CenterPoint Energy Ohio Gas Transportation Program

Janurary 2026

CenterPoint Energy Ohio Transport Program

- Transport Eligibility
- Non-Residential Customers with annual usage greater than 50,000 Ccf, and certain other Non-Residential Customers that were receiving service on this Rate Schedule prior to March 1, 2005.
- New transportation customers are required to have a signed contract returned to Company thirty days prior to the first of the month gas flow effective date. All contracts will start on the 1st of the month.
- New transportation customers must have a phone line installed to support Metretek by the 15th of the month prior to first of the month gas flow effective date. Company will typically have a Metretek device installed within 30 days before flow.
- Customers and Pool Operators can view a customer's daily usage on Company's Gas Tracking System (GTS) if the account is registered.

Requirements for Pool Operator Approval

- Provisions and Requirements for Pool Operator Participation include:

- Contract
  - Pool Operator must enter into a written Pooling Agreement with Company. Such Pooling Agreement shall set forth specific covenants and obligations undertaken by Company and Pool Operator under the Pooling Service 380 Rate Schedule on behalf of the Pool's Customers.
  - 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 no less than six months prior to the end of the initial term or any succeeding annual term.
  - Pooling Agreement shall not expire during the Winter Season, unless such mid-winter termination date is mutually agree upon or Pool Operator fails to perform its responsibilities and Company elects to terminate Pool Operator's participation.

Requirements for Pool Operator Approval

- Creditworthiness Standards and Requirements:
  - Pool Operator must pass an initial financial evaluation performed by Company, and any such subsequent evaluation(s) deemed appropriate by the Company, to ensure that Pool Operator possesses sufficient resources to perform its responsibilities and to ensure financial performance under the 380 Pooling Service Rate Schedule.
  - Pool Operator must complete and sign Company's Pool Operator Registration Form and Credit Application to be considered for participation in the Pooling Service.
  - Pool Operator desiring to participate in the Pooling Service will be evaluated by Company to establish credit levels acceptable to Company.

Requirements for Pool Operator Approval

- Company will apply, on a non-discriminatory basis, reasonable financial standards to assess and examine Pool Operator's creditworthiness.

- Company will take into consideration the scope of the operations of Pool Operator and the level of risk to Company.

- In order to be approved, Pool Operator may be required to provide security, the form and amount of which shall be specified by Company. Company shall determine creditworthiness, and will not deny Pool Operator's participation in the Pooling Service without reasonable cause.

Pool Operator application process

1. Pool Operator provides necessary documents to Company:
   - Two signed Pooling Service Agreements
   - Company's Pool Operator Registration Form
   - Credit Application
   - List of customers to be pooled

2. Credit evaluation is performed.

3. Pool Operator is notified of approval outcome.

4. Upon approval, the Pool Operator instructs the customers to contact their Company Account Manager to receive an Agency Agreement. For those customers that do not have an operating daily telemetry device, a phone line must be installed 10 business days prior to effective date they wish to join the pool.

CenterPoint Energy Ohio Transport Program

- Agency Agreements
- Agency Agreements are required 10 business days prior to the first of the month flow date for the following:
  - New transport customers
  - Existing transport customers joining an aggregate pool
  - Customers changing Gas Supplier/Pool Operator
- Agency Agreement must be signed by both the customer and the account manager.
- Gas Suppliers/Pool Operators may not drop a non-pooling or one of their aggregate pool customers prior to the first of the month. Gas Suppliers/Pool Operators must provide Company with a written notification of any changes at least 10 business days prior to the first of the month. If the 10 business day notice is not given, the Gas Supplier/Pool Operator will be required to retain the customer until the first of the following month.

CenterPoint Energy Ohio Transport Billing

- Large Customer Billing will issue two separate bills.

- The Gas Transportation Service Bill
  - Issued during the first week of the month
  - Due date will be 17 days after issuance.

- The Rate PS Pooling Service Bill
  - Issued by the 15th business day to either the Pool Operator or any non-pooling customer
  - Due 17 days thereafter.

