

DOMINION ENERGY OHIO

TRADITIONAL TRANSPORTATION PROGRAM

FAQs

Disclaimer

The information presented in this package or in any other Dominion Energy Ohio communication regarding the operating process of traditional transportation pools/contracts is for the sole purpose of providing general information about the process. The General Terms and Conditions for Transportation and all Pooling contracts, and any subsequent officially posted information, is considered the official rules for operations and these documents supersede any information contained within this summary.

What do you mean by “traditional” program?

Dominion’s initial transportation program was introduced for non-Choice, non-residential customers.

What types of traditional pooling services does Dominion Energy Ohio offer?

Dominion Energy Ohio’s (DEO) traditional gas pooling service is classified under three categories: Daily Pooling Service (DPS), General Pooling Service (GPS), and Full Requirements Pooling Service (FRPS).

What types of traditional transport services does DEO offer?

DEO’s traditional gas transportation service is classified under three different tariffs with four different contract types:

Daily Transportation Service (DTS) tariff

- customers are served from a supplier’s DPS pool

General Transportation Service (GTS) tariff

- GTS customers are served from a supplier’s GPS pool
- Full Requirements Transportation Service (FRTS) – customers are served from a supplier’s FRPS pool

Transportation Service for Schools (TSS) tariff

- customers are served from a supplier’s FRPS pool

What type of supply can be delivered for each type of pool?

DTS and GTS customers may receive pool supply from various supply sources: one or multiple pool operator(s), interstate pipelines, storage, or local production. Note: If the DTS or GTS customer is receiving supply directly from an interstate pipeline, the gas must flow on the pipeline on the customer’s capacity. FRTS and TSS customers are restricted to one pool operator.

Account Numbers

DEO has two different types of customer account numbers: 5-digit and 13-digit numbers. 5-digit account numbers are typically used for customers with high pressure meters and 13-digit account numbers are for customers with low pressure meters.

Supply

The following sources can be used to supply gas for DPS, GPS, and FRPS pooling services:

- Interstate
- Local Production
- Pool-to-Pool Transfers
- Imbalance Trades (IBTs) - can be transacted between FRPS pools during the Reallocation Period
- Volume Banking
- Storage (if applicable)

Prior to the start of each month, initial nominations should be made to path any supplies being delivered to the pool. The only exception is for Imbalance Trades (IMs). IM nominations can only be entered in Dekaflow during the Reallocation Period.

Balancing

Prior to the start of each month, two sets of nominations are required: 1) initial supply nominations are required for all sources of supply (interstate, local production, etc.) being delivered to pools, and 2) initial baseload nominations are required for all DTS and GTS customers indicating the amount of gas to be delivered from the pool to the customer.

Initial supply nominations are needed for the FRPS pool, but no delivery nominations are needed since the customer's usage is directly served from the pool. The supply and delivery nominations should be adjusted as planned usage and supplies change during the month.

After the month has closed and final usage numbers have been posted, the following guideline is recommended to balance the pools during the Reallocation Period.

Note: The Reallocation Period occurs over two days and opens on the 16th day of the following month. If the 16th falls on a weekend or holiday, the next business day is used. Example: The August reallocation period opens on September 16th and closes on September 17th.

Balancing DPS

1. If applicable, calculate any supply volumes directly delivered to the DPS pool. Convert any interstate supplies from dekatherms (Dth) to thousands of cubic feet (Mcf) by dividing by the posted BTU factor. Note: Most pool operators use their FRPS pool as the source of all supply. This supply can then be allocated to the DPS and GPS pools as needed at no charge to the pool operator.

2. Determine how much gas each DTS customer is going to need from the pool on a daily basis. In Dekaflow, choose Nominations, Nom to view the preliminary nominations entered before the month started. Use the DLY_SUM_METER report to see how much gas was consumed on each day of the month. Edit the existing nominations to match the daily usage (the receipt point will be the pool operator's DPS pool).
3. Subtract the amount of gas delivered to each customer (step 2) from the total supply brought to the pool (step 1).

