NO.	MCF PER MONTH	BASE RATES ONLY					BASE RATES AND CEP GAS COST			
		CURRENT BILL	PROPOSED BILL	$ INCREASE	% INCREASE		CURRENT BILL	PROPOSED BILL	$ INCREASE	% INCREASE
1	-	5.45	9.53	4.08	74.86%		5.45	9.53	4.08	74.86%
2	1	7.12	11.20	4.08	57.30%		13.39	17.47	4.08	30.47%
3	5	13.80	17.88	4.08	29.57%		45.14	49.22	4.08	9.04%
4	7	17.13	21.21	4.08	23.82%		61.00	65.08	4.08	6.69%
5	10	22.14	26.22	4.08	18.43%		84.82	88.90	4.08	4.81%
6	20	38.83	42.91	4.08	10.51%		164.19	168.27	4.08	2.48%
7	50	88.91	92.99	4.08	4.59%		402.30	406.38	4.08	1.01%
8	100	172.37	176.45	4.08	2.37%		799.15	803.23	4.08	0.51%
9	200	339.29	343.37	4.08	1.20%		1,592.84	1,596.92	4.08	0.26%
10	1,000	1,674.65	1,678.73	4.08	0.24%		7,942.41	7,946.49	4.08	0.05%
11	1,010	1,685.12	1,689.20	4.08	0.24%		8,015.56	8,019.64	4.08	0.05%
12	1,020	1,695.59	1,699.67	4.08	0.24%		8,088.70	8,092.78	4.08	0.05%
13	1,030	1,706.07	1,710.15	4.08	0.24%		8,161.86	8,165.94	4.08	0.05%
14	1,040	1,716.54	1,720.62	4.08	0.24%		8,235.01	8,239.09	4.08	0.05%
15	1,050	1,727.01	1,731.09	4.08	0.24%		8,308.16	8,312.24	4.08	0.05%
16	1,060	1,737.48	1,741.56	4.08	0.23%		8,381.30	8,385.38	4.08	0.05%
17	1,070	1,747.95	1,752.03	4.08	0.23%		8,454.45	8,458.53	4.08	0.05%

EXHIBIT JGB-S1

APPENDIX B

PUCO NO. 2

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

INDEX

	Sheet Number	Effective Date
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Definitions	2	___-___-2017
Section III (Rules and Regulations)		
Service Rules and Regulations		
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Customers Indebted to Company	3	___-___-2017
Turning on Gas – Only Company May Turn on Gas	3	___-___-2017
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Company's Right to Deny or Discontinue Service	3	___-___-2017
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Information Relative to Service	3	___-___-2017
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Issued: _____, 2018 Effective: _____, 2018

Filed Under Authority of Case No. 17-1140-GA-ATA

Issued by Richard Hallett, President
Bryan, Ohio

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

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Meter Test Charge	5	___-___-2017
Meter Relocation Charge	5	___-___-2017
Excess Flow Valve Charge	5	___-___-2017
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Definitions	10	___-___-2017
Applicability	10	___-___-2017

Issued: _____, 2018 Effective: _____, 2018

Filed Under Authority of Case No. 17-1140-GA-ATA

Issued by Richard Hallett, President
Bryan, Ohio

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

	Sheet Number	Effective Date
Term	10	___-___-2017
Capacity	10	___-___-2017
Unaccounted-for Gas	10	___-___-2017
Transportation Rates	10	___-___-2017
Imbalances	10	___-___-2017
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Quality	10	___-___-2017
General Terms and Conditions	10	___-___-2017
Section V (Riders)		
Gross Receipts Excise Tax Rider	11	___-___-2017
Percentage of Income Payment Plan Rider	12	___-___-2017
Uncollectible Expense Rider	13	___-___-2017
Uniform Purchased Gas Adjustment Rider	14	___-___-2017

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

DEFINITIONS

A. "Applicant" means any person who requests or applies with the Company for gas service.

B. "Btu" means British thermal unit.

C. "Business Day" means, for purposes of initiation or installation of service, a day when a gas or natural gas company performs regularly scheduled installation and, for all other purposes, a day when the Company observes regularly scheduled customer service office hours.

D. "Ccf" means one hundred (100) cubic feet measured at a pressure of fourteen and six tenths (14.6) pounds per square inch with correction for super compressibility and at a temperature of sixty degrees (60˚) Fahrenheit.

E. "Commission" means the Public Utilities Commission of Ohio.

F. "Company" means Ohio Gas Company.

G. "Consumer" means any person who receives service from the Company.

H. "Customer" means any person who has an agreement, by contract and/or tariff, with the Company to receive service or any person who requests or applies for service from the Company.

I. "Fraudulent Practice" means an intentional misrepresentation or concealment of a material fact that the Company relies on to its detriment. Fraudulent practice does not include tampering or unauthorized reconnection of gas service.

J. "Gas Service" means the provision of natural gas by the Company to an Applicant, Customer, or Consumer pursuant to this tariff.

K. "General Service Rate terms and conditions" means Sheet Nos. 3 through 9 of this tariff.

L. "Month" means a calendar month or the period of approximately one month in length based on the Customer's billing cycle as established by the Company.

M. "Non-Residential Customer" means a customer receiving Non-Residential Service.

N. "Non-Residential Service" means gas service provided to any location where the use is primarily of a business, professional, institutional, or occupational nature.

O. "Past Due" means any utility bill balance that is not paid by the bill due date.

P. "Percentage of Income Payment Plan" ("PIPP") means the income-based payment plan for low-income, residential customers served by the Company.

Q. "Person" includes an individual, corporation, company, co-partnership, association, or joint venture.

R. "Postmark" means a mark, including a date, stamped or imprinted, on a piece of mail which serves to record the date of its mailing, which in no event shall be earlier than the date on which the item is actually deposited in the mail. For electronic mail, postmark means the date the electronic mail was transmitted.

S. "Residential Customer" means a customer receiving Residential Service.

T. "Residential Service" means gas service provided to any location where the use is primarily of a domestic nature.

U. "Small Commercial Customer" means a commercial customer which is not a mercantile customer under division (L) of Section 4929.01, Revised Code.

V. "Tampering" means to interfere with, damage, or bypass the Company's meter, gas line, or gas facilities with the intent to impede the correct registration of a meter or the proper functions of a gas line or gas facilities so far as to reduce the amount of utility service that is registered on or reported by the meter. Tampering includes the unauthorized reconnection of the Company's meters, gas lines, or gas facilities that have been disconnected by the Company.

SERVICE RULES AND REGULATIONS

APPLICATION FOR SERVICE

All applications for service shall be made through the Company or its authorized agents. When no installation of piping is required, the Customer shall notify the Company at least seventy-two (72) hours in advance when requesting a new gas service account. When a gas service line installation is required, the Customer shall notify the Company at least twenty (20) Business Days in advance.

ESTABLISHMENT AND REESTABLISHMENT OF CREDIT

The Company may require Applicants for service and existing Customers to establish or reestablish their creditworthiness. Establishing credit and reestablishing credit are subject to the Company's written policies and procedures, which will be made available to Applicants and Customers upon request and in instances where the Company requires an Applicant or Customer to establish or reestablish creditworthiness.

CUSTOMERS INDEBTED TO COMPANY

Service will not be supplied to any premises, if at the time of application for service, the Applicant is indebted to the Company for service previously supplied at the same or other premises, until payment of such indebtedness or other arrangement satisfactory to the Company shall have been made.

