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**SCHOOL POOLING SERVICE**

**APPLICABILITY**

School Pooling Service is a service applicable to any 3<sup>RD</sup> Party Supplier that has applied for and been approved under the Creditworthiness Standards and Requirements herein.

**CHARACTER OF SERVICE**

This Rate Schedule applies to the provision of School Pooling Service for School Transportation Service Customers.

3<sup>rd</sup> Party Suppliers shall deliver to the Company gas supplies needed to satisfy the Forecasted Monthly Requirement of 3<sup>rd</sup> Party Supplier's School Pooling Service Customers in accordance with the requirements set forth in this Rate Schedule, the School Transportation Service Rate Schedule, Appendix D, and the Gas Delivery Service Agreement

3<sup>rd</sup> Party Suppliers shall provide Monthly Gas Supply nominations for its aggregated School Pooling Customers' deliveries. For purposes of calculating monthly imbalances, the School Pool's Monthly Gas Supply Deliveries will be matched against the 3<sup>rd</sup> Party Supplier's total pipeline deliveries for such School Pool.

3<sup>rd</sup> Party Suppliers shall be responsible for timely nominations as directed by the Company, and the payment of any applicable charges.

**SUMMARY OF CHARGES**

3<sup>rd</sup> Party Supplier's bill shall be rendered monthly, and shall consist of the following charges, as applicable:

**Application Fee**

\$1,000 for the initial and each subsequent 3<sup>rd</sup> Party Supplier financial evaluation performed by Company.

**Administrative Service Fee**

The Company shall bill 3<sup>rd</sup> Party Suppliers, and applicable Customers, the following charges for Supply Administration Services which support School Transportation Service supply transactions. Those services include, but are not limited to, nominations, confirmations, scheduling, monthly requirements forecasting, imbalance administration, supplier compliance and contract administration. The charges reflect the character of the Customer accounts, and participation in 3<sup>rd</sup> Party Supplier School Pools. Charges to 3<sup>rd</sup> Party Suppliers include:

\$100 Per Month Per 3<sup>rd</sup> Party Supplier Pool plus \$5 Per Month Per Meter.

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**SCHOOL POOLING SERVICE (cont'd)**

**Nomination and Balancing Charges**

All nomination and balancing charges associated with 3<sup>rd</sup> Party Supplier's School Pool, including those listed in Appendix E, School Nomination and Balancing Provisions, shall be billed to 3<sup>rd</sup> Party Supplier each month.

**Information Service and Fees Usage Information**

The Company shall provide summaries of up to 24 months of Customer's usage by meter to Customers, and/or to 3<sup>rd</sup> Party Suppliers with the Customer's approval. The information will be provided to 3<sup>rd</sup> Party Suppliers for the sole purpose of arranging gas supply services. The following charges for those summaries will be billed to requesting 3<sup>rd</sup> Party Suppliers or Customer, per meter:

\$25 Per customer Usage Summary, per meter

**Nomination Error Charge**

3<sup>rd</sup> Party Supplier shall pay a Nomination Error Charge of \$0.50 per Dekatherm on the quantity difference between 3<sup>rd</sup> Party Supplier's Forecasted Monthly Requirement and the confirmed deliveries under 3<sup>rd</sup> Party Supplier's Monthly Pipeline Nomination for each month in which such difference occurs.

**Related Charges**

3<sup>rd</sup> Party Supplier shall reimburse Company for all charges incurred by Company in connection with interstate pipeline transportation of 3<sup>rd</sup> Party Supplier-Delivered Gas including any gas costs, penalty charges, or cashouts.

**Late Payment Charges**

If payment for a bill from a 3<sup>rd</sup> Party Supplier is not received by the Utility or its agent within seventeen (17) days from the date the bill is mailed, the bill shall be considered delinquent.

