

SEC

STAND ENERGY CORPORATION

1077 Celestial Street • Rookwood Bldg. • Suite 110
Cincinnati, Ohio 45202-1629
(513) 621-1113
(800) 598-2046
(513) 621-3773 Fax

RECEIVED

JUN 18 2013

PUBLIC SERVICE
COMMISSION

June 17, 2013

Via UPS Next Day Air Saver

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Case No. 2013-00167; Application of Columbia Gas of Kentucky, Inc.

Dear Mr. Derouen:

Please find enclosed the Original and ten (10) copies of *Stand Energy Corporation's Motion To Intervene and Supporting Memorandum*, for filing in the above-referenced and numbered action.

Please feel free to call me if you have any questions regarding this filing or if you require further or additional information.

Sincerely,

John M. Dosker
General Counsel

Encls.
c: file

RECEIVED

JUN 18 2013

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE
COMMISSION

In The Matter of the:


Application of Columbia Gas of Kentucky, Inc.)
For an Adjustment of Rates) Case No. 2013-00167

MOTION OF STAND ENERGY CORPORATION TO INTERVENE

Pursuant to KRS 278.310 and 807 KAR 5:001 §4(11), Stand Energy Corporation ("Stand Energy") moves the Kentucky Public Service Commission to Intervene in the above-named and numbered action. A memorandum in support of this motion is filed herewith and attached hereto.

Respectfully Submitted,

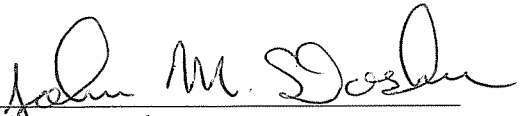
STAND ENERGY CORPORATION

BY: 

John M. Dosker (KBA #82089)
General Counsel
Stand Energy Corporation
1077 Celestial Street, Suite #110
Cincinnati, OH 45202-1629
(Phone) (513) 621-1113
(Fax) (513) 621-3773
jdosker@stand-energy.com

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Motion To Intervene and Supporting Memorandum has this 17th day of June been served upon the parties below via United States Postal Service First Class Mail postage prepaid.



John M. Dosker

Stephen B. Seiple, Esq.
Columbia Gas of Kentucky, Inc.
200 Civic Center Drive
P.O. Box 117
Columbus, Ohio 43216-0117

Iris G. Skidmore, Esq.
Bates & Skidmore
415 West Main Street
Suite 2
Frankfort, Kentucky 40601

Richard S. Taylor, Esq.
225 Capital Avenue
Frankfort, Kentucky 40601

Matthew Malone, Esq.
Hurt, Crosbie & May
The Equus Building
127 West Main Street
Lexington, Kentucky 40507

**ATTORNEYS FOR COLUMBIA
GAS OF KENTUCKY, INC.**

Dennis Howard, II, Esq.
Lawrence W. Cook, Esq.
Office of the Attorney General
Office of Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601-8204

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of the:

Application of Columbia Gas of Kentucky, Inc.)
For an Adjustment of Rates) Case No. 2013-00167

**MEMORANDUM SUPPORTING MOTION OF
STAND ENERGY CORPORATION TO INTERVENE**

Stand Energy Corporation submits this Memorandum in support of its Motion to Intervene. Stand Energy has differing commercial goals and direction than Columbia Gas of Kentucky, Inc. (hereinafter "Columbia"), the Kentucky Attorney General, LFUCG, the Community Action Agency, or any other party or prospective party in the above-captioned utility rate case. Therefore, no other participant can or will adequately represent or protect the interests of Stand Energy Corporation in this proceeding.

Stand Energy's participation in this proceeding will lead to the presentation of relevant facts and issues that will assist the Commission in its consideration of the matters raised herein without unduly complicating, disrupting or delaying the proceedings. Stand Energy is a private gas marketer, incorporated in Kentucky in 1984 with its offices located at 1077 Celestial Street, Rookwood Building 3, Suite 110 Cincinnati, Ohio 45202-1629.

Stand Energy is engaged in the marketing of natural gas to a unique blend of public and private customers in over 16 states with relevant experience currently delivering natural gas behind more than 52 separate and distinct local distribution companies on a daily basis, including Columbia Gas of Kentucky, Inc. Stand Energy currently serves customers taking Columbia Delivery (Transportation) Service as well as customers participating in the Columbia Choice

Program. Stand Energy has no connection to any regulated utility in any state. Stand Energy has almost twenty-eight (28) years of experience in federal and state regulatory proceedings involving natural gas, including numerous cases before the Kentucky Public Service Commission.

