(N)

SERVICE CLASSIFICATION General Transportation Service

PILOT PROGRAM

Rate Schedule GTS - General Service Firm Pooling and Balancing

Pooling Service for Firm Gas Transportation

Pilot Program

Firm Gas Transportation Pooling service shall be a five-year Pilot Program as follows:

- 1. To provide sufficient time to implement the service, the program will commence, subject to the approval of the Public Service Commission of West Virginia ("Commission"), on November 1, 2025, provided the Company has been provided ninety days (90) days to implement any necessary programming changes to accommodate such implementation.
- 2. Only general service (GS) firm customers shall be eligible to participate in the Firm Gas Transportation Pooling Service program. Such pools shall be consistent with the various Pipeline Scheduling Points on the CGT system.
- 3. The maximum number of GS firm customers who may participate under an annual enrollment program in the Firm Gas Transportation Pooling Service program shall be limited as follows:
 - a. 1.000 in Year 1
 - b. 2,500 in Year 2
 - c. 4,000 in Year 3
 - d. 7,000 in Year 4
 - e. 10,000 in Year 5

If the enrollment cap is exceeded in any year, an existing certified supplier may petition the Commission to expand the caps.

4. The Pool Operator shall have title to the gas that is delivered to the Company.

Definitions

For the purposes of Firm Gas Transportation Pooling Service, the following definitions shall apply:

"CGT": Columbia Gas Transmission, LLC

"GS Customer": General Service Customer. A Pool Operator may also be a GS Customer but only as set forth in these

Firm Gas Transportation Pooling Service Tariff provisions. For clarity, a Pool Operator shall only be

referred to as Pool Operator herein and not as GS Customer.

"Customer Letter The "Customer Letter of Understanding Regarding Participation in Firm Gas Transportation Pooling

Agreement": Service."

(N) Denotes New

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PILOT PROGRAM

Rate Schedule GTS - General Service Firm Pooling and Balancing

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Pooling Service for Firm Gas Transportation - (Continued)

Definitions - (Continued)

"Daily Delivery The daily amount of gas to be nominated to a Pipeline Scheduling Point by the Pool

Requirement": Operator; this amount is provided by the Company. See Tariff Sheet No. 68T for

more information.

"GS End User": Any individual, firm or organization that is the ultimate consumer of natural gas for

general service.

"Firm Pool": An aggregation of multiple firm transportation accounts of one or more natural gas

GS End Users that have executed a Customer Letter Agreement with the Company and for which any daily imbalances attributable to GS End User account(s) are to be netted and billed to the Pool Operator instead of the GS End Users. If a Firm Pool is made up solely of multiple points of delivery for one GS Customer, it is referred to as an individual member Firm Pool, whereas a Firm Pool made up of two or more GS Customers is referred to as a multiple member Firm Pool.

"Distribution Area Pool": A Firm Pool in which daily imbalances are to be netted only with accounts located

in the same Distribution Area.

"Distribution Area": The Company's distribution system that serves the GS End User at the nearest

Pipeline Scheduling Point.

"Firm Pool Member" or

"Pool Member":

An individual GS End User assigned to a pool.

"Marketer" or "Supplier": An entity that obtains gas supply and offers that supply to one or more GS End

Users.

"Natural Gas Pooling

Agreement for Firm Gas Transportation Service": The three-party contract to be executed by the Pool Operator, GS End User (Pool Member) and the Company setting forth the agreed-upon terms and conditions of Firm Pool services. The terms and conditions of service to be negotiated among the

parties.

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Rate Schedule GTS - General Service Firm Pooling and Balancing

(N)

Pooling Service for Firm Gas Transportation - (Continued)

<u>Definitions</u> - (Continued)

"Pipeline Scheduling Point" or "PSP":

A single delivery point designated by an upstream pipeline for purposes of scheduling gas supplies for delivery by such upstream pipeline and shall consist of the following Pipeline Scheduling Points with CGT: 15 (Portsmouth), 16 (Lancer), 17 (Lewisburg), 18 (KY/WV Miscellaneous), 19 (Clendenin), 26 (Bedford), 27 (Cumberland), 30 (Rockville), 32 (Elkins), 35 (Pittsburgh), and 40 (PA/WV Miscellaneous).

