

FILE

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of The East
Ohio Gas Company d/b/a Dominion East Ohio
for Approval of Revised Pooling Service
Agreements and Revised Terms and
Conditions of Pooling Service

Case No. 09-~~518~~-GA-AEC

APPLICATION

The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") requests that the Commission approve the following agreements and general terms and conditions attached to this application: (i) Full Requirements Pooling Service ("FRPS") Agreement and General Terms and Conditions of Full Requirements Pooling Service; (ii) Daily Pooling Service ("DPS") Agreement and General Terms and Conditions of Daily Pooling Service; (iii) General Pooling Service ("GPS") Agreement and General Terms and Conditions of General Pooling Service; (iv) Local Production Pooling Service ("LPPS") Agreement and General Terms and Conditions of Local Production Pooling Service; (v) Full Requirements Pooling Service Agreement - West Ohio Pool; (vi) Daily Pooling Service Agreement - West Ohio Pool; and (vii) General Pooling Service Agreement- West Ohio Pool. In support of this Application, DEO states as follows:

1. By its December 29, 1994 Entry in Case No. 94-2010-GA-CSS, the Commission asserted jurisdiction over gas pooling service. DEO's current GPS and DPS Agreements and General Terms and Conditions were approved by the Commission in its October 5, 1995 Finding and Order in Case No. 94-2010-GA-CSS. DEO's current FRPS Agreement and General Terms and Conditions were approved by the Commission in its February 19, 2004 Finding and Order in

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Case No. 03-2100-GA-AEC. By this Application, DEO also seeks Commission approval of the LPPS Agreement and General Terms and Conditions. Additionally, DEO seeks approval of separate FRPS, DPS and GPS Agreements for the West Ohio Pool.

2. The proposed FRPS, DPS and GPS Agreements and General Terms and Conditions reflect changes made primarily to conform to recent changes in DEO's tariffs for various transportation services, as authorized pursuant to Commission orders in DEO's last base rate case, Case No. 07-829-GA-AIR, et al. Certain additional changes have been made to clarify and clean up existing language.

3. The proposed LPPS Agreement and General Terms and Conditions provide for DEO to receive Production Volumes and Pool-to-Pool Volumes (as defined in the General Terms and Conditions) requested by a supplier to be delivered to the supplier's pools for allocation by DEO to the supplier's other pools or to LPPS accounts of other suppliers within the State of Ohio. Section 5 of the LPPS Agreement provides that DEO shall not operate its LPPS in a manner to provide any advantage or disadvantage to any other supplier (including any of DEO's affiliates), either in preference to or in derogation of the rights of any other supplier.

4. The proposed FRPS, DPS and GPS Agreements for the West Ohio Pool establish separate pooling services for the portion of DEO's service territory previously served under separate tariffs for the West Ohio Division. In DEO's last rate case, Case No. 07-829-GA-AIR et al., the former East Ohio and West Ohio divisions were consolidated into a single service area and are now served under the same tariff. Separate pooling services, however, are required for the former West Ohio Division because this area remains physically separated from the rest of DEO's system.

5. Exhibit 1 to this Application is a clean copy of the proposed FRPS Agreement and General Terms and Conditions. A marked copy, showing changes from the existing Agreement and General Terms and Conditions, is Exhibit 2.

6. Exhibit 3 to this Application is a clean copy of the proposed DPS Agreement and General Terms and Conditions. The formatting changes to the DPS Agreement and General Terms and Conditions are extensive, rendering a marked copy difficult to read, cumbersome to review and generally unhelpful in identifying changes between the current and proposed agreements. For this reason, DEO is filing a clean copy only of the DPS Agreement and General Terms and Conditions. If necessary, DEO will work with Commission Staff and other interested stakeholders to identify specific changes between the current and proposed agreements and general terms and conditions.

7. Exhibit 4 to this Application is a clean copy of the proposed GPS Agreement and General Terms and Conditions. For the same reasons that DEO is filing a clean copy only of the DPS Agreement and General Terms and Conditions, DEO is also filing a clean copy only of the GPS Agreement and General Terms and Conditions.

8. Exhibit 5 to this Application is a copy of the proposed LPPS Agreement and General Terms and Conditions.

9. Exhibit 6 to this Application is a copy of the proposed FRPS Agreement - West Ohio Pool. The FRPS General Terms and Conditions contained in Exhibit 1 also apply to FRPS service for the West Ohio Pool.

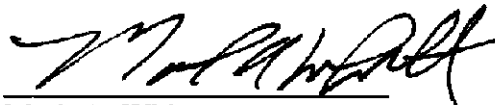
10. Exhibit 7 to this Application is a copy of the proposed DPS Agreement - West Ohio Pool. The DPS General Terms and Conditions contained in Exhibit 3 also apply to DPS service for the West Ohio Pool.

11. Exhibit 8 to this Application is a copy of the proposed GPS Agreement - West Ohio Pool. The GPS General Terms and Conditions contained in Exhibit 4 also apply to GPS service for the West Ohio Pool.

WHEREFORE, DEO respectfully requests that the Commission approve the attached Agreements and General Terms and Conditions of Service.

Dated: June 22, 2009

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark A. Whitt', is written over a horizontal line.