Stand Energy can assist the Commission in designing rates deemed appropriate by the Commission. Columbia proposes to adjust the rates of all classes of service: residential, small non-residential, large non-residential and interruptible service customers, including rates to Delivery Service customers and Columbia Choice customers. As such, it is appropriate for Columbia and the Commission to also consider proposals to modify and improve the existing Columbia Tariffs to expand gas transportation services to commercial, industrial, governmental and other public entities including the appropriate thresholds and rates. Such issues were the topic of Case No. 2010-00146, *An Investigation of Natural Gas Retail Competition Programs* and the Commission's Resulting Order:

As for expanded transportation services to commercial and industrial consumers, and governmental and other public entities that do not currently qualify for existing transportation services, the Commission finds it appropriate to encourage Atmos, Delta, Duke Kentucky and LG&E to evaluate their existing transportation tariffs with the context of the operation of their distribution systems and the maintenance of system integrity. The EIA data on marketer and LDC prices for commercial customers reflects that the average marketer price was lower than the average LDC price in the majority (sic¹) of states. (See, Appendix C). Therefore, the Commission will review the reasonableness of the existing transportation tariffs of each of the above-named LDC's and any proposed changes in rate design and product and service availability in their next general rate proceeding. (p. 16, Emphasis Added).

¹ Exhibit C, *Consumer Prices Table 24* from a 2008 EIA Report lists 9 "selected states" Florida, Georgia, Maryland, Michigan, New York, Ohio, Pennsylvania, Virginia and the District of Columbia. Of these 9 states **only** in Georgia was the marketer price higher for commercial customers than the LDC price. **In the other 8 states (8 out of 9) the marketer price was lowest for commercial customers.**

The Commission Should Continue the Columbia Customer Choice Program

Stand Energy supports the extension of the Customer Choice Program requested by Columbia. Stand Energy currently serves government facilities and schools under the Columbia Choice Program. Stand Energy does NOT serve or market to residential Choice customers in the Columbia service territory.

Stand Energy participated in the Choice Customer survey collaborative effort between Columbia, Commission Staff, the Attorney General's Office, other marketers and consumer groups described in Judy Cooper's Pre-Filed Testimony. Although the survey was a collaborative effort, the survey concentrated on residential customers. Very few questions on the survey were intended for governmental or educational customers. Nevertheless, Stand Energy concurs that the survey revealed a customer awareness issue. Stand Energy supports Columbia's suggestion regarding an annual disclosure to customers to make sure customers are making informed decisions about participation in the Choice program and the costs and benefits of the Choice Program to their particular circumstances.

Stand Energy agrees with Columbia witness Judy Cooper that the results of the Columbia survey showed customers were highly satisfied with the Choice Program, notwithstanding the fact that they are unclear about some Choice program specifics.

Additional Delivery Services Should Be Available to Columbia Transportation Customers

Columbia should be required to provide two delivery services to gas transportation customers that Columbia offers in other service territories. These delivery services are "Aggregation" or "Pooling" Service and a "Gas Transfer" Service. Both of these delivery services are common in other LDC's around the country. In fact, Columbia offers Aggregation

Service in all of its other NiSource LDC's in Ohio, Maryland, Pennsylvania and Virginia, just not in Kentucky. (See, Attached Exhibit 1 Columbia Gas of Ohio Aggregation Service Tariff). Columbia also offers the Gas Transfer Service in Ohio and Virginia. (See, Attached Exhibit 2, Columbia Gas of Ohio Gas Transfer Tariff). As such, Columbia already possesses in-house, the necessary informational computer programming for both of these services and the required administrative expertise to provide these additional delivery services in Kentucky. In addition, Northern Indiana Public Service Company (NIPSCO), a NiSource utility, also offers both Aggregation Service and Gas Transfer Service to its Indiana customers.

Aggregation Service allows a customer or the customer's agent to combine customers for purposes of scheduling and nominating gas, banking and balancing, and compliance with operational flow orders (OFO's). Agents are allowed to deliver gas to Columbia on an aggregated basis, those natural gas supplies that are needed to satisfy the requirements of Delivery Service customers that comprise the membership of the Aggregation Pool. The Customer's agent is normally required to deliver gas supplies to Columbia on a daily basis in accordance with the aggregate usage requirements of all those customers that comprise the Agent's Aggregation Pool.

