**BEFORE**
**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Application of Northern Industrial Energy Development, Inc., for Authority to Convert to a Pipeline Company and for Approval of Amended Transportation Tariff | ) ) ) ) ) | Case No. 21-1186-PL-ATA |

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# APPLICATION OF NORTHERN INDUSTRIAL ENERGY DEVELOPMENT, INC., FOR AUTHORITY TO CONVERT TO A PIPELINE COMPANY AND FOR APPROVAL OF AMENDED TRANSPORTATION TARIFF

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## I. INTRODUCTION

Northern Industrial Energy Development, Inc. ("NIED") respectfully files this application requesting that the Commission approve the conversion of NIED's regulatory status from a natural gas company to a pipeline company as defined in R.C. 4905.03(F) and also approve an amended transportation tariff for NIED. NIED currently operates as a pipeline company offering transportation services for commercial customers.

Concurrent with this application, NIED has filed with the Commission, jointly with other parties, an application to approve the assignment to NIED of certain natural gas pipeline systems being purchased by Utility Pipeline, Ltd. ("UPL") from the bankruptcy estate of Cobra Pipeline Company, Ltd. ("Cobra"), *see* In re Cobra Pipeline Co., Ltd., Case No. 19-15961 (Bankr. N.D. Ohio), as described more particularly in the joint application filed in PUCO Case No. 21-0803-GA-ATR. To facilitate the operation of the pipeline systems being sold by Cobra should the Commission approve their assignment to NIED, and to support the joint request to approve that assignment, NIED respectfully submits an amended tariff for transportation services for the Commission's approval.

As set forth below, NIED has the managerial, technical, and financial capabilities to operate as a pipeline company. Accordingly, NIED respectfully requests that the Commission expeditiously grant this application, convert NIED's regulatory status to that of a pipeline company, and approve the attached amended tariff for NIED's transportation services.

## II. BACKGROUND

NIED was formed in 1986 and began sales service in February 1987, providing service to many areas throughout the eastern half of Ohio. On November 10, 1987, the Commission approved revised transportation tariffs for NIED, and on March 7, 1996, the Commission approved further amended transportation tariffs for NIED. *See In the Matter of Application of Northern Industrial Energy Development Inc. for Tariff Approval to Revise Transportation Tariff to Establish Price*, Case No. 87-1753-GA-ATA, Finding and Order (Nov. 10, 1987); *In the Matter of the Application of Northern Industrial Energy Development, Inc. for Tariff Approval to Revise Transportation Tariff per Commission Order of November 8, 1988*, Case No. 88-1930-GA-ATA, Finding and Order (March 7, 1996).

In 1990, NIED also made available interruptible natural gas service to certain customers pursuant to its Local Supply Gas Service Tariff approved by the Commission on July 19, 1990. *In the Matter of the Application of Northern Industrial Energy Development, Inc. for a Tariff Approval to establish a New Local Supply Gas Service*, Case No. 90-0923-GA-ATA, Finding and Order (Jul. 19, 1990). Under this tariff, NIED offered interruptible service to customers located near local production wells, with service reliability dependent on local well production, pressures, impurities, and equipment. As described below, NIED no longer offers natural gas services.

On January 1, 2002, UPL, a privately-owned corporation involved in pipeline construction and utility support services in Ohio and surrounding states, purchased NIED and began operating it as a stand-alone natural gas utility. (NIED Testimony, A4.) Effective January 1, 2006, NIED sold all of its residential pipeline systems and customers to Knox Energy Cooperative Association, Inc. in a transaction that was approved by the Commission in Case No. 05-1267-GA-ATR. Following that transaction, the only remaining customers served by NIED were approximately ten small commercial transportation customers. As approved by the Commission in Case No. 07-0633-GA-ATR, three of those small commercial customers were transferred to Dominion East Ohio ("DEO") on November 15, 2007.

NIED continues to provide transportation services to commercial customers through pipelines in Wyandot, Stark, and Medina counties. (NIED Testimony, A5.) NIED has operated its natural gas pipeline systems safely and reliably for over thirty-five years without any formal complaint to the Commission by any customer of NIED.

