

## TO BE RESCINDED

4901:1-14-01      **Definitions.**

For purposes of this chapter:

- (A) "Commission" means the public utilities commission.
- (B) "Gas company" and "natural gas company" have the meanings set forth in section 4905.03 of the Revised Code.
- (C) "Purchased gas adjustment clause" has the meaning set forth in section 4905.302 of the Revised Code.
- (D) "Gas" means any vaporized fuel transported or supplied to consumers by a gas or natural gas company, including, but not limited to, natural gas, synthetic gas, liquefied natural gas, and propane.
- (E) "Synthetic gas" means gas formed from feedstocks other than natural gas, including but not limited to coal, oil, or naphtha.
- (F) "Gas cost recovery rate" means the quarterly updated gas cost adjustment determined in accordance with appendix A of rule 4901:1-14-05 of the Administrative Code.
- (G) "Mcf" means a unit of gas equal to one thousand cubic feet.
- (H) "Ccf" means a unit of gas equal to one hundred cubic feet.
- (I) "Gas costs" or "cost of gas" means the cost to a gas or natural gas company of obtaining the gas which it sells to its customers. The cost of gas shall include demand, capacity, reservation or use, transportation, storage, balancing, gathering and other related costs to the company for services rendered or supplies provided by others prior to and including the physical delivery of the gas to the company. The cost of gas does not include the cost of utility storage.
- (J) "Customer" means each billing account of a gas or natural gas company.
- (K) "Special purchase" has the meaning set forth in section 4905.302 of the Revised Code.
- (L) "Self-help arrangement" means an arrangement between a gas or natural gas company and a customer providing for the transportation of gas owned by the customer from the point of production to the point of consumption.

(M) "Includable gas supplies" means:

- (1) Primary gas supplies;
- (2) Includable propane; and
- (3) Utility production volumes.

(N) "Primary gas supplies" means:

- (1) Supplies of natural gas or liquefied natural gas obtained from producers, interstate pipelines, brokers/marketers or other suppliers;
- (2) Supplies of synthetic gas purchased under agreements approved by the commission under section 4905.303 of the Revised Code, and other supplies of synthetic gas, except short-term supplies, purchased under contracts approved by the commission;
- (3) Supplies of gas obtained from other gas or natural gas companies;
- (4) Supplies of gas, other than utility production volumes from old wells, obtained from Ohio producers;
- (5) Supplies of gas made available to a gas or natural gas company under self-help arrangements;
- (6) Special purchases of natural gas not included in short-term supplies; and
- (7) Utility production volumes from new wells provided that such volumes are priced at the lower of either: (a) the price currently being paid by the utility to independent Ohio producers for gas from like wells; or (b) the lowest commodity rate currently being paid by the utility to any of its producers, interstate pipeline suppliers, brokers/marketers or other supplies for deliveries to the city gate, for gas of comparable reliability and term.

(O) "Includable propane" means:

- (1) Propane used for peak shaving purposes; and

- (2) Propane used for volumetric purposes at the end of a supply period to avoid monetary penalties, provided that the company promptly notifies the commission in writing of such usage.
- (P) "Utility production volumes" means all volumes of gas, other than synthetic gas, produced by a gas or natural gas company, or by a subsidiary or affiliate of a gas or natural gas company, unless the rates or charges for such production are subject to the jurisdiction of the federal energy regulatory commission.
- (Q) "Current direct cost of production" means the production and gathering expenses associated with utility production volumes from old wells which are included in accounts 750 through 769 of the "Uniform System of Accounts for Class A and B Gas Utilities," and accounts 710, 711, 713, 714, 715, 716, 717, and 719 of the "Uniform System of Accounts for Class C and D Gas Utilities."
- (R) "Production unit cost" means the current direct cost of production expressed in dollars and cents per Mcf.
- (S) "Short-term supplies" means all special purchases of gas, to the extent that those purchases decrease the level of curtailment to any customer or class of customers, except special purchases approved by the commission under section 4905.303 of the Revised Code. For purposes of this chapter, a special purchase decreases curtailment to a class of customers if curtailment of that class is reduced, maintained at the same level, or increased to a lesser degree as a result of the special purchase.
- (T) "Total sales" means all sales of includable gas supplies to retail customers. "Total sales" does not include volumes transported to consumers under self-help arrangements.
- (U) "Jurisdictional sales" means total sales, less sales to customers under municipal ordinance rates, except sales under municipal ordinances which have adopted, by reference or otherwise, rates established by the commission.
- (V) "Unit book cost" means the cost of total sales expressed in dollars and cents per Mcf as calculated using standard accounting methods acceptable to the commission and the gas or natural gas company's independent auditors submitting the certificate of accountability as required under paragraph (C) of rule 4901:1-14-07 of the Administrative Code.
- (W) "Commodity rate" means the portion of gas costs billed by a gas or natural gas company's suppliers (expressed in dollars and cents per Mcf, dekatherm or BTU),