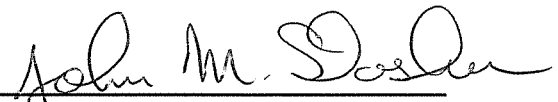
Transfer Service is an optional service that provides for the transfer of gas quantities from one customer (or that customer's aggregation pool) to another customer or aggregation pool. Transfers (on the other Columbia systems) generally must occur within three (3) business days following the end of the calendar month. These few examples of public filings made by Columbia in the indicated states clearly demonstrate that Columbia has the knowledge and experience to run gas transportation programs for any size non-residential customers.

Stand Energy proposes that Columbia and the Commission should use the opportunity in this proceeding to provide additional gas transportation delivery services to its gas transportation customers.

WHEREFORE, Stand Energy Corporation respectfully requests that the Commission grant it Intervenor status.

Respectfully submitted,

STAND ENERGY CORPORATION

BY: 
John M. Dosker (KBA #82089)
General Counsel
Stand Energy Corporation
1077 Celestial Street, Suite #110
Cincinnati, OH 45202-1629
(Phone) (513) 621-1113
(Fax) (513) 621-3773
jdosker@stand-energy.com

COLUMBIA GAS OF OHIO, INC.

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

20. AGGREGATION SERVICE

This service is for Agent(s) that have been engaged by Customers receiving Transportation Service from the Company to be responsible for the delivery of natural gas to the Company's city gates on behalf of Customers. This service provides for the aggregation of Customers by their Agent for purposes of scheduling and nominating gas, banking and balancing, and compliance with Operational Flow Orders and Operational Matching Orders. All Agents who wish to act on behalf of Customers must be certified by the Company as meeting the minimum standards identified herein.

- (A) **Aggregation Service.** Service provided by the Company that allows Agents to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the requirements of Transportation Customers that comprise the membership of the Aggregation Pool for participation in the Company's Transportation Service program.
- (B) **Aggregation Pool.** Agents will be allowed to establish one or more Aggregation Pools. Customers in an Aggregation Pool must be located within the same Pipeline Scheduling Point (PSP). The Aggregation Pool(s) referred to herein shall mean the customer group that Agent establishes under the Aggregation Service Agreement in the form contained herein.
- (C) **Aggregation Service Agreement.** Before commencing service hereunder, Agent must execute an Aggregation Service Agreement. Failure to comply with the Aggregation Service Agreement or any applicable tariff provisions will be cause for termination of the Aggregation Service Agreement following notice and opportunity to cure.
- (D) **Benefits and Obligations.** The benefits and obligations of the Aggregation Service Agreement shall begin when Company commences Aggregation Service to Agent. It shall inure to and be binding upon the successors and assigns, survivors and executors or administrators, as the case may be of the original parties thereto, respectively, for the full term thereof. However, no agreement for service may be assigned or transferred without the written consent of or approval of the Company which shall not unreasonably be withheld.

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No. 08-1344-GA-EXM

Issued: January 15, 2010

Effective: With bills rendered on or after
April 1, 2010

Issued By
J W Partridge Jr., President

COLUMBIA GAS OF OHIO, INC.

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

20. AGGREGATION SERVICE (continued)

(E) Requirements For Program Participation. The Company shall have the right to establish reasonable standards for participation in this program, provided it does so on a non-discriminatory basis. Accordingly, in order to participate as an Agent in the Company's Aggregation Service program, Agent shall have the option to comply with the requirements of (E)(1), (E)(2) or (E)(3) below.