The Utility may add a late payment charge to a 3<sup>rd</sup> Party Supplier's delinquent bill. Such charge will be ten percent (10%) on the first three dollars (\$3.00) of Gas Supply charges (\$3.00) and three percent (3%) on the amount in excess of three dollars (\$3.00)

A charge may be made for making a call to the 3<sup>rd</sup> Party Supplier premises to collect a delinquent account; such charge to the 3<sup>rd</sup> Party Supplier shall be fourteen dollars (\$14.00) or actual costs, whichever is greater.

**Insufficient Funds Check Charge**

For each check returned by any bank due to insufficient funds of a 3<sup>rd</sup> Party Supplier, the 3<sup>rd</sup> Party Supplier shall be charged \$11.00 to cover a portion of the cost of processing such check.

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**SCHOOL POOLING SERVICE (cont'd)**

**PROVISIONS AND REQUIREMENTS FOR 3<sup>rd</sup> PARTY SUPPLIER PARTICIPATION**

3<sup>rd</sup> Party Supplier shall comply with the following provisions:

**Contract**

3<sup>rd</sup> Party Supplier must enter into a written 3<sup>rd</sup> Party Supplier Application with Company. Such application shall set forth specific covenants and obligations undertaken by Company and 3<sup>rd</sup> Party Supplier under this Rate Schedule on behalf of the 3<sup>rd</sup> Party Supplier's Pool Customers. The 3<sup>rd</sup> Party Supplier Application shall have an initial term of not less than one year and shall automatically extend for succeeding annual terms thereafter subject to cancellation by either party after written notice submitted not less than thirty days prior to the end of the initial term or any succeeding annual term. However, in no event shall the 3<sup>rd</sup> Party Supplier Agreement expire during the Winter Season, unless such mid-winter termination date is mutually agreed upon, or 3<sup>rd</sup> Party Supplier fails to perform its responsibilities hereunder and Company elects to terminate 3<sup>rd</sup> Party Supplier's participation hereunder.

3<sup>rd</sup> Party Supplier must provide written notice to Company of Customers joining its pool, or Customers leaving their pool, 21 business days prior to the first of the month. The effective date for Customers joining or leaving pools will be Customer's read date the following month.

**Creditworthiness Standards and Requirements**

In order to qualify for participation under the School Pooling Service, 3<sup>rd</sup> Party Supplier must pass an initial financial evaluation performed by Company, and any such subsequent evaluation(s) deemed appropriate by Company, to ensure that 3<sup>rd</sup> Party Supplier possesses sufficient resources to perform its responsibilities and to ensure financial performance under this Rate Schedule. In addition, if 3<sup>rd</sup> Party Supplier's participation in School Pooling Service was previously terminated due to 3<sup>rd</sup> Party Supplier's non-compliance, 3<sup>rd</sup> Party Supplier shall provide information acceptable to Company that such cause for non-compliance has been corrected and will be avoided in the future. All prior delinquencies must be cured prior to commencing participation in the School Pooling Service. Moreover, any and all charges from previous non-compliance shall be corrected prior to participation in the School Pooling Service.

3<sup>rd</sup> Party Supplier must complete and sign the Company's 3<sup>rd</sup> Party Supplier Application Form and Credit Application to be considered for participation in the School Pooling Service. A 3<sup>rd</sup> Party Supplier desiring to participate in the School Pooling Service will be evaluated by the Company to establish credit levels acceptable to the Company. The Company will apply, on a non-discriminatory basis, reasonable financial standards to assess and examine a 3<sup>rd</sup> Party Supplier's creditworthiness. These standards will take into consideration the scope of the operations of each 3<sup>rd</sup> Party Supplier and the level of risk to Company. In order to pass Company's financial evaluation, 3<sup>rd</sup> Party Supplier may be required to provide security, the form and amount of which shall be specified by Company.

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**SCHOOL POOLING SERVICE (cont'd)**

Financial evaluations will be based on standard credit factors such as financial and credit ratings, trade references, bank information, unused line of credit, Pool Customers' payment histories, and related financial information that has been independently audited, if available. Company shall determine creditworthiness based on the above criteria, and will not deny 3<sup>rd</sup> Party Supplier's participation in the School Pooling Service without reasonable cause.