## III. NIED HAS THE RELEVANT CAPABILITIES AND GRANTING THIS APPLICATION IS JUST, REASONABLE, AND IN THE PUBLIC INTEREST.

### A. Managerial Capabilities

NIED's management team has decades of experience in the transportation of natural gas, scheduling with customers, and safe operation of natural gas pipelines and facilities. NIED's management team is well respected in the industry and has extensive experience and capabilities. As set forth in the testimony filed concurrently with this application, and the biographies attached to that testimony, NIED's management team has the requisite experience to operate NIED as a pipeline company. (NIED Testimony, A6.)

### B. Technical Capabilities

NIED operational personnel have decades of combined pipeline experience in gas transportation and related services. Field staff provided by NIED's parent company operates and maintains pipeline systems, maintains meters and regulators, actively prevents corrosion, and provides line-location services for multiple natural gas systems in multiple states. Additionally, this field staff is experienced with Commission safety inspections and will provide all necessary technical services in order to permit NIED to continue to safely operate as a pipeline company. NIED has an excellent history of safety and responsiveness with zero loss-time accidents, pipeline failures, or unscheduled outages. Thus, NIED is well positioned to continue its technical excellence as a pipeline company. (NIED Testimony, A7.)

### C. Financial Capabilities

NIED is a wholly owned subsidiary of UPL. NIED has the financial capability to continue to operate as a pipeline company in Ohio. UPL has more than ample financial resources to continue to operate subsidiaries that are regulated as public utilities in Ohio. While NIED and UPL are distinct corporate entities, UPL will ensure the continued financial health of NIED, and UPL will continue to ensure that NIED has the financial capability to own and operate its pipeline systems. (NIED Testimony, A8.)

### D. Proposed Amended Transportation Tariff

NIED's current transportation tariff was approved over twenty-five years ago. To address necessary updates to the tariff, and also accommodate the expanded transportation service that is anticipated upon the assignment of the Cobra systems to NIED, NIED submits the attached proposed transportation tariff as an amended tariff to replace in their entirety all prior

Commission-approved transportation tariffs. This amended transportation tariff, designated as P.U.C.O. No. 3, is attached to this application as Exhibit A.

## IV. CONCLUSION

For the foregoing reasons, the Commission should approve NIED's application to convert to a pipeline company and for approval of its amended transportation tariff.

Dated: November 18, 2021

Respectfully submitted,

*/s/ David F. Proaño*
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# EXHIBIT A

# NORTHERN INDUSTRIAL ENERGY DEVELOPMENT, INC.

## Rules, Regulations and Rates Governing the Transportation of Gas

Filed with The
Public Utilities Commission of Ohio

Communication Concerning
This Tariff Should Be Sent To:

Andrew Duckworth, President

Northern Industrial Energy Development, Inc.
4100 Holiday St. NW, Suite 201
Canton, Ohio 44718

# SECTION I - TABLE OF CONTENTS

# SECTION II – DEFINITIONS

**A. Abbreviations**:

Btu - British thermal unit
Mcf - One Thousand cubic feet of natural gas
OAC - Ohio Administrative Code
ORC - Ohio Revised Code
PSIA - Pounds per square inch absolute
PUCO or Commission - Public Utilities Commission of Ohio

**B. "Applicant"** means any person or entity that requests or applies with the Company for transportation service.

**C. "Billing Cycle"** is approximately one month in length.

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

**E. "Company"** means Northern Industrial Energy Development, Inc. ("Northern Industrial").

**F. "Customer"** means any legal entity or person who has an agreement, by contract and this tariff, with the Company to receive transportation service.

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

**H. "Delivery Point(s)"** means the specific measurement location(s) specified in the applicable Service Agreement at which the Company delivers Customer-owned gas to Customer.

**I. "Firm"** means each Dth the Customer nominates and the Company confirms at the Point(s) of Receipt, within the Customer's MDQ, will be delivered to the Customer's Delivery Point(s) minus the Company's Shrinkage without interruption except under Force Majeure conditions, an Operational Flow Order, or an emergency declared by the State of Ohio or the Commission.