1. **Aggregation Service - Option 1.** Agent shall upon request provide the Company, on a confidential basis, a balance sheet and other financial statements and appropriate trade and banking references. Agent also agrees to allow the Company to conduct a credit investigation as to Agent's credit worthiness. Further, if the Company determines that it is necessary, Agent agrees to maintain a cash deposit, a surety bond, an irrevocable letter of credit at a Company approved bank of the Agent's choosing, or such other financial instrument, as the Company may require during the term of this Agreement, in order to assure Agent's performance of its obligations under this Agreement. In order to assure that the value of each financial security instrument remains proportional to Agent's potential liability under this Agreement, the required dollar amounts of such instruments shall be adjusted at the sole discretion of the Company, as Customers are added to, or deleted from, Agent's pool. Agent agrees that, in the event it defaults on its obligations under this Aggregation Agreement, Company shall have the right to use such cash deposit, or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy Agent's obligations under this Agreement. Such proceeds shall be used to secure additional gas supplies, including payment of the costs of the gas supplies themselves, the costs of transportation, storage, gathering and other related costs incurred in bringing those gas supplies into the Company's system. The proceeds from such instruments shall also be used to satisfy any outstanding claims that the company may have against Agent, including imbalance charges, cash-out charges, pipeline penalty charges, and other amounts owed to the Company and arising from Agent's participation in this Aggregation Service program.

In the event Agent elects, or is forced, to terminate its participation in this program in accordance with the provisions of this Agreement, it shall continue its obligation to maintain its financial security instrument until it has satisfied all of its outstanding claims of the Company. In addition to the above financial requirements, the Company may impose reasonable standards of conduct for Agents, as a prerequisite for their participation in the program. Agent acknowledges that in its capacity as an "Agent" in this program, it has a continuing responsibility to conduct its business in a legal and ethical manner. If, as a result of customers' complaints, and/or from its own investigation, the Company determines, in its sole judgment that Agent is not operating under this Agreement in an ethical and/or legal manner, then the Company shall have the unilateral right to cancel this Agreement and deny Agent's further participation in this Aggregation Service program.

2. **Aggregation Service - Option 2.** Agent shall, upon request, periodically provide the Company, on a confidential basis, a balance sheet and other financial statements and appropriate trade and banking references. Agent shall allow the Company to conduct a credit investigation as to Agent's credit worthiness. Agents providing service pursuant to Part No. 20(E)(2) of this tariff are not required to provide bond or other financial security instrument in order to participate in this Aggregation Service program unless based upon the Company's creditworthiness assessment, the

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No 08-1344-GA-EXM

Issued: January 15, 2010

Effective: With bills rendered on or after
April 1, 2010

Issued By
J. W. Partridge Jr., President

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

20. AGGREGATION SERVICE (continued)

need for such financial security instrument in the amount requested by the Company is found to be reasonable and necessary. The Company shall be entitled to refuse Aggregation Service if Agent does not provide the financial security instrument requested.

This option is limited to those Agents whose Customers have agreed to contract terms with the Agent that provide for indemnification of the Company for any tariff charges owed to the Company and arising from the Agent's participation in this Aggregation Service program in the event of the Agent's default. Such indemnification shall be demonstrated to the Company through Agent's Customers' affirmative election of Aggregation Service Option 2 in the Company's "Appointment of Agent" agreement. Any tariff charges remaining unpaid by the Agent will be assessed to Customers within each Aggregation Pool on a pro rata basis based on the ratio of each Customer's gas usage to the usage of all Customers participating in that Aggregation Pool during the month for which the charge is applied. The fees and charges to which this provision applies include, but are not limited to, commodity costs, demand costs, balancing fees, OMO/OFO charges, gas transfer service fees, monthly bank transfer fees, or other charges billed to the Agent. Prior to billing the Agent's Customers, the Company shall provide the Agents with written notice via facsimile or e-mail as well as regular mail of any such default and a minimum period of five (5) business days to cure such default upon receipt of such notice. Failure to cure such default by the Agent within the five (5) business days shall result in the Company's notification of Agent's Customers via facsimile, e-mail or regular mail of its intention to directly invoice the Agent's Customers for all tariff charges owed to the Company arising from the Agent's participation in this program. Notwithstanding any provision of this Tariff to the contrary, the Company shall not be entitled to directly invoice any Customer so long as the Agent continues to be entitled to aggregate under its Aggregation Service Agreement with the Company.

The Company may impose reasonable standards of conduct for Agents, as a prerequisite for their participation in the program. Agent acknowledges that in its capacity as an "Agent" in this program, it has a continuing responsibility to conduct its business in a legal and ethical manner. If, as a result of Customers' complaints, and/or from its own investigation, the Company determines, in its sole judgment, that Agent is not operating under this Agreement in an ethical and/or legal manner, then the Company shall have the right to cancel this Agreement and deny Agent's further participation in this pooling program pursuant to the Company's Tariff and/or Aggregation Service Agreement.