TURNING ON GAS – ONLY COMPANY MAY TURN ON GAS

The Customer, after properly applying for service, shall notify the Company when the Customer desires service to be established. Only the Company may establish the initial flow of gas through the meter. Neither the Customer, the Customer's agent, the Customer's employee, nor any other person that is not an authorized agent of the Company shall turn on the gas at the curb or meter stop. A contractor hired by the Customer to repair or modify the Customer's piping facilities or appliances may reestablish the flow of gas to the Customer's house lines, downstream of the meter, by operating the Customer's fuel line stop, after completing such repairs or modifications.

RESALE PROHIBITED

No Customer shall supply or sell, or allow to be supplied or sold, gas delivered to the Customer by the Company to another entity except as authorized by the Company.

CONTINUITY OF SERVICE

The Company will furnish necessary and adequate service and facilities in compliance with Section 4905.22, Revised Code. The Company shall make reasonable provision to supply gas in sufficient quantity and at adequate uniform pressure, but does not guarantee constant supply or adequate or uniform pressure. The Company's ability to provide adequate supplies of gas is subject to the Company receiving timely and accurate information. The Company shall not be liable for damages for failure to supply gas or for interruptions in service, and shall be relieved of its obligation to serve and may discontinue or modify service if such failure or interruption is due to acts of God or the public enemy, military action, wars, insurrections, riots, civil disturbances, vandalism, strikes, fires, floods, washouts, explosions, acts or orders of any civil, judicial or military authorities, and without limitation by the foregoing, accidents or contingencies where construction or other work near the Company's pipes or other facilities requires the Company to shut off the flow of gas through the Company's pipes or other facilities, or other causes beyond the control of the Company.

SERVICE NOT TO BE DISTURBED

No Customer shall attach, or allow to be attached, or use, or allow to be used, 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 allow to be attached, or use, or allow to be used, any appliance that interferes with continuous service to other Customers.

SERVICE NOT TRANSFERRABLE

No person may commence the use of gas until after applying with the Company. In the event of violation of this provision, in addition to other rights of the Company, such person shall be liable for all gas consumed in the premises from the date such person occupied the premises. Any successor in interest to a Customer, including without limitation, heirs, executors, administrators, assignees, trustees, guardians, receivers, and conservators, shall be deemed to be a person who must submit an application for

service, provided that successors in interest whose rights arise from death or incompetence of the Customer shall have thirty (30) days in which to apply for service.

CHANGE OF ADDRESS OF CUSTOMER

When the Customer changes his address, he should give notice to the Company prior to the date of change. The Customer is responsible for all service supplied to the vacated premises until such notice has been received and the Company has had a reasonable time, but not less than three (3) Business Days, to discontinue service.

TEMPORARY SERVICE

The Company, in its sole discretion, may agree to provide temporary service. If the Company agrees to provide temporary service, in addition to regular payments for gas used, the Customer shall pay the cost for all material, labor, and all other necessary cost incurred by the Company in supplying gas service to the Customer at his request for any temporary purpose or use. Temporary service shall not be considered to be initial operation of Residential Service or Non-Residential Service for purposes of compliance with Rule 4901:1-13-05(A)(3), Ohio Administrative Code.

CUSTOMER'S REQUEST TO DISCONTINUE SERVICE

Residential Service. With respect to gas service to a residence, the Customer shall notify the Company 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 Company receives the Customer's request to discontinue service and has a reasonable opportunity to discontinue service. If after receiving notice from the Customer, the Company is denied access to the Customer's premises to discontinue service, the Customer will remain financially responsible for the gas service consumed up until the date the Customer vacates the premises, unless the Customer is the individual who denied the Company access to disconnect service or the Customer continues to reside at the premises in which case the Customer will remain financially responsible for gas consumed at the premises until the Company is provided access to discontinue service. The Company may require the Customer to affirm in writing the date the Customer vacates the premises and if a written affirmation is required, the Customer will remain liable for all gas consumed on premises until such written affirmation is provided.

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 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 ten (10) Business 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 ten (10) Business Day notice period. This notice provision shall not preclude the Company from taking appropriate actions where safety or tampering issues are raised.

Non-Residential Service. Non-Residential Customers shall notify the Company 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 Company receives the Customer's request to discontinue service and has a reasonable opportunity to discontinue service. If after receiving notice from the Customer, the Company is denied access to the Customer's premises to discontinue service, the Customer will remain financially responsible for the utility service consumed until the Company is provided access to the premises to discontinue service.

COMPANY'S RIGHT TO DENY OR DISCONTINUE SERVICE

Residential Service. The Company shall have the right to deny or discontinue service to any Residential Customer in accordance with Rule 4901:1-18-03, Ohio Administrative Code.

Non-Residential Service. The Company shall have the right to deny or discontinue service to any Non-Residential Customer in accordance with Rule 4901:1-13-08(C), Ohio Administrative Code.

DISCONNECTION PROCEDURE

The Company will use the following procedure when disconnecting gas service to the Customer.

1. The Company may immediately disconnect Customers without prior notice when necessary for safety reasons.

2. The Company may immediately disconnect a Customer without prior notice in instances where either of the following occurs:

(a) the meter, metering equipment, or associated property was damaged, interfered with, displaced, bypassed, or otherwise tampered with by a Customer, Consumer, or other person, or (b) a person not authorized by the Company has reconnected service.

3. The Company may disconnect customers for a fraudulent practice after notice in accordance with Rule 4901:1-13-09(C), Ohio Administrative Code.

4. Disconnections for a fraudulent practice and delinquent bill disconnections will not occur on a Company holiday or weekend.

5. No delinquent bill disconnections may be made after 12:30 p.m. on Thursday, Friday or the day preceding a Company holiday.

6. The Company will provide the appropriate County Welfare Department with a listing of those Customers whose utility service has been disconnected for delinquent bills within 24 hours of such action. The Company will provide appropriate procedures to ensure a personal contact prior to disconnection or that same day notice is given to the appropriate County Welfare department.

7. If a third party has been authorized in writing by the Customer to receive notice of pending disconnection of the Customer's service, the Company will provide a notice of the pending disconnection to that party. Such notification by the Company will be given by forwarding a copy of the "final notice" to the designated third party.

8. If the Company plans to disconnect the Residential Service of a Customer for the nonpayment of his/her bill, and that Customer resides in an Ohio county in which the Department of Job and Family Services has provided the Company with a written request for notification of Residential Service disconnection prior to the disconnection, then the Company will provide, during the period of the fifteenth of November to the fifteenth of April, the appropriate county Department of Job and Family Services with a listing of those Customers whose service will be disconnected for nonpayment.

9. Those Company employees actually performing the disconnect shall be authorized to accept payment in lieu of disconnection. That employee, however, will not be authorized to make any extended payment arrangements.

10. The Company will not disconnect service to a Residential Customer for a period of thirty (30) calendar days in instances where the Company has received certification in accordance with Rule 4901:1-18-06(C)(2), Ohio Administrative Code, that disconnection of service would be especially dangerous to the health of any Consumer who is a permanent resident of the premises or when the disconnection or service would make operation of necessary medical or life-supporting equipment impossible or impractical. Pursuant to Rule 4901:1-18-06(C)(3)(h), Ohio Administrative Code, a Consumer may renew the medical certification two additional times (thirty (30) calendar days each) by providing additional medical certificates to the Company so long as the total medical certification period does not exceed ninety (90) calendar days per household in any twelve (12) month period. To avoid disconnection following the medical certification period, the Customer shall enter into an extended payment plan prior to the end of the medical certification period. The Company may refuse to accept a medical certification if there is an outstanding balance for a returned check on the Customer's account if that outstanding balance is not paid.

