

GAS SERVICE REGULATIONS

SECTION I - SERVICE AGREEMENTS

1. Minimum Service Standards

Duke Energy Ohio shall comply with the minimum gas service standards for natural gas companies as set forth in Chapter 4901:1-13 of the Ohio Administrative Code, a copy of which may be viewed on the Public Utilities Commission of Ohio's Web site at www.puco.ohio.gov, or obtained from the Public Utilities Commission of Ohio upon request. Where the Public Utilities Commission of Ohio has granted a waiver to Duke Energy Ohio for any provision of the minimum gas service standards, Duke Energy Ohio shall comply with the terms of any Order granting such waiver.

2. Application for Service

When a customer desires gas service, application shall be made to the Company specifying the date service is desired and the place where service is to be furnished. An oral application may be accepted by the Company although a written application or agreement may be required at the option of the Company at the time of application or at any later time.

3. Customer's Right to Cancel or Suspend Service

A customer may terminate gas service by giving the Company reasonable notice, but not less than three (3) business days prior to termination. The Company will accept such notice as a cancellation of service, except as may be provided in a signed service agreement, rate schedules, or elsewhere in these GAS SERVICE REGULATIONS.

4. Company's Right to Refuse or to Disconnect Service.

The Company, in addition to all other legal remedies, may terminate the service agreement and refuse or discontinue service to an applicant, consumer, or customer, for any of the following reasons:

- (a) Upon the request of the customer for temporary disconnection of service for maintenance or other reasons. A residential customer residing in a single family home should contact the Company approximately four (4) hours in advance of the time of requested disconnection. All other residential and non-residential customers shall contact the Company at least three (3) business days in advance of the date of requested disconnection;
- (b) When the customer has moved from the premises, neglected to request disconnection of service and an investigation by the Company indicates that service is no longer required;
- (c) When continued service would jeopardize the life or property of the customer, the Company, or the public, service may be disconnected without notice to the customer;
- (d) When supplying gas to any consumer or customer creates a dangerous condition on the consumer's or customer's premises or where, because of conditions beyond the consumer's or

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4. Company's Right to Refuse or to Disconnect Service (cont'd)

customer's premises, termination of the supply of gas is reasonably necessary. Service will not be restored until such dangerous condition or conditions have been corrected;

- (e) When providing service is in conflict or incompatible with any laws, regulations or orders of the Public Utilities Commission of Ohio, the State of Ohio or any political subdivision thereof, or of the Federal Government or any of its agencies;
- (f) When a customer or applicant refuses to provide reasonable access to the premises or ignores repeated requests for access as set forth in Section II, Paragraph 9, Access to Premises;
- (g) When in the sole opinion of the Company, the customer uses gas in a manner which interferes with the gas service provided to other customers;
- (h) For a violation of or refusal to comply with these GAS SERVICE REGULATIONS as filed with the Public Utilities Commission of Ohio, Company publications relating to gas service, and/or special agreements or contracts between the customer and the Company;
- (i) Nonpayment of bills when due, for non-residential customers.

For disconnection of service to small commercial customers for nonpayment, the Company shall follow the procedures as set forth in Ohio Administrative Code, Rule 4901:1-13-08.

For the disconnection of service to residential customer for nonpayment of bills, the Company will follow the procedures as set forth in Section VI Paragraph 1, Disconnection For Nonpayment: Residential Customers, of these GAS SERVICE REGULATIONS; and

- (j) In the event the consumer or customer resorts to theft or any fraudulent representation or practice in the obtaining of gas supplied, or is the beneficiary of any such fraudulent representation or practice, or the Company's meter, metering equipment, or other property used to supply the service has been damaged or tampered with by the consumer or customer, his servants or agents.

Service will not be restored until the consumer or customer has given satisfactory assurance that such theft, fraudulent or damaging practice has been discontinued, and has paid to the Company an amount estimated by the Company to be reasonable compensation for service stolen or fraudulently obtained and not paid for, and for any damage to property of the Company including any cost to repair the damage.

The Company shall follow the procedures as set forth in Rule 4901:1-13-09 of the Ohio Administrative code prior to termination of service.

Failure of the Company to exercise any of its rights for the above reasons does not affect its right to resort thereafter to any such remedies for the same or any future default or breach by the customer. Refusal of or disconnection of service is not an exclusive remedy. The Company may exercise any other appropriate remedy provided by law including civil suit and/or criminal prosecution.

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5. Change of Address of the Customer

When a customer's address changes, the customer must give notice thereof to the Company prior to the date of change. The customer is responsible for all service supplied to the vacated premise until such notice has been received and the Company has had a reasonable time, but not less than three (3) business days, to discontinue service.

If the customer moves to an address at which the customer requires gas service for any purpose specified in the service agreement, and at which address the Company has such service available under the same rate schedule, the notice is considered as the customer's request that the Company transfer such service to the new address. If the Company does not have such service available at the new address, the old service agreement is considered cancelled. If the Company does have service available at the new address to which a different rate schedule applies, a new service agreement, including the applicable rate schedule, is offered to the customer. The Company shall transfer service within a reasonable time after receipt of notice.

6. Successors and Assigns

The benefits and obligations of the application for service shall inure to and be binding upon the successors and assigns, survivors and executors or administrators, as the case may be, of the original parties thereto, for the full term thereof, to the extent permitted by applicable law, provided that no assignment hereof shall be made by the customer without first obtaining the Company's written consent.