**J. "Gas Day"** means a 24-hour period beginning at 10:00 a.m. Eastern Time.

**K. "Index"** means the gas commodity price expressed in Dth determined by Company by reference to the published price for gas for the Appalachian Region. This published price is reported in the "Monthly Bidweek Spot Gas Prices for the month in which deliveries are made as reported in the S&P Global - Platts "Gas Daily Price Guide. Specifically, the price will be reported in the "Appalachia" section, which will show an Index price for "Columbia Gas, App." In the event this publication ceases to exist as a convenient reference, the value shall be determined based on accepted industry practice as applied to Columbia Gas Transmission unless the parties otherwise agree, in writing, upon another specific publication.

**L. "Interruptible"** means that each Dth the Customer nominates and the Company confirms at the Point(s) of Receipt will be delivered to the Customer's Delivery Point(s) less the Company's Shrinkage, if the Company, using reasonable judgment, determines that capacity exists after all the Firm transport needs are accounted for to permit redelivery of tendered gas.

**M. "Marketer"** means Customer's natural gas supplier.

**N. "Maximum Daily Quantity" or "(MDQ)"** means the maximum daily firm gas quantity that Customer shall be entitled to nominate for a Nomination during any Gas Day for transportation by the Company. Customer's MDQ shall be negotiated between Customer and the Company and incorporated into the Service Agreement.

**O. "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.

**P. "Nomination"** means the confirmed quantity of gas that the Customer shall arrange to have delivered to the Point(s) of Receipt for redelivery by the Company to the Delivery Point(s) during any Gas Day. Any Nomination shall include sufficient gas to account for the Company's Shrinkage.

**Q. "Operational Flow Order"** means a declaration made by the Company that conditions are such that the Company can only transport the volume of gas during any Gas Day equal to the volume of gas that the Customer will actually deliver to the Point(s) of Receipt on that Gas Day, whether for safety, maintenance or operational purposes.

**R. "Point(s) of Receipt"** means location(s) specified in the applicable Service Agreement where natural gas is delivered into Company's pipeline system.

**S. "Service Agreement"** means an individual contract signed by the Customer and Company prior to the commencement of transportation service that identifies the Point(s) of Receipt, Delivery Point(s), the MDQ, declares whether the service is Firm or Interruptible, the Shrinkage, and establishes the charges for transportation services under this tariff. Each Service Agreement shall be filed with the Commission on a confidential basis, subject to an appropriate motion for protective order, pursuant to ORC 4905.31 for approval by the Commission.

**T. "Shrinkage"** means the quantity of gas in Dth required by the Company to replace the estimated quantity of gas that is lost or unaccounted for when transporting the gas tendered by Customer for delivery by the Company through each applicable pipeline system. Shrinkage is determined by multiplying the quantity of gas in Dth tendered by Customer for delivery by the Company by the following percentages for each pipeline system as applicable: (i) Churchtown system: 8.3%; (ii) Holmesville system: 2.2%; (iii) North Trumbull system: 4.8%.

**[remainder of page intentionally blank]**

## Transportation Terms and Conditions

## SECTION III – APPLICANT REQUIREMENTS

### 1. Conditions of Service

Transportation service consists of delivery of the customer-owned or supplied natural gas volumes injected by the Customer or its Marketer into the Company's pipeline system for redelivery by the Company to the Customer. The Company provides no assurance of continued delivery of gas in the event of interruption of Customer's supply.

Transportation service pursuant to this tariff is available to all qualifying Customers who sign a Service Agreement with the Company, demonstrated that they have the ability to tender gas to the Point(s) of Receipt identified in the Service Agreement, and have made suitable arrangements for such tendered volumes to be received by Customer or on Customer's behalf at the Delivery Point(s) identified in the Service Agreement.