REINSTITUTION OF SERVICE FOLLOWING DISCONNECTION

Following disconnection of service, the Company will reinstitute service to a Residential Customer in accordance with Rule 4901:1-18-07, Ohio Administrative Code, and will reinstitute service to a Non-Residential Customer in accordance with Rule 4901:1-13-08(E), Ohio Administrative Code. Reinstitution of service is also subject to the Company's Reconnection Charge (Sheet No. 5).

INFORMATION RELATIVE TO SERVICE

Information relative to the service that will be supplied at a given location should be obtained from the Company in writing. The Company will not be responsible for mistakes of any kind resulting from information given orally or over the telephone.

BILLING AND METERING RULES AND REGULATIONS

BILLING PERIODS

Bills ordinarily are rendered regularly at monthly intervals, but may on occasion be rendered more or less frequently. Non-receipt of a bill or bills by the Customer does not release or diminish the obligation of the Customer with respect to payment any bill.

BILL DUE DATE

A bill is due within fifteen (15) days of its postmark and becomes delinquent if not paid within such fifteen (15) days. Each delinquent bill is subject to the Company's Late Payment Charge (Sheet No. 5).

INSUFFICIENT FUNDS

In the event the Customer supplies the Company with a check or other instrument for which the Customer does not have sufficient funds to permit Company to obtain cash in exchange for such check or instrument, the Customer will be subject to the Company's Bad Check Charge (Sheet No. 5) for each occurrence.

METER READING

Except where otherwise agreed to by the Company and the Customer, the Company will make reasonable attempts to obtain an actual meter reading by Company personnel or agents every other month. If the Company is unable to obtain an actual meter reading, it will render a bill based on estimated usage at the premises. "Actual meter reading" shall mean reading of an indoor or outdoor meter by an authorized agent or employee of the Company or through electronic or other means acceptable to the Commission. The Company 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 (70) 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 (70) days. If the Customer has refused the Company access to its meter or other property, or if the Company has been unable to obtain an actual meter reading at least once within any twelve (12) month period, the Company may terminate service in accordance with these Rules and Regulations. The Company may obtain a court order to gain access to its meter or other property.

If consumption is billed pursuant to an Applicant requesting the Company to provide services on a non-metered basis, and the Company in its sole discretion agrees to provide service on a non-metered basis, such non-metered service shall be billed on an estimated basis.

QUANTITY OF GAS DELIVERED BY METER

Gas will be measured by a meter installed by the Company, which shall be and remain the property of the Company. Consumption shall be determined on the basis of the meter registration and bills shall reflect the consumption so registered provided that the Company may estimate the consumption in some months as set forth in these Rules and Regulations. Any mistake in reading the registration, however, shall not affect the liability for gas consumed as determined by a corrected meter reading.

Without prejudice to its providing metered service, where warranted, the Company may provide service on a non-metered basis, using for billing purposes the approximate average consumption of such appliance at the rate applicable in the area. When the meter is not read, the Company may estimate the quantity of gas consumed and render a bill for such quantity.

METERS READING CORRECTLY, METER TESTING, REPLACEMENT OF METERS READING INCORRECTLY

A meter registering between three percent (3%) fast and three percent (3%) slow shall be deemed for all purposes to be registering correctly.

The Company will test a meter's accuracy upon the Customer's request, and if the Customer wishes in the Customer's presence, with a tested and sealed meter-prover within thirty (30) Business Days of the Customer's request. If the meter is found to be registering correctly, the Customer will be subject to the Meter Test Charge (Sheet No. 5).

A meter registering incorrectly will be replaced by the Company at its own expense.

BACK BILLING

During any period that incorrect registration can be established, the meter readings and bills based thereon shall be adjusted by the Company on the basis of all available

information concerning the use of gas by the Customer. Any such back billing will be done in accordance with these Rules and Regulations, Section 4933.28, Revised Code, and Rule 4901:1-13-04, Ohio Administrative Code.

CUSTOMER WITH MORE THAN ONE METER

A Customer may be supplied through more than one meter. Each meter will be considered a separate account.

DELINQUENT BALANCE TRANSFER

The Company 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.

MISCELLANEOUS CHARGES

RECONNECTION CHARGE

Where the Company reconnects or reestablishes gas service to the same Customer at the same premises during regular business hours (business hours are 8:00 a.m. to 4:30 p.m., Monday through Friday, except holidays), a charge of forty dollars ($40.00) shall be assessed. If said service is provided at a time other than regular business hours, a charge of fifty dollars ($50.00) shall be assessed.

FIELD COLLECTION CHARGE

The Company may assess a Field Collection Charge of fifteen dollars ($15.00) for each account in the following circumstances:

- An employee is dispatched to a Customer's premises to disconnect service due to nonpayment and the Customer pays the delinquent bill to avoid disconnection; or
- An employee is dispatched to a Customer's premises to accept payment in lieu of disconnection.

BAD CHECK CHARGE

In the event a Customer supplies the Company with a check or other instrument for which the customer does not have sufficient funds to permit the Company to obtain cash in exchange for such check or instrument, an additional charge of twenty dollars ($20.00) shall be added to the billed amount.

LATE PAYMENT CHARGE

A one-time five percent (5%) Late Payment Charge calculated on the current bill amount will be assessed to each bill not paid in full by the due date indicated on the Customer's bill.

TIE-IN CHARGE

If a tie-in is required to restore service to the same Customer who had his/her service line cut and plugged as a result of repeated detection of unauthorized use of service or

denial of access, the Customer will be assessed the Company's actual cost to reconnect service. Unauthorized use of service includes, but is not limited to:

1. Detection by the Company of a meter having been turned on after the Company disconnected service for nonpayment;

2. Detection by the Company of a meter or curb valve having been turned on after the Company disconnected service for nonpayment;

3. Detection by the Company of bypassing meter inlet and outlet connections after the removal of a meter; or

4. Repeated denial of access to the Customer's meter.

THEFT OF SERVICE/TAMPERING INVESTIGATION CHARGE

Whenever the gas service meter, metering equipment, or associated property is damaged, interfered with, displaced, bypassed or otherwise tampered with by a Customer, Consumer, or other Person, or when a Person not authorized by the Company has reconnected service, and the Company investigator has been dispatched to investigate the matter prior to disconnection, the Customer shall pay to the Company the Company's actual costs related to the investigation. If the Customer's service was disconnected as a result of any of the foregoing, the Customer must pay the Theft of Service/Tampering Investigation Charge prior to the Company's reconnection of service in addition to other required reconnection charges. The Theft of Service/Tampering Investigation Charge will only be levied in those circumstances where the Company has reasonable proof of the Customer's fraudulent or damaging practice. Reasonable proof includes, but is not limited to: an admission by the Customer; documentation evidencing the fraudulent or damaging practice; or personal observation by Company personnel or representatives of the Company.

METER TEST CHARGE

If a meter is tested at the request of a Customer and the test result demonstrates the meter was operating within accepted tolerances, a charge of forty dollars ($40.00) shall be assessed to the Customer. However, for the first such meter test in any twelve-month period, the Company will not assess the Meter Test Charge to the Customer. In addition, there will be no charge for the meter testing if the meter was not operating within accepted tolerances.

METER RELOCATION CHARGE

When changes in a building or property, or arrangements therein, render the meter inaccessible or exposed to hazards, or if the Customer requests the Company to relocate its meter, the Customer shall bear the Company's actual cost necessary to relocate the meter and other Company property.