Mark A. Whitt
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COUNSEL FOR THE EAST OHIO GAS
COMPANY D/B/A DOMINION EAST OHIO

220117

SERVICE AGREEMENT
FULL REQUIREMENTS POOLING SERVICE

THIS AGREEMENT is entered into as of _____, by **THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio** ("East Ohio") and _____ ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of Full Requirements Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier's Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge for service provided under the Agreement. The volumetric charge shall be \$0.067 per Mcf for all Aggregate Consumption and Supplier Allocation Volumes allocated by Supplier for delivery by East Ohio to Supplier's Customers under the Agreement and for all Positive Imbalance Volumes purchased by East Ohio from Supplier. The \$0.067 per Mcf volumetric charge shall be discounted by fifty percent (50%) for all Supplier Allocation Volumes allocated by Supplier to Customers that have in effect a gas pooling service agreement with East Ohio. A credit of \$0.048 per Mcf shall be given for Production Volumes, however, this credit shall not exceed the above volumetric charge assessed for all Aggregate Consumption under the Agreement. No volumetric charge shall be assessed by East Ohio on Supplier Allocation Volumes allocated by Supplier to Supplier's own Daily or General Gas Pooling Service Pools. A charge of \$95.60 shall be assessed for each Imbalance Trading transaction, as set forth in Section 13 of the General Terms and Conditions of Full Requirements Pooling Service. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Section 5. **Term.** This Agreement shall become effective as of _____, 20__ and continue through _____, 20__ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year. Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 6. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

Section 7. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

EAST OHIO:

SUPPLIER:

Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: _____

Managing Director, Commercial Operations

Title: _____

Phone: (216) 736-6376

Phone: _____

Fax: (216) 736-6247

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____

Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

By: _____

Title: _____

General Terms and Conditions of Full Requirements Pooling Service

DEFINITIONS

Aggregate Consumption Volume -- the aggregate quantity of gas actually consumed by all End Use Customers of Supplier's Pool over their respective Customer Billing Cycles as determined by East Ohio through actual or estimated meter readings.

Agreement -- the FRPS contract between East Ohio and Supplier.

Balancing Service -- an optional firm storage service available to Suppliers.

Core Demand -- the total supply needs of East Ohio's Percentage of Income Payment Plan and Standard Service Offer Customers.

Customer -- any individual, governmental, or corporate entity: a) all of whose natural gas requirements are supplied by a Supplier's Pool and taking transportation service from East Ohio pursuant to East Ohio's General Transportation Service ("GTS") or Transportation Service for Schools ("TSS") rate schedules ("End Use"), or b) that has in effect an Agreement with East Ohio.

Customer's Billing Cycle -- for Delivery Points equipped with electronic gas measurement equipment, the calendar month used for billing purposes; for Delivery Points not equipped with electronic gas measurement equipment, the period that occurs between actual or estimated meter readings used by East Ohio for billing purposes.

Daily Available Volume -- the total quantity of gas available to be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any given Day. This quantity is equal to the total volume of gas actually delivered to East Ohio for Supplier's account on that Day (Transportation Volumes, Production Volumes, Pool-to-Pool Volumes, and Balancing Service), less an appropriate Unaccounted-for Gas Percentage, plus any adjustments associated with the reconciliation of Production Volumes as outlined in Section 8 of these General Terms and Conditions and the reconciliation of Positive Imbalance Volumes within Supplier's Aggregated Monthly Tolerance Level as outlined in Paragraph 14.2.

Day -- a 24 hour period beginning at 10:00 a.m. Eastern Time or such other time as specified by East Ohio.

Delivery Point -- the billing determinant for the application of customer charges represented by the meter location at which gas is redelivered by East Ohio to the Customer.

EBB -- East Ohio's Electronic Bulletin Board.

FERC -- the Federal Energy Regulatory Commission.

General Terms and Conditions of Full Requirements Pooling Service

FRPS -- Full Requirements Pooling Service.

Human Needs Customer -- any Customer that uses natural gas for heating a residence, or a governmental agency or other entity that provides emergency or life support services. Human Needs Customers include hospitals, nursing homes, and residential correctional institutions, and exclude hotels, motels and non-residential educational facilities.

Maximum Balancing Volume -- the maximum volume of gas that East Ohio will hold in a Supplier's Balancing Service account at any point in time.

Maximum Daily Allocation Quantity -- the maximum quantity of gas that may be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any Day as determined by East Ohio.

Maximum Daily Balancing Volume -- the maximum volume of gas that East Ohio will inject into or withdraw from a Supplier's Balancing Service account on any Day.

Mcf -- one thousand (1,000) cubic feet of gas in its natural state having a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit.

Measurement Operating Agreement -- an agreement in which a producer assumes ownership, maintenance and measurement responsibility for low flow production meters.

MMBtu -- one million (1,000,000) British Thermal Units.

Monthly Available Volume -- the sum of Daily Available Volumes accumulated over a month.

Monthly Tolerance Level -- the imbalance tolerance level, expressed as a percentage of the Aggregate Consumption Volume, that establishes the degree to which the Customer's Positive Imbalance Volume will be subject to reconciliation on a volumetric basis pursuant to East Ohio's Volume Banking Service.

Negative Imbalance Volume -- the amount by which the Aggregate Consumption Volume exceeds the Monthly Available Volume for the same month.

OFO -- Operational Flow Order issued by East Ohio.

Pool -- Supplier's FRPS aggregation account on East Ohio's system established under the Agreement.

Pool-to-Pool Volume -- the volume of gas actually delivered for Supplier's account on any Day from an eligible account of another Supplier participating in East Ohio's gas pooling program.