"Pool Operator":

An entity that has entered into a "Natural Gas Pooling Agreement for Firm Gas Transportation Services" with the Company. The Pool Operator shall own the gas delivered to the Distribution Area Pool for the benefit of the Pool Members. In order to be designated as a Pool Operator, the entity must first obtain a certificate from the Commission and provide a copy of the final order granting Pool Operator status to the Company. All Pool Operators shall remain in good standing and compliance with Commission orders and Program Requirements.

"Program Requirements":

All requirements affecting or controlling the voluntary Pilot Program for enhanced GS firm pooling and balancing services that have been or hereinafter may be prescribed by the Commission.

"Qualified Pool Operator":

A Pool Operator that (i) nets daily imbalances on behalf of two or more firm transportation GS End Users, (ii) has been certified pursuant to the Commission's Rules, and (iii) has met the requirements of the Company's tariffs.

"WV Production Discounted For Distribution Area Pools that consist of 100% WV produced gas, Pool Members will be billed as provided on Tariff Sheet No. 66. See Tariff Sheet No. 68V for more information.

Transportation Rates":

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SERVICE CLASSIFICATION General Transportation Service

PILOT PROGRAM

Rate Schedule GTS - General Service Firm Pooling and Balancing

Pooling Service for Firm Gas Transportation - (Continued)

Availability

Firm Gas Transportation Pooling Service shall be available in the Company's service territory to (1) GS Customers receiving Firm Gas Transportation Service who are acting as their own Pool Operator for netting of daily imbalances, and/or (2) Pool Operators who have contracted to net daily imbalances attributable to two or more GS Customers receiving Firm Gas Transportation Service as part of a qualifying pool as determined within these rules.

The term "firm" means that the physical delivery of gas has the same security/priority of delivery as full-tariff firm utility customers in their respective rate classes. This group of GS Customers will be aggregated in a way that the group of customers is treated as one GTS customer. The rates and charges for GS Customers participating in the Firm Gas Transportation Pooling Service will be subject to the current GS customer tariffs and conditions unless specified otherwise herein. Participating GS Customers shall satisfy the following conditions:

- 1. As of the date of the Commission order approving these tariffs, the GS Customer must (i) be, or previously have been, a GS Transportation Customer, or (ii) be a GS Customer that requests and is eligible to receive firm transportation service.
- 2. If the GS Customer previously purchased its gas supply from the Company, GS customer must agree to be a transportation customer and be subject to the General Transportation Service tariffs on Sheets No. 66 to 68H.
- 3. Each GS Customer must execute a Customer Letter Agreement, which provides assurance to the Company that the GS Customer has knowingly selected the option to have its account pooled and understands the potential ramifications of selecting Firm Gas Transportation Pooling Service.

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PILOT PROGRAM

Rate Schedule GTS - General Service Firm Pooling and Balancing

Pooling Service for Firm Gas Transportation - (Continued)

- 4. A qualifying GS Customer account may only be eligible to participate in one Firm Pool effective on the first day of a given month with sixty (60) days notice and after submission to the Company of all required documentation.
- 5. A qualifying GS Customer account may participate in only one Firm Pool during any given month. A GS Customer must provide the Company with sixty (60) days advance written notice of its intent to terminate membership in a pool or to switch to a different Pool Operator.
- 6. In the event of GS Customer default, the GS Customer may be returned to sales service on sixty (60) days notice.
- 7. In the event of a Pool Operator default the capacity shall be recalled to the Company in thirty (30) days. At the time of a Pool Operator default the Company may exercise any guaranty agreement.
- 8. A Pool Operator shall not be considered a transportation customer; provided, however, functioning as a Pool Operator shall not deprive an End User from its status as a transportation Customer.