EXCESS FLOW VALVE CHARGE

When a Customer requests that the Company install an excess flow valve ("EFV") on a service line, not exceeding 1,000 standard cubic feet per hour ("SCFH") that is otherwise not required to be installed by the Company, the Company will install the EFV at cost to the Customer and on a mutually agreeable date upon the Customer executing an agreement with the Company agreeing to pay for the costs of such installation. The Customer is required to pay a deposit of fifty percent (50%) of the estimated cost of installation of an EFV at the time of executing an agreement for the installation. The balance of the actual cost of installation must be paid by the Customer upon completion of all work related to the installation. If the balance is not paid within sixty (60) days, it will be included on the Customer's next gas bill and subject to the Company's penalties and disconnection procedures for non-payment of a Customer's gas bill.

The Company is not required to install an EFV if one or more of the following conditions is present:

- The service line does not operate at a pressure of 10 PSIG or greater throughout the year;
- The Company has prior experience with contaminants in the gas stream that could interfere with the EFV's operation;
- The EFV could interfere with necessary operation or maintenance activities; or
- An EFV meeting applicable performance standards is not commercially available.

SERVICE QUALITY RULES AND REGULATIONS

HEATING CONTENT OF GAS

Pursuant to Section 4933.06, Revised Code, and except as otherwise provided in arrangements approved under Section 4905.31, Revised Code, gas delivered to Customers shall have a heating value of not less than nine hundred (900) Btu per cubic foot when measured in the laboratory by direct heat release or by chemical composition, according to the procedures of the American Society for Testing and Materials or other recognized analytical methods in effect on the effective date of this section. The gas delivered by the Company to Customers may have a heating value that exceeds nine hundred (900) Btu per cubic foot.

PHYSICAL PROPERTY RULES AND REGULATIONS

METER FURNISHED BY COMPANY

The Company will furnish each Customer with a meter of such size and type as the Company may determine will adequately serve the Customer's requirements and such meter shall be and remain the property of the Company and the Company shall have the right to replace it as the Company may deem necessary.

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 Customer shall grant the Company access to premises to relocate the Company's meter and any other property of the Company to a location that is accessible and free from hazards and the Customer shall bear the Company's actual cost necessary to relocate the meter and other Company property.

ONLY COMPANY CAN CONNECT METER

The owner of the premises or Customer shall not permit anyone who is not an authorized agent of the Company to connect or disconnect the Company's meters, regulators, gauges, or other property or in any way alter or interfere with the Company's meters, regulators, gauges, or other property.

ACCESS TO PREMISES

The Company and its authorized employees shall have free access at all reasonable times to all of the premises in which gas supplied by the Company is used or is to be used. Upon request, an employee shall identify him or herself, provide Company photo identification, and state the reason for the visit.

RIGHT-OF-WAY

Customers, without reimbursement, will make or procure conveyance to the Company of right-of-way satisfactory to the Company across the property owned or controlled by the Customer for the Company's distribution mains, extensions thereof, or appurtenances necessary or incidental to the supplying of service to the Customer.

CUSTOMER'S RESPONSIBILITY FOR PIPES AND APPLIANCES

The Customer shall own and maintain the house piping from the outlet of the meter to gas burning appliances. The Company shall have no obligation to install, maintain, or repair said piping. The Customer shall also own and maintain all gas-burning appliances. The Company shall have no obligation to install, maintain, or repair appliances.

STANDARDS FOR CUSTOMER'S PROPERTY

The Customer's house lines, fittings, valve connections and appliance venting shall be installed with materials and workmanship which meet or exceed all requirements established by law, regulation, building codes, or otherwise. Prior to initial establishment of service, the gas piping downstream of the meter must be inspected, either by a local building code authority or other appropriate governmental entity, by a person specifically authorized by such authority or entity to conduct such inspections, or by the Company if no such authority, entity, or person conducts such inspections. In addition, prior to the establishment or reestablishment of gas service, the gas piping downstream of the meter must be tested by the Company, or its representative, in accordance with Rule 4901:1-13-05(A)(3), Ohio Administrative Code, to determine that no leaks exist.

NO RESPONSIBILITY FOR MATERIAL OR WORKMANSHIP

The Company is not responsible for maintenance of, or any imperfect material or defective or faulty workmanship in, the house lines, fittings, valve connections, equipment, or appliances and is not responsible for any loss or damage arising from inadequate or improper maintenance or from imperfect material or defective or faulty workmanship.

PRESSURE REGULATORS

Where service is provided from intermediate or medium pressure distribution lines, the Company shall furnish the necessary regulator or regulators, which regulator or regulators shall remain the property of the Company. If it becomes necessary to construct, operate, and maintain a heater on the inlet side of the high pressure regulator to maintain satisfactory operation of the regulator or regulators, the gas used in such heater shall be at the cost of the Customer and shall be taken from the outlet side of the meter serving the Customer.

CUSTOMER SHALL NOT TAMPER WITH COMPANY EQUIPMENT OR PROPERTY

The Customer shall not tamper with the Company's equipment or property. If any meter or regulator, or the pipes, fittings, connections, or other Company property used in supplying gas to such meter or regulator, is tampered with by a Customer, his agent or employee, or otherwise, the Company may remove such meter or regulator and may permanently discontinue the supply of gas to such Customer. At the Company's option, the Company may reconnect gas supply to the Customer if the Customer satisfies the requirements for reconnection of gas following disconnection for tampering or other fraudulent activities as set forth in these Rules and Regulations.

EXTENSIONS OF GAS DISTRIBUTION MAINS

The Company will extend its distribution mains for the furnishing of gas on any dedicated street or highway without imposing a specific charge on the Consumer for such extension so long as at least one Consumer on an average of each 100 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, which measurement shall be taken from the end of the nearest distribution main with adequate capacity. Where application for service is made and when providing such service would require an extension of a main in excess of an average of 100 feet for each Applicant for service, the Company may enter into an extension agreement with the Applicant or Applicants providing for a deposit with the Company of a sum deemed adequate by the Company to cover the cost to be incurred by it for that portion of the extension in excess of the average of 100 feet for each Applicant to be served. The agreement covering the main extension must be signed by the owner of the premises to be served. Moreover, if the Applicant elects the monthly payment option in the main extension agreement, as more fully described below, said agreement shall require the Applicant to inform the prospective and subsequent owners at the premises of the monthly payment terms and conditions. The Applicant and the Company must agree on the meter location and the point of delivery of gas before any piping is laid or installed on the premises to be served.

When an extension of the Company's main to serve an Applicant amounts to more than 100 feet per Customer, the Company shall offer an Applicant who is an end-use Customer the option of making the required payment in the form of: (a) a one-time deposit; or (b) a monthly payment. An Applicant who is not an end-use Customer shall not be eligible for the monthly payment option. If the Company determines, in its sole judgment, that the nature of a main extension is such that it puts the Company at undue

risk of recovery, the Company may require different arrangements as a condition of such main extension. The required payment(s) shall be determined as follows:

1. The one-time deposit shall equal the estimated construction cost, net of the applicable entitlement extension footage for each permanent Customer initially connected to the main extension.

2. Where the Applicant has elected the monthly payment option, said monthly payment shall be billed to the Applicant or subsequent Customers at the same premises for the shorter of a period of five (5) years or until the cost of the main extension is included in the rates and charges for service and shall be considered part of the utility bill subject to disconnection of service for nonpayment. The monthly payment shall equal that amount needed to compensate the Company for the embedded cost of service associated with the main extension. Such cost of service shall include operation and maintenance expenses, including taxes, depreciation, and return on rate base reflected in the current rates on the construction cost, net of the applicable entitlement extension footage. The monthly payment amount shall be determined by an economic feasibility study based on recovery of the embedded cost of service of the main extension and related facilities. The Company shall retain for the duration of the payment period the economic feasibility study setting forth the embedded cost of service and provide it to the Customer(s) upon request.