CenterPoint Energy Ohio Transport Billing Timeline

- Third business day of each month
  - Issuance of customer's distribution charges only

- Approximately the tenth business day
  - Publish preliminary report of daily/monthly imbalances to GTS
  - Three business days allowed for trading of imbalances via GTS
    - $10.00 trading fee to the seller
    - Trading of imbalances will not resolve any city-gate non-compliance deliveries

- Three business days after imbalance trading closes
  - Imbalance bill is issued
    - Pool Operator may view their bill and their final imbalance report in GTS on the 4th business day after trading closes

- Note: Non-pooling customers will receive two invoices. One for distribution charges, and the other for imbalance charges.

CenterPoint Energy Ohio Operating System

- The CenterPoint Energy Ohio System consists of only one operating system.

- ANR – Derby
- ANR – Lebanon/Red Lion/Clear Creek
- ANR – Mikesell
- Columbia – Market Area 33-6
- Panhandle – Glen Karn
- Rockies Express – Lebanon/Red Lion/Clear Creek
- Texas Eastern – Derby
- Texas Eastern – Lebanon/Red Lion/Clear Creek
- Texas Gas – Lebanon/Red Lion/Clear Creek

City-Gate Allocation Requirements

- What are they?

- They are a range of minimum and maximum delivery percentages by delivering pipeline within each operating system based on temperatures and operating system characteristics.
- Necessary in order to maintain system reliability.
- The delivery percentages will be recalculated and communicated to Transporters periodically.
- Delivery percentages will be consistent throughout a given month.

City-Gate Information

CenterPoint Energy Ohio's PIPELINE & CITY-GATES			
Pipeline	Pipeline Meter Point	Pipeline City-Gate Name	CenterPoint Energy Ohio City-Gate Delivery Groupings
Columbia	33-6	Dayton-	33-6
ANR	295956	Lebanon/Derby	Derby Hub
TETCO	73970	Derby	Derby Hub
ANR	108796	Lebanon/Red Lion	Lebanon Hub
TGT	Zone-4 - 1720	Lebanon-Dayton-Zone 4	Lebanon Hub
TETCO	72909	Red Lion, OH (Lebanon Lateral)-72909	Lebanon Hub
REX	44472	Clear Creek (Lebanon Lateral)	Lebanon Hub
ANR	Mikesell	Loc ID: 1401911	Grp-1/Mikesell
PEPL	02830	Vectren Energy Delivery of Ohio - PEPL	Glen Karn Hub

Daily Balancing Requirements

- Current Unaccounted for Gas Percentage can be found on Sheet No 54 in the tariff.

- Daily balancing requirements can be found in Appendix E in the tariff.

Nomination & Balancing Provisions

- Transport Customers are subject to the nomination and balancing provisions on Sheet No. 51 of the tariff.
- Nominations must be submitted daily by 1:00 p.m. CST, one day prior to gas flow via GTS.
  - Large General Transportation nominations are due on Friday for Saturday, Sunday and Monday's flows, and on the last business day prior to Company observed holidays.
  - Company may accept nominations submitted after the deadlines within its reasonable discretion.

- A nomination error charge of $0.50 per Dth will be assessed on the delivery difference between the nomination made to Company and the pipeline nomination. Transporter will be allowed two Error Occurrences without charge each twelve months.
- A $1.00 per Dth charge will be assessed to any volumes greater than the maximum or less than the minimum city-gate allocation percentage. Transporter will be allowed two Non-Compliance Occurrences without charge each twelve months.

Variance Reports

- All Suppliers should be utilizing the variance reports on GTS to ensure all deliveries are within Company's city-gate requirements.
- Gas Transportation Operations will typically notify Suppliers of variances as a courtesy; however, notification is not guaranteed and all city-gate non-compliant deliveries are subject to penalty.
- Company will not waive city-gate non-compliance charges due to the lack of due diligence by the Supplier in identifying and addressing nomination and city-gate variances.

Pipeline/GTS Nom Variances

- Gas Transportation Operations will typically notify Suppliers of scheduling errors as a courtesy; however, notification is not guaranteed. It is the Supplier's responsibility to ensure the correct volumes are scheduled correctly, and in a timely manner. This includes any third-party deliveries to your pool(s).
- Company's confirmation process:
  - By 3:30 p.m. CT – Suppliers may view their confirmed timely nominations via GTS delivery reports.
    - Scheduled volumes will be updated to match the pipe if a discrepancy between GTS and the pipe occurs.
    - Once all nominations are confirmed, GTS will send automated emails to advise of any known discrepancies at that time.
    - To correct nominations submitted on GTS, Supplier must edit the nominated volume to match what is on the pipe, if correct, or advise GT Operations that the nominated volume is correct.

