

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF MIDWEST NATURAL GAS )  
CORPORATION FOR AUTHORITY TO ) CAUSE NO.: 45888  
CHANGE ITS RATES, CHARGES, TARIFFS, )  
RULES, AND REGULATIONS )

PETITIONER'S SUBMISSION OF DIRECT TESTIMONY OF  
DAVID A. OSMON

Midwest Natural Gas Corporation, ("Midwest", "Company", or "Petitioner"), by counsel,  
hereby submits the direct testimony and attachments of David A. Osmon.

Respectfully submitted,



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Midwest Natural Gas Corporation

**MIDWEST NATURAL GAS CORPORATION  
DIRECT TESTIMONY OF DAVID A. OSMON**

1           **Introduction**

2   **Q1. Please state your name and business address.**

3   A1. My name is David A. Osmon and my business address is Midwest Natural Gas Corporation,  
4       101 S.E. Third Street, Washington, Indiana 47501.

5   **Q2. What is your position with Midwest Natural Gas Corporation (“Midwest”,**  
6       **“Company”, or “Petitioner”)?**

7   A2. I am the President of Midwest, who is the Petitioner in this Cause. In that role, I have general  
8       administrative, financial and regulatory responsibilities for the Petitioner.

9   **Q3. What are your educational and professional qualifications, which you believe are**  
10       **relevant to the matters you describe in this cause?**

11   A3. I am a graduate of Indiana State University with a B.S. degree in accounting. I am a Certified  
12       Public Accountant and was employed as such with a regional accounting firm prior to  
13       joining the Petitioner. I am a member of various organizations, including the Indiana CPA  
14       Society. I have been a long-time member of various industry groups, including the Indiana  
15       Energy Association (“IEA”). I have worked with the IEA, and many other natural gas  
16       utilities, on a number of issues.

17   **Q4. Have you previously testified before this Commission on behalf of this Petitioner?**

18   A4. Yes. I have offered testimony in numerous causes, on various matters including base rate  
19       cases, gas cost adjustment proceedings, normal temperature adjustment requests, and

1 service area necessity certificates. Over the years I have also participated in various  
2 Commission sponsored natural gas forums related to a variety of issues.

3 **Q5. What is the purpose of your testimony?**

4 A5. My testimony is designed to sponsor and support Midwest's request for authority to change  
5 its rates, charges, tariffs, rules, and regulations. Specifically, I will discuss significant  
6 changes in plant, matters in which Petitioner and OUCC agreed upon for settlement, and the  
7 more important changes in expenses. In general, Midwest Natural Gas is proposing to  
8 change its rates and charges to increase our operating revenue by approximately 1.81% as  
9 shown on witness Mann's Exhibit BJM-1 (Schedule C). This filing is driven by Petitioner's  
10 need to cover its expected operating costs and earn a reasonable return on its utility plant  
11 investment. However, the primary driver for this rate case is the construction projects  
12 Petitioner has undertaken since its last rate case. I explain Petitioner's contact with the  
13 Office of Utility Consumer Counselor ("OUCC") before this filing was made. My testimony  
14 also supports the Partial Settlement Agreement between Petitioner and the OUCC.

15 **Q6. Are you sponsoring any attachments?**

16 A6. Yes. I am sponsoring the following attachments:

- 17 • Attachment DAO-1, which is a copy of the Verified Petition filed in this Cause.<sup>1</sup>
- 18 • Attachment DAO-2, which will include the proof of publication of the legal notice  
19 (as required by Ind. Code § 8-1-2-61) as well as a copy of the notice provided to

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<sup>1</sup> As the Verified Petition was filed separately, it is not reproduced with my testimony but will be offered into evidence with my testimony at the hearing in this Cause.

1 residential customers summarizing the nature and extent of the proposed changes in  
2 this Cause (as required by 170 IAC 5-1-18).<sup>2</sup>

- 3 • Attachment DAO-3, which is a copy of the Partial Settlement between Petitioner  
4 and the OUCC.
- 5 • Attachment DAO-4, which is a redline of Petitioner's proposed tariff
- 6 • Attachment DAO-5, which is a clean copy of Petitioner's proposed tariff.

7 All of these attachments were prepared by me or under my supervision and direction.

8 **Q7. What other witnesses will be offering testimony or attachments in Petitioner's direct**  
9 **case?**

10 A7. In addition to my testimony, Midwest is presenting testimony from the following witnesses:

- 11 • Cody M. Osmon, Controller for Midwest, who supports Midwest's depreciation  
12 expense adjustment.
- 13 • Bonnie J. Mann, CPA with LWG, who sponsors Petitioner's accounting schedules  
14 supporting the proposed change in base rates. She presents the revenue requirement,  
15 Test Year adjustments, and pro forma capital structure and costs of capital.

16 **Q8. When was Petitioner's last base rate proceeding?**

17 A8. Petitioner's last rate case, Cause No. 44880, was filed November 14, 2016, and the final  
18 order was issued August 16, 2017. The test year was the 12 months ending March 31, 2016,  
19 as adjusted for changes fixed, known, and measurable, and occurring within 12 months

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<sup>2</sup> The proof of publication and customer notice will be late-filed with the Commission.

1 following the end of such test year. Petitioner's cut-off date for determining the used and  
2 useful status of its utility plant in service, and the value of its rate base, was June 30, 2016.

3 **Q9. What is the test year that Petitioner proposes to use in this Cause?**

4 A9. As reflected in the Petition, we are proposing that our revenue requirement use our books  
5 and records as of the test year ending December 31, 2022, adjusted for fixed, known and  
6 measurable changes, which we believe will occur within the 12 months following that test  
7 year. We are also proposing a rate base cutoff of December 31, 2022, to recognize additional  
8 utility plant, which is currently used to provide natural gas service to our customers.

9 **Partial Settlement Regarding Return on Equity (“ROE”), Rate Design, and**  
10 **Residential Service Charge**

11 **Q10. Did you participate in discussions between the Petitioner and OUCC prior to the filing**  
12 **of this rate case?**

13 A10. Yes I did. We discussed whether the parties could reach agreement on a variety of terms  
14 including an appropriate ROE for Petitioner, the reasonableness of an equal-percentage  
15 revenue increase in lieu of a new cost of service study, and the residential monthly service  
16 charge. Those conversations, which were conducted at arms-length between the parties,  
17 resulted in the Partial Settlement included as Attachment DAO-3 to my testimony.

18 **Q11. Does Attachment DAO-3, the Partial Settlement, reflect your understanding of the**  
19 **settlement reached prior to initiating this Cause?**

20 A11. Yes it does. The parties were able to reach agreement that a 10.1% ROE is reasonable at  
21 this time for Petitioner. In addition, the parties agreed that any approved rate increase should

1 be applied across-the-board, meaning that the revenues from each rate class would be  
2 increased by the same percentage, but not necessarily each component of rates  
3 proportionately. With respect to Petitioner’s monthly service charges, the parties agreed to  
4 an increase in Tariff A from \$ 11.83 per month to \$15.00 per month.

5 **Q12. Petitioner and the OUCC have settled on a 10.1% return on equity. Do you believe**  
6 **that return on equity is reasonable?**

7 A12. Yes.

8 **Q13. Please explain.**

9 A13. The last rate case for Midwest (Cause No. 44880) included a test year end of March 31,  
10 2016 and a return on equity of 10.1%. We have experienced a significant increase in interest  
11 rates since then. For example, the prime rate in March 2016 was 3.5%. Prime at December  
12 31, 2022 was 7.50%, and has increased further since then. Petitioner has selected December  
13 31, 2022 as the plant date and test year end date for this filing. In addition to rate issues, we  
14 have all discovered there are business risks that we had not really considered before, in the  
15 form of customer disrupting events such as the COVID-19 global pandemic. Customers  
16 were, in some cases, temporarily shut down, and some had to permanently close. The  
17 Commission notes in the Order to Cause No. 44880 that the size of Midwest adds a risk  
18 factor as well.<sup>3</sup> While it is appropriate to recognize that the use of the Normal Temperature  
19 Adjustment (“NTA”) mechanism mitigates some level of risk, an effort to further mitigate  
20 risk with an energy efficiency filing utilizing a sales reconciliation component produced

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<sup>3</sup> Cause No. 44880 (IURC Order 8/16/2017) at 12.

1 results that satisfied none of the parties involved, and was ultimately abandoned. So, while  
2 there appear to be reasons to support a rate higher than the rate determined almost seven  
3 years ago, Petitioner believes settling with the OUCC on 10.1% and reducing the need to  
4 litigate this issue is the best course at this time. One certain benefit to customers is that  
5 agreeing on this issue eliminates the expenses of a Cost of Capital expert. This cost (which  
6 was \$30,000 in 2016) is avoided in this case through the agreement reflected in the Partial  
7 Settlement.

8 **Q14. Do you believe Petitioner's and the OUCC's agreement not to complete a new cost of**  
9 **service study in this base rate case is reasonable?**

10 A14. Yes. Our customer mix has not materially changed since the base rate case concluded in  
11 2016-2017. Thus, Petitioner and the OUCC agreed it is unnecessary to incur the expenses  
12 associated with a new cost of service study in this proceeding.

13 **Q15. What other items were agreed to in the Partial Settlement?**

14 A15. Petitioner and the OUCC have agreed to limit the residential monthly service charge, which  
15 is Tariff A, to \$15.00.

16 **Q16. Do you believe the Partial Settlement is in the public interest?**

17 A16. Yes. Settlement is a reasonable means of resolving controversial issues in a manner that is  
18 fair and balanced to all concerned. Taken as a whole, the Partial Settlement represents the  
19 result of extensive, good faith, arm's-length negotiations of issues that are often contentious.  
20 It is my opinion that the Partial Settlement is in the public interest and should be approved  
21 because it reasonably addresses Petitioner's ROE, rate design, and eliminates two

1 significant expenses from total rate case costs for customers – first, expenses associated  
2 with a Cost of Capital expert as previously discussed; and second, costs to engage a Cost of  
3 Service expert. Addressing these issues through compromise reduces overall rate case  
4 expense, avoids the need to litigate these complex issues, and allows the parties to focus on  
5 the remaining issues in this case.

6 **Rate Base and Utility Plant in Service (“UPIS”)**

7 **Q17. Mr. Osmon, are you familiar with Petitioner’s utility plant in service?**

8 A17. Yes I am. I have been involved with many of the projects which have been constructed  
9 which are now included in Petitioner’s utility plant in service. I am also involved with the  
10 additions to rate base through the cutoff date. Finally, I have been involved with Midwest’s  
11 TDSIC filings which caused me to review the recent construction of high-pressure and low-  
12 pressure distribution mains and consider the issues of obtaining right-of-way. This work has  
13 added to my familiarity with the utility’s plant in service.

14 **Q18. Is the utility plant used and useful in providing natural gas service to Petitioner’s**  
15 **customers?**

16 A18. Yes it is.

17 **Q19. Mr. Osmon, have you ever testified before the commission on the value of Petitioner’s**  
18 **UPIS?**

19 A19. Yes I have.

20 **Q20. Do you have an opinion as to the value of Petitioner’s UPIS?**



1 A20. Yes I do. Examining UPIS on an original cost basis only, I believe UPIS should be valued  
2 at \$20,287,143.

3 **Q21. How did you arrive at your opinion as to the value of the utility plant based upon**  
4 **original cost?**

5 A21. My opinion as to original cost comes directly from my review of the books and records. In  
6 my opinion, the books and records are accurate and in turn, I believe original cost value of  
7 the utility plant in service reflected in Attachment BJM-1 (Schedule D) is based on those  
8 books and records that flows from those books and records is correct.

9 **Q22. Is there anything included in utility plant you believe should be pointed out to the**  
10 **Commission?**

11 A22. There are actually three things that I believe are important to note. The first is a project  
12 involving the Muscatatuck Urban Training Center (“MUTC”) in Jennings County. The  
13 second is Indiana Department of Transportation (“INDOT”) relocation projects. The third,  
14 is simply that the TDSIC 7-year plan was completed in December 2022. All phases of the  
15 plan were capitalized into plant for purposes of this rate case.

16 **Q23. Please discuss the MUTC Project.**

17 A23. This facility previously served as a state mental hospital. We had conversations with them  
18 dating back to 1992 regarding the conversion of its steam plant from coal to natural gas.  
19 The difficulty was that it was a six-mile path to the facility that included a difficult river  
20 crossing of the Muscatatuck River and only a few of other customers to add. More recently,  
21 the facility is used for military and other first-responder training and is vital to the Indiana

1 National Guard. Midwest completed a connection project to the facility in January 2022.  
2 The cost exceeded \$2.4 million and was paid for completely by a combination of  
3 governmental departments. The cost of the project is included in gross plant, but has a  
4 corresponding offset of the same amount to consider the contribution made to cover the  
5 project cost. So, the net cost in plant for this project is \$0.

6 **Q24. Why did you treat the transaction this way?**

7 A24. Jennings County should be paid property tax for a \$2.4 million investment in that county.  
8 By including the project cost in gross plant, it is included in the Department of Local  
9 Government Finance filing that calculates property tax by county, by township. By  
10 offsetting it then from the contribution towards its cost, it means customer rates,  
11 appropriately, do not include a return on that project cost.