If you only operate a DPS pool and it is short supply:

- a) Purchase gas from another pool operator(s) and nominate a pool-to pool transfer to your DPS pool.
- b) Request that volumes be moved to your DPS pool from your storage (if applicable).¹

If you only operate a DPS pool and it is long supply:

- a) Sell gas to another pool operator(s) and nominate a pool-to pool transfer from your DPS pool.
- b) Request that the volumes be moved from your DPS pool to your storage (if applicable).²

If you only have a DPS pool, stop here.

Balancing GPS

1. Calculate total supplies brought to the GPS pool. Convert any interstate supplies from dekatherms (Dth) to thousands of cubic feet (Mcf) by dividing by the posted BTU factor. Note: Most pool operators use their FRPS pool as the source of all supply. This supply can then be allocated to the DPS and GPS pools as needed at no charge to the pool operator.
2. Determine how much gas each GTS customer is going to need from the pool for the month. In Dekaflow, choose Nominations, Nom to view the preliminary nominations entered before the month started. Use the CUST_VOL report to see how much gas each customer consumed for the month. The CUST_VOL report shows each account under each contract and is reported in burner-tip MCF. Zero out the preliminary nominations from the 1st through the second to last day of the month and all usage can be entered on the last day of

¹ This option is only available during the Withdrawal Season (November - March) and only if you have purchased storage. You can only withdraw during the Injection Season if In/Out storage was purchased; then the maximum daily withdrawal volume (MDWQ) can be moved on any given day.

² This option is only available during the Injection Season (April - October) and only if you have purchased storage. You can only inject during the Withdrawal Season if In/Out storage was purchased; then the maximum daily injection volume (MDIQ) can be moved on any given day.

the month. GTS customers are not daily balanced, they are monthly balanced. The receipt point will be your GPS pool.

3. For the GTS customers that have assigned their Volume Banking Service³, determine the amount of volume banking available.
4. Subtract the amount of gas delivered to each customer (step 2) from the total supply brought to the pool (step 1). Determine if the GPS pool is short supply or long supply.

If you only operate a GPS pool and it is short supply:

- a) Purchase gas from another pool operator(s) and nominate a pool-to-pool transfer to your GPS pool.
- b) Request that volumes be moved to your GPS pool from your storage (if applicable).

If you only operate a GPS pool and it is long supply:

- a) Determine how much of the excess gas you can bank (using volume banking) for use two months in the future (e.g. banks created in July are available as supply in September).

If the pool is still long:

- b) Sell gas to another pool operator(s) and nominate a pool-to pool transfer from your GPS pool.
- c) Request that the volumes be moved from your GPS pool to your storage (if applicable).

If you only have a GPS pool, stop here.

Balancing FRPS

1. Calculate total supplies brought to the FRPS pool. Convert any interstate supplies from dekatherms (Dth) to thousands of cubic feet (Mcf) by dividing by the posted BTU factor.
2. Calculate how much gas is needed to balance applicable DPS and GPS pools.
3. Obtain the total amount of gas delivered to all FRTS and TSS customers from the initial Broker Delivery Statements in Dekaflow. Remember that the usage listed on the Customer Volume Report is a burner-tip volume and needs to be grossed up (shrink added to the

³ If a GTS customer is served from multiple GPS pools, the GTS customer must inform DEO which Pool Operator is assigned the Volume Banking.

volume) to obtain the pool volume (city-gate) listed on the Broker Delivery Statement.

NOTE: If there are any volumes listed on the Broker Delivery Statement as 200,000 Mcf in the Distributed Volumes column, you should get the actual usage from the Customer Volume Report. 200,000 Mcf under the Distributed Volume column indicates a billing error with the customer's account or that the account has been expired. This should be brought to DEO's attention.

4. Determine the amount of Volume Banking Service for each customer (percentage of volume banking purchased times the burner-tip usage) and sum the volumes together for the total available bank (this number is also listed on the initial Broker Delivery Statement).
5. Subtract the amount of gas delivered to the FRTS and TSS customers (step 3) from the total supply brought to the pool (step 1). Determine if the FRPS pool is short supply or long supply.