Pool Operator Eligibility

A Pool Operator may manage the gas supplies for two or more firm transportation GS Customers for the sole purpose of netting daily imbalances. The Pool Operator shall also serve as the marketer/agent for gas supply purposes for the firm Pool Members and may also provide supply for End Users who are receiving transportation service but not Pooling Service. Before commencing Firm Gas Transportation Pooling Service, a Pool Operator must: (a) be certificated by the Commission in compliance with the Commission's Rules and provide to the Company proof of such certification and fulfill the Program Requirements, (b) execute a Natural Gas Pooling Agreement for Firm Gas Transportation Service with the Company and each GS End User setting forth specific covenants and obligations undertaken by the Company and Pool Operator under the Company's Tariff to the GS End Users involved in any such Firm Pools, (c) abide by all rules governing Pooling Service, and (d) establish creditworthiness or else provide a security deposit to the Company in the form of cash or a guaranty agreement issued by a financially responsible guarantor. A GS Customer may serve as a Pool Operator for its own accounts without receiving certification from the Commission and is not required to provide a security deposit; however, such Pool Operator may not serve as Pool Operator for other GS Customer accounts without receiving certification from the Commission.

<u>Authorizations</u>

The terms and conditions for Firm Gas Transportation Pooling Service are supplementary to:

- 1. The <u>Rules and Regulations for the Government of Gas Utilities and Gas Pipeline Safety</u> 150 CSR 4 and the <u>Rules Governing the Transportation of Natural Gas</u> 150 CSR 16, as amended and Pilot Program Requirements;
- 2. All other requirements affecting the Company that have been or hereafter may be prescribed by the Commission;

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Pooling Service for Firm Gas Transportation - (Continued)

- 3. The sections of the Company's tariff concerning Rules and Regulations, as reflected on Sheets No. 8 through 39, and Rules and Regulations for the General Transportation Service, reflected on Sheets No. 66 through 68H, as amended; and
- 4. The Program Requirements prescribed by the Commission for the Pilot Program control the Pilot Program where the Program Requirements differ from the requirements of the <u>Rules Governing the Transportation of Natural Gas</u>, 150 CSR 16, as amended.

The Company and Pool Operator agree that they will file, as soon as practical after execution of the Pool Operator Agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations, if any, for service contemplated by the Pool Operator Agreement, and that they will provide each other, from time to time, such information as may be necessary to secure and maintain such authorizations.

In the event governmental approval of the Pool Operator Agreement is conditioned in any manner, either party may, within sixty (60) days of such event, elect to terminate the Pool Operator Agreement by giving the other party fifteen (15) days notice. Upon such termination, neither party shall have any liability or obligation to the other by reason of the Pool Operator Agreement other than the obligation to make payments as provided for herein with respect to events or transactions that occurred prior to such termination.

Characteristics of Firm Pools

A Distribution Area Pool may only consist of GS Customer accounts whose gas supply is nominated to the same Pipeline Scheduling Point.

Daily Delivery Requirement

The Company shall calculate the Daily Delivery Requirement for the members of each Pool Operator on or about the 20th of each month. The Daily Delivery Requirement shall be calculated by determining the estimate of the normalized consumption of all GS Customers for each Pool Operator by Pipeline Delivery Point in the following month. The Company shall convert the quotient to a Dth basis using the most recent available MMBtu factor of the respective Pipeline Delivery Point, and shall adjust for gas lost or unaccounted for in accordance with Sheet No. 67A. The resultant quantity shall be the Daily Delivery Requirement to be delivered by each Pool Operator to the Pipeline Delivery Point.

Pool Operators are required to deliver gas supplies at a Pipeline Delivery Point mutually agreed upon by the Company and the Pool Operator. The Pool Operator shall nominate sufficient volumes to allow for fuel retention by the pipeline. During the month, the Company may notify the Pool Operator to adjust the Daily Delivery Requirement due to warmer or colder temperatures as well as for unusual customer activity.