Company reserves the right to conduct a financial re-evaluation of 3<sup>rd</sup> Party Supplier from time to time. Such re-evaluation may be initiated either by a request from 3<sup>rd</sup> Party Supplier, or by Company if Company reasonably believes that the creditworthiness of 3<sup>rd</sup> Party Supplier may have changed or that the operating environment or other conditions may have changed that may have increased the risks posed by operations of the School Pool. Based on such re-evaluation, 3<sup>rd</sup> Party Supplier's level of participation may be increased or decreased, additional security may be required, or 3<sup>rd</sup> Party Supplier may be removed from further participation in School Pooling Service.

**3<sup>rd</sup> Party Supplier Code of Conduct**

Each 3<sup>rd</sup> Party Supplier participating in School Pooling Service shall:

1. Communicate to Customers in clear, understandable terms, Customers' rights and responsibilities. This communication shall include: 1) 3<sup>rd</sup> Party Supplier's customer service address, local or toll-free telephone number and hours of operation; and 2) a statement describing the procedures for handling complaints and disputes.
2. Provide in writing, pricing and payment terms that are clear and understandable and inform Customer whether the price that Customer will pay is inclusive or exclusive of applicable taxes.
3. Refrain from engaging in communications, acts or practices that are fraudulent, deceptive, misleading, unfair or unconscionable.
4. Deliver gas to Company on a firm basis on behalf of the 3<sup>rd</sup> Party Supplier's Pool Customers in accordance with the requirements of the School Transportation Service Rate and the 3<sup>rd</sup> Party Supplier Application Agreement.
5. Establish and maintain a creditworthy financial position to enable 3<sup>rd</sup> Party Supplier to indemnify Company for costs incurred as a result of any failure by 3<sup>rd</sup> Party Supplier to deliver gas or pay invoices in accordance with the requirements of this Rate Schedule.
6. Make good faith efforts to resolve all disputes between 3<sup>rd</sup> Party Supplier and its Pool Customers and to cooperate with resolution of any joint issues with Company.

**SCHOOL POOLING SERVICE (cont'd)**

Failure to fulfill any of these obligations may result in termination of a 3<sup>rd</sup> Party Suppliers' right to contract with Customers with facilities located within the area served by the Company, if the IURC or the Utility finds that any 3<sup>rd</sup> Party Supplier has engaged in fraudulent or misleading communications or practices with respect to its dealing with Customers.

A 3<sup>rd</sup> Party Supplier's right to contract with Customers also may be terminated if the 3<sup>rd</sup> Party Supplier fails to remit payment for current charges for more than 60 days. Company may draw on the 3<sup>rd</sup> Party Supplier's Letter of Credit or enforce the financial guaranty to recover unpaid charges to the Utility.

**Required Regulatory Approvals**

3<sup>rd</sup> Party Supplier must comply with all state and federal regulations related to its transportation of 3<sup>rd</sup> Party Supplier-Delivered Gas.

**Consequences of 3<sup>rd</sup> Party Supplier's Failure to Perform or Comply**

If 3<sup>rd</sup> Party Supplier fails to deliver gas in accordance with the requirement of the 3<sup>rd</sup> Party Supplier Application, or otherwise fails to comply with the provisions of this Rate Schedule, Company shall have the discretion to initiate the process to suspend temporarily or terminate such 3<sup>rd</sup> Party Supplier's further participation for the applicable Pool.

If 3<sup>rd</sup> Party Supplier is suspended or expelled from the School Pooling Service relative to a specific Pool, Customers in such Pool shall revert to the Company's Commercial Service Rate, unless and until said Customers join another 3<sup>rd</sup> Party Supplier's Pool. Any termination or cancellation of the 3<sup>rd</sup> Party Supplier Application relative to some or all of the 3<sup>rd</sup> Party Supplier's Pools and pursuant to any provision of this section shall be without waiver of any remedy, whether at law or in equity, to which the party not in default otherwise may be entitled for breach of the 3<sup>rd</sup> Party Supplier Application.

**Other**

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