If the FRPS pool is short supply:

- a) Purchase gas from another pool operator(s) and nominate a pool-to-pool transfer or imbalance trade⁴ to your FRPS pool.
- b) Request that volumes be moved to your FRPS pool from your storage (if applicable).⁶

If the FRPS pool is long supply:

- a) Determine how much of the excess gas you can bank (using volume banking) for use two months into the future (e.g. banks created in July are available as supply in September).

If the FRPS pool is still long:

- a) Sell gas to another pool operator(s) and nominate a pool-to-pool transfer or imbalance trade from your FRPS pool.
- b) Request that the volumes be moved from your FRPS pool to your storage (if applicable).

The drawing on the following page illustrates the movement of gas for all gas pooling services.

Pool Transfers

There are two types of pool transfers that can be entered in Dekaflow. Pool-to-pool transfers are entered using a DOM TT of **PP**. Pool-to-Pool transfers from East Ohio pools are assessed a

⁴ If you trade gas with another pool operator's FRPS pool during the Reallocation Period, you can do an Imbalance trade for a flat fee of \$100.

fee to the seller of \$0.035/Mcf. Pool-to-Pool transfers from West Ohio pools are assessed a fee to the seller of \$0.03/Mcf.

Imbalance Trade transfers are entered using a DOM TT of **IM**. Imbalance Trades can take place between two FRPS and can only be entered during the reallocation period. During the reallocation period only, an Imbalance Trade can occur between a FRPS pool and an Energy Choice pool – but only to settle the monthly Energy Choice imbalance. Imbalance Trades are assessed a flat fee to the seller of \$100. Note: The fees invoiced to the pool operator for pool transfers are determined by the DOM TT the pool operator uses on the nomination entered via Dekaflow.

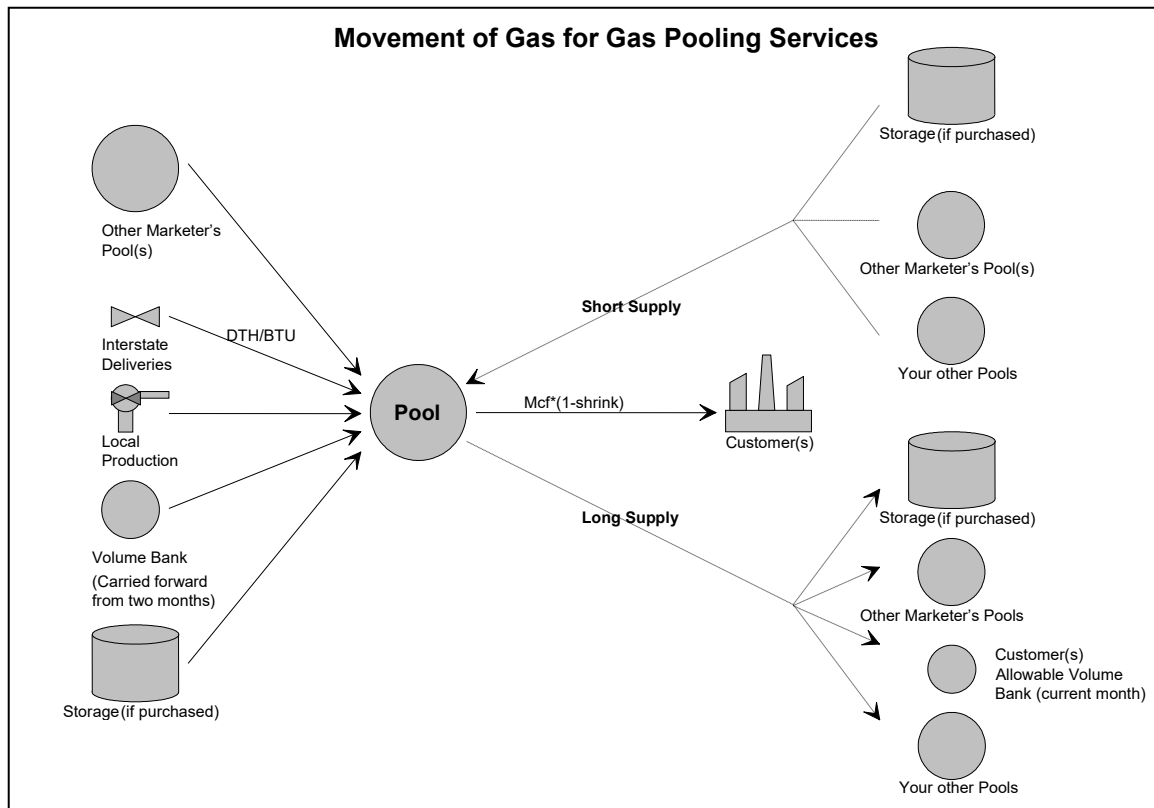
DEO's billing system charges a net fee for the pool trades, which, when gross receipts tax is added totals the pool transfer charge.

