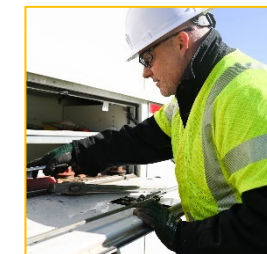
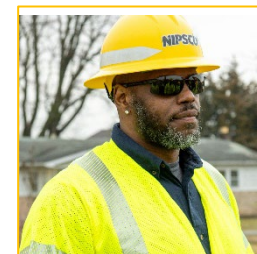


Columbia Gas Standard Choice Offer Supplier Training - Program Overview

CHOICE Team
choice@nisource.com



OUR VISION IS TO BE A
PREMIER, INNOVATIVE & TRUSTED
ENERGY PARTNER



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Supplier Website

The information presented in this training is in keeping with the rules and regulations set forth in the following documents:

- Columbia Gas of Ohio tariff
- SCO Program information as outlined at [nisourcesuppliers.com](https://www.nisourcesuppliers.com)

<https://www.nisourcesuppliers.com/ohio/auctions>

All information about the Choice Program, Reference Manuals, Enhancements, Forms and FAQ's can be found on the Columbia Suppliers Website:

<https://www.nisourcesuppliers.com/ohio/choice-suppliers>

SCO Program Overview

Standard Choice Offer (SCO):

- Customers who are Choice eligible and have NOT elected a Choice supplier (traditional Choice and Governmental Aggregations).

Choice eligibility is defined as:

- Customers using less than 6,000 MCF a year or are human needs.
- Customer cannot be more than 60 days in arrears/ or 30 days delinquent on a payment plan.
- Customers NOT participating in the PIPP (percentage of income payment plan).
- Customers NOT participating in COH's GTS program

Default Sales Service (DSS):

- Customers who are not Choice eligible
- Choice eligible customers in transition from CHOICE to SCO

SCO Program Overview

SCO Rates:

- SCO suppliers will be assigned a single SCO supplier rate code: XXCZZ
- This rate code cannot be updated or changed by the supplier. COH will update the rate monthly to reflect the NYMEX + adder.

Sales Tax Exemption and Remittance (REQ file)

- SCO suppliers can add or change a customer's sales tax-exempt indicator or percentage using the REQ file.
- As in the Choice program, it is the supplier's responsibility to maintain sales tax exemption information and update, as necessary.

Response Notification (RSP File)

- SCO information will be mixed with traditional Choice customer response information.
 - Drop notifications (action code 2)
 - Sales tax exemption information (action code 8)

Customer Enrollment and Files

Customer Enrollment and Files

- SCO suppliers cannot enroll or drop SCO customers:
 - Customers are allocated and assigned by COH on a monthly basis.
- SCO suppliers will receive a monthly summary of dollars and MCF's billed via the RS5500SK.
- SCO suppliers will receive Monthly files detailing SCO customer information:

File	Information Provided
SAC1	Provides the accounts preliminarily assigned from the monthly SCO allocation
SAD	Provides SCO customer's service and mailing address that can be used for welcome letters, sales tax exemption notifications, etc.
OPT	This file provides customers assigned to the SCO supplier for whom have elected to be excluded from the Company's solicitation list
SCON	Provides 24 months customer's consumption of the allocated accounts
SAC2	Files showing accounts that will flow gas the 1st of the month
SER2	File showing errors and accounts that will not flow gas the 1st of the month
BIL	Consumption and an any adjustments billed by the DIS billing system
DET	Detailed summary of all billing and adjustment activity during each billing cycle

Customer Enrollment and Files

For suppliers that are both Choice and SCO the customer information will be combined in the following files:

- BIL file
- DET file
- RSP file
- ACT file

ACT File (Active Customer List)

- Supplier may request an ACT file which provides supplier with all established accounts for the supplier as of Unit 21 processing. For existing Choice suppliers, this would contain customer information for both Choice and SCO.
- Cost is \$0.015 per record, or a minimum charge of \$55.00

Customer Allocation

The initial SCO allocation (April) is ran differently than the monthly allocations that happen the following months (May through March)

Initial Allocation:

At the beginning of every Auction year, COH reallocates all SCO customers. The initial SCO allocation of customers, will begin after March 15th and occur nightly through the end of March. The first assignment file (.SAC2) will contain assignments from Unit 1 through Unit 12. Everyday after that (through unit 21 March), you will receive a new SAC2 file which will contain customers from the billing unit from the prior evening.

Note: You will not receive drop notifications of the customers for the prior program year

Each SCO supplier will initially be allocated actual customers' load and DSS Demand based on the following:

SCO Customer Load

- Revenue Class
- Annual Demand
- Geographical area (PSP)
- Credit Ranking

DSS Customer Demand

- Pro rata share of the total estimated DSS Demand, by PSP, based on the number of tranches supplied by each SCO supplier.

Customer Monthly Allocations

Monthly Allocations:

- Will occur each month, for the subsequent month, after the demand curves have been run (after the 15th). Each SCO supplier will be allocated actual SCO customers' load and DSS demand based on the following:
 - Newly eligible SCO Customer Load
 - Randomly assigned by PSP, based on the number of tranches supplied by each SCO supplier.
 - DSS Customer Demand
 - Pro rata share of the total estimated DSS Demand, by PSP, based on the number of tranches supplied by each SCO supplier.

Supplier Invoicing

Columbia will invoice Suppliers on a monthly basis for the month's prior activity

- Customer usage and data is collected nightly and reported by account in the .BIL file. At the end of the billing month (unit 21), that information is compiled into a monthly file and provided to the supplier via the .DET file.
- Columbia also provides a summary by rate code of total dollars and MCF billed for the month prior's usage via the RS5500SK file.
- That information is transferred to the supplier's invoice for payment along with any charges to be netted prior to payment.
- For existing Choice suppliers, this information will be added to your Choice invoice

Purchase of Receivables

Purchase of Receivables is mandatory for SCO Suppliers

- Purchased at 100% of the total amount of the billed gas costs for a supplier's customers less any amount owed to Columbia (billing services, non-compliance charges, etc.).
- Payment is sent to suppliers on the 25th of each month via ACH.
- If a supplier owes Columbia, payment can be made by wire transfer or electronic bill payment. Ask your Choice Specialist for details.

Please do not remit a payment without first contacting your specialist!

Annual Reconciliation

Annual Reconciliation: March 31st

- Each year, Columbia will reconcile the imbalance between the SCO supplier's deliveries and their customer's actual consumption, including any adjustments applicable for 12- months.
- If the imbalance is negative, the supplier must purchase the deficient volume from Columbia.
- If the imbalance is positive, the Company will purchase the excess from the supplier.

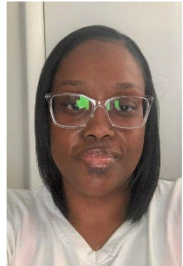
MEET THE TEAM PAGE

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Thank you



DO YOU HAVE QUESTIONS?

Thank you for reviewing the Supplier Training - SCO Program Overview! Please reach out to your assigned specialist if you have any questions on this presentation.

They will be happy to assist!

In addition, you can also email the CHOICE team at choice@nisource.com

EXCEPTIONAL AT THE ESSENTIALS

Today and Always

BY FOCUSING ON THE ESSENTIALS TODAY, YOU ARE DIRECTLY ENABLING OUR STRATEGY



SAFETY



PEOPLE &
CULTURE



OPERATIONAL
EXCELLENCE



SUSTAINABILITY



CUSTOMER
EXPERIENCE



FINANCIAL
STEWARDSHIP



POLICY &
REGULATORY



INNOVATION &
TECHNOLOGY