12 **Q25. Please discuss the INDOT relocation projects?**

13 A25. Midwest has completed INDOT relocations projects over the past few years. We recently  
14 completed an INDOT project pipeline relocation in Salem, Indiana. The cost of relocation  
15 of distribution mains was \$1.4 million. This became part of our rate base when completed  
16 in December 2022. I then went back and looked at other INDOT projects going back to  
17 2011. There were eleven identified projects in that time-frame, some of which were  
18 contiguous. I conducted this review to determine what is the rate base impact of these  
19 combined projects. After considering depreciation from the various completion dates, the  
20 total net book value included in this filing's rate base is \$2,451,515, or just over 10% of  
21 total net rate base. There are instances when the relocation work by utilities can be

1 recovered, even when on public right-of-way. However, regarding these eleven projects,  
2 Midwest met no financial threshold that would have allowed cost recovery. This  
3 information is not presented as a complaint towards INDOT in any way, but rather is  
4 intended to be informational for the Commission to be able to gauge the impact of these  
5 projects on ratepayers. In this case, I have estimated that close to \$200,000 of rate recovery  
6 is from plant required to comply with INDOT projects.

7 **Q26. You mentioned the completion of the 7-year plan. What is your understanding of how**  
8 **that impacts this rate case?**

9 A26. The 7-year plan was part of Cause No. 44942 a filing of a TDSIC plan for eligible  
10 transmission, distribution and storage improvements. Midwest filed TDSIC-1, TDSIC-2,  
11 TDSIC-3 and TDSIC-4 requesting recovery of 80% of a pre-tax return, depreciation, and  
12 property taxes. The remaining 20% was to be deferred until a full rate case was filed. In the  
13 original order, that base rate petition had to be filed by September 27, 2024, as noted in Item  
14 6 of the Commission's Order on 44942 dated September 27, 2017. This filing is intended to  
15 meet that requirement. It is our understanding that the deferred portion of those items noted  
16 were recoverable when that next rate case was filed.

17 **Q27. How are you including the deferred amounts in this filing?**

18 A27. We are treating them similar to rate case expenses, in that the total is amortized over five  
19 years. We discussed this treatment with the OUCC and I believe we agree on this approach.

20 **Q28. Are there other factors to consider?**

1 A28. The primary piece of the TDSIC is the cost of plant from the 7-year plan. The plan was  
2 broken down into six phases. All construction phases were completed prior to December  
3 31, 2022. So, they are all in rate base as of that date. Depreciation and property tax expense  
4 have been updated in the rate case to include those items. There are no further TDSIC filings  
5 to make in terms of recovery of pre-tax return, depreciation and property taxes. However,  
6 there would remain the matter of variances resulting from the TDSIC trackers.

7 We have discussed this with the OUCC. I think we are in agreement that Petitioner would  
8 need to determine variances from the last time variances were reconciled, which was May  
9 2022, through the last month the TDSIC factors are used. The last date to use a TDSIC  
10 tracker for recovery would be the month before new tariffs resulting from this rate case  
11 would go into effect. We would then work with the OUCC to determine a factor to use in a  
12 final reconciliation of TDSIC variances. We would anticipate having that factor in use for  
13 an agreed-upon period until fully reconciled. At that point the tracker would be removed  
14 completely.

15 **Q29. Let's move on to expenses. Are there any items to note regarding expenses?**

16 A29. I think the most important matter related to expenses is the increase in service personnel  
17 wages. Typically, we review wages mid-year and make adjustments on or about July 1. As  
18 many businesses experienced during the recent period of labor shortages, wages became  
19 very important to retaining and attracting new employees. We increased wages on July 1,  
20 2022 to service personnel at a level we had never before. I personally had conversations  
21 with representatives of the Commission and OUCC in mid-2022 on the matter and believe

1 there was general agreement on the necessity of actions to help with retention of qualified  
2 individuals. We had lost personnel to other utilities and other industry fields.

3 A loss in personnel can cause our utility to fall behind quickly as institutional knowledge of  
4 our operations and divisions of duties for efficiency is extremely important. All of our field  
5 personnel are operator qualified on several tasks. The total of all tasks is 63. Many of these  
6 tasks have various modules that bring that number closer to 90 tasks. We no longer qualify  
7 every person on every task. The amount of time needed to meet that level is incredibly  
8 difficult to find. In certain instances, it could take over a year go through all the necessary  
9 training and qualification to develop someone to step into the entry-level Utility Service  
10 position. Taking that amount of time, and then losing them shortly thereafter due to a higher  
11 wage somewhere else is extremely frustrating and wastes a good deal of valuable time. It is  
12 more than just losing more recent hires. Service personnel with many years of experience  
13 have also left pursuing a higher wage. The need to find ways to retain qualified personnel  
14 has never been more important. Wages is where it starts, but other things in the way of  
15 benefits are important as well.

16 **Q30. Are there other expenses to note?**

17 A30. As the Commission is aware, Midwest Natural Gas Corporation is the parent company of  
18 Indiana Natural Gas Corporation. The entities are stand-alone operations. Over the past few  
19 years, more effort has been made to make the two operate more synonymously. While some  
20 differences remain, many are treated the same. One item that we are looking to treat the

1 same in both companies in this filing is the composite depreciation rate. Cody Osmon is  
2 more specifically covering this matter in his testimony.

3 The remaining expense adjustments are fairly common to rate case items, with the exception  
4 of one. Cause No. 43107 approved the use of a NTA for Midwest. In that Cause, nine small  
5 utilities were consolidated and worked through the process of how to implement an NTA  
6 mechanism. Part of that process included the nine companies to provide rebates to customers  
7 for energy efficiency appliances. Petitioner and the other eight companies have provided  
8 those rebates since implementation dating back to the approval in 2006. Petitioner believes  
9 that those rebates were a condition of the mechanism approval. Energy efficiency models  
10 of other companies in Indiana currently in place allow recovery of these efforts from  
11 customers. In fact, a subsequent filing by the majority of those same nine companies to  
12 implement a more complete Energy Efficiency Program included recovery of program  
13 expenses, including rebates. While the Energy Efficiency Program has been abandoned, the  
14 rebates resulting from Cause No. 43107 remain. The Order from Cause No. 43107, or the  
15 Supplemental Order dated December 2, 2009, do not address whether the rebates are  
16 recoverable in base rates. Other base rate filings since the beginning of the NTA have been  
17 largely been silent on treatment of rebates, in that it seemed to be an assumption that they  
18 were not recoverable. Petitioner believes that the continuation of rebates is nowhere  
19 specifically excluded in base rate recovery, and allowing recovery would be consistent with  
20 other energy efficiency mechanism currently in use. Annual filings to the Commission  
21 resulting from Cause No. 43107 show that Petitioner has routinely exceeded the assignment

1 amount. The adjustment for rebates included in its filing eliminates the amount of rebates  
2 provided customers in calendar 2022 that is in excess of the \$25,000 requested of Midwest.

3 **Other Service Charges**

4 **Q31. Please discuss Petitioner’s proposal for administering grain dryer service charges**  
5 **which were discussed in Petitioner’s last rate case?**

6 A31. In response to competition from propane suppliers, Petitioner was not charging grain dryer  
7 customers the service charges avoided by being off system between drying seasons. One  
8 method to resolve this matter would have been through the use of a cost-of-service study.  
9 However, as noted earlier, Petitioner and OUCC have agreed not to utilize a cost-of-service  
10 study, thereby removing the cost from the rate case. So instead, for purposes of this rate  
11 case only, Petitioner proposes to include in pro-forma revenue twelve months of service  
12 charges from all grain dryer customers. This effectively puts the risk of losing grain dryer  
13 customers on Petitioner shareholders and not Petitioner rate payers. Petitioner will propose  
14 to either continue this treatment or other methodology in the next rate case filing by  
15 Petitioner, assuming a cost-of-service study is completed.

16 **Q32. What is Petitioner’s proposal for the remaining tariff’s service charges?**

17 A32. Petitioner proposes to align Midwest’s Services charges with Indiana Natural Gas  
18 Company’s Service Charges as follows:

- 19 • Tariff B from \$25.64 per month to \$30.00 per month.
- 20 • Tariff C from \$162.69 per month to \$180.00 per month.
- 21 • Tariff E from \$453.56 per month to \$550.00 per month.

1 This alignment will create administrative efficiencies between the two utilities and reduce  
2 billing complexity.

3 **Tariff Changes**

4 **Q33. Please explain the changes to Midwest's existing tariff you recommended.**

5 A33. I recommended an increase in the disconnect/reconnect/collection/NSF fees described in  
6 Paragraph 9 of Sheets 7 and 8 based upon a proportionate increase of embedded service  
7 personnel payroll to fees approved in Petitioner's last rate case (Cause no. 44880). I also  
8 suggested a change to remove the language that exempted grain dryer customers from  
9 paying a service charge for each month of discontinued service when reconnecting after less  
10 than twelve months. This is shown in Paragraph 9, Sheet No. 8 and is consistent with the  
11 discussion earlier regarding grain dryers. Also added is language discussing refunds to  
12 customer(s) for new customers added to an extension where the original customer(s)  
13 contributed to the cost of that construction. I have included language that changes the  
14 application of rates between small commercial and large commercial customers. Finally, I  
15 am recommending removal of tariff language that references to the Energy Efficiency  
16 Program and Tax Cut and Jobs Act. The Energy Efficiency Program has been completed  
17 and changes resulting from the Tax Act are now synchronized into the pro-forma rates.

18 **Q34. Could you expand further on the need to change the application of small versus large  
19 commercial customers?**

20 A34. Our current tariffs define a small commercial or small public authority customer as one with  
21 a meter size of 415 or less. Most manufacturers have discontinued production of 415s and



1           therefore the meter size going forward will be 425. While it is a small difference, and is  
2           basically the same meter as the 415, it does not fit the tariff language. In addition, we have  
3           begun to purchase 630 meters. These are becoming common when a customer has an on-  
4           demand water heater, a pool heater, and/or a small generator. We have not historically made  
5           a distinction in tariff language when it comes to residential customers. All residential  
6           customers have been included in Tariff A. We are not proposing to make any change when  
7           it comes to residential. We do make that distinction when it comes to commercial customers  
8           based upon meter size. We would anticipate the use of 630 meters in commercial  
9           applications. Also, the next size up has been the 750 meter. We have been told these meters  
10          are no longer being manufactured, and are being replaced by an 800 series model. We do  
11          continue to have 750 meters in the field and will continue their use until we run out of repair  
12          parts and can no longer purchase them.

13   **Q35. So what is the change in language you have proposed?**

14   A35. First, we discussed with our meter technicians the cost of the various meters and are there  
15          differences in fittings when installing. Obviously, the driver is Btu load of the customer  
16          appliances. After getting the field personnel input and reviewing the cost of the various  
17          meters, we are proposing to change the application of Tariff A to include meters below 750,  
18          and the application of Tariff B to include meter sizes of 750 and above for commercial,  
19          public authority and school transport customers.

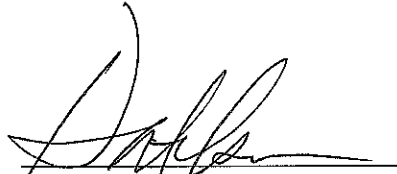
20   **Q36. Does this conclude your prefiled direct testimony in this proceeding?**

21   A36. Yes, it does.

**VERIFICATION**

I affirm under the penalties of perjury that the foregoing is true to the best of my knowledge, information and belief as of this 17th day of May, 2023.

MIDWEST NATURAL GAS CORPORATION



David A. Osmon

**ATTACHMENT DAO-1**  
**[Verified Petition – Not Duplicated Herein]**

**ATTACHMENT DAO-2**  
**[Proof of Publication – Late-Filed Attachment]**

# **ATTACHMENT DAO-3**

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF MIDWEST NATURAL GAS )  
CORPORATION FOR AUTHORITY TO ) CAUSE NO.:  
CHANGE ITS RATES, CHARGES, TARIFFS, )  
RULES, AND REGULATIONS )

**STIPULATION AND PARTIAL SETTLEMENT AGREEMENT**  
**ON COST OF EQUITY CAPITAL, COST OF SERVICE,**  
**AND RESIDENTIAL SERVICE CHARGE**

This Stipulation and Settlement Agreement (Partial Settlement Agreement) is entered into by Midwest Natural Gas Corporation (“Petitioner”) and the Indiana Office of Utility Consumer Counselor (“OUCC”). The OUCC and Petitioner collectively are referred to in this Partial Settlement Agreement as “the Parties”. The Parties have discussed the appropriateness of settling the cost of equity capital and on the basis of compromise, agree 10.10% is an appropriate cost of equity capital for this Petitioner in this Cause. The Parties recognize a 10.10% cost of equity is consistent with prior Orders from the Indiana Regulatory Commission (“Commission”) in other small gas utility base rate cases, including the Commission’s Order in Petitioner’s last litigated case, Cause No. 44880, p. 13, issued on August 16, 2017.