Positive Imbalance Volume -- the amount by which the Monthly Available Volume exceeds the Aggregate Consumption Volume for the same month.

General Terms and Conditions of Full Requirements Pooling Service

Production Receipt Point(s) -- the meter(s) or measuring station(s), as specified by Supplier and accepted by East Ohio, at which Ohio produced gas is delivered into East Ohio's system for Supplier's account.

Production Volume -- the volume of gas actually delivered for Supplier's account into East Ohio's system on any Day at the Production Receipt Points.

PSIA -- pounds per square inch, absolute.

PUCO -- The Public Utilities Commission of Ohio.

Summer Period -- the seven month period beginning April 1 and continuing through October 31.

Supplier -- any entity that has in effect a pooling agreement with East Ohio or arranges for the production and or delivery of Production Volumes to East Ohio.

Supplier Allocation Volume -- the quantity of gas allocated by Supplier on any Day to the account of another Supplier.

Transportation Receipt Point(s) -- the interconnection(s) at which gas is delivered into East Ohio's system from an Upstream Pipeline for Supplier's account.

Transportation Volume -- the volume of gas delivered for Supplier's account on any Day into East Ohio's system at the Transportation Receipt Point(s).

Unaccounted-for Gas Percentage -- the portion of Supplier's city gate deliveries retained by East Ohio to compensate East Ohio for gas lost, used, and unaccounted for in operations. Such percentage may be adjusted periodically to reflect changes in the amount of gas lost, used, and unaccounted for in operations.

Upstream Pipeline -- any interstate pipeline, intrastate pipeline, or local distribution company other than East Ohio through which gas is delivered directly to East Ohio for Supplier's account.

Volume Banking Service -- a service available to End Use Customers pursuant to GTS and TSS rate schedules whereby East Ohio will reconcile in subsequent Customer Billing Cycles, on a volumetric basis, any Positive Imbalance Volumes (as defined in East Ohio's General Terms and Conditions of Transportation Service) previously incurred. Volume Banking Service is not directly available to Suppliers.

Winter Period -- the five month period beginning November 1 and continuing through March 31.

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1. GOVERNMENTAL AUTHORIZATIONS

- 1.1 East Ohio and Supplier agree that they will file, as soon as practical after execution of the Agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations, if any, for service contemplated by the Agreement, and that they will provide each other from time to time such information as may be necessary to secure and maintain such authorizations.
- 1.2 In the event governmental approval of the Agreement is conditioned in any manner, either party may, within thirty (30) days of such event, elect to terminate the Agreement by giving the other fifteen (15) days' prior written notice, and upon such termination neither party shall have any liability or obligation to the other by reason of the Agreement other than the obligation to make payments as provided for herein with respect to events or transactions that have occurred prior to such termination.
- 1.3 If the transactions provided for under the Agreement at any time subject either party to the jurisdiction of or regulation by the FERC, or subject Supplier to the jurisdiction of the PUCO, to an extent greater than any that exists on the date of the Agreement, whether by reason of statutory, regulatory or judicial action, then either party may elect to terminate the Agreement in the manner provided for in Paragraph 1.2 provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the date of termination.

2. SOURCES OF SUPPLY

- 2.1 Subject to the terms and conditions of the Agreement, East Ohio agrees to use its best efforts to receive, for Supplier's account, Transportation Volumes, Production Volumes and/or Pool-to-Pool Volumes. Supplier must submit a valid nomination of supply that reasonably reflects Customer's anticipated usage.

3. TRANSPORTATION RECEIPT POINTS

- 3.1 All Transportation Volumes will be measured at Transportation Receipt Points specified by Supplier and accepted by East Ohio in accordance with the terms of East Ohio's agreement with the Upstream Pipeline. Such measurement shall be conclusive for purposes of the Agreement.
- 3.2 When Transportation Volumes are received by East Ohio on an MMBtu basis, East Ohio will make a heat content adjustment in order to convert Supplier's

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Transportation Volumes to an Mcf basis. For each calendar year, East Ohio will calculate the weighted average heat content of all gas delivered to East Ohio by Upstream Pipelines during this period. This Heat Content Adjustment Factor, expressed as MMBtu per Mcf, will be used to adjust all Transportation Volumes received during the following twelve (12) month period commencing on April 1, unless East Ohio and Supplier agree in writing to an alternative Heat Content Adjustment Factor. If such a review indicates that area or point-specific Heat Content Adjustment Factors are required, East Ohio may implement them after review by the PUCO staff.

- 3.3 Transportation Volumes received by East Ohio at Transportation Receipt Points shall conform to Upstream Pipeline's gas quality standards, unless such standards have not been filed with, and approved by, either the FERC or the PUCO, in which case Transportation Volumes must conform with East Ohio's gas quality standards in effect at the time.
- 3.4 East Ohio shall use its best efforts to receive Transportation Volumes for Supplier's account, unless Supplier has made an election pursuant to Section 5 of these General Terms and Conditions.