Intraday Nominations / Retro Nominations

- Intraday nominations are acceptable due to changes in customers' expected demands, or rescheduling due to pipeline cuts. Intraday nomination changes on the day of flow are subject to Company's approval, and for just cause. Suppliers are advised to keep intraday changes to a minimum.

- Retro Nominations are subject to Company's approval. Suppliers must submit a Retro Nomination in GTS and are required to enter an adequate note explaining why the Retro Request is being made. Lack of sufficient details will result in denial of the Retro Request.

Daily Balancing Provisions

- Daily Under-Delivery Charge (gas cost portion):
  - Imbalance >15%
    - Daily Under-Delivery Index Price:
      - The highest of the Daily Midpoint price as reported in Platts Gas Daily for: Columbia Gas, Appalachia, Rex Zone 3 delivered
      - Including the maximum interruptible pipeline transportation rate, pipeline fuel loss, and all surcharges.
- Daily Under-Delivery Charge (penalty portion):
  - Imbalance >15%
    - 1.05 times the daily under- delivery charge
  - Imbalance >25%
    - 1.2 times the daily under-delivery charge
- Plus Gross Receipts Excise Tax of 4.8767%
- Any under/over daily imbalances less than the minimum tolerance will be included in the monthly imbalance

Daily Balancing Provisions

- Daily Over-Delivery charge (gas cost portion):
  - Imbalance >15%
    - Daily Over-Delivery Index Price
      - The lowest of the Daily Midpoint price as reported in Platts Gas Daily for: Columbia Gas, Appalachia, Rex Zone 3
      - Including the firm pipeline transportation commodity rate, pipeline fuel loss, and all surcharges.

- Daily Over-Delivery Charge (penalty portion):
  - Imbalance >15%
    - .9 times the daily over-delivery charge
  - Imbalance >25%
    - .75 times the daily over-delivery charge
- Any under/over daily imbalances less than the minimum tolerance will be included in the monthly imbalance

Daily Balancing Provisions

- Excess Daily Imbalance: If Transporter exceeds the minimum Daily Imbalance percentage of 15% on more than 36 days during a twelve month consecutive period, the Daily Over/Under Delivery Charge multipliers for that Transporter will be as follows for the next twelve month period:

  - Daily Under-Delivery Charge multipliers will be 1.20 and 1.35 (vs. 1.05 and 1.20)
  - Daily Over-Delivery Charge multipliers will be 0.75 and 0.60 (vs. 0.90 and 0.75)

Monthly Balancing Provisions

- **Monthly Under-Delivery Charge (gas cost portion):**
  - Imbalance 0% - 5%
    - 1.0 times the highest average of the daily ***under***-delivery index prices for the month.

- **Monthly Under-Delivery Charge penalty portion):**
  - Imbalance 5% - 15%
    - 1.05 times the highest average of the daily under-delivery index prices for the month.
  - Imbalance >15%
    - 1.2 times the highest average of the daily under-delivery index prices for the month.

- Plus Gross Receipts Excise Tax of 4.9480%

- Any under/over daily imbalances less than the minimum tolerance will be cashed out.

Monthly Balancing Provisions

- **Monthly Over-Delivery Charge (gas cost portion):**
  - Imbalance 0% - 5%
    - 1.0 times the average of the lowest of the daily over-delivery index prices for the month.

- **Monthly Over-Delivery charge (penalty portion):**
  - Imbalance 5% - 15%
    - .9 times the times the average of the lowest of the daily over-delivery index prices for the month.
    - .75 times the times the average of the lowest of the daily over-delivery index prices for the month.
- Any under/over daily imbalances less than the minimum tolerance will be cashed out.

Monthly imbalance charges and OFO's

- Monthly Under-Delivery Imbalances shall be cashed out at 1.0 times the Monthly Under-Delivery Charges if an OFO limiting over-deliveries has been issued for more than 10 days in any given calendar month, or for three or more days of the last seven days of the month or at Company's discretion.