The Parties have also discussed the appropriateness of settling issues related to the cost of service and the resulting rate design. The Parties agree Petitioner prepared a cost-of-service study in its prior base rate case, Cause No. 44880, Order dated August 16, 2017, page 3, 13-14. Issues surrounding such cost-of-service study and resulting rate design were fully litigated in that Cause. The Commission’s Order, p. 14, approved the cost-of-service study and rate design as proposed by Petitioner. The Parties believe no material changes have occurred within Petitioner’s customer classes since the Order in Cause No. 44880 that would require a new cost-of-service study. Therefore, the Parties agree any increase in Petitioner’s revenue requirement established in this

Cause be allocated across the board to all rate classes such that the total revenues of each rate class are increased by the same percentage.

The Parties further agree Tariff A's monthly service charge will be increased to \$15.00.

The Parties agree Petitioner will prepare a revenue proof that will use the updated customer numbers from Petitioner's case-in-chief filing.

The Parties acknowledge that each will provide the Commission with testimony from their respective witnesses in support of this Partial Settlement Agreement. The Parties anticipate continuing to engage in settlement negotiations related to other issues in this Cause and will advise the Commission if additional issues are settled.

The Parties also acknowledge this Partial Settlement Agreement is conditioned upon and subject to the Commission's acceptance and use of the terms of this Partial Settlement Agreement in this Cause and in the Commission's Final Order. To the extent the Commission does not accept this Partial Settlement Agreement, or does not use the terms of this Partial Settlement Agreement in its Final Order, the Parties reserve their right to seek additional proceedings and offer additional testimony in this Cause related to these issues.

Finally, the Parties recognize this Partial Settlement Agreement is reached for purposes of this Cause only. The Parties acknowledge that neither will cite this Partial Settlement Agreement as precedent before the Commission in any other Cause beyond this proceeding. The undersigned attorneys represent that they are fully authorized to execute this Partial Settlement Agreement on behalf of their designated Party.

ACCEPTED and AGREED this 17th day of May, 2023

Midwest Natural Gas Corporation



By:  
Jeffrey M. Peabody.  
Attorney for  
Midwest Natural Gas Corporation

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# **ATTACHMENT DAO-4**

MIDWEST NATURAL GAS CORPORATION  
101 S.E. THIRD STREET  
WASHINGTON, INDIANA 47501

GENERAL TERMS AND CONDITIONS

SCHEDULE OF RATES

FOR

NATURAL GAS SERVICE

APPLYING TO

CUSTOMERS SERVED BY THE TEXAS GAS TRANSMISSION SYSTEM INCLUDE THE CITIES AND TOWNS OF SALEM, CAMPBELLSBURG, AUSTIN, CROTHERSVILLE, SCOTTSBURG, PLAINVILLE, ODON, ELNORA, HENRYVILLE, MEMPHIS, CANTON, LITTLE YORK, NEWBERRY, UNDERWOOD, BLOOMFIELD, SWITZ CITY, MIDLAND, STANFORD, CINCINNATI, AND VARIOUS OTHER INCORPORATED AND UNINCORPORATED AREAS IN ORANGE, WASHINGTON, SCOTT, JACKSON, KNOX, DAVIESS, GREENE, MONROE AND CLARK COUNTIES.

CUSTOMERS SERVED BY THE TEXAS EASTERN TRANSMISSION SYSTEM INCLUDE THE CITIES AND TOWNS OF NORTH VERNON, VERNON, BROWNSTOWN, AND MEDORA AND VARIOUS INCORPORATED AND UNINCORPORATED AREAS IN JENNINGS AND JACKSON COUNTIES.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

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**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE**

1. APPLICATION OF RATES

(A) GENERAL

A copy of all rates, rules and regulations under which service will be supplied is posted or filed for the convenience of the public in the offices of the Company and with the Indiana Utility Regulatory Commission.

A written application for gas service on forms provided for the purpose, or properly executed contract, may be required from the customer before service will be supplied. The Company shall have the right to reject, for any valid reason, any application for service. A written application for the installation of gas fired equipment on forms provided by the Company are required from all customers and no such equipment shall be used by the customer prior to inspection of the installation by the Company.

No promises, agreements, or representation of any agent or employee of the Company shall be of binding force upon the Company unless the same shall be incorporated in the application or contract for service.

The rate schedules of the Company contemplate that service will be supplied to each separate premises as one customer. The gas used by the same individual, entity, or corporation at different premises shall be separately measured and billed. In no case may gas be shared with another or transmitted off the premises at which it is delivered.

If service is taken on more than one meter on the same premises for the convenience of the customer, the gas registered on each meter will be billed separately. Where service is taken on more than one meter on the same premises for the convenience of the Company, the gas registered on each meter will be added and billed as one customer.

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**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

(B) RESALE OF GAS

Gas furnished by the Company is for the sole use of the customer and shall not be resold by the customer~~him~~ except on permission obtained from the Company. The renting of premises with the cost of gas service included in the rental as an incident of tenancy will be considered a resale of such service with payment of all rates, charges and costs incurred the responsibility of the owner of the premises.

(C) UNUSUAL FACILITY REQUIREMENTS

The Company reserves the right, with respect to customers with large or unusual requirements of gas, or whose establishments are remote from the Company's existing suitable facilities, to determine in the Company's sole discretion whether service shall be provided and if provided, then pursuant to a contract with the customer. Such a contract to determine the provision of necessary service facilities, duration of service, minimum bill, or other service conditions consistent with these rules, regulations, rates and charges.

**2. CHARACTER OF SERVICE**

The Company does not guarantee but will endeavor to furnish a continuous supply of gas. The Company shall not be liable for loss or damage which the customer may sustain by reason of the failure of the service whether caused by accidents, repairs, or other causes, or incurred by the use of gas or appliances or presence of the Company's property on the customer's premises. Nor shall the Company be held liable for loss or damage occurring under or by virtue to the exercise of authority or regulation by governmental, military or lawfully established civilian agencies, or due to conditions or causes beyond the Company's control.

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**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**3. SERVICE CONNECTIONS**

Service connection shall be made at the Company's expense if no unusual demands or requirements are made by the customer or the customer location and if the estimated non-gas cost revenue from the estimated sale of gas to the customer for a six-year period commencing within a reasonable period of time following installation of such service exceeds the cost of installation. Easements for the installation of facilities and the operation and maintenance of facilities shall be provided by the customer to the Company at no cost.

The Company will own and maintain all service pipes from the street main to the meter installation, even though the customer is required to contribute to the cost of the original installation. The facilities installed by the Company shall run to the location determined appropriate by the Company following discussion with the customer.

Where relocation of service connections, or of other equipment of the Company installed upon the customer's premises, becomes necessary because of the customer's requirements, the cost of all changes made necessary thereby shall be borne by the customer.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**4. METERS AND METERING EQUIPMENT**

The customer shall provide, free of expense to the Company and close to the point of service entrance, suitable space for the installation of the Company's metering equipment. The customer shall permit only authorized agents of the Company, or other lawfully authorized persons, to inspect, test or remove the same. If the meters or metering equipment are damaged or destroyed through the neglect of the customer, the cost of necessary repair or replacement shall be paid by the customer.

Whenever a meter fails to register the amount of gas supplied during any period, an estimated bill will be rendered based upon the use during similar periods or on other available information in accordance with the rules and regulations of the Indiana Utility Regulatory Commission.

**5. CUSTOMER'S PIPING AND UTILIZATION EQUIPMENT**

The customer shall install and maintain his piping and appliances in the condition required by the insurance and governmental authorities having jurisdiction, and in a manner approved by the Company. The Company shall be under no duty to inspect the piping and equipment of the customer.

**6. ACCESS TO CUSTOMER'S PREMISES**

The Company's authorized agents shall have access to the customer's premises at all reasonable hours to install, inspect, ready, repair, or remove its meters and other property, and to inspect the appliances installed on the customer's premises.

**7. DEPOSIT REQUIRED**

The Company may require the customer to make a reasonable cash deposit with the Company as security for payment of bills, as authorized by the rules and regulations periodically promulgated or amended by the Indiana Utility Regulatory Commission.

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**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**8. METER READING AND BILLING**

Meters will be read and bills rendered monthly. When the Company is unable to read the meter due to physical conditions, the bill for the month will be estimated on the basis of past service records or other available data. Bills rendered for gas service in months in which meters are not read shall have the same force and effect as those based on actual readings. Any customer who does not desire to receive an estimated bill may read his meter and send the readings to the Company on appropriate forms which will be provided by the Company.

**9. DISCONTINUANCE OF SERVICE-RECONNECTION CHARGE-AFTER HOURS  
RECONNECTION**

The customer is responsible for the payment of bills until service is ordered discontinued and the Company has had a reasonable time for securing a final meter reading. If a bill remains unpaid after the final date shown thereon, the Company shall then have the right to discontinue service to the delinquent customer after 14 days prior written notice as authorized by the rules and regulations periodically promulgated or amended by the Indiana Utility Regulatory Commission.

The Company may also discontinue service after 14 days prior written notice upon violation of any of the Company's rules or regulations of which these General Terms and Conditions are a part; provided, however, that where fraudulent use of gas is detected or where the Company's regulating or measuring equipment has been tampered with or where a dangerous condition is found to exist on the customer's premises, service may be shut off without notice in advance.

A charge of \$~~30~~<sup>25</sup>.00 will be made for all disconnections to cover the cost of disconnection.

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**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

A charge of \$~~350~~.00 will be made for reconnecting a meter for the same customer on the same premises when service has been previously discontinued for violation of the Company's rules as set forth above. This charge is in addition to the disconnect charge and is collected to cover the cost for reconnection.

A charge equal to the Service Charge for each month of discontinued Gas Service will also be made for re-establishing service for the same customer at the same premises where service had been discontinued, other than temporary interruption, during the preceding twelve months. This charge is in addition to the disconnect charge and the reconnect charge. The minimum Service Charge assessment under the provisions of this paragraph shall be one month's Service Charge. ~~This charge shall not apply to grain dryer customers who have alternative fuel sources.~~

\*After hours reconnection when customer demands reconnection that can only occur after 5:00 p.m. shall be charged at \$~~350~~455 in lieu of \$350 reconnection charge. This will apply after customer is advised of this higher charge, demands reconnection still occur that day and where company personnel necessary to make such reconnection are available. This charge is in addition to the disconnect charge and is collected to cover the cost of after-hours reconnection.

**10. COLLECTION CHARGE**

A charge of \$~~3025~~.00 will be made for collection of unpaid bills in lieu of disconnection to cover the cost of the service call to the customer's premises for purpose of disconnection. However, Company personnel will not collect any funds at the customer's premises. Any funds paid by the customer to avoid disconnection shall be paid through the company's office using acceptable debit or credit cards.

**11. NON-SUFFICIENT FUNDS CHARGE**

A charge of \$~~120~~ plus any bank charges incurred by the Company will be made where any check, debit, or automatic withdrawal is delivered by a customer to the Company and thereafter returned to the Company for insufficient funds in such account by the customers' bank. This charge shall be in addition to any and all other charges of the Company and is collected to cover the Company's cost in handling such returned check.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**12. DEBIT/CREDIT CARD CHARGE**

Customers may use a valid Visa, MasterCard, Discover, or American Express card when paying for utility service, deposits or charges. Processing fees may be charged by debit/credit card companies or third-party processors directly to the customer for the use of such credit cards.

**13. CURTAILMENT AND INTERRUPTION**

The Company shall have the right to curtail and interrupt deliveries from its system under the following conditions and in the following manner:

- A. Operating curtailment or interruption due to weather conditions or force majeure may be ordered by the Company at any time if, in the Company's opinion, it is necessary for the proper conduct of its business. Interruption or curtailment shall be upon such notice as is reasonable under the circumstances.
  
- B. In the event of a gas supply deficiency, curtailment may be ordered by the Company at any time when, in the opinion of the Company, the natural gas supply needed for authorized and contractual deliveries to its customers is not available without overrun, excess tax or other such penalty from the Company's pipeline suppliers. In the event of such curtailment, the Company shall give such notice of the proposed curtailment as is reasonable under the circumstances. Such gas supply deficiency curtailment shall be applied in the following order and in the following manner, to the extent practicable:
  - 1. Deliveries under Tariff C and/or Tariff E as appropriate, shall be first in order of curtailment.
  
  - 2. Deliveries under Tariff B to commercial customers, except schools, public buildings, agricultural buildings containing animals or plants, or human needs customers, shall be next in order of curtailment.