Where a one-time deposit is received by the Company pursuant to a main extension agreement, said deposit shall be subject to refund within a period of ten (10) years from the date of the main extension agreement if additional Customers tap into the main extension paid for by such Customer(s). The amount of refund shall equal the difference between the amount deposited and the amount that would have been required to be deposited had the additional Customer agreed to take supply of gas from the Company under its applicable rates at the time the main extension agreement was entered into. In no event shall the amount of a refund of a one-time main extension deposit exceed the amount deposited. No refund of a one-time main extension deposit shall be made after ten (10) years from the date of the main extension agreement and such deposit shall, over such period, become the property of the Company. One-time main extension deposits shall bear no interest. No reimbursement applies to the further extensions or lateral extensions of the main.

Where the Applicant has elected the monthly payment option, the Company shall credit such monthly payment commencing when each additional Customer connects to the main extension. Such credit shall be the embedded cost of service associated with the 100-foot entitlement of each additional Customer using the methodology consistent to the original monthly payment calculation. In no case shall the monthly credit for additional Customers exceed the initial monthly payment. No reimbursement applies to the further extensions or lateral extensions of the main.

The Company shall not be required to make any extension of it is mains during the months of December, January, February, and March of any year.

EXTENSIONS OF SERVICE LINES

The Company shall not be required to lay service lines across paved streets or highways or lay any service lines during the months of December, January, February and March of any year.

The Company may enter into a service line extension agreement with the Applicant or Applicants providing for the recovery of such amount, as the Company deems adequate to install that portion of the service line required to furnish gas service to the Applicant. The Applicant shall be responsible for the entire cost of any service line required to furnish gas service on the Applicant's premises. All service lines shall remain the property of the Company and the Company shall have the right of access to said service lines for repairs, maintenance, leak surveys, replacement, and other reasonable purposes.

The Company shall have the option of offering the Customer one of two methods of payment for service line extensions: (a) a lump sum payment; or (b) a monthly payment. The monthly payment option shall be for up to three (3) years. Where the Customer has agreed to the monthly payment offered by the Company, the monthly payment shall be billed to the Applicant for a period of up to three (3) years and shall be considered part of the utility bill subject to disconnection of service for nonpayment. The agreement covering the service line extension must be signed by the owner of the premises to be served. If the Applicant has agreed to the monthly payment option offered by the Company, the agreement shall require the Applicant to be responsible for the balance due upon transfer of ownership of the premises.

In addition to the cost of the service line, the Company may require the Applicant to provide a deposit with the Company of the Applicant's share of a main extension if the Company determines:

1. The service line requested by the Applicant is to be connected to a main extension that the Company installed that was the subject of a main extension agreement with a current Consumer or its successor;

2. The Applicant previously refused to enter into a main extension agreement related to the main extension to which the service line will be attached; and

3. The Applicant's request for a service line is received by the Company within ten (10) years of the completion of the main extension to which the Applicant is seeking to connect a service line.

The Applicant's deposit shall be the amount that the Applicant would have deposited with the Company for the main extension if the Applicant had agreed to a main extension agreement at the time the Applicant previously refused to enter into the main extension agreement. The Company and Applicant shall comply with all terms and conditions otherwise applicable to an extension of a gas distribution main, except that the period that the deposit is subject to refund shall extend to a date no later than the date applicable to the first deposit the Company received related to the main extension.

REMOVAL OF PROPERTY NO LONGER IN SERVICE

In instances in which the Company's pipes or other property are no longer in service, the Company shall have the right, but not the obligation, to enter the property of non-Customers to remove the Company's non-operational pipes or other property located on the non-Customer's property.

SPECIAL SERVICE

If a municipality (unless otherwise provided for in a franchise agreement) or other public authority, that possesses the requisite authority, requires the Company to relocate its pipes or other property in a right-of-way, that municipality or public authority shall be responsible for the Company's actual costs in relocating such pipes or other property.

If a municipality (unless otherwise provided for in a franchise agreement) or other public authority, that possesses the requisite authority, requires the Company to construct its pipes or other property in a manner that differs from the Company's common practices, that municipality or public authority shall be responsible for the incremental costs, if any, incurred by the Company as a result of the specially required installation.

In all other circumstances, if an entity requests the Company to relocate any of its pipes or other property or construct its pipes or other property in a manner that differs from the Company's common practices, the Company may, in its sole discretion, agree to relocate its pipes or other property or alter its common construction practice(s) on the condition that the entity agrees to pay the Company's actual costs associated with the relocation or alteration of practices.

GENERAL

TARIFF DISCLOSURE

A full and complete copy of the Company's current tariff covering rates and charges for service and terms and conditions of service are available at the Public Utilities Commission of Ohio's website at www.puco.ohio.gov. The Company's applicable tariffed rules and regulations are also available to Customers upon request and will be provided within five (5) Business Days. Paper copies of any items requested shall be provided at cost.

RIGHT TO MODIFY

The Company reserves the right to modify, alter, or amend these Rules and Regulations and to make such further and other rules and regulations as experience may suggest and as the Company may deem necessary or convenient in the conduct of its business.

COMPANY'S TARIFFS SUBJECT TO COMMISSION RULES, ORDERS, AND REVISED CODE

These Rules and Regulations are subject to and include as part thereof all orders, rules and regulations applicable to the Company from time to time issued or established by the Public Utilities Commission of Ohio and to the laws contained in the Revised Code.

CURTAILMENT OF GAS SERVICE AND ENFORCEMENT OF CURTAILMENT

Customers of the Company may have their natural gas service curtailed during periods when inadequate supplies of natural gas exist to meet their total demands. Curtailment of Customers shall take place in the following order, with residential requirements being the last to be subjected to curtailment:

1. Industrial requirements for boiler fuel use of more than 500 Ccf per day;

2. All remaining industrial requirements in excess of plant protection and all commercial and public authority buildings on a pro-rata basis, with a 30% curtailment limit on the commercial and public authority buildings;

3. Commercial and public authority requirements in excess of plant protection;

4. Residential requirements.

A Customer of the Company which is subject to curtailment by the Company may have its service terminated in the event the Customer fails to restrict its gas consumption to authorized amounts. In such situations, the Company shall provide the Customer and the Public Utilities Commission of Ohio written notification of its intention to terminate gas service two (2) Business Days prior to terminating service. Any termination of service carried out pursuant to this provision shall continue until the Customer is entitled to gas under the curtailment plan specified herein. Any Customer receiving notice of termination of gas service may request the Public Utilities Commission of Ohio to stay the termination provided just cause can be shown as to why the termination should not be permitted.

In addition to termination of service, a Customer which exceeds its authorized gas usage may be required to compensate the Company for the Customer's proportionate share of the additional costs, if any, the Company incurs as a result of the Customer's conduct. As utilized herein, the additional costs recoverable from overrun Customers shall include the cost of any additional gas purchases caused by the overrun and the cost of any penalty which is actually assessed to the Company by its supplier because of the overrun.

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

GENERAL SERVICE

To any residential, commercial or industrial customer for general service, manufacturing, processing and/or building heating and/or cooling at any one location subject to any governmental restrictions which may affect the Company's ability to provide new or additional gas service. Service under this rate schedule is subject to the Rules and Regulations in this tariff (Sheet Nos. 3 to 8)

DISTRIBUTION RATE

The distribution rate under this schedule includes the base rates and rider rates provided or referenced below.