which relates volumetrically to the cost of the units of gas obtained by the company for sale to its customers. For purposes of the calculations required under rule 4901:1-14-05 of the Administrative Code, "commodity rate" means the commodity rate which is expected to be in effect on the fifth day after the effective date of the new gas cost recovery rate to be determined under that rule.

- (X) "Demand and service charges" means the portion of gas costs billed by a gas or natural gas company's suppliers or other service providers (expressed in dollars and cents per Mcf, dekatherm, or BTU), which relates to the cost of demand, capacity reservation or use, transportation, storage, balancing, gathering and other related services which are costs to the company of obtaining the gas that it sells prior to and including the physical delivery of the gas to the company's own system to the extent such charges are not included in the "commodity rate" as defined in paragraph (W) of this rule. For purposes of the calculations required under rule 4901:1-14-05 of the Administrative Code, "demand and service charges" means the demand charge which is expected to be in effect on the fifth day after the effective date of the new gas cost recovery rate to be determined under that rule.
- (Y) "Utility storage" means storage facilities operated and maintained by a gas or natural gas company, or by a subsidiary or affiliate of a gas or natural gas company, unless the charges for such facilities are incorporated in commodity rates or monthly demand charges filed with or approved by the federal energy regulatory commission or by the commission, provided however that no gas or natural gas company shall reflect charges for its own storing facilities or service in its own gas cost recovery rate.
- (Z) "Reconciliation adjustment" means a positive or negative adjustment to future gas cost recovery rates ordered by the commission pursuant to rule 4901:1-14-06 or 4901:1-14-08 of the Administrative Code.
- (AA) "Supplier refund" means a refund from an inter-state pipeline company ordered by the federal energy regulatory commission, or from any other supplier or service provider, including interest where appropriate, where such refund is received as one lump-sum payment or credit.
- (BB) "Expected gas cost" means the weighted average cost of primary gas supplies, utility production from old wells, and includable propane expressed in dollars and cents per Mcf and determined in accordance with appendix A of rule 4901:1-14-05 of the Administrative Code.
- (CC) "An old well" is a well where drilling commenced before December 4, 1982.
- (DD) "A new well" is either: (1) a well where drilling commenced after December 4,

1982; or (2) an old well which is completed to a different pool after December 4, 1983.

(EE) "Pool" has the meaning set forth in paragraph (A)(8) of rule 1501:9-1-01 of the Administrative Code.

(FF) "Unaccounted-for gas" means the difference between the measured volume of total gas supply, which includes gas purchased, gas produced by the company and gas received by the company on behalf of specific customers for redelivery; and the measured volume of gas disposition, which includes gas billed or redelivered to customers and gas for company use. For the purpose of this rule, unaccounted-for gas should be calculated on an annual basis for the twelve months ended August thirty-first of each year, or such other date as the company may show to be more appropriate for its system. The percentage of unaccounted-for gas should be calculated by taking the volumes of unaccounted-for gas as specified above, divided by the volume of total gas supply.

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Certification

08/05/2004

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Date

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