EFFECTIVE: \_\_\_\_\_

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**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

3. Deliveries under Tariff B to schools, agricultural buildings containing animals or plants, and public buildings (except human needs customers) referenced below or deliveries under Tariff STS shall be next in order of curtailment.
  4. Deliveries under Tariff B to human needs customers to-wit; nursing homes, convalescent homes and hospitals shall be at the discretion of the Company.
  5. Deliveries under Tariff A to customers under Company's General Service Rate shall be last in order of curtailment.
  6. Provided, however, where only partial curtailment is necessary in any one of the above classes or priority, the Company will endeavor to apportion the gas available for the curtailed class as equitable as possible among the customers of said class.
- C. Procedures in the event of non-compliance of paragraph A and B above shall be as follows:
1. Without regard to any other remedy provided by law or by the provisions hereof, Company shall be entitled to seek an order from the Commission or any other appropriate tribunal requiring compliance with curtailment or interruption ordered by Company in compliance with these Tariffs or any directive from any Governmental authority having jurisdiction in the premises.
  2. All volumes taken in violation of Company's curtailment or interruption orders shall constitute unauthorized excess takes, for which an adjustment may be added for each DEKATHERM of excess gas thus taken sufficient to recover all costs and expenses of the company including but not limited to attorney fees, and all costs and charges applied by the pipeline supplier.
- D. The terms and conditions contained in these Rules and Regulations shall apply notwithstanding any provisions contained in any agreement between Company and Customer. The Tariffs hereinabove referred to are those rates so designated in the Company's rate schedule as shall be on file with the Indiana Utility Regulatory Commission.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**14. EXTENSION OF GAS MAINS**

Upon written request for gas service by a prospective customer or a group of prospective customers located in the same neighborhood, the Company will extend free of charge its facilities consisting of distribution mains, underground service pipes, meters, and other equipment necessary to provide the service requested, provided (a) that the total estimated non-gas cost revenue from the prospective customer or customers for a period of six (6) years is equivalent to or in excess of the estimated cost of providing such facilities and (b) the patronage or demand is of such permanency as to warrant the capital expenditure involved.

If the cost of the facilities consisting of distribution mains, underground service pipes, meters and other equipment necessary to provide the service requested exceeds the free limit, the Company may require a deposit of the cost of the extension above the free limit and will in such case, for each additional customer connected to the extension within a period of six years from the making of such extensions, refund an amount by which the remaining number of years of the original six-year period~~six~~ times the estimated non-gas cost annual revenue of the new customer exceeds the cost of connecting such new customer, but at no time shall the aggregate refund made to any customer exceed the original deposit of such customer.

If the extension is of such length, and the prospective business which may be developed by it is so meager as to make it doubtful whether the business from the extension would ever pay a fair return on the investment involved in such extension, or in the case of real estate development enterprises with slight or no immediate demand for service, or in the case of industrial installations requiring extensive equipment with slight or irregular service, such main extension will be made as provided for in 170 IAC 5-1-27(C)(2).

The obligation of the Company to provide an extension, however, is conditioned upon the ability of the Company to obtain all necessary easements, and all necessary materials, including pipe, fittings, and meters necessary to make the extension without exceeding the limitations regarding the use of such materials as might be promulgated by any governmental agency having jurisdiction thereof.

Subject to the provisions of these extension rules, the Company will locate the point to which customer's service connection will be made and will furnish, install, and maintain all underground service piping and appurtenant equipment up to the inlet of the meter. Risers in buildings where meters are set above the first floor shall be furnished and maintained by the customer.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "A"**

**GENERAL SERVICE**

**AVAILABILITY:**

Available for general natural gas service to residential; commercial and public authority customers with installed meter sizes of 415 or less. Customer must be located on Company's gas mains suitable and adequate for supplying this service. Service to residential customers shall be to single-dwelling residences that are individually metered for natural gas consumption for heating, cooling, cooking, drying, water heating, lighting including electric generation on the premises, or automobile fueling.

Service to commercial and public authority customers shall be to individually metered customers for natural gas consumption for heating, cooling, cooking, drying, water hearing, lighting, automobile fueling and to a multi-dwelling residential unit that is collectively metered.

This rate schedule is not available to a commercial customer that utilizes the natural gas service for an industrial process.

**RATE:**

See Tariff Sheet No. 50 and Sheet No. 51.

**MINIMUM CHARGE:**

The minimum monthly charge shall be the service charge as reflected on Tariff Sheet No. 50. Such charge includes no gas volumes.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "A"**

**GENERAL SERVICE**

(continued)

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

TARIFF "B"

COMMERCIAL SERVICE

**AVAILABILITY:**

Available for natural gas service to commercial and public authority customers with installed meter sizes greater than 415. Customer must be located on Company's gas mains suitable and adequate for supplying this service. Service to commercial and public authority customers shall be to individually metered customers for natural gas consumption for heating, cooling, cooking, drying, water heating, lighting including electric generation for use on the premises, or automobile fueling and to a multi-dwelling residential unit that is collectively metered.

This rate schedule is not available to a commercial customer that utilizes the natural gas service in an industrial process.

**RATE:**

See Tariff Sheet No. 50 and Sheet No. 51.

**MINIMUM CHARGE:**

The minimum monthly charge shall be the service charge as reflected on Sheet No. 50. Such charge includes no gas volumes.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "B"**

**COMMERCIAL SERVICE**  
(continued)

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

A written contract with a minimum term of one year may be required for establishment of service under this rate schedule.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT



TARIFF "C"

FIRM INDUSTRIAL SERVICE

**AVAILABILITY:**

Available for firm natural gas service to industrial customers that utilize the natural gas service for manufacturing and/or processing a product along with ancillary uses of natural gas. Customer must be located on Company's gas mains suitable and adequate for supplying this service.

**RATE:**

See Tariff Sheet No. 50 and Sheet No. 51.

**MINIMUM CHARGE:**

The minimum monthly charge shall be the service charge as reflected on Tariff Sheet No. 50. Such charge includes no gas volumes.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "C"**

**FIRM INDUSTRIAL SERVICE**  
(continued)

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

A written contract with a minimum term of one year may be required for establishment of service under this rate schedule.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "E"**

**TRANSPORTATION SERVICE**

**AVAILABILITY:**

- (1) To customers served with average annual Gas Requirements of 100 DTH per day or more at a single location.
- (2) Available to applicable customers who, by written contract with the Utility, agree to acquire natural gas, obtain all necessary state and federal regulatory approval and arrange to have such gas delivered by the Utility's pipeline supplier to a delivery point on the Utility's system for transportation and delivery to the customer's premises.
- (3) All transportation service rendered by the Utility shall be subject to curtailment or complete interruption whenever, in the sole judgment of the Utility, it is necessary or desirable, and as provided in contract hereinafter referred to.
- (4) The Utility, with the written consent of the customer, may execute an agreement with the Utility's pipeline supplier, as agent of the customer, for transportation of gas for the customer.

**CONTRACT FOR TRANSPORTATION SERVICE:**

The customer requesting transportation service by the Utility shall enter into a written contract with the Utility, which said contract shall provide for quantities of gas to be transported, penalties, the term thereof and other conditions of service agreed upon between customer and the Utility. Each such contract shall provide further that Utility will be held harmless by the customer against any increases in its monthly demand charges and any overrun quantity charges or penalties by reason of any failure or refusal of customer to curtail quantities of transport gas after timely curtailment requests pursuant to the Company's General Terms and Conditions.

**QUALITY OF GAS:**

The gas transported shall be the same quality as the Company's pipeline supplier is required to furnish to the Company.

**RATE:**

See Sheet No. 50.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "E"**

**TRANSPORTATION SERVICE**

(Continued)

**OTHER CHARGES AND CONDITIONS OF SERVICE:**

To compensate for unaccounted for gas, the quantity of gas available to Customer shall be equal to the quantity of gas delivered to Company's distribution system at the point of receipt for the account of Customer, reduced by an Unaccounted For Gas Percentage used in the Company's last base rate case.

In any billing month in which the Utility receives customer-transported gas for a customer's account, the customer shall be billed for all gas delivered through the customer's meter during such month under this rate schedule.

When a customer takes transportation service under this rate schedule, his billing cycle will be adjusted to a calendar month basis, based on when meters are read. Normally, a customer will receive a credit for his gas on the first bill issued after the Utility receives a bill from its pipeline supplier which contains a credit for the customer's gas delivered to the Company's system during the month. However, if at the time customer's bill is prepared, the Company has not received a bill from the pipeline showing a credit for customer-owned gas, a credit will be given if the Company can determine transported volumes by telephone data from the pipeline. Any discrepancies will be made on a revised or subsequent bill to the customer.

In the event quantities of gas received by the Company on behalf of the customer are found to be less than the quantity of gas actually used by the customer, the customer agrees to pay for that quantity of gas at the applicable Tariff under which the customer is provided gas service.

Such gas service under this rate schedule is subject to physical constraints of the Company's system and the General Terms and Conditions.

**EXCESS VOLUMES OF CUSTOMER-OWNED GAS:**

Receipts of natural gas by the Utility that are in excess of quantities delivered to customer will be cashed out monthly. No "banking" of gas will be permitted. Cash-out volumes will be priced according to the customer transportation agreement referred to on Sheet No. 29.

Deliveries of natural gas by the Utility that are in excess of quantities received for customer will be billed to the customer at the current tariff rates in effect for the month of delivery. It is the customer's responsibility to not purchase more gas than needed. No interest will be paid to the customer for any excess received by the Utility.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "E"**

**TRANSPORTATION SERVICE**

(Continued)

**BEST EFFORTS BASIS:**

Such gas service under this Tariff is hereby provided on a Best Efforts Basis by the Utility and is subject to physical constraints of the Utility's system.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

TARIFF "STS"

SCHOOL TRANSPORTATION SERVICE

AVAILABILITY:

- (1) Available to Customers with a public School Corporation ("School Corporation Customer") serving students in grades K through 12 who, by written contract with the Utility, agree to acquire natural gas, obtain all necessary state and federal regulatory approval and arrange to have such gas delivered by the Utility's pipeline supplier to a delivery point on the Utility's system for transportation and delivery to the customer's premises.
- (2) Multiple School Corporation Customers may elect to act jointly to aggregate purchases of natural gas commodity supply from any available natural gas commodity seller for all schools included in the aggregated purchases. Notwithstanding the aggregation of natural gas commodity supply or the use of Summary Billing, each School Corporation Customer shall individually be subject to and pay the applicable rates and charges pursuant to this Rate Schedule.
- (3) All transportation service rendered by the Utility shall be subject to curtailment or complete interruption whenever, in the sole judgment of the Utility, it is necessary or desirable, and as provided in contract hereinafter referred to.
- (4) The Utility, with the written consent of the customer, may execute an agreement with the Utility's pipeline supplier, as agent of the customer, for transportation of gas for the customer.

CONTRACT FOR TRANSPORTATION SERVICE:

The customer requesting transportation service by the Utility shall enter into a written contract with the Utility, which said contract shall provide for quantities of gas to be transported, penalties, the term thereof and other conditions of service agreed upon between customer and the Utility. Each such contract shall provide further that Utility will be held harmless by the customer against any increases in its monthly demand charges and any overrun quantity charges or penalties by reason of any failure or refusal of customer to curtail quantities of transport gas after timely curtailment requests pursuant to the Company's General Terms and Conditions.

QUALITY OF GAS:

The gas transported shall be the same quality as the Company's pipeline supplier is required to furnish to the Company.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "STS"**

**SCHOOL TRANSPORTATION SERVICE**

(Continued)

**RATE:**

School Corporation Customers with installed meter sizes of 415 or less shall pay the applicable Rate A-General Service base rates and charges. School Corporation Customers with installed meter sizes greater than 415 shall pay the applicable Rate B-Commercial Service base rates and charges.

**OTHER CHARGES AND CONDITIONS OF SERVICE:**

To compensate for unaccounted for gas, the quantity of gas available to Customer shall be equal to the quantity of gas delivered to Company's distribution system at the point of receipt for the account of Customer, reduced by an Unaccounted For Gas Percentage used in the Company's last base rate case.

In any billing month in which the Utility receives customer-transported gas for a customer's account, the customer shall be billed for all gas delivered through the customer's meter during such month under this rate schedule.

When a customer takes transportation service under this rate schedule, his billing cycle will be adjusted to a calendar month basis, based on when meters are read. Normally, a customer will receive a credit for his gas on the first bill issued after the Utility receives a bill from its pipeline supplier which contains a credit for the customer's gas delivered to the Company's system during the month. However, if at the time customer's bill is prepared, the Company has not received a bill from the pipeline showing a credit for customer-owned gas, a credit will be given if the Company can determine transported volumes by telephone data from the pipeline. Any discrepancies will be made on a revised or subsequent bill to the customer.

In the event quantities of gas received by the Company on behalf of the customer are found to be less than the quantity of gas actually used by the customer, the customer agrees to pay for that quantity of gas at the applicable Tariff under which the customer is provided gas service.

Such gas service under this rate schedule is subject to physical constraints of the Company's system and the General Terms and Conditions.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF “STS”**

**SCHOOL TRANSPORTATION SERVICE**

(Continued)

**EXCESS VOLUMES OF CUSTOMER-OWNED GAS:**

Receipts of natural gas by the Utility that are in excess of quantities delivered to customer will be cashed out monthly. No “banking” of gas will be permitted. Cash-out volumes will be priced according to the customer transportation agreement referred to on Sheet No. 29.

Deliveries of natural gas by the Utility that are in excess of quantities received for customer will be billed to the customer at the current tariff rates in effect for the month of delivery.

It is the customer’s responsibility to not purchase more gas than needed. No interest will be paid to the customer for any excess received by the Utility.