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Pooling Service for Firm Gas Transportation - (Continued)

If, on any day, a Pool Operator delivers gas supply that is either greater or less than its Daily Delivery Requirement, the Pool Operator will be charged a storage balancing fee and a base rate balancing fee reflected on Sheet No. 68D. If the total actual nominations for the month exceed the total Daily Delivery Requirement by more than 10%, the Company may elect to purchase such excess volumes at 90% of Index or \$4.00, whichever is lower. If the total actual nominations for the month is less than the total Daily Delivery Requirement by more than 10%, the Company will bill the Pool Operator for such excess volumes at the greater of the GS Commodity Charge on Sheet No. 53 or 2.0 times the First of Month Index price for Columbia Gas Appalachia plus the current GS base rate charge and IREP rate as reflected on Sheet No. 79. However, if the Pool Operator's daily nomination, during a day without limitation or interruption, is less than 80% of the Daily Delivery Requirement, the Pool Operator shall be charged twenty-five dollars (\$25) for each Dth below the 80% threshold in addition to the fees and charges set forth in this rate schedule.

In addition to the fees and charges set forth in this rate schedule, on any day that the Company has a limitation or interruption in effect for transportation customers, failure by the Pool Operator to deliver according to the Daily Delivery Requirement will result in an additional penalty charge to the Marketer equal to twenty-five dollars (\$25) multiplied by the difference in Dth between the Daily Delivery Requirement and the Pool Operator's actual deliveries on that day.

Assignment of Firm Capacity

The Company will assign a pro-rata share of its firm contracted capacity under CGT 's Rate Schedule FTS ("FTS") to each Pool Operator on an annual basis on November 1. The Pool Operator agrees to accept assignment of such capacity in an amount equal to the estimated peak day of the Pool Members of each Pool Operator at the Company's city gate. The peak day shall be equal to 120% of the Pool Operator's Daily Delivery Requirement for January assuming normal weather.

Pool Operators that receive assigned FTS capacity by the Company are subject to the terms and conditions of the tariffs of those pipeline companies on whose facilities capacity is assigned.

The Company may recall any FTS capacity assigned to Pool Operator pursuant to this rate schedule in order to ensure reliable service to GS Customers in any instance where a Pool Operator fails to deliver the Daily Delivery Requirement to its Pool Members. If a GS Customer switches between Pool Operators with a program year, the Company will recall and rerelease capacity associated with the GS Customer to the new Pool Operator.

Pool Operator shall provide the necessary assistance required to complete the mandatory firm capacity assignment transaction(s).

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Rate Schedule GTS - General Service Firm Pooling and Balancing

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Pooling Service for Firm Gas Transportation - (Continued)

Scheduling Deliveries

The Pool Operator must schedule all daily deliveries using the Company's Electronic Bulletin Board. Nominations for Pool Member accounts will be made at the Pool Operator level.

West Virginia Produced Gas

GS Firm Pool Members are eligible for WV Production Discounted Transportation Rates. Firm pooled transportation of WV produced gas is limited to Distribution Area Pools that consist of 100% WV produced gas. The Company will not perform any allocation of WV produced and non-WV produced gas in order to bill Firm Pool Members. All other Distribution Area Pool functions will be managed consistent with this pilot tariff.

Imbalance Reconciliations

The Company and Pool Operator will work collaboratively to keep imbalances to a minimum by the Company adjusting the Daily Delivery Requirement to consider weather and prior month ending bank volumes as well as unusual customer

At least once per year, the Company will reconcile each Pool Operator's imbalance that has accumulated since the prior reconciliation by determining the difference between: (1) the Pool Operator's deliveries to the Company during the reconciliation period, adjusted for Btu value and fuel retention for gas loss; and (2) the actual consumption of the Pool Members of the Pool Operator, inclusive of all adjustments applicable to the reconciliation period.

The Company and the Pool Operator agree to resolve such imbalance by adjusting the Daily Delivery Requirement in the following period.

Billings/Rates to Firm Pool Members

Firm Pool Members shall be billed in accordance with the Company's applicable tariff sheets, with the following

- 1. Since the Company is releasing FTS capacity to the Pool Operator, the Firm Pool Customer is not subject to the Standby Charge on Sheet No. 68C.
- 2. The Firm Pool Customer will pay a Storage Balancing Charge equal to 10% of the Storage Balancing Fee referenced on tariff sheet 68D on all transportation volumes billed rather than the rate on Sheet No. 68D. The Firm Pool Customer will continue to pay the Base Rate Balancing Fee on Sheet No. 68D on all transportation volumes.