- Monthly Over-Delivery Imbalances shall be cashed out at 1.0 times the Monthly Over-Delivery Charge if an OFO limiting under-deliveries has been issued for more than ten days in any given calendar month, or for three or more of the last seven calendar days of the month or at Company's discretion.

Imbalance trading

- A Supplier may trade daily and/or monthly imbalances via GTS.
- $10.00 per transaction fee to the seller.
- Trades are allowed on OFO days.
- Note: Imbalance bills will be calculated in Dths. This includes the usage, imbalances, etc.

Monthly Balancing

- Monthly usage is derived from the first of the month reading to the first of the following month's reading and is not an accumulation of the daily usage.

- Deliveries and usage on OFO days are included in the monthly totals.

Missing daily usage

- Customers whose daily telemetry usage information is incorrect due to lack of phone service, faulty equipment, technical problems etc. will be estimated on a per day basis.
- If a read is missing, there will be an estimated read will be displayed. Please contact Gas Transportation Billing to determine what issue may be causing the missing read.
- Pool Operators will be provided with a report reflecting their customers' daily usage following the billing of the customers' distribution bills indicating any usage that was averaged.
- Pool Operator will have 2 business days to evaluate whether Company's averaged daily consumption estimates for the Transporter(s) is acceptable (i.e. does not cause a material impact to the pre-trade imbalance), or provide sculpted daily consumption estimates on behalf of the Transporter(s).
- Company will accept sculpted estimates that appear reasonable.
- Sculpted daily estimates cannot cause a change to the total monthly consumption.
- Usage for those customers that do not have daily telemetry during the on-set of this program will be estimated on a per day average.

What is a curtailment?

Company Tariff Definitions

- **Curtailment-** the interruption or limitation of the Gas Service available to Customer pursuant to Company's Curtailment Procedures.

- **Gas Supply Curtailment** - Curtailment resulting from insufficient quantities of Company-supplied gas to meet the existing and reasonably anticipated demands of Company's Sales Customers, or to protect and replenish Company's gas storage.

- **Capacity Curtailment** - Curtailment resulting from insufficient distribution system capacity to supply to Company Gas Service Customers.

Operational flow orders

Company may call a Cold or Warm OFO where such action is necessary to:

1) protect the reliability of Company's gas system,

2) comply with Company's Curtailment Procedures, or

3) adhere to the various interstate pipeline companies' balancing requirements

- An e-mail notification of OFO's or critical periods will be posted to GTS and received by all registered Suppliers.

Operational Flow Orders continued

- If Columbia Pipeline Group issues a Transport Critical Day or OFO:
  - A Cold Transport OFO applicable to Large Transporters MAY be called. On a cold -weather OFO day, ANR,La will be utilized in addition to Columbia Gas, Applalachia and Rex Zone 3
  - OFO Cash-out provisions and OFO penalties apply if OFO is called.
- If Columbia Pipeline Group issues a Storage Critical Day or Storage OFO
  - CenterPoint Energy Ohio will also issue a Cold OFO to Large Transporters
  - OFO Cash-out provisions and OFO penalties apply

Operational Flow Orders

- COLD WEATHER OFO DAYS- Under-deliveries greater than the 5% tolerance will subject to the following:

- The Daily Under-Delivery Charge, plus
  - The higher of:
    - all other charges incurred by Company and attributable to Transporter's Daily Under-Delivery Imbalance Quantity, including pipeline penalty charges on the OFO shortfall quantities, or
    - an OFO Imbalance Charge of $10.00 per Dekatherm on the portion of the Daily Under-Delivery Charge Quantity that is greater than five percent of Total Daily Usage; plus
    - Applicable taxes
    - CenterPoint Energy Ohio will use the highest index for cash out for under deliveries from Columbia, Rex Zone and ANR

Operational flow orders

- During a Cold Weather OFO, the Daily Over-Delivery Imbalance Quantity subject to being cashed-out shall increase to 25% during a Cold Weather OFO. Pool Operator shall be paid the following:
- (1) 0.9 times the Daily Over-Delivery Charge for each Dth of Daily Over-Delivery Imbalance Quantity that is greater than the 25%, up to and including 35% of Total Daily Usage;plus
- (2) 0.75 times the Daily Over-Delivery Charge for each Dth of Daily Over-Delivery Imbalance Quantity that is greater than the 35% of Total Daily Usage.