**BEST EFFORTS BASIS:**

Such gas service under this Tariff is hereby provided on a Best Efforts Basis by the Utility and is subject to physical constraints of the Utility’s system.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company’s Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT



## BASE RATES AND CHARGES

## TARIFF A \*

SERVICE CHARGE	\$ <del>11.83</del> <u>15.00</u>
FIRST 100 THERMS	\$ <del>0.3399</del> <u>0.41686</u> /therm
ALL USE OVER 100 THERMS	\$ <del>0.23709</del> <u>0.29072</u> /therm

## TARIFF B \*

SERVICE CHARGE	\$ <del>25.64</del> <u>30.00</u>
FIRST 500 THERMS	\$ <del>0.29827</del> <u>0.36574</u> /therm
NEXT 500 THERMS	\$ <del>0.20686</del> <u>0.25365</u> /therm
ALL USE OVER 1000 THERMS	\$ <del>0.14363</del> <u>0.17612</u> /therm

## TARIFF C \*

SERVICE CHARGE	\$ <del>162.69</del> <u>180.00</u>
FIRST 3000 THERMS	\$ <del>0.19892</del> <u>0.24391</u> /therm
ALL USE OVER 3000 THERMS	\$ <del>0.14114</del> <u>0.17307</u> /therm

## TARIFF E

SERVICE CHARGE	\$ <del>453.56</del> <u>550.00</u>
FIRST 175,000 THERMS	\$ <del>0.06711</del> <u>0.08229</u> /therm
OVER 175,000 THERMS	\$ <del>0.05398</del> <u>0.06619</u> /therm

Please note Tariff STS uses either Tariff A or Tariff B as reflected in Sheet No. 33.

(\*) Above rates are subject to a gas cost adjustment factor in accordance with the Indiana Utility Regulatory Commission, Cause No. 37091 approved April 27, 1983. This gas cost adjustment factor currently in effect and applicable hereto with effective dates is found on Sheet No. 51 of these tariffs.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**RATE TRACKING FACTOR ADJUSTMENT**

The Gas Cost Adjustment Factor is as approved by Cause No. 37440 GCA-157 or as amended.

**CURRENT TRACKING FACTOR FOR ALL TARIFFS for service during the months reflected or until amended:**

May 2023 - \$4.1692/Dth\*

June 2023 - \$4.2639/Dth\*

July 2023 - \$4.4556/Dth\*

\* - (subject to a flexed factor)

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**BASE RATE COST OF GAS**

The base rate cost of gas utilized in the calculation of the Gas Cost Adjustment rates specified on Sheet No. 51 and in accordance with the Order of the Indiana Utility Regulatory Commission in Cause No. 43229 is as follows:

**BASE RATE COST OF GAS FOR ALL TARIFFS: \$0.0000/Dth**

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TDSIC RATE FACTOR**

**APPLICABILITY**

The TDSIC Rate Factor shall be applicable to all Customers on the Rate Schedules set forth below.

**DESCRIPTION**

Recovery of costs associated with Company's Transmission, Distribution, and Storage System Improvement Charge (TDSIC) pursuant to Indiana Code §8-1-39-1 et al.

TARIFF A ALL THERMS	\$0.01338/therm
TARIFF B ALL THERMS	\$0.00477/therm
TARIFF C ALL THERMS	\$0.00603/therm
TARIFF E ALL THERMS	\$0.00176/therm

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

## NORMAL TEMPERATURE ADJUSTMENT

The billed amount for each heating customer taking service pursuant to Rate A or Rate B shall be subject to a Normal Temperature Adjustment (NTA) for each bill rendered during the billing months of October through April inclusive.

The NTA adjusts each Customer's monthly billed amount to reverse the impact on margin recovery caused by non-normal temperatures during the billing period, as measured by actual heating degree day variations from normal heating degree days.

### NTA COMPUTATION

The NTA for each Customer's monthly billing shall be computed as follows:

$$\text{NTA} = \text{NTA Therms} \times \text{NTA Margin}$$

### NTA THERMS

The NTA Therms usage for each Customer to which the NTA Margin shall be applied is computed as follows:

$$\text{NTA Therms} = \frac{[\text{Actual Usage} - \text{Base Load Usage}] \times [\text{Normal Degree Days} - \text{Actual Degree Days}]}{\text{Actual Degree Days}}$$

### NTA MARGIN

The NTA Margin shall be the margin (non-gas cost) component of the tail block rate (Base Rate Less Base Rate Cost of Gas) for the applicable Rate Schedule.

### BASE LOAD THERMS

Base Load Therms shall be Customer's average daily therms usage for the previous summer months (months of July and August) multiplied by the number of days in the billing period.

For Customers whose Base Load Usage cannot be accurately determined (e.g., new Customers without two months of summer usage history), an estimated Average Daily Therms shall be used.

### NORMAL AND ACTUAL DEGREE DAYS

Normal Degree Days for each Customer's billing period shall be as set forth in the tables on the following pages.

Actual Degree Days for each Customer's billing period shall be taken from the actual heating degree days reported each day by the National Weather Service.

Normal Degree Days and Actual Degree Days are based on a weighted average of 75 percent Louisville Heating Degree Days and 25 percent Indianapolis Heating Degree Days.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**NORMAL TEMPERATURE ADJUSTMENT**  
**NORMAL DEGREE DAYS (NDD)**  
**NON-LEAP YEAR**

Date	NDD	Date	NDD	Date	NDD	Date	NDD	Date	NDD	Date	NDD
Jul-1	0.25	Aug-22	0	Oct-13	7	Dec-4	25.25	Jan-25	31.75	Mar-18	18.3
Jul-2	0	Aug-23	0	Oct-14	7	Dec-5	25.25	Jan-26	31.75	Mar-19	17.5
Jul-3	0	Aug-24	0	Oct-15	7	Dec-6	26.5	Jan-27	31.75	Mar-20	17.3
Jul-4	0	Aug-25	0	Oct-16	7.75	Dec-7	26.5	Jan-28	31.75	Mar-21	17.3
Jul-5	0	Aug-26	0	Oct-17	8	Dec-8	26.5	Jan-29	31	Mar-22	16.5
Jul-6	0	Aug-27	0	Oct-18	8	Dec-9	27.5	Jan-30	30.75	Mar-23	16.3
Jul-7	0	Aug-28	0	Oct-19	8	Dec-10	27.5	Jan-31	30.75	Mar-24	16.3
Jul-8	0	Aug-29	0.25	Oct-20	9	Dec-11	27.5	Feb-1	30.75	Mar-25	15.3
Jul-9	0	Aug-30	0.25	Oct-21	9	Dec-12	28.5	Feb-2	30.75	Mar-26	15.3
Jul-10	0	Aug-31	0.25	Oct-22	9	Dec-13	28.5	Feb-3	30.75	Mar-27	15.3
Jul-11	0	Sep-1	0	Oct-23	9	Dec-14	28.5	Feb-4	30.75	Mar-28	14.3
Jul-12	0	Sep-2	0	Oct-24	10	Dec-15	28.75	Feb-5	29.75	Mar-29	14.3
Jul-13	0	Sep-3	0	Oct-25	10	Dec-16	29.5	Feb-6	29.75	Mar-30	14.3
Jul-14	0	Sep-4	0.25	Oct-26	10	Dec-17	29.5	Feb-7	29.75	Mar-31	14.3
Jul-15	0	Sep-5	0.25	Oct-27	11	Dec-18	29.5	Feb-8	29.75	Apr-1	13.3
Jul-16	0	Sep-6	0.25	Oct-28	11	Dec-19	29.75	Feb-9	29.75	Apr-2	13.3
Jul-17	0	Sep-7	0.25	Oct-29	11	Dec-20	29.75	Feb-10	28.75	Apr-3	13
Jul-18	0	Sep-8	0.25	Oct-30	11.3	Dec-21	30.5	Feb-11	28.75	Apr-4	12.3
Jul-19	0	Sep-9	0.25	Oct-31	12	Dec-22	30.5	Feb-12	28.75	Apr-5	12.3
Jul-20	0	Sep-10	0.25	Nov-1	12	Dec-23	30.5	Feb-13	28.75	Apr-6	12
Jul-21	0	Sep-11	0.25	Nov-2	12.3	Dec-24	30.75	Feb-14	27.75	Apr-7	11.3
Jul-22	0	Sep-12	0.25	Nov-3	13	Dec-25	30.75	Feb-15	27.75	Apr-8	11.3
Jul-23	0	Sep-13	0.25	Nov-4	13	Dec-26	30.75	Feb-16	27.75	Apr-9	11
Jul-24	0	Sep-14	1.25	Nov-5	13.3	Dec-27	30.75	Feb-17	27.5	Apr-10	11
Jul-25	0	Sep-15	1.25	Nov-6	14	Dec-28	31.5	Feb-18	26.75	Apr-11	10.3
Jul-26	0	Sep-16	1.25	Nov-7	14.3	Dec-29	31.5	Feb-19	26.75	Apr-12	10
Jul-27	0	Sep-17	1.25	Nov-8	14.3	Dec-30	31.5	Feb-20	26.75	Apr-13	10
Jul-28	0	Sep-18	1.25	Nov-9	15	Dec-31	31.5	Feb-21	26.5	Apr-14	10
Jul-29	0	Sep-19	1.5	Nov-10	15.3	Jan-1	32.5	Feb-22	25.75	Apr-15	9
Jul-30	0	Sep-20	1.5	Nov-11	15.3	Jan-2	32.5	Feb-23	25.75	Apr-16	9
Jul-31	0	Sep-21	1.5	Nov-12	16.3	Jan-3	32.5	Feb-24	25.5	Apr-17	9
Aug-1	0	Sep-22	2.25	Nov-13	16.3	Jan-4	32.5	Feb-25	24.75	Apr-18	8.25
Aug-2	0	Sep-23	2.5	Nov-14	17	Jan-5	32.5	Feb-26	24.5	Apr-19	8
Aug-3	0	Sep-24	2.5	Nov-15	17.3	Jan-6	32.5	Feb-27	24.5	Apr-20	8
Aug-4	0	Sep-25	2.5	Nov-16	17.3	Jan-7	31.75	Feb-28	24.5	Apr-21	8
Aug-5	0	Sep-26	2.75	Nov-17	18.3	Jan-8	31.75	Mar-1	23.5	Apr-22	7
Aug-6	0	Sep-27	3.5	Nov-18	18.3	Jan-9	31.75	Mar-2	23.5	Apr-23	7
Aug-7	0	Sep-28	3.5	Nov-19	19.3	Jan-10	31.75	Mar-3	23.5	Apr-24	7
Aug-8	0	Sep-29	3.75	Nov-20	19.3	Jan-11	31.75	Mar-4	22.5	Apr-25	6.75
Aug-9	0	Sep-30	3.75	Nov-21	20.3	Jan-12	31.75	Mar-5	22.5	Apr-26	6
Aug-10	0	Oct-1	3.75	Nov-22	20.3	Jan-13	31.75	Mar-6	22.5	Apr-27	6
Aug-11	0	Oct-2	4.75	Nov-23	20.5	Jan-14	31.75	Mar-7	21.5	Apr-28	6
Aug-12	0	Oct-3	4.75	Nov-24	21.3	Jan-15	31.75	Mar-8	21.5	Apr-29	6
Aug-13	0	Oct-4	4.75	Nov-25	22.3	Jan-16	31.75	Mar-9	21.25	Apr-30	5.75
Aug-14	0	Oct-5	4.75	Nov-26	22.3	Jan-17	31.75	Mar-10	20.5	May-1	5
Aug-15	0	Oct-6	5.75	Nov-27	22.5	Jan-18	31.75	Mar-11	20.5	May-2	4.75
Aug-16	0	Oct-7	5.75	Nov-28	23.3	Jan-19	31.75	Mar-12	20.25	May-3	4.75
Aug-17	0	Oct-8	5.75	Nov-29	23.5	Jan-20	31.75	Mar-13	19.5	May-4	4.75
Aug-18	0	Oct-9	6	Nov-30	23.5	Jan-21	31.75	Mar-14	19.25	May-5	4
Aug-19	0	Oct-10	6	Dec-1	23.8	Jan-22	31.75	Mar-15	19.25	May-6	3.75
Aug-20	0	Oct-11	6.75	Dec-2	24.5	Jan-23	31.75	Mar-16	18.5	May-7	3.75
Aug-21	0	Oct-12	6.75	Dec-3	25.3	Jan-24	31.75	Mar-17	18.25	May-8	3.75
-	-	-	-	-	-	-	-	-	-	-	0

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**NORMAL TEMPERATURE ADJUSTMENT**  
**NORMAL DEGREE DAYS (NDD)**  
**LEAP YEAR**