BASE RATE

Customer Charge	$9.08 per month
For the first 10,000 Ccf used per month	$0.15443 per Ccf
For all Ccf used over 10,000 Ccf per month	$0.09518 per Ccf

RIDERS

Service under this rate schedule is subject to the following riders: Gross Receipts Excise Tax Rider (Sheet No. 11); Percentage of Income Payment Plan Rider (Sheet No. 12); and Uncollectible Expense Rider (Sheet No. 13).

RECOVERY OF INCLUDABLE COST OF GAS SUPPLIES

Pursuant to Chapter 4901:1-14, Ohio Administrative Code, and by the terms of this tariff, the total rate charges under this schedule consists of the distribution rate plus the appropriate gas cost recovery rate specified in the Uniform Purchased Gas Adjustment Rider (Sheet No. 14).

TRANSPORTATION SERVICE

DEFINITIONS

In addition to the definitions contained in Sheet No. 2, the following terms shall have the meanings indicated below for purposes of Transportation Service (Sheet No. 10), and any defined term contained in these definitions supersedes a definition provided in the definitions contained in Sheet No. 2:

A. "Ccf" means one hundred (100) cubic feet measured at a pressure of fourteen and six tenths (14.6) pounds per square inch with correction for super compressibility and at a temperature of sixty degrees (60˚) Fahrenheit.

B. "Customer" means an individual, governmental or corporate entity taking transportation service hereunder where the gas is delivered to the Company for the Customer using gas supply allocation, upstream capacity allocation, allocation of responsibility for existing gas supply and related services previously used by the Company to provide bundled or transportation service to the Customer and billing methods developed for such purpose.

C. "Customer Group" means two or more Customers who combine their gas requirements and purchase gas from a designated pool or program or supplier(s) where the gas is delivered to the Company for the Customer Group using gas supply allocation, upstream capacity allocation, allocation of responsibility for existing gas supply, and related services previously used by the Company to provide bundled or transportation service to any or all members of the Customer Group and billing methods developed for such purpose.

D. "Delivery Point" means the location at which the Customer first delivers its gas to the Company.

E. "Firm Service" means the quality of service provided under the terms and conditions of the schedule with the Company providing service absent a *force majeure* condition.

F. "Gas" means the gas that is redelivered to Customer's meter at the Redelivery Point, and made available to the Company under this schedule.

G. "Imbalance" means the daily difference between the quantity delivered by the Customer to the Company at the Delivery Point and the quantity consumed by the Customer as measured at the Redelivery Point. It is understood that the quantity received by the Company at the Delivery Point must exceed the quantity measured at the Redelivery Point by the Company's unaccounted-for gas ("UFG"). An imbalance exists when actual receipts adjusted for unaccounted-for gas are either greater or less than actual deliveries. The term "day" or "daily" shall have the same meaning as established by the supplier that makes Customer's gas available to the Company at the Delivery Point.

H. "Index" means the monthly value determined based upon the published price for the Texas, Oklahoma region reported in the table "Prices of Spot Gas Delivered to Panhandle Eastern Pipe Line Company" ("PEPLC") in the first issue of "Inside F.E.R.C.'s Gas Market Report" for the month in which deliveries are made. In the event this publication ceases to exist as a convenient reference, the value shall be determined based upon accepted industry practice as applied to the determination of prices for first of the month spot purchases from the same region and delivered to PEPLC.

I. "Interruptible Service" means the quality of service provided under the terms and conditions of this schedule with the Company providing service only when available each day based upon the reasonable judgment of the Company. Whenever the Company decides it is desirable for operational, gas supply, capacity, safety, or economic considerations, the Company may discontinue service under this schedule provided that the Company shall attempt to provide verbal notice of such discontinuation. The Company's failure to provide notice under this schedule and its failure to provide notice prior to discontinuance of service shall not give rise to any claim, cause of action, or right in the Customer.

J. "Month" means calendar month or the period of approximately one month in length based on the Customer's billing cycle as established by the Company.

K. "Nomination" means the quantity of gas which the Customer will have delivered to the Delivery Point for redelivery by the Company for the relevant period. It is understood that the ultimate nomination each month must take into account the Company's allowance for UFG and any similar reductions made by other transporters.

L. "Primary Firm" means the delivery of natural gas by a Customer or Customer Group to a Delivery Point between the Company and the interstate pipeline supplying such natural gas, under a firm transportation agreement that specifies the Company as the primary receipt and Delivery Point.

M. "Redelivery Point" means the location where gas is metered for delivery to the Customer's premises for billing purposes. In the case of a Customer Group, the Redelivery Point shall be the billing meter for each member of the Customer Group.

N. "Single Location" means a facility located on contiguous property separated only by a roadway, railway, or waterway.

O. "Transportation Service First Block Rate" means the volumetric rate stated in the Transportation Service rate schedule that applies to the first 10,000 Ccf of gas supplied under this rate schedule.

APPLICABILITY

Transportation service pursuant to this schedule consists of delivery of Customer- or Customer Group-owned or supplied gas volumes injected by or on behalf of the Customer or Customer Group into the Company's facilities for redelivery by the Company. The Company provides no assurance of continued delivery of gas in the event of interruption of the Customer's or Customer Group's supply. Subject to capacity constraints, transportation service under this schedule is available to the Company's Customers and Customer Groups who: (1) enter into a transportation service agreement; (2) have purchased or otherwise arranged for a supply of natural gas of acceptable quality on a Primary Firm basis; (3) have made arrangements to establish metering or other monitoring equipment which may be reasonably necessary to permit the Company to satisfy the Customer's service needs as well as the needs of the Company's other customers; and (4) use in excess of fifty thousand (50,000) Ccf per year. For purposes of the fourth requirement, if the Customer has multiple meters at a Single Location, the usage across all meters located on the Single Location may be totaled to satisfy the fifty thousand (50,000) Ccf requirement. The Customer or Customer Group must qualify for transportation service under the P.U.C.O. Gas Transportation Program Guidelines, must have requested that the Company transport such gas, and have provided for the delivery of such gas to a point on the Company's existing system which is acceptable to the Company for redelivery at a point on the Company's system which is acceptable to Company. The Company reserves the right

to decline requests to provide service and discontinue service whenever rendering such service would be detrimental to the operation of its system. Notwithstanding this tariff offering, the Company may continue to enter into transportation service arrangements pursuant to Section 4905.31, Revised Code, when, in its judgment, the circumstances warrant a specific arrangement to address the nature of the service to be provided. Nothing in this schedule shall be understood to indicate that the Company shall not provide transportation service in accordance with ordinances enacted by municipalities provided such ordinances are accepted by the Company. The different types of transportation service are as follows:

Firm Service. The Company shall allocate and reserve pipeline capacity of the Company's facilities on behalf of the Customer for redelivery of the Customer's supply for consumption by the Customer.

Interruptible Service. The Company shall accept the Customer's supply for redelivery to the Customer based on the expected or actual available capacity of the Company's facilities. Interruptible capacity shall be determined after considering all capacity commitments relative to firm transportation.

TERM

Customers that elect to request transportation service will be required to execute a written service agreement prior to the commencement of any service. Unless otherwise agreed, service agreements shall provide for a primary term of three (3) years, continuing thereafter on a year-to-year basis, subject to cancellation by the Company or the Customer on 180 days' written notice or as otherwise agreed by the Company.