Local Production Pooling Summary (LPPS)

DEO offers an optional LPPS pool for pool operators that purchase conventional local production or Utica-type production gas. If a pool operator is purchasing gas directly from a producer whose conventional meter produce directly into DEO's system, the individual meters are added to the LPPS pool. Local production meters can also be dedicated directly to a FRPS pool; however, the LPPS pool gives the pool operator more flexibility in being able to trade with non-traditional pool operators (i.e., pool operators with Energy Choice or Standard Service Offer pools).

If you are buying gas directly from a producer, DEO needs to be notified by the 10th of the month prior to flow so that the individual production meters can be added to the LPPS pool.

The LPPS pool needs to balance to zero each day of the month. The volume nominated into the pool for the month (prorated daily) needs to be nominated out of the pool each day. Gas can be nominated out of the pool to another pool operator's LPPS or to the respective pool operator's FRPS. Gas sent from a pool operator's LPPS to the pool operator's own FRPS receives a \$0.05 credit against the \$0.07 pooling fee assessed on those volumes, to a maximum of pooling fees assessed on gas sent out to customers. If the \$0.05 credit exceeds the total pooling fees assessed in a month, there is a reversal entry on the invoice to ensure the credit never exceeds total pooling fees charged.



Charges (Cash-Out)

Each pool must be balanced at the end of the Reallocation Period. (Volume Banking Service and Storage Service will be taken into consideration.) Pools that are not balanced are subject to cash-out charges on a monthly basis. The two types of cash-out charges are described below:

- **Negative (Short) Cash-out:** If at the end of the Reallocation period, the total volume of all supplies brought to your pool is less than the total of all gas delivered from your pool, DEO will sell your pool enough gas to match the supply total with the delivery total.
- **Positive (Long) Cash-out:** If at the end of the Reallocation period, the total volume of all supplies brought to your pool is more than the total of all gas delivered from your pool, DEO will purchase enough gas to match the supply total with the delivery total.

The monthly cash-out rates can be found in the Info Postings section of Dekaflow.

Customer (End-User) Summary

DEO tariff information can be found at <https://www.dominionenergy.com/large-business/rates-and-tariffs/tariffs>

Balancing a Daily Transportation Service (DTS) Customer's Supplies

At the end of each month DTS customers must balance their daily usage to within a 5% +/- tolerance on a daily basis with no extra supply (or shortage of supply). The following is a suggested guide to daily balance DTS customers:

- a. The daily usage should be obtained from Dekaflow by running the DLY_SUM_METER_EX report.
- b. Check your e-mail to see if a message was sent from DEO Transportation Services department concerning any adjustments that need to be made to the measurement gathered from Step a.
- c. Any interstate supplies directly delivered to the customer should be converted from Dth to burner-tip Mcf (round to nearest tenth in Mcf) by using the following equation:

$$\text{burner-tip Mcf} = (\text{city-gate Dth} / \text{BTU}) * (1 - \text{Shrink})$$

- d. Any local production⁵ directly delivered to the customer, gas pulled from the customer's storage⁶, and gas delivered from any pool operator's daily pool⁷ should be reduced to take the shrink into account. The following equation should be used:

$$\text{burner-tip Mcf} = \text{well (or pool) (or storage) Mcf} * (1 - \text{Shrink})$$

- e. The total supply number at the burner-tip should equal the usage number, obtained from Dekaflow for each day.