Date	NDD	Date	NDD	Date	NDD	Date	NDD	Date	NDD	Date	NDD		
Jul-1	0.25	Aug-22	0	Oct-13	7	Dec-4	25.5	Jan-25	31.75	Mar-17	18.3	May-8	3.75
Jul-2	0	Aug-23	0	Oct-14	7	Dec-5	25.5	Jan-26	31.75	Mar-18	17.5	May-9	3.75
Jul-3	0	Aug-24	0	Oct-15	7	Dec-6	26.5	Jan-27	31.75	Mar-19	17.3	May-10	3.5
Jul-4	0	Aug-25	0	Oct-16	7.75	Dec-7	26.5	Jan-28	31.75	Mar-20	17.3	May-11	3.5
Jul-5	0	Aug-26	0	Oct-17	8	Dec-8	26.5	Jan-29	31	Mar-21	16.5	May-12	2.75
Jul-6	0	Aug-27	0	Oct-18	8	Dec-9	27.5	Jan-30	30.75	Mar-22	16.3	May-13	2.75
Jul-7	0	Aug-28	0	Oct-19	8	Dec-10	27.5	Jan-31	30.75	Mar-23	16.3	May-14	2.75
Jul-8	0	Aug-29	0.25	Oct-20	9	Dec-11	27.5	Feb-1	30.75	Mar-24	15.3	May-15	2.5
Jul-9	0	Aug-30	0.25	Oct-21	9	Dec-12	28.5	Feb-2	30.75	Mar-25	15.3	May-16	2.5
Jul-10	0	Aug-31	0.25	Oct-22	9	Dec-13	28.5	Feb-3	30.75	Mar-26	15.3	May-17	2.5
Jul-11	0	Sep-1	0	Oct-23	9	Dec-14	28.5	Feb-4	30.75	Mar-27	14.3	May-18	2.5
Jul-12	0	Sep-2	0	Oct-24	10	Dec-15	28.75	Feb-5	29.75	Mar-28	14.3	May-19	2.5
Jul-13	0	Sep-3	0	Oct-25	10	Dec-16	29.5	Feb-6	29.75	Mar-29	14.3	May-20	1.75
Jul-14	0	Sep-4	0.25	Oct-26	10	Dec-17	29.5	Feb-7	29.75	Mar-30	14.3	May-21	1.5
Jul-15	0	Sep-5	0.25	Oct-27	11	Dec-18	29.5	Feb-8	29.75	Mar-31	13.3	May-22	1.5
Jul-16	0	Sep-6	0.25	Oct-28	11	Dec-19	29.75	Feb-9	29.75	Apr-1	13.3	May-23	1.5
Jul-17	0	Sep-7	0.25	Oct-29	11	Dec-20	29.75	Feb-10	28.75	Apr-2	13	May-24	1.5
Jul-18	0	Sep-8	0.25	Oct-30	11.3	Dec-21	30.5	Feb-11	28.75	Apr-3	12.3	May-25	1.5
Jul-19	0	Sep-9	0.25	Oct-31	12	Dec-22	30.5	Feb-12	28.75	Apr-4	12.3	May-26	1.5
Jul-20	0	Sep-10	0.25	Nov-1	12	Dec-23	30.5	Feb-13	28.75	Apr-5	12	May-27	1.25
Jul-21	0	Sep-11	0.25	Nov-2	12.3	Dec-24	30.75	Feb-14	27.75	Apr-6	11.3	May-28	1.25
Jul-22	0	Sep-12	0.25	Nov-3	13	Dec-25	30.75	Feb-15	27.75	Apr-7	11.3	May-29	1.25
Jul-23	0	Sep-13	0.25	Nov-4	13	Dec-26	30.75	Feb-16	27.75	Apr-8	11	May-30	1.25
Jul-24	0	Sep-14	1.25	Nov-5	13.3	Dec-27	30.75	Feb-17	27.5	Apr-9	11	May-31	1.25
Jul-25	0	Sep-15	1.25	Nov-6	14	Dec-28	31.5	Feb-18	26.75	Apr-10	10.3	Jun-1	1.25
Jul-26	0	Sep-16	1.25	Nov-7	14.3	Dec-29	31.5	Feb-19	26.75	Apr-11	10	Jun-2	1
Jul-27	0	Sep-17	1.25	Nov-8	14.3	Dec-30	31.5	Feb-20	26.75	Apr-12	10	Jun-3	1
Jul-28	0	Sep-18	1.25	Nov-9	15	Dec-31	31.5	Feb-21	26.5	Apr-13	10	Jun-4	1
Jul-29	0	Sep-19	1.5	Nov-10	15.3	Jan-1	32.5	Feb-22	25.75	Apr-14	9	Jun-5	0.25
Jul-30	0	Sep-20	1.5	Nov-11	15.3	Jan-2	32.5	Feb-23	25.75	Apr-15	9	Jun-6	0.25
Jul-31	0	Sep-21	1.5	Nov-12	16.3	Jan-3	32.5	Feb-24	25.5	Apr-16	9	Jun-7	0.25
Aug-1	0	Sep-22	2.25	Nov-13	16.3	Jan-4	32.5	Feb-25	24.75	Apr-17	8.25	Jun-8	0.25
Aug-2	0	Sep-23	2.5	Nov-14	17	Jan-5	32.5	Feb-26	24.5	Apr-18	8	Jun-9	0.25
Aug-3	0	Sep-24	2.5	Nov-15	17.3	Jan-6	32.5	Feb-27	24.5	Apr-19	8	Jun-10	0.25
Aug-4	0	Sep-25	2.5	Nov-16	17.3	Jan-7	31.75	Feb-28	24.5	Apr-20	8	Jun-11	0.25
Aug-5	0	Sep-26	2.75	Nov-17	18.3	Jan-8	31.75	Feb-29	23.5	Apr-21	7	Jun-12	0.25
Aug-6	0	Sep-27	3.5	Nov-18	18.3	Jan-9	31.75	Mar-1	23.5	Apr-22	7	Jun-13	0.25
Aug-7	0	Sep-28	3.5	Nov-19	19.3	Jan-10	31.75	Mar-2	23.5	Apr-23	7	Jun-14	0
Aug-8	0	Sep-29	3.75	Nov-20	19.3	Jan-11	31.75	Mar-3	22.5	Apr-24	6.75	Jun-15	0
Aug-9	0	Sep-30	3.75	Nov-21	20.3	Jan-12	31.75	Mar-4	22.5	Apr-25	6	Jun-16	0
Aug-10	0	Oct-1	3.75	Nov-22	20.3	Jan-13	31.75	Mar-5	22.5	Apr-26	6	Jun-17	0
Aug-11	0	Oct-2	4.75	Nov-23	20.5	Jan-14	31.75	Mar-6	21.5	Apr-27	6	Jun-18	0
Aug-12	0	Oct-3	4.75	Nov-24	21.3	Jan-15	31.75	Mar-7	21.5	Apr-28	6	Jun-19	0
Aug-13	0	Oct-4	4.75	Nov-25	22.3	Jan-16	31.75	Mar-8	21.25	Apr-29	5.75	Jun-20	0
Aug-14	0	Oct-5	4.75	Nov-26	22.3	Jan-17	31.75	Mar-9	20.5	Apr-30	5	Jun-21	0
Aug-15	0	Oct-6	5.75	Nov-27	22.5	Jan-18	31.75	Mar-10	20.5	May-1	4.75	Jun-22	0
Aug-16	0	Oct-7	5.75	Nov-28	23.3	Jan-19	31.75	Mar-11	20.25	May-2	4.75	Jun-23	0
Aug-17	0	Oct-8	5.75	Nov-29	23.5	Jan-20	31.75	Mar-12	19.5	May-3	4.75	Jun-24	0
Aug-18	0	Oct-9	6	Nov-30	23.5	Jan-21	31.75	Mar-13	19.25	May-4	4	Jun-25	0
Aug-19	0	Oct-10	6	Dec-1	23.8	Jan-22	31.75	Mar-14	19.25	May-5	3.75	Jun-26	0
Aug-20	0	Oct-11	6.75	Dec-2	24.5	Jan-23	31.75	Mar-15	18.5	May-6	3.75	Jun-27	0
Aug-21	0	Oct-12	6.75	Dec-3	25.3	Jan-24	31.75	Mar-16	18.25	May-7	3.75	Jun-28	0
-	-	-	-	-	-	-	-	-	-	-	-	Jun-29	0
-	-	-	-	-	-	-	-	-	-	-	-	Jun-30	0

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**ENERGY EFFICIENCY RIDER**

**APPLICABILITY**

The Energy Efficiency Rider shall be applicable to residential Customers.

**DESCRIPTION**

The Energy Efficiency Rider will be the net sum of the following two components pursuant to the IURC Order of November 10, 2020 in Cause No. 43995-S1.

- (1) Energy Efficiency Funding Component (EEFC)
- (2) Sales Reconciliation Component (SRC)

**Energy Efficiency Funding Component (EEFC):**

The EEFC shall recover the costs of funding energy efficiency efforts throughout Company's Service Area. These efforts may include, among others, energy efficiency programs, customer education programs and weatherization programs designed to benefit Customers under the applicable Rate Schedules.

**Sales Reconciliation Component (SRC):**

The SRC shall recover the differences between Actual Margins and Adjusted Order Granted Margins for the applicable Rate Schedules.

**ENERGY EFFICIENCY RIDER RATE**

The applicable Energy Efficiency Rider Rate shall be the net sum of the EEFC and SRC each month as follows:

<b><u>Applicable Customers</u></b>	<b><u>Energy Efficiency Rider Rate</u></b> (\$/therm)
Residential	—— \$(0.83) per month*

\* Interim rate pursuant to Commission's Order in 43995-S1

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT



**TAX CUTS AND JOBS ACT OF 2017 (TCJA)**  
**TEMPORARY ADJUSTMENT MECHANISM**

**Applicability:**

The TCJA Credit factor listed below shall be applicable to all customers receiving service from the Company for the applicable months shown below.

<b><u>Month</u></b>	<b><u>Rate Classes</u></b>	<b><u>Applicable Credit</u></b>
January – April 2019	A	\$0.0186 /therm
January – April 2019	B	\$0.0080 /therm
January – April 2019	C	\$0.0058 /therm
January – April 2019	E	\$0.0026 /therm

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TAX CUTS AND JOBS ACT OF 2017 (TCJA)**  
**AMENDED TEMPORARY ADJUSTMENT MECHANISM**

**Applicability:**

The TCJA Charge factor listed below shall be applicable to all customers receiving service from the Company for the billing cycle as shown below.

<b><u>Month</u></b>	<b><u>Rate Classes</u></b>	<b><u>Applicable Charge</u></b>
June 2019	A	\$0.04713 /therm
June 2019	B	\$0.01230/therm
June 2019	C	\$(0.01152)/therm
June 2019	E	\$0.00016/therm

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

# **ATTACHMENT DAO-5**

MIDWEST NATURAL GAS CORPORATION  
101 S.E. THIRD STREET  
WASHINGTON, INDIANA 47501

GENERAL TERMS AND CONDITIONS

SCHEDULE OF RATES

FOR

NATURAL GAS SERVICE

APPLYING TO

CUSTOMERS SERVED BY THE TEXAS GAS TRANSMISSION SYSTEM INCLUDE THE CITIES AND TOWNS OF SALEM, CAMPBELLSBURG, AUSTIN, CROTHERSVILLE, SCOTTSBURG, PLAINVILLE, ODON, ELNORA, HENRYVILLE, MEMPHIS, CANTON, LITTLE YORK, NEWBERRY, UNDERWOOD, BLOOMFIELD, SWITZ CITY, MIDLAND, STANFORD, CINCINNATI, AND VARIOUS OTHER INCORPORATED AND UNINCORPORATED AREAS IN ORANGE, WASHINGTON, SCOTT, JACKSON, KNOX, DAVIESS, GREENE, MONROE AND CLARK COUNTIES.

CUSTOMERS SERVED BY THE TEXAS EASTERN TRANSMISSION SYSTEM INCLUDE THE CITIES AND TOWNS OF NORTH VERNON, VERNON, BROWNSTOWN, AND MEDORA AND VARIOUS INCORPORATED AND UNINCORPORATED AREAS IN JENNINGS AND JACKSON COUNTIES.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

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EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE**

1. APPLICATION OF RATES

(A) GENERAL

A copy of all rates, rules and regulations under which service will be supplied is posted or filed for the convenience of the public in the offices of the Company and with the Indiana Utility Regulatory Commission.

A written application for gas service on forms provided for the purpose, or properly executed contract, may be required from the customer before service will be supplied. The Company shall have the right to reject, for any valid reason, any application for service. A written application for the installation of gas fired equipment on forms provided by the Company are required from all customers and no such equipment shall be used by the customer prior to inspection of the installation by the Company.

No promises, agreements, or representation of any agent or employee of the Company shall be of binding force upon the Company unless the same shall be incorporated in the application or contract for service.

The rate schedules of the Company contemplate that service will be supplied to each separate premises as one customer. The gas used by the same individual, entity, or corporation at different premises shall be separately measured and billed. In no case may gas be shared with another or transmitted off the premises at which it is delivered.

If service is taken on more than one meter on the same premises for the convenience of the customer, the gas registered on each meter will be billed separately. Where service is taken on more than one meter on the same premises for the convenience of the Company, the gas registered on each meter will be added and billed as one customer.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

(B) RESALE OF GAS

Gas furnished by the Company is for the sole use of the customer and shall not be resold by the customer except on permission obtained from the Company. The renting of premises with the cost of gas service included in the rental as an incident of tenancy will be considered a resale of such service with payment of all rates, charges and costs incurred the responsibility of the owner of the premises.