Operational Flow Orders

- WARM WEATHER OFO DAYS- Over-deliveries greater than the 5% tolerance will subject to the following:

- The Daily Over-Delivery Charge, plus
  - The higher of:
    - all other charges incurred by Company and attributable to Transporter's Daily Under-Delivery Imbalance Quantity, including pipeline penalty charges on the OFO shortfall quantities, or
    - an OFO Imbalance Charge of $10.00 per Dekatherm on the portion of the Daily Under-Delivery Charge Quantity that is greater than five percent of Total Daily Usage; plus
    - Applicable taxes
    - For Over Delivery CenterPoint Energy Ohio will charge the lowest index from Columbia Gas, Appalachia and Rex Zone 3

Operational Flow Orders

- During a Warm Weather OFO, the Daily Under-Delivery Imbalance Quantity subject to being cashed-out shall increase of 25% during a Warm Weather OFO. Pool Operator shall pay the following:
- (1) 1.05 times the Daily Under-Delivery Charge for each Dth of Under-Delivery Imbalance.
- (2) 1.2 times the Daily Under-Delivery Charge for each Dth of Daily Under-Delivery Imbalance Quantity that is greater than 35% of Total Daily Usage.

WHAT IS A CURTAILMENT?

Company Tariff Definitions

- **Plant Protection Level -** The minimum quantity of Gas Service for any Firm Curtailment Customer (any Customer whose Average Daily Throughput in any billing month exceeds 1,000 therms), required by Customer to prevent endangering the health or safety of personnel, or to prevent extensive damage to Customer's facilities, equipment, or other property. This includes the protection of such material currently in process at the time a Curtailment is called which would otherwise be destroyed, but shall not include Gas Service required to maintain plant production.

what is a curtailment?

Causes for Curtailment:

- Gas supply area disruptions and/or restrictions
  - Severe weather - hurricanes, well freeze-offs
  - Equipment failure - Wellhead or processing plant
  - Significant leak
  - Gas quality
- Forecasted weather conditions
- Variances between Forecasted vs. Actual Weather
- System demand variations must be managed through gas supply portfolio balancing flexibility which is limited.

Unauthorized Gas Charges During Curtailment

- If Pool Operator under Rate 380 delivers less gas to Company's system than the Pool Customers' collective Plant Protection Level, Pool Operator shall be subject to an Unauthorized Gas Usage Charge of the greater $35.00 per Dth or 3x's the daily mid point price per DTH for the following delivery points:
  Columbia Gas, Appalachia
  Texas Gas Zone 1
  ANR, La
  Texas Eastern ,ELA
  Panhandle,Tx-Okla
  Rex Zone 3
- CenterPoint Energy Ohio will charge whichever is highest plus applicable variable cost, including fuel retention and pipeline variable charges for the under delivered volumes in addition to the applicable OFO Non-Compliance charges for the under delivered volumes.

Curtailment Notification System

- Company's curtailment notification method utilizes the following communication methods: Telephone (cellular and land line), and e-mail
- In the event of a Gas Curtailment, Company will notify its Transportation Customers of the type of curtailment.
- The Account Manager's have distributed a copy of the current contact information on file for your company, please review this information. If you have any changes, please mark up the copy and return to your Account Manager today.

Curtailment Notification System

- Types of Notification Messages:

- CURTAILMENT As of 12:00 AM Central Time Wednesday, September 15, 2004 Company is issuing a natural gas curtailment. Your natural gas usage is limited to your confirmed plant protection level. Should you have any questions please contact your Industrial Account Manager.

- ALERT As of 12:00 AM Central Time Wednesday, September 15, 2004 Company is issuing a curtailment alert. If the weather conditions should get colder there is a good possibility that a natural gas curtailment could be called. If you have any questions please contact your Industrial Account Manager.

Curtailment Notification System

- Types of Notification Messages:

- RELEASE As of 12:00 AM Central Time Wednesday, September 15, 2004 Company is lifting the natural gas curtailment and you can go back to normal operations. If you should have any questions please contact your Industrial Account Manager.

- OFO As of 12:00 AM Central Time Wednesday, September 15, 2004 Company is issuing an operational flow order. Your natural gas usage is limited to your confirmed pipeline nomination. Should you have any questions please contact your Industrial Account Manager.

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