Subject to capacity constraints, transportation service hereunder is available to Company's Customers who: (1) are a utility, marketer of gas, reseller of gas, transporter of gas, or a commercial or industrial Customer; (2) enter into a Service Agreement with the Company; (3) establish to the Company's satisfaction that Customer's annual usage for transportation services from the Company will be in excess of 25,000 Mcf; and (4) have purchased or otherwise arranged for a supply of natural gas of acceptable quality from a supplier other than the Company. The customer must qualify for transportation service under the PUCO Gas Transportation Program Guidelines and must have requested that the Company transport such gas and have provided for the delivery of such gas to Point(s) of Receipt on the Company's existing system which is acceptable to the Company for redelivery at Delivery Point(s) on the Company's system which is acceptable to the Company.

The Company reserves the right to decline requests to provide such services whenever, in the Company's judgment, rendering such service would be detrimental to the operation of its system.

## 2. Application

Before commencing transportation service hereunder, Applicant shall execute anapplication for transportation service provided by the Company. Applicant shall attach to the application a verified undertaking by Applicant's Marketer or other source of natural gas to be delivered to Company for redelivery to Applicant, by which the Marketer or other source of natural gas to be delivered by Applicant commits to provide telephonic, electronic mail or facsimile notice to Company ten (10) calendar days before the date said Marketer interrupts or terminates delivery of natural gas to Company for redelivery to Applicant for any reason whatsoever (except a condition of Force Majeure or conditions beyond the Marketer's control to prevent), explicitly including, but not limited to, default by Applicant under its agreement or agreements with said Marketer. Failure of Applicant to submit such verified undertaking shall be grounds for denial of the Application. Failure of Applicant's Marketer or other source of gas to provide the notice of interruption or termination to the Company as required herein shall be a default by Customer under the Service Agreement and Company shall be entitled to terminate transportation service.

## 3. Optional Electronic Measurement Services

Customers electing optional electronic measurement services shall pay Company a monthly charge of $150.00 for each Delivery Point electronically measured via electronic measurement and/or tele-metering equipment. Customers who elect this service must provide and pay for a dedicated telephone line and the necessary power to operate such electronic measurement and tele-metering equipment. The meter, electronic measurement device and associated tele-metering equipment shall be and remain the property of the Company. The Company will install and maintain the electronic measurement and tele-metering equipment. Any Customer that elects this optional service shall agree to continue such service for a length of time equal to the first of the following occur: (1) a minimum period of thirty-six (36) months; or (2) until the Delivery Point is no longer in use for transportation service from Company. If the minimum period of thirty-six (36) months expires and a Customer wishes to continue to receive this optional service then that Customer must agree, in writing, to renewing the terms listed in the paragraph above.

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# SECTION IV – TRANSPORTATION – GAS DELIVERIES

**4. Types of Service, Nomination and Planning**

The Company shall offer Firm service if the Company, using good industry practice, believes it has sufficient pipeline capacity available after accounting for the projected demand of the existing Firm service load. The Company shall offer Interruptible service to all Customers who request such service, meet the tariff qualifications and standards, and execute a Service Agreement.

Customer shall arrange with suppliers of Customer's selection to have gas in an amount not to exceed Customer's MDQ adjusted for the Company's Shrinkage tendered to the Point(s) of Receipt as specified in the Service Agreement, for delivery into the Company pipeline on Customer's behalf. The Company shall then redeliver such quantities, less the Company's Shrinkage, to Customer, or on behalf of Customer, at the Delivery Point(s) as specified in the Service Agreement. The Company shall have no obligation to accept any Nomination in excess of the Customer's MDQ.

For planning purposes, Customer shall provide written notice to the Company, at least three (3) business days prior to the start of each calendar month, with Customer's Nomination of the quantity of gas Customer intends to transport each Gas Day of the upcoming calendar month. Customer shall submit its Nomination to the Company by no later than 11:30 a.m. Eastern Time for gas flow the following Gas Day. This Nomination should correspond to scheduled deliveries Customer makes on the upstream interstate pipeline and downstream pipeline receiving gas from the applicable Delivery Point(s). Should the Customer desire to modify its Nomination either on the current Gas Day or after the Nomination deadline for gas flow the following Day, the Company shall make reasonable efforts to accommodate Customer's request provided the Company can confirm such quantities with the upstream pipeline at the Point(s) of Receipt and downstream entity at the Delivery Point(s). If Customer notifies Company of a desire to modify its Nomination at least three (3) business days prior to the current Gas Day, then Customer shall not be responsible for any negative Excess Imbalance Charges for that insufficient Nomination pursuant to Section 8 of this tariff.