3. **Aggregation Service - Option 3.** Agent shall, upon request, periodically provide the Company, on a confidential basis, a balance sheet and other financial statements and appropriate trade and banking references. Agent shall allow the Company to conduct a credit investigation as to Agent's credit worthiness. Agents providing service pursuant to Part No. 24(E)(3) of this tariff may be required to provide bond or other financial security instrument in order to participate in this Aggregation Service program. The Company shall be entitled to refuse Aggregation Service if Agent does not provide the financial security instrument requested.

The Company may impose reasonable standards of conduct for Agents, as a prerequisite for their participation in the program. Agent acknowledges that in its capacity as an "Agent" in this program, it

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No 08-1344-GA-EXM

Issued: January 15, 2010

Effective: With bills rendered on or after
April 1, 2010

Issued By
J. W. Partridge Jr., President

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

20. AGGREGATION SERVICE (continued)

has a continuing responsibility to conduct its business in a legal and ethical manner. If, as a result of Customers' complaints, and/or from its own investigation, the Company determines, in its sole judgment, that Agent is not operating under this Agreement in an ethical and/or legal manner, then the Company shall have the right to cancel this Agreement and deny Agent's further participation in this pooling program pursuant to the Company's Tariff and/or Aggregation Service Agreement.

Additional terms of service under Part 24(E)(3) shall be mutually agreed upon by the Company, Agent, and, if applicable, the Customer.

- (F) **Enrollment and Removal.** Agents may enroll Customer accounts in an Aggregation Pool by written notice to the Company at least 30 days prior to commencement of the month in which enrollment is to be effective. The written notice shall be in the form an Appointment of Agent agreement. A Customer may remove itself from an Aggregation Pool by written notice of removal to the Company at least 60 days prior to the commencement of the month in which the removal is to be effective. Agents may also remove any Customer from its Aggregation Pool by written notice of the removal to the Company and the Customer at least 60 days prior to the commencement of the month in which the removal is to be effective. An Agent may rescind their previously submitted removal request by sending written notice to the Company no later than 30 days prior to the month in which the removal was to have been effective. The written notice must include the Aggregation Pool number, Customer name, facility address and the Customer's Company account number.
- (G) **Delivery Requirements.** Agent agrees to deliver gas supplies into the Company's designated PSP on a daily basis, in accordance with the aggregate usage requirements of all those Customers that comprise the Agent's Aggregation Pool. The Agent will use their best efforts to maintain a balance between deliveries and aggregate Customer usage on a daily and monthly basis. The Company reserves the right: (1) to require an Agent to balance deliveries and takes of transported gas; or (2) to require a reasonable uniform delivery rate of gas which will at months end equal aggregate Customer requirements.
- (H) **Banking and Balancing Service.** Agents may aggregate all participants' Annual Transportation Volumes and applicable Customer tolerances for the purpose of the determination of bank tolerances. This election will allow customers within an Aggregation Pool to be billed immediately following their monthly meter reading with gas volumes being deducted daily from the Agent's total aggregation volume. At the close of each business month the Company will determine any imbalances in accordance with the terms of the Company's Banking and Balancing Service, with all imbalances being the sole responsibility of the Agent.
- Agent(s) may make Monthly Bank Transfers between Aggregation Pools in accordance with the terms of the Company's Banking and Balancing Service and may also make transfers of gas pursuant to the terms of the Company's Gas Transfer Service. All transfers of gas performed in accordance with this paragraph and other tariff provisions will be billed directly to the Agent.
- (I) **Operational Flow Orders and Operational Matching Orders..** All Aggregation Pools are subject to the Company's issuance of OFOs/OMOs pursuant to the provisions found in P.U.C.O. Tariff No. 2, Section VI, with all charges resulting from failure to comply with these tariffs being the sole responsibility of the Agent.
- (J) **Late Payment Charge.** If a bill payment is not received by the company or by the company's authorized agent on or before the specified payment date, which shall be the date of the company's next scheduled meter reading whether actual or estimated, an additional amount of 1.5% of the unpaid balance on the subsequent bill will become due and payable as part of the Agent's total obligation.

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No 08-1344-GA-EXM

Issued: January 15, 2010

Effective: With bills rendered on or after
April 1, 2010

Issued By
J. W. Partridge Jr., President

COLUMBIA GAS OF OHIO, INC.

