

RATE 385
POOLING SERVICE
(RESIDENTIAL AND GENERAL)

APPLICABILITY

This Pooling Service is applicable to any Choice Supplier delivering firm gas supplies to Company's Operational Systems on behalf of Customers receiving Residential Transportation Service under Rate 315 or General Transportation Service under Rate 325.

Several terms and conditions contained within this Rate Schedule differ depending on whether a Choice Supplier Pool is comprised entirely of Non-Mercantile Customers, or if such Pool contains any Mercantile Customers. As appropriate, the various sections within this Rate Schedule shall identify such differing requirements.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Pooling Service for Rate 315 or 325 Transportation Customers. Choice Supplier shall deliver to Company gas supplies needed to satisfy the usage requirements of Choice Supplier's Pool Customers, all in accordance with the rules set forth in this Rate Schedule, the Pooling Service Terms and Conditions (Residential and General) contained in Sheet No. 52, and Choice Supplier's Pooling Agreement described in this Rate Schedule.

MONTHLY STATEMENT

Choice Supplier's monthly statement shall reflect the following fees, charges and credits, as applicable:

Financial Evaluation Charge:

\$50 for the initial and each subsequent Choice Supplier financial evaluation performed by Company.

Eligible Customer List Fee:

Under the annual option, \$.08 for each name included on the initial list, with updated lists provided the three subsequent quarters at no additional cost. Under the quarterly option, \$.05 for each name included on the list. Such lists shall be produced quarterly; if Choice Supplier desires the list more frequently, Choice Supplier shall reimburse Company for any costs incurred in addition to this per-customer rate.

Nomination Error Charge:

\$0.50 per Dth applied to the difference between Choice Supplier's daily pipeline nomination volume and the pipeline daily confirmed volume delivered to Company, for each day of difference.

DDQ Non-Compliance Charge:

\$15.00 per Dth on days in which no Operational Flow Order (OFO) is in effect (provided no alternate arrangements are made with Company) against the daily difference between the Pool's DDQ and aggregate deliveries.

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City-Gate Allocation Non-Compliance Charge:

\$5.00 per Dth for any daily city-gate nomination less than the minimum or greater than the maximum city-gate allocation requirement.

OFO Non-Compliance Charge:

In the event of a Company issued Operational Flow Order (OFO), a \$35.00 per Dth charge shall be assessed on any volumes over or under the restrictions specified by Company in the OFO notice.

Storage Non-Compliance Charge:

A charge per Dth shall be assessed for any volumes less than or greater than the Company-established minimum or maximum daily storage injection and withdrawal requirements, or any volumes less than the minimum storage inventory quantity requirement. The charge shall be \$15.00 per Dth for the first two occurrences, and \$35.00 per Dth for the next two occurrences during the term of the contract. In the event that TCO allows daily over-injection or over-withdrawal rights, Company shall not impose the Storage Non-Compliance Charge on any volumes injected or withdrawn greater than the maximum daily injection and withdrawal limits set by Company.

Annual Volume Reconciliation Amount:

Charge or credit as determined by the Annual Volume Reconciliation as set out in Sheet No. 52.

Alternate Peaking Supplies Charge:

The cost of alternate peaking supplies provided by Company for Choice Supplier's Pool as set out in the Allocation of Alternate Supplies section of Sheet No. 52.

Meter Operator Charges:

Choice Supplier shall reimburse Company for penalties Company incurs as meter operator. Penalties will be assessed to each Supplier proportional to its contribution to the violation.

System Balancing Amount:

Gas cost charges or credits associated with Large Transportation Customers' and Pool Operators' daily and monthly imbalance cash-outs.

POLR Amount:

Any credits payable to Choice Supplier for providing Provider of Last Resort services.

Customer Billing Amount:

Choice commodity amounts billed to Choice Customers by Company on behalf of Choice Supplier.

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Delivery Point Balancing Amount:

Charges or credits associated with pipeline delivery point cashouts, OBA settlements, or other related costs allocated to Supplier.

Additional Service Charges:

Fees and Charges for any other service shall be established by Company and assessed on a non-discriminatory basis. If Choice Supplier desires a billing service or custom rate that is not readily available in Company's billing system, Choice Supplier and Company shall negotiate a fee that shall include all programming costs associated with such custom billing requirements.

Pipeline Invoice Charge:

Charges or credits reflecting the difference between interstate pipeline charges and the actual credits received, on capacity released to Choice Supplier via mandatory capacity release.