Customer shall be permitted to have delivered into and removed from the Company's pipeline its confirmed nominated gas quantity, adjusted for the Company's Shrinkage, up to the MDQ identified in the Service Agreement. In the event actual gas deliveries to Customer are in excess of the Nomination on any day on which the Company requires Customer to limit gas consumption to that Nomination, Customer shall be liable for all penalties and fines incurred by Company as a result of Customer's deliveries in excess of its Nomination.

**5. Gas Quality**

Natural Gas delivered by or on behalf of Customer to Company at Point(s) of Receipt with an interstate pipeline shall conform to the interstate pipeline's gas quality standards.

Gas delivered by or on behalf of Customer to Company at Point(s) of Receipt other than an interstate pipeline shall be commercially free from oil, water, air, salt, dust, gum, gum-forming constituents, harmful or noxious vapors, or other solid or liquid matter which might interfere with its merchantability or cause interference to or with, proper operation of the pipelines, regulators, meters, and other equipment of Company or its Customers.

Customer will indemnify and hold Company harmless from any suits, actions, debts, accounts, damages, costs, losses and expenses, including but not limited to, attorneys' fees and expenses, arising from personal injury, death, or damage to Company's equipment or facilities or arising from personal injuries, death, or damage to the facilities, products, or equipment of Company's other Customers or third parties, or arising from additional hours worked by Company or its other Customers or third parties, caused as a result of Customer's gas failing to meet the quality specifications set forth herein.

To assure that the gas delivered by Customer to Company conforms to the quality specifications of this Section, Customer's gas shall be analyzed at the Point(s) of Receipt from time-to-time as Company deems necessary. Such analysis will be performed by Company at its expense. If, however, such analysis by Company discloses quality deficiencies, the cost of subsequent re-testing to assure conformity with this Section shall be borne by Customer. The gas delivered shall not contain in excess of:

1. Seven (7) pounds of water per million cubic feet of gas at the base pressure and temperature of fourteen and seventy-three hundredths (14.73) psia and sixty (60) degrees Fahrenheit. The water vapor will be determined by the use of the Bureau of Mines type dew point apparatus or in accordance with other approved methods generally in use in the natural gas industry;
2. Four percent (4%) by volume of a combined total of carbon dioxide and nitrogen components;
3. Total carbon dioxide content shall not exceed one and twenty-five one hundredths percent (1.25%) by volume;
4. Twenty-five hundredths (0.25) grains of hydrogen sulfide per one hundred (100)

cubic feet of gas; and

**5.** Ten (10) grains of total sulfur per one hundred (100) cubic feet of gas.

The Total Heating Value of the gas shall be determined by taking samples of the gas at the Point(s) of Receipt at such reasonable times as may be designated by Company. The Btu content per cubic foot shall be determined by an accepted type of chromatograph or other suitable instrument for a cubic foot of gas at a temperature of sixty (60) degrees Fahrenheit when saturated with water vapor and at a pressure of 14.73 psia. The Btu determination designated by Company shall be made by Company at its expense. Any additional Btu determinations requested by Customer shall be at Customer's expense.

Customer's gas delivered to Company shall have a total heating value of not less than nine hundred fifty (950) Btu per standard cubic foot. However, Company shall not be obligated to accept gas which it believes may adversely affect the standard of public utility service offered by Company.

If any gas delivered hereunder fails to meet the quality specifications set forth herein, Company may, at any time, elect to refuse to accept or deliver all or any portions of such gas until Customer brings the gas into conformity with such specifications.