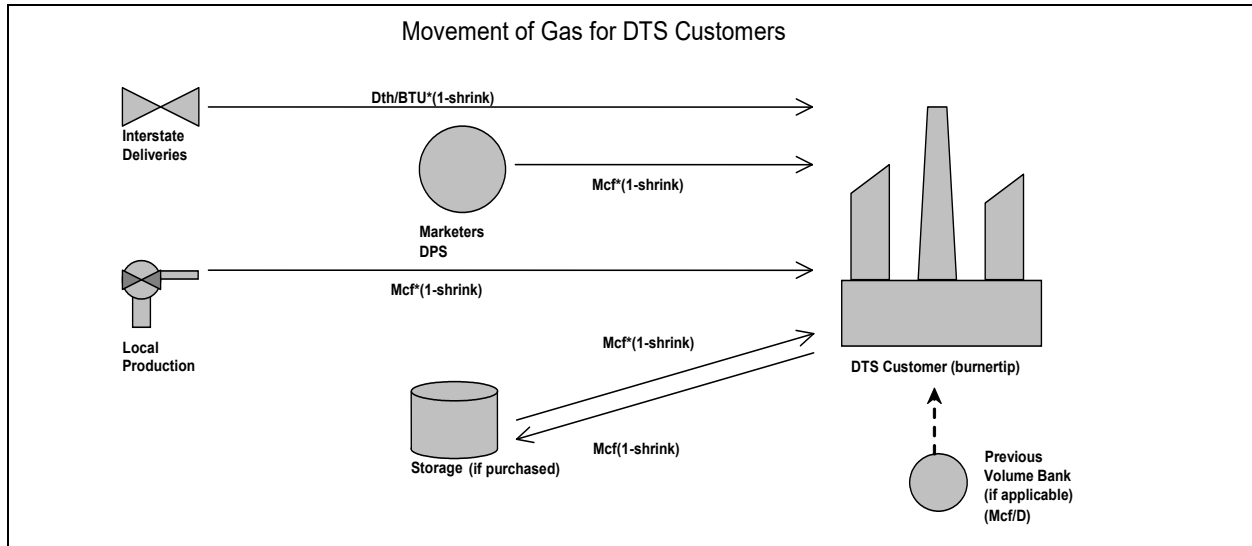
If the DTS customer has storage, additional supplies brought to the system during the Injection Season will be converted back to the original pool volume (shrink added back as applicable) and will then be placed into the customer's storage account following the applicable ratchets. Conversely, during the Withdrawal Season, supply shortages will be made whole by

⁵ Local production includes volume nominated plus/minus any adjustments carried forward.

⁶ Gas can only be withdrawn during the winter season (November through March) and injected during the summer season (April through October) unless In/Out storage was purchased.

⁷ Daily and General Pool nominations may be changed during the monthly Reallocation Period in order to make up any shorts or lengths at the burner-tip. Interstate supplies and local production delivered directly to the customer cannot be changed during the Reallocation Period.

withdrawing gas from storage, following the applicable ratchets (shrink will be taken from the withdrawn gas). The drawing below illustrates the movement of gas as explained above.



Charges

Daily customers are subject to two types of charges: Daily Imbalance Charges and Cash-Outs.