4. NOMINATION OF TRANSPORTATION VOLUMES

- 4.1 All Transportation Volumes received for Supplier's account at Transportation Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.
- 4.2 Nominations must conform, in content and format, with East Ohio's specifications for Transportation Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; Upstream Pipeline; Upstream Pipeline contract number; and requested daily Transportation Volume.
- 4.3 East Ohio will either confirm, in total or in part, or reject Supplier's Transportation Volume nomination based upon East Ohio's operating conditions, the limits and requirements of East Ohio's system and facilities, previously confirmed nominations and timely confirmation by Upstream Pipelines. Confirmed Transportation Volumes will be posted on East Ohio's EBB. In order to support system operations, maintain system integrity and minimize Positive or Negative Imbalance Volumes, East Ohio may request Supplier to nominate and deliver Transportation Volumes to designated Transportation Receipt Points. Such requests shall be posted in advance on East Ohio's EBB. If, in East Ohio's sole discretion, voluntary compliance by Suppliers fails to correct operational

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deficiencies, East Ohio may exercise its authority under Paragraph 17.1 to issue Supplier-specific and/or system-wide OFOs.

- 4.4 Confirmed nominations will become effective on the date specified in Supplier's nomination and will remain in force until the last day of the current calendar month, subject to continued receipt by East Ohio from Upstream Pipeline of the confirmed volume, unless superseded by a subsequent Transportation Volume nomination.
- 4.5 Nominations made in accordance with this Section do not relieve Supplier of the obligation to submit corresponding nominations for service with an Upstream Pipeline.

5. FIRM RECEIPT POINT OPTION

- 5.1 Supplier may elect to designate specific Transportation Receipt Points as firm receipt points. Each such firm receipt point, and the corresponding maximum daily transportation quantity for each such firm receipt point, shall be specified in the Agreement or via an amendment sent by East Ohio.
- 5.2 Access to any receipt points on East Ohio's system, as to which an election pursuant to Paragraph 5.1 above has not been made, shall be on a best efforts basis.
- 5.3 Supplier making an election pursuant to Paragraph 5.1 above shall be assessed a firm receipt point surcharge; the actual amount of the surcharge shall be determined through competitive bidding with minimum bid amounts to be determined by East Ohio.

6. PRODUCTION RECEIPT POINTS

- 6.1 The unit of measurement for Production Volumes shall be one (1) cubic foot of gas, and the term "cubic foot of gas" shall mean a cubic foot of gas at a pressure of 14.73 PSIA and at a temperature of 60 degrees Fahrenheit. For purposes of measurement and meter calibration, atmospheric pressure shall be assumed to be 14.4 pounds per square inch. All gas delivered to East Ohio by the Supplier, or by the party from which the Supplier purchases volumes delivered to East Ohio, shall be measured by orifice, rotary, or other measurement facilities constructed, installed and operated in accordance with standard industry practices and East Ohio's requirements for such facilities, except where superceded by a Measurement Operating Agreement. The volumes of gas delivered to East Ohio shall be computed from meter records and converted into the unit of measurement

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specified above in accordance with reasonable and standard industry practices. Correction shall not be made for deviation from the Ideal Gas Laws. In the absence of a recording thermometer, an assumed flowing temperature of 60 degrees Fahrenheit shall be used in computing said quantities of gas; provided, however, that if the temperature of the natural gas passing through the meter is determined for any Day by the use of a recording thermometer, then the arithmetic average of the temperature recorded for such Day shall be used.

- 6.2 The Production Volume delivered to East Ohio shall be delivered in its natural state, have a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit and must conform with East Ohio's gas quality standards in effect at the time. East Ohio reserves the right to accept gas of non-standard specification on a non-discriminatory basis pursuant to an agreement setting forth applicable terms, conditions and charges, if applicable, provided the acceptance of such gas does not adversely impact East Ohio's operations or service to customers.
- 6.3 If at any time the delivery by the Supplier at the Production Receipt Point(s) specified by Supplier and accepted by East Ohio shall be less than an average of ten thousand cubic feet per Day, then East Ohio, at its sole option, may require the gas behind any such meter(s) to be measured pursuant to a Measurement Operating Agreement, by giving the Supplier thirty (30) days' prior written notice.
- 6.4 The Production Receipt Points for Production Volumes from physical meters specified by Supplier and accepted by East Ohio shall be at measuring stations constructed to East Ohio's standards, where the measurement and regulation equipment will be operated and maintained by East Ohio, except where superceded by a Measurement Operating Agreement. The measuring station will be located at such points as East Ohio and the Supplier shall agree, on East Ohio's lines as now constructed or on any extensions thereof that East Ohio may hereafter construct. The sites for said measuring stations may be furnished by East Ohio, or, if furnished by the Supplier, shall provide rights of ingress and egress to East Ohio. In the event the Supplier wishes to change any Production Receipt Points, Supplier shall reimburse East Ohio in advance for East Ohio's costs in connection with the change. Supplier shall be directly responsible for all other costs associated with the change. Measuring stations on East Ohio's lines existing as of the date of the Agreement and owned by the Supplier or any other person shall, subject to the approval of East Ohio, also be designated as Production Receipt Points, to be operated and maintained by East Ohio, except where superceded by a Measurement Operating Agreement.
- 6.5 Supplier may aggregate Production Volumes as measured by third parties at measuring stations furnished, constructed, owned, operated and maintained by third parties. Detailed information concerning such aggregated Production

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Volumes shall be reported by Supplier to East Ohio in a timely manner in accordance with reasonable and standard industry practice.