**6. Title of Gas**

Customer warrants that it will have good and merchantable title to all natural gas delivered to Company for redelivery to Customer, that such gas will be free and clear of all liens, encumbrances and claims whatsoever, and that it will indemnify Company and hold it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any and all persons to said gas.

**7. Deliveries of Customer-Owned Gas and Default**

Subject to the limitations of Company's pipeline capacity in its system, Company will accept deliveries of Customer's gas at the Point(s) of Receipt for redelivery to Customer less Shrinkage, on a Firm or Interruptible basis as specified in the Service Agreement. Such gas volumes delivered to Company and redelivered to Customer shall be limited to the MDQ set forth in the Service Agreement and Nominations. The volumes of Customer-owned gas transported by Company to the Customer during each monthly Billing Cycle will be considered the first gas through the meter.

The benefits and obligations of the parties under this tariff shall begin when Customer and the Company execute a mutually agreeable Service Agreement. The Service Agreement shall fix the term for service, and it shall inure to and be binding upon the Company's and Customer's successors, assigns, or administrators, as the case may be, for the full term thereof. However, no service may be assigned or transferred by Customer without the written consent of or approval of the Company which shall not unreasonably be withheld.

If Customer fails to (i) comply with any material term of its Service Agreement or this tariff, (ii) comply with the applicable rules or orders of the Commission, or (iii) timely pay any charges for transportation service, and Customer fails to cure any such failure within ten (10) calendar days of the delivery by the Company to Customer of written notice of such failure, then Customer shall be in default under its Service Agreement and the Company shall have the right by written notice to the Customer to immediately terminate the Customer's Service Agreement and cease transportation services for the Customer.

**8. Imbalances**

Unless otherwise agreed by the Company in writing, Customer's monthly gas utilization at the Delivery Point(s) shall equal the monthly amount of gas Customer provides to the Company at the Point(s) of Receipt (subject to adjustment for Shrinkage) plus or minus five percent (5%). For each Dth of positive or negative imbalance in excess of that five percent (5%) variance (hereinafter referred to as "Excess Imbalance"), the customer shall pay to the Company an Imbalance fee as specified below.

If a negative Excess Imbalance exists, Company may require Customer to pay to the Company a charge for that Excess Imbalance determined by the following schedule:

| **Percentage Negative Excess Imbalance** (the percentage by which the actual monthly receipts, adjusted for Shrinkage, are less than the actual monthly deliveries) | **Charge Paid by Customer** |
|---|---|
| 0-5% | No charge |
| 5-10% | Volume of Negative Imbalance in Dth x (1.10 x Index) |
| 10-20% | Volume of Negative Imbalance in Dth x (1.20 x Index) |
| 20% or more | Volume of Negative Imbalance in Dth x (1.30 x Index) |

This charge does not entitle Customer to rely upon the Company to secure a supply of gas or provide "back-up" or supplemental gas service but merely represents a means of eliminating the imbalance condition to the extent the Company has gas available to it to do so without imposing additional costs or operational issues.

If a positive Excess Imbalance exists, and is not eliminated in the month following its creation, the Company has the right, but not the obligation, to purchase the Excess Imbalance according to the following schedule:

| **Percentage Positive Excess Imbalance** (the percentage by which the actual monthly receipts, adjusted for Shrinkage, are more than the actual monthly deliveries) | **Sales Price Paid by Company** |
|---|---|
| 0-5% | No sale |
| 5-10% | Volume of Positive Imbalance in Dth x (0.90 x Index) |
| 10-20% | Volume of Positive Imbalance in Dth x (0.80 x Index) |
| 20% or more | Volume of Positive Imbalance in Dth x (0.70 x Index) |

Any imbalance charges will be paid within ten (10) days of delivery of a written invoice to Customer listing such charges.

**9. Operational Flow Orders**

In the event any one of the following occur: (1) any upstream interstate pipeline supplying the Company declares a Force Majeure event or an operational flow order; (2) the Commission or the Governor of Ohio declare an energy emergency; or (3) if weather and usage conditions create a situation in which the Company reasonably believes that it cannot accommodate an imbalance from the Customer, the Company may issue an Operational Flow Order. During an Operational Flow Order, the Customer may only tender and receive those volumes of gas which the Company believes the Customer can actually both tender to the Point(s) of Receipt and receive at the Delivery Point(s) on a daily basis.