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Pooling Service for Firm Gas Transportation - (Continued)

Billings/Rates to Pool Operators

Each month, the Company shall issue one bill to the Pool Operator for each GS Firm Pool by the 20th day of the calendar month for services rendered during the preceding month. The bill to be submitted to the Pool Operator for each Firm Pool shall consist of these charges:

- 1. Storage Balancing Fees, if applicable;
- 2. Base Rate Balancing Fees, if applicable;
- 3. Sales Tariff Purchases in accordance with tariffs herein;
- 4. Costs and penalties in accordance with tariffs herein;
- 5. A Pool Administrative Fee of \$5 per account in the Firm Pool;
- 6. Municipal or other taxes required to be collected by the Company for a municipality, state, or federal government, or other taxing authority applicable to any fees for services rendered; and
- 7. Late Payment Charges.

A Pool Operator will be assessed a \$100 Initiation Fee when the Pool Operator initially applies to pool GS Firm Transportation accounts and after providing proof to the Company of certification by the Commission.

A Pool Operator may be assessed a deposit based on its payment history or creditworthiness.

Effective Date/Term of Firm Pooling

Firm Gas Transportation Pooling Service will commence, subject to approval by the Commission, on November 1, 2025. Pool Operators must submit their list of Pool Members by Pipeline Delivery Point at least ninety (90) days prior to November 1st for an account to become eligible for Firm Gas Transportation Pooling Service. Pool membership, enrollment, or change of pool will be allowed annually from May 1 though July 31.

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Pooling Service for Firm Gas Transportation - (Continued)

Delayed Payment and Terminations

The Pool Operator is responsible for payment of all charges set forth herein applicable to any Firm Pools. In the event that the Company has not received timely payment from a Pool Operator, the Company shall assess a delayed payment penalty pursuant to the Company's Tariff provisions in addition to the Company's rights to initiate collection activities pursuant to the provisions of Rule 4.8 of the Commission's Rules and Regulations for the Government of Gas Utilities and Gas Pipeline Safety. The Company shall have the right to terminate the Pool Operator's ability to operate Firm Pools, cease taking gas from Pool Operator pursuant to Pool Operator's agency relationship, if any, to Firm Transportation customers, and collect any/all outstanding arrearages against any security deposit provided to the Company by the Pool Operator. In the event that the Company takes action to terminate a Pool Operator, the Company shall provide actual, expedited notice of the termination to each Firm Pool Member included in the associated Firm Pool. The Company may also terminate its agreement with the Pool Operator as a result of the failure of the Pool Operator to perform in accordance with the contractual terms and obligations of such agreement or due to other default by the Pool Operator.

The Company's termination procedures will not be employed by the Company for failure by a GS End User to pay a Pool Operator.

To the extent that a pilot Program Pool Operator fails to comply with this section, the Commission may suspend its ability to market to customers or terminate its certificate or terminate its Pool Operator agreements.

Creditworthiness of the Pool Operator

If the Pool Operator has not established prior creditworthiness with the Company, the Company may request that Pool Operator provide to the Company, on a confidential basis, recent financial statements to demonstrate the Pool Operator's financial fitness to be responsible for the payment of the Firm Pool's balancing fees. The Company will not unreasonably withhold approval of a Pool Operator's creditworthiness. The Pool Operator also agrees to allow the Company to conduct a credit investigation as to Pool Operator's creditworthiness, if deemed necessary in the Company's reasonable opinion. After reviewing financial information provided by Pool Operator, if the Company deems it necessary, Pool Operator may be required to provide a security deposit equal to 1/6 th of the estimated annual amount billed to Pool Operator. If the Pool Operator becomes more than sixty (60) days past due on its account, the Company may bill a security deposit. The Creditworthiness for Pool Operators are in addition to the Program Requirements for financial fitness.

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