- 6.6 Supplier shall be responsible for the construction of any necessary pipeline extending from the wells to the Production Receipt Points agreed upon. The Supplier, at the Supplier's expense, shall construct any required measuring stations in accordance with East Ohio's standards. All new pipelines that connect wells specified by Supplier with East Ohio's measuring stations shall be owned and constructed by the Supplier or by the party from which the Supplier purchases volumes delivered to East Ohio.
- 6.7 Unless otherwise agreed to by East Ohio and Supplier, prior to construction of a Production Receipt Point, East Ohio and Supplier, or the party from which the Supplier purchases volumes delivered to East Ohio, shall enter into an agreement identifying cost, construction and ownership responsibilities of all parties.
- 6.8 Production Volumes received by East Ohio at Production Receipt Points specified by Supplier and accepted by East Ohio shall be taken by East Ohio on a best efforts basis at all times at full flow against the varying pressures maintained from time to time in East Ohio's pipelines. East Ohio at any time may suspend the taking of gas hereunder while making repairs or alterations in its facilities or when East Ohio deems it to be operationally necessary in accordance with reasonable and standard industry practice. When practicable, East Ohio shall notify the Supplier in advance of its plans to suspend the taking of gas, giving its best estimate of the duration of the suspension. Such repairs and alterations shall be completed with reasonable speed, unavoidable delays excepted. During periods when East Ohio must suspend the taking of gas, East Ohio shall not be required to accept Production Volumes from meters. Subject to the foregoing, the Supplier may submit a request in writing to East Ohio for approval to install equipment to compress and pump the gas to be delivered to East Ohio hereunder at the existing delivery point or at an alternative delivery point. If Supplier compresses and pumps gas into East Ohio's system, Supplier shall install and maintain at its own expense the necessary equipment for the elimination or suppression of pulsation in the flowing gas that is created by compression equipment.
- 6.9 The capacity of East Ohio's facilities to receive Production Volumes at the Production Receipt Points shall be determined by East Ohio in its sole judgment, in accordance with reasonable and standard industry practice. East Ohio shall have the right to restrict, limit or halt its receipt of Production Volumes whenever, in its sole judgment, in accordance with reasonable and standard industry practice, it is necessary to do so due to Force Majeure, an order of the PUCO or other governmental body, or circumstances requiring East Ohio to act to protect its ability to meet its Core Demand. In the event East Ohio exercises its right to restrict, limit or halt its receipt of Production Volumes, it shall give the Supplier

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notice by telephone, letter or otherwise to decrease or terminate deliveries of Production Volumes to East Ohio until such time as, in East Ohio's sole judgment, in accordance with reasonable and standard industry practice, deliveries may be increased or resumed. If the Supplier fails to act promptly in accordance with such notice, East Ohio shall have the right to shut in Production Receipt Points or otherwise refuse to accept further Production Volumes at the Production Receipt Points.

- 6.10 The Supplier shall install and maintain, at the Supplier's own expense, the necessary equipment for separating and removing oil, water, water vapor, salt, dust and other foreign substances from Production Volumes upstream of the Production Receipt Points. The gas delivered to East Ohio at the Production Receipt Points shall be free from all foreign matter or fluid contamination that could interfere with its marketability or interfere with the operation of East Ohio's lines, regulators, meters or other appliances connected with East Ohio's system. East Ohio may refuse at any time any Production Volumes that contain contamination or objectionable odors, or otherwise do not meet East Ohio's gas quality standards in effect at the time. East Ohio may bill the Supplier for any and all costs associated with removing oil, water, water vapor, salt, dust and other foreign substances erroneously delivered into East Ohio's system
- 6.11 East Ohio shall furnish, install, and maintain all meters and gauges at the Production Receipt Points, except where superceded by a Measurement Operating Agreement. East Ohio shall read the meters, which shall be accessible to inspection and examination by the Supplier at all reasonable times. If either party challenges the accuracy of any meter in use under the Agreement and desires to have the meter tested, East Ohio shall test the meter in the presence of a Supplier employee or representative, if the Supplier wishes to exercise the right to be present or to be represented at such test. The cost of testing the meter shall be borne by the party challenging its accuracy if it proves to be correct, and it shall be deemed correct if there be no greater variation than three percent (3%), either fast or slow. If the meter on test proves to be incorrect, the cost of testing the meter shall be borne by East Ohio. Any adjustment for errors in the meter shall be made for a period not to exceed ninety (90) days prior to the date of challenge by either party. The statements of meter measurement and estimated deliveries, which under the Agreement are to be rendered by East Ohio to the Supplier monthly, shall be final, excepting as to corrections or adjustments then pending or subsequently determined by East Ohio, unless exceptions to the statements are made by the Supplier in writing and mailed to East Ohio within sixty (60) days after the Supplier receives the statements. Corrections or adjustments shall be made by adjusting volumes in the first measurement period following their determination.

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7. NOMINATION OF PRODUCTION VOLUMES

- 7.1 All Production Volumes received for Supplier's account at Production Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.
- 7.2 Nominations must conform, in content and format, with East Ohio's specifications for Production Volume nominations, which shall include, at a minimum Supplier's East Ohio contract number and the requested daily Production Volume.
- 7.3 Subject to the limits of East Ohio's operating conditions and facilities, and the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Production Volume nomination. Confirmed Production Volumes will be posted on East Ohio's EBB.
- 7.4 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Production Volume nomination.