**[remainder of page intentionally blank]**

**10. Charges for Third Party Services**

If furnishing service to Customer pursuant to this tariff requires Company to use transportation service provided by another entity, any cost incurred by, or billed to Company with regard thereto, shall be billed to Customer by Company and paid by Customer. Such costs shall include, without limitation, transportation or delivery charges, retainage for company use and Shrinkage, filing fees, and penalties incurred as a result of gas volume imbalances or other factors set forth in the applicable rate schedule or contract of such other entity. Customer shall also reimburse Company for any filing fees paid by Company to another entity when necessary to commence or continue gas transportation service to Customer.

**11. Force Majeure**

Notwithstanding any provisions in the Service Agreement and this tariff, all deliveries by Company to Customer, including Customer's Nominations, are subject to partial or complete interruption during force majeure situations, herein defined to mean acts of God, strikes, lockouts, or other labor disturbances, acts of a public enemy, war, blockages, insurrections, riots, epidemics, fire, storms, floods, washouts, civil disturbances, explosions, breakage or accidents to machinery or pipelines, freezing of wells or pipelines, partial or entire failure of wells, cyberattack including but not limited to malware or ransomware, mandatory shutdown or curtailment ordered by any government authority, or any other cause not otherwise provided for herein, whether of the kind herein enumerated or otherwise, not reasonably within the control of Company (each, a **"Force Majeure"**).

**12. Addition and Replacement of Facilities**

Where it is necessary, and if Customer and Company agree in writing that it should be done, Company will construct additions, replacements or betterments of its facilities located at the Point(s) of Receipt in order to accommodate the volumes of Customer-owned gas to be delivered to Company pursuant to the Application for Transportation Service. Customer shall pay Company the estimated cost of such additions, replacements or betterments, including an adjustment for federal income tax, prior to the installation thereof.

Such estimate shall be accompanied by supporting data in such detail as Customer shall reasonably require. If the actual cost including an adjustment for federal income tax is less than the estimate, Company shall refund any overpayment to Customer. It the actual cost is greater than the estimate, Customer shall reimburse Company for the additional cost, including an adjustment for federal income tax. Such facilities shall remain the property of Company.

**13. Operations and Maintenance Costs**

When Company receives Customer's gas directly into its system from Point(s) of Receipt other than interstate pipeline, and Company owns the measuring station, Company shall assume all responsibilities associated with the operation and maintenance of said measuring station. Normal operation and maintenance such as pressure checks, grass cutting, routine inspections and routine maintenance will be performed by Company at its expense. Customer shall reimburse Company for major and unusual non-recurring operation and maintenance costs. Customer shall pay for such costs within thirty (30) days of the billing date.

**14. Measurement**

***Measurement at Point(s) of Receipt with an Interstate Pipeline:*** When Company receives Customer's gas at a Point(s) of Receipt with an interstate pipeline, all measurement shall be performed in accordance with the terms of Company's agreement with the interstate pipeline and shall be conclusive for purposes of this tariff.

***Measurement at Other Point(s) of Receipt:*** When Company receives Customer's gas directly into its system from Point(s) of Receipt other than those with an interstate pipeline, and Company owns the measuring station, then Company shall read the meter, furnish, place and remove all recording charts, and calculate the deliveries at no cost to the Customer pursuant to the measurement standards as described under Quantity of Gas Delivered by Meter.

Should Customer challenge the accuracy of the measuring device or devices used, Company shall test the meter(s). A representative of Customer may be present at the test. If the measuring equipment is found to be in error, and the resultant aggregate error in computed deliveries at the recording rate corresponding to the average hourly rate of gas flow for the period since the preceding test is not more than three percent (3%), then previous deliveries shall be considered accurate, and Customer shall pay the cost of testing the meter. If, however, any measuring equipment is found to be in error, and the resultant aggregate error in computed deliveries exceeds the three percent (3%) tolerance, then the previous computed deliveries shall be adjusted by Company to zero error and the cost of testing the meter shall be borne by Company. Such adjustment shall be made for a period not to exceed thirty (30) days prior to the date of challenge by Customer. All equipment shall, in any case, be adjusted at the time of test to record correctly.