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

20. AGGREGATION SERVICE (continued)

(K) **Force Majeure.** Neither of the parties to the Aggregation Service Agreement hereto shall be liable in damages to the other, except for the actual delivered costs, plus shrinkage, of replacement supplies and flow through of penalty charges, for any act, omission, or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts, act of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquake, fires, storms, floods, washouts, civil disturbances, explosions, breakage, or accident to machine or lines of pipe, gas curtailment imposed by interstate or intrastate pipelines, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the party claiming suspension.

Such causes or contingencies affecting the performance hereunder by either party hereto, however, shall not relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting such performance relieve Agent from its obligations to make payments of amounts due hereunder.

(L) **Title to Gas.** Agent warrants that it will have good title to all natural gas delivered to the Company hereunder, and that such gas will be free and clear of all liens, encumbrances and claims whatsoever, and that it will indemnify the Company, and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expense arising from or out of a breach of such warranty.

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No 08-1344-GA-EXM

Issued: January 15, 2010

Effective: With bills rendered on or after
April 1, 2010

Issued By
J. W. Partridge Jr., President

COLUMBIA GAS OF OHIO, INC.

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

SECTION VI - TRANSPORTATION SERVICE

23. GAS TRANSFER SERVICE

APPLICABILITY

This service is applicable throughout the entire service territory served by Columbia.

AVAILABILITY

This is an optional service available to all Transportation Service Customers on Columbia Gas of Ohio's system, and/or their Agents, served under rate schedules SGTS, GTS and LGTS that provides for the transfer of gas quantities from one Customer/Agent ("transferor") account to another Customer/Agent ("transferee") account, in accordance with the following:

- a) Each transfer must occur such that gas is transferred from the transferor to the transferee on the same Gas Day. Transferor must request the transfer in the billing cycle at the end of the current month, as described in sub-paragraph (e) below.
- b) Transfers may occur between a transferor and a transferee located within the same Pipeline Scheduling Point (PSP) with confirmed deliveries on the same transmission pipeline. Requests to transfer gas from a transferor in one PSP to a transferee in a different PSP may only occur in accordance with an allowable transfer matrix, which will be posted on Company's web site. Changes to the allowable transfer matrix shall be posted by Company forty eight (48) hours before becoming effective.
- c) Volumes eligible for transfer shall not exceed the transferor's confirmed deliveries for the day of transfer. A transfer request may not be accepted by the Company if such transfer would cause the transferor and/or transferee to incur imbalance charges.
- d) Customers and/or their Agents also remain able to effectuate monthly bank transfers pursuant to the provisions contained in Company's Banking and Balancing Service.
- e) Customers and/or their Agents must rely on Customer usage posted daily on the Company's website. The Company shall post Customer usage on its Internet-based website as soon as practicable after the end of each Gas Day throughout the billing cycle. All customer usage will be posted on a best efforts basis by 5:00 P.M. Eastern time on the second business day following the end of the previous calendar month.
- f) All gas transfer requests must be accurately completed and executed by both the transferor and transferee and submitted to Company on Company's standard Gas Transfer Request Form by 5:00 P.M. Eastern time on the third business day following the end of the previous calendar month.

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No. 08-1344-GA-EXM

Issued: January 15, 2010

Effective: With bills rendered on or after
April 1, 2010

Issued By
J W Partridge Jr, President

COLUMBIA GAS OF OHIO, INC.

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

SECTION VI - TRANSPORTATION SERVICE

GAS TRANSFER SERVICE

- g) Company is not involved in any arrangement or agreement for compensation for the value of the gas being transferred, or for any other fees between transferor and transferee. Columbia's role in administering this rate schedule is limited to transferring gas quantities from the transferor's to the transferee's account with Company.
- h) The gas transfer service does not relieve Customer and/or its Agent of their obligation to deliver gas to Company to the Pipeline Scheduling Point in which they or their customers reside.

RATES

Company will charge the transferor \$0.05 per unit transferred, up to a maximum of \$150 per transfer. The unit will be either Dth or Mcf, depending upon the supply source being transferred.

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No 08-1344-GA-EXM

Issued: January 15, 2010

Effective: With bills rendered on or after
April 1, 2010

Issued By
J W Partridge Jr., President