8. RECONCILIATION OF PRODUCTION VOLUMES

- 8.1 Confirmed Production Volume nominations will be credited to Supplier's account on the date specified in the Supplier's nomination. When actual Production Volumes are known, any discrepancies between actual and confirmed Production Volumes will be reconciled, in the first full calendar month following the determination of actual Production Volumes (the "Adjustment Month"), in accordance with the provisions of Paragraphs 8.2 and 8.3.
- 8.2 When actual Production Volumes exceed confirmed Production Volume nominations, the positive volumetric discrepancy will be reconciled in the Adjustment Month by increasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the positive volumetric discrepancy divided by the number of days in the Adjustment Month.
- 8.3 When confirmed Production Volume nominations exceed actual Production Volumes, the negative volumetric discrepancy will be reconciled in the Adjustment Month by decreasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the negative volumetric discrepancy divided by the number of days in the Adjustment Month.

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9. NOMINATION OF POOL-TO-POOL VOLUMES

- 9.1 All Pool-to-Pool Volumes received for Supplier's account shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 9.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 9.3 Nominations must conform, in content and format, with East Ohio's specifications for Pool-to-Pool Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; requested daily Pool-to-Pool Volume; and East Ohio contract number of the other Supplier from whom Supplier plans to receive supply.
- 9.4 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Pool-to-Pool Volume nomination. Confirmed Pool-to-Pool Volumes will be posted on East Ohio's EBB.
- 9.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Pool-to-Pool Volume nomination. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable.

10. NOMINATION OF SUPPLIER ALLOCATION VOLUMES

- 10.1 Supplier Allocation Volumes shall be nominated in advance by Supplier according to the procedures outlined in this Section.
- 10.2 Supplier Allocation Volume nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 10.3 Supplier Allocation Volume nominations must conform, in content and format, with East Ohio's specifications for such nominations, which shall include, at a minimum: Supplier's East Ohio contract number; East Ohio contract number of

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the other Supplier to whom Supplier plans to send supply; and the requested daily Supplier Allocation Volume.

- 10.4 East Ohio will either confirm, in total or in part, or reject the Supplier Allocation Volume nomination. Confirmed Supplier Allocation Volume nominations will be posted on East Ohio's EBB.
- 10.5 Confirmed Supplier Allocation Volume nominations will become effective on the date specified in the nomination and will remain in force until the last day of the current calendar month unless superseded by subsequent Supplier Allocation Volume nominations. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable.

11. AGGREGATE ALLOCATION TO CUSTOMERS

- 11.1 On or about the 25th of each month, East Ohio shall provide Supplier with a list of Customers scheduled to be served from Supplier's Pool for the upcoming month. Supplier shall notify East Ohio of any changes to that list before the 1st of the upcoming month.
- 11.2 East Ohio may, at any time and at its sole discretion, prepare an estimate of Supplier's Aggregate Consumption Volume based on projected Customer usage ("Estimated Usage") in order to compare such estimate to Supplier's Daily or Monthly Available Volume as reflected on East Ohio's EBB at the time.
- 11.3 If, in East Ohio's sole judgment, Supplier's Daily or Monthly Available Volume as reflected on East Ohio's EBB is materially different than Estimated Usage, East Ohio shall notify Supplier. Supplier shall have an opportunity to offer specific and verifiable reasons for potential differences, if any, from East Ohio's figure. East Ohio may revise the Estimated Usage figure after considering such reasons and determine whether a material difference continues to exist. Supplier shall use its best efforts to eliminate a material difference at the first available opportunity.
- 11.4 Supplier's actual Aggregate Consumption Volume and End Use Customer consumption shall be posted on East Ohio's EBB as soon after the end of a calendar month as practical prior to the commencement of the imbalance trading procedure set forth in Section 13. Supplier shall review the posted information and notify East Ohio of any concerns regarding the posting prior to the end of the imbalance trading and reallocation period. The parties shall use their best efforts to address such concerns so as to minimize adverse impacts on Supplier's imbalance trading activity. Notwithstanding such efforts, East Ohio shall have no obligation to Supplier to make retroactive adjustments to prior period imbalance

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trading activity. Any adjustments associated with changes to Aggregate Consumption Volumes shall be made by adjusting volumes on a prospective basis at the first available opportunity.

- 11.5 If the Supplier has a material negative imbalance at the conclusion of the imbalance trading and reallocation period, East Ohio may, at its sole discretion, (i) request a list of End Use Customers to be removed from Supplier's Pool in order to eliminate the negative imbalance; (ii) limit Supplier's future participation to a level that does not exceed Supplier's Monthly Available Volume; and/or (iii) terminate the Agreement upon ten (10) days' written notice to Supplier. If asked to provide the list described in (i) above, Supplier shall provide such list within two (2) business days of East Ohio's request. If Supplier fails to provide such list, all End Use Customers shall be removed from Supplier's Pool as of the month in which the negative imbalance occurred. East Ohio shall use its best efforts to provide commodity service, pursuant to the PUCO's Gas Transportation Program Guidelines set forth in Case No. 85-800-GA-COI, to End Use Customers removed from Supplier's Pool.