(C) UNUSUAL FACILITY REQUIREMENTS

The Company reserves the right, with respect to customers with large or unusual requirements of gas, or whose establishments are remote from the Company's existing suitable facilities, to determine in the Company's sole discretion whether service shall be provided and if provided, then pursuant to a contract with the customer. Such a contract to determine the provision of necessary service facilities, duration of service, minimum bill, or other service conditions consistent with these rules, regulations, rates and charges.

**2. CHARACTER OF SERVICE**

The Company does not guarantee but will endeavor to furnish a continuous supply of gas. The Company shall not be liable for loss or damage which the customer may sustain by reason of the failure of the service whether caused by accidents, repairs, or other causes, or incurred by the use of gas or appliances or presence of the Company's property on the customer's premises. Nor shall the Company be held liable for loss or damage occurring under or by virtue to the exercise of authority or regulation by governmental, military or lawfully established civilian agencies, or due to conditions or causes beyond the Company's control.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**3. SERVICE CONNECTIONS**

Service connection shall be made at the Company's expense if no unusual demands or requirements are made by the customer or the customer location and if the estimated non-gas cost revenue from the estimated sale of gas to the customer for a six-year period commencing within a reasonable period of time following installation of such service exceeds the cost of installation. Easements for the installation of facilities and the operation and maintenance of facilities shall be provided by the customer to the Company at no cost.

The Company will own and maintain all service pipes from the street main to the meter installation, even though the customer is required to contribute to the cost of the original installation. The facilities installed by the Company shall run to the location determined appropriate by the Company following discussion with the customer.

Where relocation of service connections, or of other equipment of the Company installed upon the customer's premises, becomes necessary because of the customer's requirements, the cost of all changes made necessary thereby shall be borne by the customer.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT



**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**4. METERS AND METERING EQUIPMENT**

The customer shall provide, free of expense to the Company and close to the point of service entrance, suitable space for the installation of the Company's metering equipment. The customer shall permit only authorized agents of the Company, or other lawfully authorized persons, to inspect, test or remove the same. If the meters or metering equipment are damaged or destroyed through the neglect of the customer, the cost of necessary repair or replacement shall be paid by the customer.

Whenever a meter fails to register the amount of gas supplied during any period, an estimated bill will be rendered based upon the use during similar periods or on other available information in accordance with the rules and regulations of the Indiana Utility Regulatory Commission.

**5. CUSTOMER'S PIPING AND UTILIZATION EQUIPMENT**

The customer shall install and maintain his piping and appliances in the condition required by the insurance and governmental authorities having jurisdiction, and in a manner approved by the Company. The Company shall be under no duty to inspect the piping and equipment of the customer.

**6. ACCESS TO CUSTOMER'S PREMISES**

The Company's authorized agents shall have access to the customer's premises at all reasonable hours to install, inspect, ready, repair, or remove its meters and other property, and to inspect the appliances installed on the customer's premises.

**7. DEPOSIT REQUIRED**

The Company may require the customer to make a reasonable cash deposit with the Company as security for payment of bills, as authorized by the rules and regulations periodically promulgated or amended by the Indiana Utility Regulatory Commission.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**8. METER READING AND BILLING**

Meters will be read and bills rendered monthly. When the Company is unable to read the meter due to physical conditions, the bill for the month will be estimated on the basis of past service records or other available data. Bills rendered for gas service in months in which meters are not read shall have the same force and effect as those based on actual readings. Any customer who does not desire to receive an estimated bill may read his meter and send the readings to the Company on appropriate forms which will be provided by the Company.

**9. DISCONTINUANCE OF SERVICE-RECONNECTION CHARGE-AFTER HOURS  
RECONNECTION**

The customer is responsible for the payment of bills until service is ordered discontinued and the Company has had a reasonable time for securing a final meter reading. If a bill remains unpaid after the final date shown thereon, the Company shall then have the right to discontinue service to the delinquent customer after 14 days prior written notice as authorized by the rules and regulations periodically promulgated or amended by the Indiana Utility Regulatory Commission.

The Company may also discontinue service after 14 days prior written notice upon violation of any of the Company's rules or regulations of which these General Terms and Conditions are a part; provided, however, that where fraudulent use of gas is detected or where the Company's regulating or measuring equipment has been tampered with or where a dangerous condition is found to exist on the customer's premises, service may be shut off without notice in advance.

A charge of \$30.00 will be made for all disconnections to cover the cost of disconnection.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

A charge of \$35.00 will be made for reconnecting a meter for the same customer on the same premises when service has been previously discontinued for violation of the Company's rules as set forth above. This charge is in addition to the disconnect charge and is collected to cover the cost for reconnection.

A charge equal to the Service Charge for each month of discontinued Gas Service will also be made for re-establishing service for the same customer at the same premises where service had been discontinued, other than temporary interruption, during the preceding twelve months. This charge is in addition to the disconnect charge and the reconnect charge. The minimum Service Charge assessment under the provisions of this paragraph shall be one month's Service Charge.

\*After hours reconnection when customer demands reconnection that can only occur after 5:00 p.m. shall be charged at \$55 in lieu of \$35 reconnection charge. This will apply after customer is advised of this higher charge, demands reconnection still occur that day and where company personnel necessary to make such reconnection are available. This charge is in addition to the disconnect charge and is collected to cover the cost of after-hours reconnection.

**10. COLLECTION CHARGE**

A charge of \$30.00 will be made for collection of unpaid bills in lieu of disconnection to cover the cost of the service call to the customer's premises for purpose of disconnection. However, Company personnel will not collect any funds at the customer's premises. Any funds paid by the customer to avoid disconnection shall be paid through the company's office using acceptable debit or credit cards.

**11. NON-SUFFICIENT FUNDS CHARGE**

A charge of \$20 plus any bank charges incurred by the Company will be made where any check, debit, or automatic withdrawal is delivered by a customer to the Company and thereafter returned to the Company for insufficient funds in such account by the customers' bank. This charge shall be in addition to any and all other charges of the Company and is collected to cover the Company's cost in handling such returned check.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

**12. DEBIT/CREDIT CARD CHARGE**

Customers may use a valid Visa, MasterCard, Discover, or American Express card when paying for utility service, deposits or charges. Processing fees may be charged by debit/credit card companies or third-party processors directly to the customer for the use of such credit cards.

**13. CURTAILMENT AND INTERRUPTION**

The Company shall have the right to curtail and interrupt deliveries from its system under the following conditions and in the following manner:

- A. Operating curtailment or interruption due to weather conditions or force majeure may be ordered by the Company at any time if, in the Company's opinion, it is necessary for the proper conduct of its business. Interruption or curtailment shall be upon such notice as is reasonable under the circumstances.
- B. In the event of a gas supply deficiency, curtailment may be ordered by the Company at any time when, in the opinion of the Company, the natural gas supply needed for authorized and contractual deliveries to its customers is not available without overrun, excess tax or other such penalty from the Company's pipeline suppliers. In the event of such curtailment, the Company shall give such notice of the proposed curtailment as is reasonable under the circumstances. Such gas supply deficiency curtailment shall be applied in the following order and in the following manner, to the extent practicable:
  - 1. Deliveries under Tariff C and/or Tariff E as appropriate, shall be first in order of curtailment.
  - 2. Deliveries under Tariff B to commercial customers, except schools, public buildings, agricultural buildings containing animals or plants, or human needs customers, shall be next in order of curtailment.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**GENERAL TERMS AND CONDITIONS  
APPLICABLE TO ALL GAS SERVICE  
(Continued)**

3. Deliveries under Tariff B to schools, agricultural buildings containing animals or plants, and public buildings (except human needs customers) referenced below or deliveries under Tariff STS shall be next in order of curtailment.
  4. Deliveries under Tariff B to human needs customers to-wit; nursing homes, convalescent homes and hospitals shall be at the discretion of the Company.
  5. Deliveries under Tariff A to customers under Company's General Service Rate shall be last in order of curtailment.
  6. Provided, however, where only partial curtailment is necessary in any one of the above classes or priority, the Company will endeavor to apportion the gas available for the curtailed class as equitable as possible among the customers of said class.
- C. Procedures in the event of non-compliance of paragraph A and B above shall be as follows:
1. Without regard to any other remedy provided by law or by the provisions hereof, Company shall be entitled to seek an order from the Commission or any other appropriate tribunal requiring compliance with curtailment or interruption ordered by Company in compliance with these Tariffs or any directive from any Governmental authority having jurisdiction in the premises.
  2. All volumes taken in violation of Company's curtailment or interruption orders shall constitute unauthorized excess takes, for which an adjustment may be added for each DEKATHERM of excess gas thus taken sufficient to recover all costs and expenses of the company including but not limited to attorney fees, and all costs and charges applied by the pipeline supplier.
- D. The terms and conditions contained in these Rules and Regulations shall apply notwithstanding any provisions contained in any agreement between Company and Customer. The Tariffs hereinabove referred to are those rates so designated in the Company's rate schedule as shall be on file with the Indiana Utility Regulatory Commission.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**14. EXTENSION OF GAS MAINS**

Upon written request for gas service by a prospective customer or a group of prospective customers located in the same neighborhood, the Company will extend free of charge its facilities consisting of distribution mains, underground service pipes, meters, and other equipment necessary to provide the service requested, provided (a) that the total estimated non-gas cost revenue from the prospective customer or customers for a period of six (6) years is equivalent to or in excess of the estimated cost of providing such facilities and (b) the patronage or demand is of such permanency as to warrant the capital expenditure involved.

If the cost of the facilities consisting of distribution mains, underground service pipes, meters and other equipment necessary to provide the service requested exceeds the free limit, the Company may require a deposit of the cost of the extension above the free limit and will in such case, for each additional customer connected to the extension within a period of six years from the making of such extensions, refund an amount by which the remaining number of years of the original six-year period times the estimated non-gas cost annual revenue of the new customer exceeds the cost of connecting such new customer, but at no time shall the aggregate refund made to any customer exceed the original deposit of such customer.

If the extension is of such length, and the prospective business which may be developed by it is so meager as to make it doubtful whether the business from the extension would ever pay a fair return on the investment involved in such extension, or in the case of real estate development enterprises with slight or no immediate demand for service, or in the case of industrial installations requiring extensive equipment with slight or irregular service, such main extension will be made as provided for in 170 IAC 5-1-27(C)(2).

The obligation of the Company to provide an extension, however, is conditioned upon the ability of the Company to obtain all necessary easements, and all necessary materials, including pipe, fittings, and meters necessary to make the extension without exceeding the limitations regarding the use of such materials as might be promulgated by any governmental agency having jurisdiction thereof.

Subject to the provisions of these extension rules, the Company will locate the point to which customer's service connection will be made and will furnish, install, and maintain all underground service piping and appurtenant equipment up to the inlet of the meter. Risers in buildings where meters are set above the first floor shall be furnished and maintained by the customer.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "A"**

**GENERAL SERVICE**

**AVAILABILITY:**

Available for general natural gas service to residential; commercial and public authority customers with installed meter sizes of 415 or less. Customer must be located on Company's gas mains suitable and adequate for supplying this service. Service to residential customers shall be to single-dwelling residences that are individually metered for natural gas consumption for heating, cooling, cooking, drying, water heating, lighting including electric generation on the premises, or automobile fueling.

Service to commercial and public authority customers shall be to individually metered customers for natural gas consumption for heating, cooling, cooking, drying, water hearing, lighting, automobile fueling and to a multi-dwelling residential unit that is collectively metered.

This rate schedule is not available to a commercial customer that utilizes the natural gas service for an industrial process.

**RATE:**

See Tariff Sheet No. 50 and Sheet No. 51.

**MINIMUM CHARGE:**

The minimum monthly charge shall be the service charge as reflected on Tariff Sheet No. 50. Such charge includes no gas volumes.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "A"**

**GENERAL SERVICE**

(continued)

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT



TARIFF "B"

COMMERCIAL SERVICE

**AVAILABILITY:**

Available for natural gas service to commercial and public authority customers with installed meter sizes greater than 415. Customer must be located on Company's gas mains suitable and adequate for supplying this service. Service to commercial and public authority customers shall be to individually metered customers for natural gas consumption for heating, cooling, cooking, drying, water heating, lighting including electric generation for use on the premises, or automobile fueling and to a multi-dwelling residential unit that is collectively metered.

This rate schedule is not available to a commercial customer that utilizes the natural gas service in an industrial process.

**RATE:**

See Tariff Sheet No. 50 and Sheet No. 51.

**MINIMUM CHARGE:**

The minimum monthly charge shall be the service charge as reflected on Sheet No. 50. Such charge includes no gas volumes.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "B"**

**COMMERCIAL SERVICE**  
(continued)

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

A written contract with a minimum term of one year may be required for establishment of service under this rate schedule.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

TARIFF "C"

FIRM INDUSTRIAL SERVICE

**AVAILABILITY:**

Available for firm natural gas service to industrial customers that utilize the natural gas service for manufacturing and/or processing a product along with ancillary uses of natural gas. Customer must be located on Company's gas mains suitable and adequate for supplying this service.

**RATE:**

See Tariff Sheet No. 50 and Sheet No. 51.