***Accounting for Monthly Deliveries:*** Meter reading dates at the Point(s) of Receipt may not match the Customer's Billing Cycle. However, Company's accounting system used for crediting Customer's gas to Customer's account will be applied on a consistent basis, and will be used by Company in determining deliveries and deficiencies in deliveries.

## SECTION V – RATE SCHEDULES

# RATE GTS
# GENERAL TRANSPORTATION SERVICE

**15. General Transportation Service Charges**

APPLICABILTY:

Available in all areas served by the Company to any utility, marketer of gas, reseller of gas, transporter of gas, or commercial or industrial Customer that qualifies for transportation service under Section III of this tariff, provided Customer has applied to Company for such service and entered into a Service Agreement with Company, and provided that service can be rendered within the limits of Company's operating conditions and facilities.

The terms of transportation service shall be governed by (1) the Service Agreement, (2) this tariff, and (3) the rules and orders of the PUCO.

CUSTOMER CHARGE:

(a) Transportation Rates

**Firm Transportation:**

Demand Charge – Maximum rate of $1.75/Mcf
Volumetric Charge – Maximum rate of $0.25/Mcf
Overflow Charge – Maximum rate of $2.00/Mcf

**Interruptible Transportation:**

Volumetric Charge – Maximum rate of $1.50/Mcf

The rates and charges for transportation service may deviate from the charges in this Tariff pursuant to Service Agreements approved by the Commission under ORC 4905.31.

(b) Monthly Meter Charge: $150.00 per meter

(c) Riders

Services under this rate schedule are subject to the following Riders:

- Sheet No. 17 - Gross Receipt Tax Rider

BILLING AND PAYMENT

On or about the tenth (10th) day of each calendar month, the Company will render to Customer a statement setting forth the total quantity of gas delivered to Customer during the immediately preceding Month. In the event the Company was not able to take actual meter readings at any meter, or if the Company has not received the necessary meter statements from the owner or operator of any applicable meter in time for preparation of the monthly statement, the Company may use an estimated gas delivery quantity based upon confirmed Nominations. Any such estimated delivery volume shall be adjusted, if necessary, in the first statement after the actual meter readings become available. In the event of a meter failure, a reconstructed bill using the best information available shall be used.

Customer shall pay the Company the amount payable according to such statement on or before the twenty-fifth (25th) day of the month or within ten (10) days of receipt of the invoice, whichever is later.

Failure to tender payment within the above-specified time limit shall result in a monthly interest charge of one and one-half percent (1.5%) per month on the unpaid balance. In addition, should Customer's payment be delinquent by more than five (5) days, the Company shall have the right, at its sole discretion, to immediately terminate this Agreement and to terminate any gas transportation in addition to any and all other available legal remedies, claims and damages.

# GROSS RECEIPTS TAX RIDER

**16. Gross Receipts Tax**

**Rider**

(a) Description:

The Company will charge and collect each billing period the effect of the gross receipts taxes assessed against the Company.

(b) Gross Receipts Tax Rider Rate:

The current gross receipts tax rate is 4.75%; therefore, the current gross receipts tax charged will be the effective rate of 4.987%.

# SECTION VI – GENERAL INFORMATION

**17. Right to Modify**

The Company reserves the right to modify, alter or amend the foregoing rules and regulations and to make such further and other rules and regulations as experience may suggest and as the Company may deem necessary or convenient in the conduct of its business. Said new or amended rules and regulations are to become effective, and will be added to the Company's tariff only upon submission to and approval by the PUCO.

**18. Tariff Subject to Commission Rules, Orders and Ohio Revised Code**

These Rules, Regulations and Rates Governing the Transportation of Gas 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 under its emergency powers.