12. VOLUME BANKING SERVICE

- 12.1 Volume Banking Service, as described in East Ohio's General Terms and Conditions of Transportation Service and in East Ohio's GTS and TSS rate schedules, is not directly available to Supplier. Supplier shall be required, however, to aggregate the benefits of Volume Banking Service that would otherwise accrue to its individual End Use Customers, for Supplier's own use according to the procedures outlined in this Section.
- 12.2 Each End Use Customer of Supplier's Pool must assign the benefits of its Volume Banking Service to Supplier and must notify East Ohio in writing of its selected Supplier and Volume Banking Service assignment no later than the tenth day of the month immediately preceding the calendar month in which the assignment will become effective. Failure to do so may result in the End Use Customer remaining with its current supplier for the month. It shall be Supplier's responsibility to ensure that the End-Use Customer has made that assignment. Customer must assign its Volume Banking Service in its entirety to Supplier pursuant to the Agreement. Customer may not assign a portion of the benefits of its Volume Banking Service to one Supplier and the remaining benefits to a second Supplier, nor may Customer retain a portion of the benefits of Volume Banking Service for its own use. Customer's assignment will remain in effect for the duration of its agreement with the Supplier.
- 12.3 East Ohio will multiply the Customer's assigned Monthly Tolerance Level times the Customer's Billing Cycle usage. The resulting quantities, expressed in Mcf,

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will be summed and shall become the Supplier's "Aggregated Monthly Tolerance Level." This Aggregated Monthly Tolerance Level will be available to Supplier for its use in the month corresponding to the Customer's Billing Cycle.

13. IMBALANCE TRADING

- 13.1 Positive or Negative Imbalance Volumes existing after Supplier's Aggregate Consumption and Supplier Allocation Volumes are finalized as detailed in Section 11 may, at Supplier's discretion, be partially or totally offset through the imbalance trading procedure outlined in this section. Supplier may trade imbalance volumes with one or more suppliers operating FRPS, Energy Choice Pooling Service ("ECPS"), or Standard Service Offer ("SSO") pools.
- 13.2 If Supplier has a Positive Imbalance Volume existing after Supplier's Aggregate Consumption and Supplier Allocation Volumes are finalized, Supplier may nominate all or a portion of this volume (the "Imbalance Trading Volume") to be traded to another supplier operating a FRPS, ECPS, or SSO pool. Supplier agrees to pay to East Ohio the contractual rate plus applicable taxes, riders, and surcharges for each such trading transaction.
- 13.3 If Supplier has a Negative Imbalance Volume existing after Supplier's Aggregate Consumption and Supplier Allocation Volumes are finalized, Supplier may offset all or a portion of this imbalance by receiving Imbalance Trading Volumes nominated by other suppliers operating an FRPS or ECPS pool.
- 13.4 All Imbalance Trading Volumes designated for a calendar month shall be nominated to East Ohio by the close of the reallocation period for imbalance trading as stated on East Ohio's EBB. Nominations of Imbalance Trading Volumes are to be transmitted to East Ohio via East Ohio's EBB. Supplier shall not trade so as to increase the size of its initial imbalance.
- 13.5 Nominations must conform, in content and format, with East Ohio's specifications for Imbalance Trading Volume nominations, which shall include, at a minimum: Supplier's East Ohio FRPS contract number; receiving Supplier's East Ohio FRPS or ECPS contract number(s); and the requested Imbalance Trading Volume.
- 13.6 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Imbalance Trading Volume nomination. Confirmed Imbalance Trading Volumes will be posted on East Ohio's EBB.
- 13.7 Confirmed Imbalance Trading Volume nominations shall be effective only for the month to which the related Aggregate Consumption and Supplier Allocation

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Volumes apply and shall be reflected in the computation of final Negative and Positive Imbalance Volumes for that month to be billed pursuant to Sections 14 and 15.

14. POSITIVE IMBALANCE VOLUMES

- 14.1 Unless Supplier and East Ohio otherwise agree, East Ohio will purchase Supplier's Positive Imbalance Volumes, in excess of Supplier's Aggregated Monthly Tolerance Level, at a rate determined by adding the current month's Positive Imbalance Volume reference gas cost, the minimum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times eighty percent (80%), plus the variable transportation charges paid to bring the gas to East Ohio's system, adjusted for shrinkage.
- 14.2 Positive Imbalance Volumes within Supplier's Aggregated Monthly Tolerance Level shall be available for delivery to the Supplier during non-OFO periods in the first full calendar month following the determination of the Positive Imbalance Volume (the "Adjustment Month"), by increasing the Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the Positive Imbalance Volume divided by the number of days in the Adjustment Month.

15. NEGATIVE IMBALANCE VOLUMES

- 15.1 Unless Supplier and East Ohio otherwise agree, East Ohio will sell gas to Supplier to eliminate Negative Imbalance Volumes at a rate determined by adding the current month's Negative Imbalance Volume reference gas cost, the maximum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times one hundred and twenty percent (120%), plus the 100% load factor firm transportation charges paid to transport gas on Dominion Transmission, Inc. ("DTI") to East Ohio's interconnections with DTI, plus excise tax, adjusted for shrinkage. Charges for Negative Imbalance Volumes attributable to the Supplier's failure to comply with operational flow orders will be based on the provisions of Section 17. If the Supplier's Negative Imbalance Volumes exceed 25% of all estimated daily Aggregate Consumption Volumes over two or more consecutive months, East Ohio may at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement.

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16. STORAGE SERVICES

- 16.1 Optional Firm Storage Service ("FSS") is available to Supplier under the Agreement, subject to the availability of such service. If elected and awarded, service will be administered in accordance with Dominion East Ohio's Firm Storage Service tariff service (F-FSS).