Related Charges:

Choice Supplier shall reimburse Company for all charges Company incurs in connection with interstate pipeline transportation of Choice Supplier-Delivered Gas including any gas costs, penalty charges, penalty charges or cash-outs.

Riders:

The following Riders shall be applied monthly; as applicable.

- Sheet No. 37 – Gross Receipts Excise Tax Rider

Miscellaneous Charges:

The Miscellaneous Charges set forth in Sheet No. 30, Miscellaneous Charges, shall be charged to Choice Supplier if applicable.

REQUIREMENTS FOR CHOICE SUPPLIER PARTICIPATION

In order to qualify for participation under the Pooling Program, Choice Supplier must: 1) sign a Choice Supplier Pooling Agreement with Company; 2) pass an initial financial evaluation performed by Company, and any such subsequent evaluation(s) deemed appropriate by Company, to ensure that Choice Supplier possesses sufficient resources to perform its responsibilities and to ensure financial performance hereunder; 3) achieve and maintain a minimum level of at least 100 Customers or 10,000 Mcf annual projected Customer sales per Pool; 4) maintain comparable firm capacity as set out in the Pooling Service Terms and Conditions (Residential and General); 5) adhere to the terms and conditions of this Rate Schedule and 6) have a computer and telephone line necessary to access Company's EBB. In addition, if Choice Supplier's participation in the Program was previously terminated due to Choice Supplier's default, Choice Supplier shall provide information acceptable to Company that such cause for default has been corrected and will be avoided in the future. Also, for any Non-Mercantile Pool, Choice Supplier must provide a copy of the certificate demonstrating that Choice Supplier is certified by the PUCO to provide retail natural gas service, and maintain such certification status.

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All Choice Suppliers must complete and sign Company's Choice Supplier Registration Form and Credit Application to be considered for participation in the Program. Choice Suppliers desiring to participate in the Program will be evaluated by Company to establish credit levels acceptable to Company. Company will apply, on a non-discriminatory basis, reasonable financial standards to assess and examine a Choice Supplier's creditworthiness. These standards will take into consideration the scope of the operations of the Choice Supplier and the level of risk to Company.

Financial evaluations will be based on standard credit factors such as financial and credit ratings, trade references, bank information, unused line of credit, Pool Customer payment history, and related financial information that has been independently audited, if available. Company shall determine creditworthiness based on the above criteria, and will not deny Choice Supplier's participation in the Program without reasonable cause. In order to pass Company's financial evaluation, a Choice Supplier may be required to provide additional security, the form and format of which shall be specified by Company.

Company reserves the right to conduct re-evaluations of Choice Supplier's financial standing from time to time. Such re-evaluation may be initiated either by a request from Choice Supplier or by Company, if Company reasonably believes that the creditworthiness or operating environment of Choice Supplier may have changed. Based on such re-evaluation, Choice Supplier's level of participation may be increased or decreased, additional security may be required or Choice Supplier may be removed from further participation in the Program.

Company shall maintain a list of Choice Suppliers currently meeting the requirements for Program participation and shall make such list available by request and via Company's website.

CONTRACT

Pursuant to Rule 4901:1-29-13(b) OAC, Choice Supplier must enter into a written Pooling Agreement with Company. At a minimum the Pooling Agreement shall include the following provisions: representations and warranties, indemnification, limitations on liability, default (breach), remedies, force majeure, commencement and term. Such Pooling Agreement shall set forth specific covenants and obligations undertaken by Company and Choice Supplier under this Rate Schedule on behalf of its Pool Customers. The Pooling Agreement shall have an initial term of not less than one year and shall automatically extend for succeeding annual terms thereafter subject to cancellation by either party after written notice submitted not less than ninety (90) days advance written notice prior to a contract expiration date, or unless terminated pursuant to the provisions of the Agreement. However, in no case shall any service pursuant to the Agreement be terminated during a winter month (November through March) unless such winter period is mutually agreed upon and/or except as pursuant to the Agreement.

POOLING SERVICE TERMS AND CONDITIONS

Choice Supplier shall be subject to the Pooling Service Terms and Conditions (Residential and General) as set forth in Sheet No. 52.

TERMS AND CONDITIONS

Gas Service rendered under this Rate Schedule shall be subject to Company's General Terms and Conditions and Commission's Regulations.

Filed pursuant to the Finding and Order dated March 16, 2011 in Case No. 11-1099-GA-ATA of The Public Utilities Commission of Ohio.

Issued March 29, 2011 Issued by Jerrold L. Ulrey, Vice-President Effective April 1, 2011