**MINIMUM CHARGE:**

The minimum monthly charge shall be the service charge as reflected on Tariff Sheet No. 50. Such charge includes no gas volumes.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "C"**

**FIRM INDUSTRIAL SERVICE**  
(continued)

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

A written contract with a minimum term of one year may be required for establishment of service under this rate schedule.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "E"**

**TRANSPORTATION SERVICE**

**AVAILABILITY:**

- (1) To customers served with average annual Gas Requirements of 100 DTH per day or more at a single location.
- (2) Available to applicable customers who, by written contract with the Utility, agree to acquire natural gas, obtain all necessary state and federal regulatory approval and arrange to have such gas delivered by the Utility's pipeline supplier to a delivery point on the Utility's system for transportation and delivery to the customer's premises.
- (3) All transportation service rendered by the Utility shall be subject to curtailment or complete interruption whenever, in the sole judgment of the Utility, it is necessary or desirable, and as provided in contract hereinafter referred to.
- (4) The Utility, with the written consent of the customer, may execute an agreement with the Utility's pipeline supplier, as agent of the customer, for transportation of gas for the customer.

**CONTRACT FOR TRANSPORTATION SERVICE:**

The customer requesting transportation service by the Utility shall enter into a written contract with the Utility, which said contract shall provide for quantities of gas to be transported, penalties, the term thereof and other conditions of service agreed upon between customer and the Utility. Each such contract shall provide further that Utility will be held harmless by the customer against any increases in its monthly demand charges and any overrun quantity charges or penalties by reason of any failure or refusal of customer to curtail quantities of transport gas after timely curtailment requests pursuant to the Company's General Terms and Conditions.

**QUALITY OF GAS:**

The gas transported shall be the same quality as the Company's pipeline supplier is required to furnish to the Company.

**RATE:**

See Sheet No. 50.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "E"**

**TRANSPORTATION SERVICE**

(Continued)

**OTHER CHARGES AND CONDITIONS OF SERVICE:**

To compensate for unaccounted for gas, the quantity of gas available to Customer shall be equal to the quantity of gas delivered to Company's distribution system at the point of receipt for the account of Customer, reduced by an Unaccounted For Gas Percentage used in the Company's last base rate case.

In any billing month in which the Utility receives customer-transported gas for a customer's account, the customer shall be billed for all gas delivered through the customer's meter during such month under this rate schedule.

When a customer takes transportation service under this rate schedule, his billing cycle will be adjusted to a calendar month basis, based on when meters are read. Normally, a customer will receive a credit for his gas on the first bill issued after the Utility receives a bill from its pipeline supplier which contains a credit for the customer's gas delivered to the Company's system during the month. However, if at the time customer's bill is prepared, the Company has not received a bill from the pipeline showing a credit for customer-owned gas, a credit will be given if the Company can determine transported volumes by telephone data from the pipeline. Any discrepancies will be made on a revised or subsequent bill to the customer.

In the event quantities of gas received by the Company on behalf of the customer are found to be less than the quantity of gas actually used by the customer, the customer agrees to pay for that quantity of gas at the applicable Tariff under which the customer is provided gas service.

Such gas service under this rate schedule is subject to physical constraints of the Company's system and the General Terms and Conditions.

**EXCESS VOLUMES OF CUSTOMER-OWNED GAS:**

Receipts of natural gas by the Utility that are in excess of quantities delivered to customer will be cashed out monthly. No "banking" of gas will be permitted. Cash-out volumes will be priced according to the customer transportation agreement referred to on Sheet No. 29.

Deliveries of natural gas by the Utility that are in excess of quantities received for customer will be billed to the customer at the current tariff rates in effect for the month of delivery. It is the customer's responsibility to not purchase more gas than needed. No interest will be paid to the customer for any excess received by the Utility.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "E"**

**TRANSPORTATION SERVICE**

(Continued)

**BEST EFFORTS BASIS:**

Such gas service under this Tariff is hereby provided on a Best Efforts Basis by the Utility and is subject to physical constraints of the Utility's system.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

TARIFF "STS"

SCHOOL TRANSPORTATION SERVICE

AVAILABILITY:

- (1) Available to Customers with a public School Corporation ("School Corporation Customer") serving students in grades K through 12 who, by written contract with the Utility, agree to acquire natural gas, obtain all necessary state and federal regulatory approval and arrange to have such gas delivered by the Utility's pipeline supplier to a delivery point on the Utility's system for transportation and delivery to the customer's premises.
- (2) Multiple School Corporation Customers may elect to act jointly to aggregate purchases of natural gas commodity supply from any available natural gas commodity seller for all schools included in the aggregated purchases. Notwithstanding the aggregation of natural gas commodity supply or the use of Summary Billing, each School Corporation Customer shall individually be subject to and pay the applicable rates and charges pursuant to this Rate Schedule.
- (3) All transportation service rendered by the Utility shall be subject to curtailment or complete interruption whenever, in the sole judgment of the Utility, it is necessary or desirable, and as provided in contract hereinafter referred to.
- (4) The Utility, with the written consent of the customer, may execute an agreement with the Utility's pipeline supplier, as agent of the customer, for transportation of gas for the customer.

CONTRACT FOR TRANSPORTATION SERVICE:

The customer requesting transportation service by the Utility shall enter into a written contract with the Utility, which said contract shall provide for quantities of gas to be transported, penalties, the term thereof and other conditions of service agreed upon between customer and the Utility. Each such contract shall provide further that Utility will be held harmless by the customer against any increases in its monthly demand charges and any overrun quantity charges or penalties by reason of any failure or refusal of customer to curtail quantities of transport gas after timely curtailment requests pursuant to the Company's General Terms and Conditions.

QUALITY OF GAS:

The gas transported shall be the same quality as the Company's pipeline supplier is required to furnish to the Company.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT



**TARIFF "STS"**

**SCHOOL TRANSPORTATION SERVICE**

(Continued)

**RATE:**

School Corporation Customers with installed meter sizes of 415 or less shall pay the applicable Rate A-General Service base rates and charges. School Corporation Customers with installed meter sizes greater than 415 shall pay the applicable Rate B-Commercial Service base rates and charges.

**OTHER CHARGES AND CONDITIONS OF SERVICE:**

To compensate for unaccounted for gas, the quantity of gas available to Customer shall be equal to the quantity of gas delivered to Company's distribution system at the point of receipt for the account of Customer, reduced by an Unaccounted For Gas Percentage used in the Company's last base rate case.

In any billing month in which the Utility receives customer-transported gas for a customer's account, the customer shall be billed for all gas delivered through the customer's meter during such month under this rate schedule.

When a customer takes transportation service under this rate schedule, his billing cycle will be adjusted to a calendar month basis, based on when meters are read. Normally, a customer will receive a credit for his gas on the first bill issued after the Utility receives a bill from its pipeline supplier which contains a credit for the customer's gas delivered to the Company's system during the month. However, if at the time customer's bill is prepared, the Company has not received a bill from the pipeline showing a credit for customer-owned gas, a credit will be given if the Company can determine transported volumes by telephone data from the pipeline. Any discrepancies will be made on a revised or subsequent bill to the customer.

In the event quantities of gas received by the Company on behalf of the customer are found to be less than the quantity of gas actually used by the customer, the customer agrees to pay for that quantity of gas at the applicable Tariff under which the customer is provided gas service.

Such gas service under this rate schedule is subject to physical constraints of the Company's system and the General Terms and Conditions.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TARIFF "STS"**

**SCHOOL TRANSPORTATION SERVICE**

(Continued)

**EXCESS VOLUMES OF CUSTOMER-OWNED GAS:**

Receipts of natural gas by the Utility that are in excess of quantities delivered to customer will be cashed out monthly. No "banking" of gas will be permitted. Cash-out volumes will be priced according to the customer transportation agreement referred to on Sheet No. 29.

Deliveries of natural gas by the Utility that are in excess of quantities received for customer will be billed to the customer at the current tariff rates in effect for the month of delivery.

It is the customer's responsibility to not purchase more gas than needed. No interest will be paid to the customer for any excess received by the Utility.

**BEST EFFORTS BASIS:**

Such gas service under this Tariff is hereby provided on a Best Efforts Basis by the Utility and is subject to physical constraints of the Utility's system.

**DEFERRED PAYMENT CHARGE:**

On the first \$3.00 or less of net billing	10%
On the amount in excess of \$3.00	3%

Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated in the bill, the net amount shall be paid. If not paid within such 17 days, the gross bill, which includes the deferred payment charge, is the amount to be paid.

**OTHER TERMS AND CONDITIONS:**

Service hereunder shall be subject to the Company's Rules and Regulations and to the Rules and Standards of Service for Gas Public Utilities prescribed by the Indiana Utility Regulatory Commission from time to time.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**BASE RATES AND CHARGES**

TARIFF A \*

SERVICE CHARGE	\$15.00
FIRST 100 THERMS	\$0.41686/therm
ALL USE OVER 100 THERMS	\$0.29072/therm

TARIFF B \*

SERVICE CHARGE	\$30.00
FIRST 500 THERMS	\$0.36574/therm
NEXT 500 THERMS	\$0.25365/therm
ALL USE OVER 1000 THERMS	\$0.17612/therm

TARIFF C \*

SERVICE CHARGE	\$180.00
FIRST 3000 THERMS	\$0.24391/therm
ALL USE OVER 3000 THERMS	\$0.17307/therm

TARIFF E

SERVICE CHARGE	\$550.00
FIRST 175,000 THERMS	\$0.08229/therm
OVER 175,000 THERMS	\$0.06619/therm

Please note Tariff STS uses either Tariff A or Tariff B as reflected in Sheet No. 33.

(\*) Above rates are subject to a gas cost adjustment factor in accordance with the Indiana Utility Regulatory Commission, Cause No. 37091 approved April 27, 1983. This gas cost adjustment factor currently in effect and applicable hereto with effective dates is found on Sheet No. 51 of these tariffs.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**RATE TRACKING FACTOR ADJUSTMENT**

The Gas Cost Adjustment Factor is as approved by Cause No. 37440 GCA-157 or as amended.

**CURRENT TRACKING FACTOR FOR ALL TARIFFS for service during the months reflected or until amended:**

May 2023 - \$4.1692/Dth\*

June 2023 - \$4.2639/Dth\*

July 2023 - \$4.4556/Dth\*

\* - (subject to a flexed factor)

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**BASE RATE COST OF GAS**

The base rate cost of gas utilized in the calculation of the Gas Cost Adjustment rates specified on Sheet No. 51 and in accordance with the Order of the Indiana Utility Regulatory Commission in Cause No. 43229 is as follows:

**BASE RATE COST OF GAS FOR ALL TARIFFS: \$0.0000/Dth**

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**TDSIC RATE FACTOR**

**APPLICABILITY**

The TDSIC Rate Factor shall be applicable to all Customers on the Rate Schedules set forth below.

**DESCRIPTION**

Recovery of costs associated with Company's Transmission, Distribution, and Storage System Improvement Charge (TDSIC) pursuant to Indiana Code §8-1-39-1 et al.

TARIFF A ALL THERMS	\$0.01338/therm
TARIFF B ALL THERMS	\$0.00477/therm
TARIFF C ALL THERMS	\$0.00603/therm
TARIFF E ALL THERMS	\$0.00176/therm

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

## NORMAL TEMPERATURE ADJUSTMENT

The billed amount for each heating customer taking service pursuant to Rate A or Rate B shall be subject to a Normal Temperature Adjustment (NTA) for each bill rendered during the billing months of October through April inclusive.

The NTA adjusts each Customer's monthly billed amount to reverse the impact on margin recovery caused by non-normal temperatures during the billing period, as measured by actual heating degree day variations from normal heating degree days.

### NTA COMPUTATION

The NTA for each Customer's monthly billing shall be computed as follows:

$$\text{NTA} = \text{NTA Therms} \times \text{NTA Margin}$$

### NTA THERMS

The NTA Therms usage for each Customer to which the NTA Margin shall be applied is computed as follows:

$$\text{NTA Therms} = \frac{[\text{Actual Usage} - \text{Base Load Usage}]}{\text{Actual Degree Days}} \times [\text{Normal Degree Days} - \text{Actual Degree Days}]$$

### NTA MARGIN

The NTA Margin shall be the margin (non-gas cost) component of the tail block rate (Base Rate Less Base Rate Cost of Gas) for the applicable Rate Schedule.

### BASE LOAD THERMS

Base Load Therms shall be Customer's average daily therms usage for the previous summer months (months of July and August) multiplied by the number of days in the billing period.

For Customers whose Base Load Usage cannot be accurately determined (e.g., new Customers without two months of summer usage history), an estimated Average Daily Therms shall be used.

### NORMAL AND ACTUAL DEGREE DAYS

Normal Degree Days for each Customer's billing period shall be as set forth in the tables on the following pages.

Actual Degree Days for each Customer's billing period shall be taken from the actual heating degree days reported each day by the National Weather Service.

Normal Degree Days and Actual Degree Days are based on a weighted average of 75 percent Louisville Heating Degree Days and 25 percent Indianapolis Heating Degree Days.

EFFECTIVE: \_\_\_\_\_

ISSUED BY: DAVID A. OSMON, PRESIDENT

**CERTIFICATE OF SERVICE**

The undersigned certifies that a copy of the foregoing has been served upon the following counsel of record electronically this 17th day of May, 2023:

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