Daily Imbalance Charges

DTS customers are required to balance their supplies within 5% +/- of their burner-tip usage every day. If the absolute difference between a customer's burner-tip supply and their burner-tip usage is greater than the 5% +/- tolerance, the customer is subject to a daily imbalance charge of \$0.20 for each Mcf above or below the tolerance volume. An example of this is listed below (using standard fuel and BTU):

Date	Interstate Supplies		Pool Volumes		Local Production		Usage	(Short)/Long Mcf	5% Tolerance Mcf	Charge Mcf
	Citygate Dth	Burnertip Mcf	Pool Mcf	Burnertip Mcf	Well Mcf	Burnertip Mcf	Burnertip Mcf			
1	1,500	1,379.8	2,000.0	1,882.0	10.0	9.4	(3,500)	(228.8)	175.0	53.8

This example shows a DTS customer who is short 228.8 Mcf for gas day 1. The customer's tolerance is 175.0 Mcf; therefore, they are 53.8 Mcf out of tolerance. For this day the customer would be assessed a Daily Imbalance charge of \$10.76 (53.8 Mcf * \$0.20).

Cash-Outs

Along with daily balancing, DTS customers, who do not purchase storage are required to balance their usage versus their supplies for the entire month. This means that while a customer may be within the 5% tolerance for each day, if they have any additional supplies or are short supplies at the end of the month, they will be cashed out at the applicable cash-out rate. The example below shows a customer that was short supply the first day and long supply on the second day. Assuming the supply balanced usage for every other day, they would have no Daily Imbalance charge, but they would be cashed-out long for 176.9 Mcf of supply purchased by DEO.

Date	Interstate Supplies		Pool Volumes		Local Production		Usage	(Short)/Long Mcf	Tolerance 5.0% Mcf	Charge Mcf
	Citygate Dth	Burnerti p Mcf	Pool Mcf	Burnerti p Mcf	Well Mcf	Burnerti p Mcf	Burnerti p Mcf			
1	1,600	1,471.7	1,930.0	1,816.1	10.0	9.4	3,383.2	(86.0)	169.2	0.0
2	1,600	1,471.7	2,888.2	2,717.8	10.0	9.4	4,023.8	175.1	201.2	0.0
...										
31	1,600	1,471.7	1,000.5	941.5	10.0	9.4	2,334.8	87.8	116.7	0.0
							Total	176.9		0.0

If the DTS customer's total monthly supply at the burner-tip is below their actual usage, DEO will sell the customer gas at the monthly short cash-out rate to bring the supply up to the usage volume. If the supply exceeds the usage, DEO will purchase the excess gas at the monthly long cash-out rate (as is the case in the example listed above). The monthly cash-out price is calculated at the end of each month and is posted to Dekaflow.

General Transportation Service & Transportation Service for Schools

General Transportation Service (GTS) customers are divided into three classifications: General Transportation Service customers (GTS), Full Requirements Transportation Service customers (FRTS), and Transportation Service for Schools customers (TSS). The TSS tariff only applies to schools, however, their supply is administered the same as a FRTS customer.

Customers

Standard GTS customers, like DTS customers, may be served from multiple pool operators and may use local production, interstate gas, storage, and pool gas to serve their needs.

Balancing a GTS Customer's Supplies

GTS customers must balance their usage monthly. These customers may carry extra supply (minus any storage they purchase) equal to their volume bank at the end of the month. The following is a suggested guide to daily balance GTS customers:

- a. Obtain the monthly usage from Dekaflow by running the CUSTOMER_VOLUME_EX report.
- b. Obtain the previous volume bank carried forward to the current month.
- c. Convert any interstate supplies directly delivered to the customer from Dth to burner-tip Mcf by the following equation:

$$\text{burner-tip Mcf} = (\text{city-gate Dth} / \text{BTU}) * (1 - \text{Shrink})$$

- d. Convert any local production directly delivered to the customer, gas withdrawn from the customer's storage, and gas delivered from the pool operator(s) general pool (GPS) to take the shrink into account. The following equation should be used:

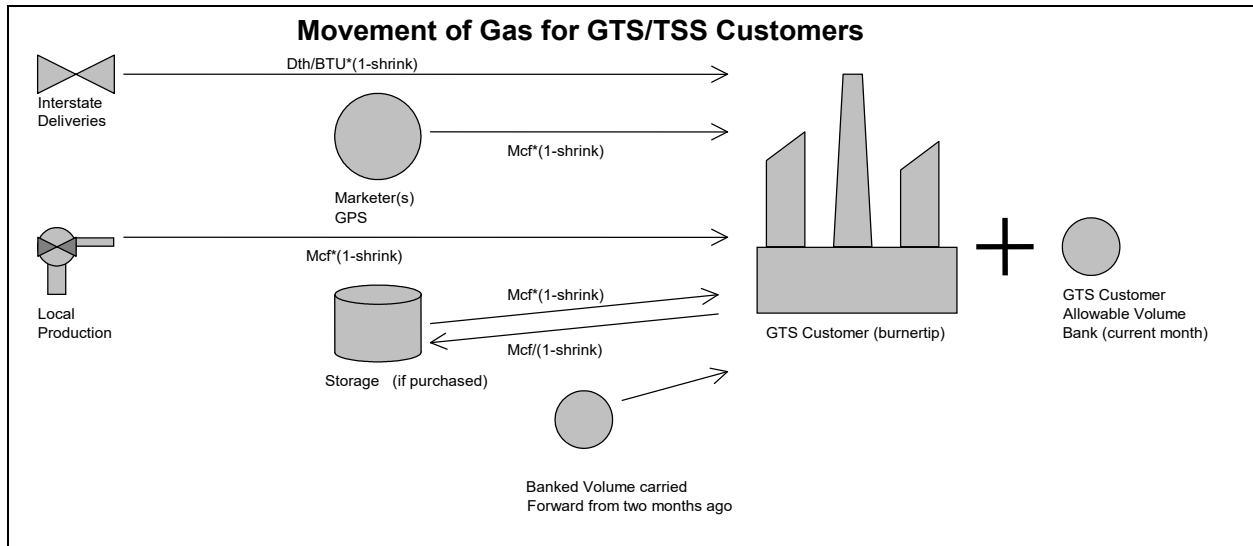
$$\text{burner-tip Mcf} = \text{well/pool/storage Mcf} * (1 - \text{Shrink})$$

- e. Calculate the current month's allowable volume bank by multiplying the customer's purchased percentage of volume banking (2%, 4%, etc.) times their monthly burner-tip usage.
- f. The total supply number at the burner-tip (interstate gas + local production + previous bank + pool gas +/- storage) should be at least equal to the usage number, but should not exceed the sum of the usage number plus the current month's allowable volume bank total obtained from Step e.

If the GTS customer has purchased storage service from DEO, additional supplies brought to the system during the Injection Season will be converted back to the original pool volume (shrink added back as applicable) and will then be injected into the customer's storage account

following the applicable ratchets. Conversely, during the Withdrawal Season, supply shortages will be made whole by withdrawing gas from storage up to applicable ratchets (shrink will be taken from the withdrawn gas).

The drawing below illustrates the movement of gas as explained above.



Charges (Cash-Out)

GTS customers are only subject to cash-out charges on a monthly basis. As explained in the DTS section, if a customer's total monthly supply at the burner-tip is below their actual usage, DEO will sell the customer gas to bring the supply up to the usage volume. If the supply exceeds the usage plus the current month's allowable bank, DEO will purchase the excess gas. The price DEO will sell or purchase gas to GTS customers is the same cash-out rate as listed for DTS customers.

Full Requirements Transportation Service and Transportation for Schools Service Customers

Full Requirements Transportation Service (FRTS) and Transportation Service for Schools (TSS) customers follow the same rules as GTS customers except these customers only receive gas from one pool operator. This supply can only be delivered from that pool operator's Full Requirements Pool (FRPS). FRTS and TSS customers must subscribe to volume banking service. The volume bank volumes are aggregated and can be used by the pool operator to balance their FRPS pool. The benefits of this service to the customer are that no customer-specific monthly nominations are needed and that the customer is provided 100% service, provided the pool operator delivers the necessary gas.