CAPACITY

Where the Company has agreed to provide the Customer with Firm Service requested by the Customer, service agreements shall specify the Company's pipeline capacity allocated to and reserved on behalf of the Customer for redelivery of the Customer's supply, recognizing the Company's UFG. The Company's obligation to accept the Customer's supply for redelivery for the Customer's consumption of all volumes in excess of the Customer's firm capacity shall be best efforts.

UNACCOUNTED-FOR GAS ("UFG")

Unless otherwise agreed, the Customer shall have the right to retain, pursuant to this schedule, 100% of the gas delivered to the Company, less the average system-wide UFG percentage.

TRANSPORTATION RATES

The rates and charges for transportation services will be as follows:

Base Rates. Firm and interruptible service base rates shall not exceed the amounts specified below as adjusted to reflect the effect of all riders and other applicable charges. For Customers electing transportation service on and after December 31, 1996, the base rates may be adjusted by the Company to permit the Company to recover the Customer's or the Customer Group's appropriate share of unavoidable gas supply-related costs incurred by the Company to meet the requirements of the Customer or the Customer Group as those requirements would otherwise exist but for the election. The Company shall attempt to reduce and eliminate such unavoidable costs provided that such efforts do not place its other customers at an economic or service disadvantage. Base rates, at the Redelivery Point, for service before adjustment for unavoidable gas supply-related costs and applicable riders are as follows:

Customer Charge:	$9.08 per Redelivery Point per month
For the first 10,000 Ccf per month	$0.15443 per Ccf per month
For all Ccf over 10,000 per month	$0.09518 per Ccf per month

Riders. The base rates shall be subject to the following riders: Gross Receipts Excise Tax Rider (Sheet No. 11); Percentage of Income Payment Plan Rider (Sheet No. 12); and Uncollectible Expense Rider (Sheet No. 13). Service under this rate schedule is also subject to the Rules and Regulations in this tariff (Sheet Nos. 3 to 8).

IMBALANCES

The Customer's daily gas consumption at the Redelivery Point shall equal the daily volume of gas the Customer delivers to the Company at the Delivery Point (subject to the adjustment for unaccounted-for gas) plus or minus five percent (5%). For each Ccf of positive or negative imbalance in excess of five percent (5%) each day (excess

imbalance), and unless otherwise agreed, the Customer shall pay to the Company an imbalance fee as follows:

A. If a negative excess imbalance exists, the Customer shall be obligated to pay to the Company a sum (in addition to all other charges specified herein) equal to the higher of: (1) the total amount of the negative imbalance multiplied by the Transportation Service First Block Rate and its successors on file and approved by the Commission, including the applicable charge for the cost of purchased gas, or (2) the highest penalty amount incurred by the Company as a result of or in connection with such imbalance pursuant to an interstate pipeline tariff multiplied by the imbalance quantity. This additional charge does not entitle the Customer to rely upon the Company to secure a supply of gas or provide standby or partial service but merely represents a means for eliminating the imbalance condition to the extent the Company has gas available to it without imposing additional cost on other Customers.

B. If a positive excess imbalance (actual daily volume of the Customer's gas delivered to the Company for redelivery to the Customer adjusted for unaccounted-for gas more than five percent (5%) greater than actual gas consumption), the Company shall eliminate the imbalance by purchasing the excess imbalance according to the following schedule:

Percentage Imbalance Level	Sales Price
0-5	No Sale
> 5-10	.9 x index
> 10-20	.7 x index
> 20	.5 x index

TITLE TO GAS

Any Customer taking transportation service pursuant to this schedule warrants that it has title to the gas delivered to the Company free and clear of all claims and covenants and agrees to indemnify and hold harmless the Company 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 such gas.

BEST EFFORTS MONTHLY BALANCING SERVICE

Monthly balancing service may be selected by the Customer and shall be a required service when the Customer causes a positive or negative excess imbalance to exist. Balancing service does not relieve the Customer of the responsibility to avoid an imbalance condition. Unless otherwise agreed, monthly balancing service is a "best efforts" service which involves the Company's use of storage capacity and capabilities to hold, on a best efforts basis, excess daily deliveries of the Customer's gas for use by the Customer to meet balancing requirements. Additionally, the ability of the Company to use such storage capacity and capabilities to provide monthly balancing services on a best efforts basis is dependent on the performance of third parties and not subject to the Company's control.

The rate for best efforts monthly balancing service shall be $0.00381 per Ccf transported per month. Payment of the applicable charges for monthly balancing service will permit the Customer to balance consumption with deliveries on a monthly basis provided that the Customer's monthly imbalance shall not exceed five percent (5%) of the Customer's consumption for the same month. In the event that the monthly imbalance is in excess of five percent (5%), the Customer shall eliminate the excess imbalance in the subsequent month. For each Ccf of positive or negative imbalance in excess of five percent (5%) each month (excess imbalance), the Customer shall pay to the Company an imbalance fee as follows:

A. If a negative excess imbalance exists, the Customer shall be obligated to pay to the Company a sum (in addition to all other charges specified herein) equal to the higher of: (1) the total amount of the negative imbalance multiplied by the rates and charges in the Transportation Service First Block Rate and its successors on file and approved by the Commission, including the applicable charge for the cost of purchased gas, or (2) the highest penalty amount incurred by the Company as a result of or in connection with such imbalance pursuant to an interstate pipeline tariff multiplied by the imbalance quantity. This additional charge does not entitle the Customer to rely upon the Company to secure a supply of gas or provide standby or partial service but merely represents a means of eliminating the imbalance condition to the

extent the Company has gas available to it without imposing additional cost on other Customers.

B. If a positive excess imbalance (actual monthly volume of the Customer's gas delivered to the Company for redelivery to the Customer adjusted for unaccounted-for gas more than five percent (5%) greater than actual gas consumption) is not eliminated in the month following its creation, the Company shall eliminate the imbalance by purchasing the excess imbalance according to the following schedule:

Percentage Imbalance Level	Sales Price
> 0-5	No Sale
> 5-10	.9 x index
> 10-20	.7 x index
> 20	.5 x index

In addition to the other rates and charges specified herein, the Customer shall reimburse the Company for all costs incurred by the Company, including penalties or overrun charges payable to pipelines, as a result of variations in the amount of gas consumed by the Customer at the Redelivery Point and the amount of gas the Customer delivers to the Company at the Delivery Point. In addition to the charges specified herein, the Company shall have the right (as stated in the General Terms and Conditions specified below) to terminate service as a result of the Customer's failure to satisfy the Customer's balancing obligations. Nothing in this schedule shall be understood to limit the Company's right to terminate transportation service under this schedule as a result of the Customer's failure to satisfy the Customer's balancing obligations.

RECORD KEEPING AND METER READING

The Customer shall provide the Company such daily meter reading information that the Company shall reasonably request for purposes of administering the Customer's transportation service. It is understood that the Company shall be entitled to rely upon the Customer's records and meter readings for all such purposes.

QUALITY

The gas made available to the Company by the Customer for redelivery shall be of a quality equal to or better than the quality specifications contained in the tariffs or contracts governing the Company's purchase of gas from its interstate pipeline or other suppliers. It is understood that the Company shall have no obligation to accept volumes made available by the Customer in the event gas does not meet these quality specifications.

GENERAL TERMS AND CONDITIONS

A. Services provided under this schedule are subject to all Federal, State of Ohio and local laws and to the orders, rules and regulations of any federal, State or local agencies having jurisdiction thereof.

B. The Company shall invoice the Customer on a monthly basis and all invoices shall be due and payable within fifteen (15) days of the date the invoice is postmarked. All invoices not paid by the due date are subject to the Company's Late Payment Charge (Sheet No. 5). In the event the Customer supplies the Company with a check or other instrument which is supported by insufficient funds, the Customer shall also be assessed the Company's Bad Check Charge (Sheet No. 5).

C. The Company, at its sole election, may terminate service under this schedule in the event the Customer fails to cause its gas supply to be made available to the Company at the Delivery Point to match the gas supply consumed at the Redelivery Point. The imbalance charges specified herein shall not be construed as the Company's exclusive remedy in the event that the Customer fails to fulfill its balancing obligations. In addition, nothing herein shall preclude the Company from waiving an imbalance rate or charge provided the Customer has undertaken reasonable efforts to eliminate the imbalance condition, the frequency and magnitude of the imbalance condition does not, in the Company's judgment, indicate the Customer is utilizing the imbalance to obtain an economic advantage related to the cost of gas or transportation and related services or the imbalance condition does not disadvantage other customers or the Company.

D. No waiver by the Company or the Customer of one or more defaults by the other of the provisions of service under this schedule shall be construed as a waiver of any other or further defaults, whether of a like or of a different character.

E. The Company does not hereby assume the risk of and shall not be responsible for any injury or damage that occurs as a result of the failure of a Customer's gas supply to reach the Delivery Point or as a result of acts of God, *force majeure* events, emergencies, riots, strikes, insurrections or the acts of third parties, regulators or government that prevent the Company from providing transportation service to the Customer.

F. The Company may offer transportation service at rates that are downwardly flexible from the base rates and best efforts balancing service rate specified above. The rates may be flexed downward to a rate or charge that recovers all variable costs of service and provides some contribution to the Company's fixed costs of providing service. Reduced rates may be determined based on competitive services available to the Customer, the quality (firm or interruptible) of service, the Company's need to achieve load preservation, or the economic recovery of costs incurred by the Company and shall be subject to: (1) the requirements of Section 4905.31, Revised Code, as such requirements may apply based on the determinations of the Commission; or (2) the requirements of Article XVIII, Section 5 of the Ohio Constitution and the lawful acts of units of local government.

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

GROSS RECEIPTS EXCISE TAX RIDER

The Gross Receipts Excise Tax Rider is applicable to all charges billed by the Company under this tariff.

All bills shall be adjusted for the Ohio gross receipts tax at a rate of 4.9869%.

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

PERCENTAGE OF INCOME PAYMENT PLAN ("PIPP") RIDER

In addition to all other rates and charges applicable to service provided under the General Service rate schedule (Sheet No. 9) or the Transportation Service rate schedule (Sheet No. 10), Customers receiving service pursuant to said rates shall pay an additional amount per Ccf. The monthly charge may be revised in accordance with the Commission's Order in Case No. 87-244-GE-UNC. The current recovery of PIPP arrearages is $0.00041 per Ccf billed.

UNCOLLECTIBLE EXPENSE RIDER

Applicable to all volumes served under the General Service (Sheet No. 9) and Transportation Service (Sheet No. 10) rate schedules. An additional charge shall be applied to all volumes for service rendered to recover costs associated with uncollectible accounts arising from those Customers responsible for paying the Uncollectible Expense Rider. The Company 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 (10%) is needed to adjust for prior period over- or under-collections. The current Uncollectible Expense Rider rate is $0.00038 per Ccf.

OHIO GAS COMPANY

P.U.C.O. No. 2
Tariff for Gas Service

UNIFORM PURCHASED GAS ADJUSTMENT RIDER

The Company incorporates by reference Chapter 4901:1-14, Ohio Administrative Code, regarding Uniform Purchased Gas Adjustment Clauses.

EXHIBIT JGB-S1

APPENDIX C

CUSTOMER NOTICE

IMPORTANT NOTICE

Based upon an application submitted May 31, 2017, and an investigation conducted by The Public Utilities Commission of Ohio, Ohio Gas Company has received authority to increase its rates and charges. The increase reflects increases in expenses which Ohio Gas Company has incurred to provide gas service.

The new rates shall be effective for all service rendered on or after _____. The effect of the increase will cause your monthly gas bill to increase by no more than $____.

The Commission also authorized Ohio Gas Company to file a new tariff. The tariff contains revisions to existing terms and conditions of service and new provisions. The tariff may be accessed on the Ohio Gas Company website at www.ohiogas.com or the website of the Public Utilities Commission of Ohio at puco.ohio.gov.

If you should have any questions regarding this notice, please contact Ohio Gas Company, 200 West High Street, Bryan, Ohio, (419) 636-1117. Questions may also be directed to The Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43266-0573 or by calling 800-686-7826 or to the Office of the Ohio Consumers' Counsel at 1-866-898-7622.

Ohio Gas Company

APPENDIX D

ADJUSTMENTS TO TRANSFER JURISDICTIONAL ADJUSTED RESERVE

ACCT NO. (A)	ACCOUNT TITLE (B)	DESCRIPTION (C)	STAFF'S **Jurisdiction Transfer** IN/(OUT) Adjustment (D)	**Total Company Adjustment**
369	Measure & Regulating Station Equipment		$ 20,608	**23,304**
374.1	Land		(1,187)	**(1,351)**
380	Services		78,997	**89,333**
381	Meters		176,803	**199,944**
383	House Regulators		216,706	**245,059**
390	Structures & Improvements		64,978	**73,010**
391.1	Office Furniture & Equipment		(91,082)	**(102,999)**
391.2	Computer Equipment		(412,930)	**(466,956)**
394	Tools, Shop & Garage Equipment		(52,827)	**(59,270)**
395	Laboratory Equipment		(66)	**(74)**
		Total Adjustment	$ -	-

EXHIBIT JGB-S1

CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Joint Stipulation and Recommendation*, was sent by, or on behalf of, the undersigned counsel for Ohio Gas to the following parties of record on January 26, 2018, *via* electronic transmission.

/s/ Frank P. Darr
Frank P. Darr

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ATTORNEY EXAMINERS

CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Testimony of Joseph G. Bowser in Support of the Joint Stipulation*, as sent by, or on behalf of, the undersigned counsel for Ohio Gas to the following parties of record this 29th day of January, 2018, *via* electronic transmission.

/s/ Frank P. Darr
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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

1/29/2018 9:01:59 AM

in

Case No(s). 17-1139-GA-AIR, 17-1140-GA-ATA, 17-1141-GA-AAM

Summary: Testimony Testimony of Joseph G. Bowser in Support of the Joint Stipulation and Recommendation electronically filed by Mr. Frank P Darr on behalf of Ohio Gas Company

PERCENTAGE OF INCOME PAYMENT PLAN ("PIPP") RIDER

In addition to all other rates and charges applicable to service provided under the General Service rate schedule (Sheet No. 9) or the Transportation Service rate schedule (Sheet No. 10), Customers receiving service pursuant to said rates shall pay an additional amount per Ccf. The monthly charge may be revised in accordance with the Commission's Order in Case No. 87-244-GE-UNC. The current recovery of PIPP arrearages is $(0.0018) per Mcf billed.

UNCOLLECTIBLE EXPENSE RIDER

Applicable to all volumes served under the General Service (Sheet No. 9) and Transportation Service (Sheet No. 10) rate schedules. An additional charge shall be applied to all volumes for service rendered to recover costs associated with uncollectible accounts arising from those Customers responsible for paying the Uncollectible Expense Rider. The Company 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 (10%) is needed to adjust for prior period over- or under-collections. The current Uncollectible Expense Rider rate is $(0.0152) per Mcf.