17. OPERATIONAL FLOW ORDERS

- 17.1 In order to support system operation and maintain system integrity, Supplier is subject to East Ohio's issuance of operational flow orders ("OFO"), which may direct Supplier to adjust its supply nominations and/or its Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. East Ohio may also issue OFOs that direct Supplier to deliver specific quantities of gas to specific Transportation Receipt Points. If Supplier is directed to adjust its supply nominations, Supplier shall have an opportunity, upon receipt of such direction, to offer specific and verifiable reasons for potential differences, if any, from East Ohio's estimate. East Ohio may revise its estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool after considering such reasons. Supplier shall abide by East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool.
- 17.2 Failure to comply with an OFO may result in East Ohio, at its sole discretion in accordance with reasonable and standard industry practice, adjusting Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. In the event that such an adjustment cannot fully equalize Supplier's Daily Available Volume with that estimate, Supplier may be billed the following incremental charges times the OFO Shortfall, which is defined as the imbalance between Daily Available Volume and East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool on those Days subject to the OFO:
- (A) the payment of a gas cost equal to the highest incremental cost paid by East Ohio on the date of non-compliance; and
 - (B) demand charges based on the Dominion Transmission, Inc. FTNN rate schedule pursuant to the following schedule:

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Number of Days of Noncompliance During the Calendar Month	Monthly Demand Charge Multiplier Applied to Maximum OFO Shortfall
One, Two or Three	Three
Four, Five, or Six	Six
Seven, Eight or Nine	Nine
Ten or More	Twelve

The maximum amount that the Supplier shall pay pursuant to Paragraph 17.1(B) over any Winter Season shall be twelve months' demand charges multiplied by the maximum OFO Shortfall experienced during that Winter season; and

- (C) the payment of all other charges, inclusive of storage and overrun costs, incurred by East Ohio on the date of the OFO shortfall; and associated excise tax.
- (D) East Ohio shall credit all payments received for charges billed pursuant to this Section to costs recovered through Transportation Migration Rider – Part B.

17.3 Supplier shall use its best efforts to eliminate any OFO Shortfall at the first available opportunity. Failure to do so may result in East Ohio, at its sole discretion, (i) requesting a list of End Use Customers to be removed from Supplier's Pool in order to eliminate the OFO Shortfall; (ii) limiting Supplier's future participation to a level that does not exceed Supplier's Monthly Available Volume; and/or (iii) terminating the Agreement upon ten (10) days' written notice to Supplier. If asked to provide the list described in (i) above, Supplier shall provide such list within two (2) business days of East Ohio's request. If Supplier fails to provide such list, all End Use Customers shall be removed from Supplier's Pool as of the month in which the OFO Shortfall occurred. East Ohio shall use its best efforts to provide commodity service, pursuant to the PUCO's Gas Transportation Program Guidelines set forth in Case No. 85-800-GA-COI, to End Use Customers removed from Supplier's Pool.

17.4 Suppliers in compliance with an OFO shall not be subject to any incremental charges or costs.

18. STATEMENT

18.1 Each calendar month East Ohio shall render a statement of account to Supplier, summarizing and providing all of the data necessary to calculate any of the

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charges due East Ohio under the Agreement, including any purchases by East Ohio pursuant to Section 14.1.

- 18.2 Charges previously billed to Supplier by East Ohio, but unpaid by the payment date specified by East Ohio, will be assessed a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.
- 18.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within thirty (30) days of the statement date, East Ohio may deduct this unpaid amount from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the Collateral as defined in Section 19.15.
- 18.4 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within forty five (45) days of the statement date, East Ohio may, at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement upon ten (10) days' written notice to Supplier.

19. CREDITWORTHINESS

- 19.1 East Ohio shall not commence service or continue service to Supplier if Supplier fails to meet the creditworthiness criteria outlined in this Section. Such creditworthiness criteria shall not be used to discriminate on any basis other than as specified herein. A fee of \$50.00 shall be assessed to Supplier for the initial and each subsequent creditworthiness review performed by East Ohio. East Ohio shall apply consistent evaluative practices to determine the acceptability of Supplier's overall financial condition, working capital, and profitability trends.
- 19.2 In order for East Ohio to complete its financial evaluation, Supplier shall provide East Ohio the following information: 1) most recent audited financial statements for itself or its parent company; 2) most recent Annual Report, 10K or 10Q for itself or its parent company; 3) list of parent companies and affiliates; 4) names, addresses and phone numbers of three trade references, and 5) names, addresses and phone numbers of financial institution contacts. In the event that Supplier is unable to provide such information, East Ohio may permit the Supplier to provide other verifiable sources of financial information. East Ohio may require additional information if the preceding is not sufficient to determine Supplier's creditworthiness.
- 19.3 A Supplier may satisfy its initial creditworthiness requirement by demonstrating that it has and maintains investment grade long-term bond ratings from any two of the following rating agencies:

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Agency	Senior Securities Rating (Bonds)
Standard & Poors	BBB- or higher
Moody's Investors' Services	Baa3 or higher

- 19.4 East Ohio shall make reasonable alternative credit arrangements with a Supplier that is unable to meet the aforementioned criteria and with those Suppliers whose credit requirements exceed their allowed unsecured credit limit, if any. East Ohio shall determine the amount and type of additional financial instruments, if any, needed to support a Supplier's participation in the program.
- 19.5 Supplier shall not be operating under any chapter of the bankruptcy laws and shall not be subject to liquidation or debt reduction procedures under state laws such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Supplier who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act, but only with adequate assurances that East Ohio's billing under the Agreement will be paid promptly as a cost of administration under the federal court's jurisdiction.
- 19.6 Supplier shall not be subject to the uncertainty of pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or which could jeopardize the ability to exist as an ongoing business entity.
- 19.7 Supplier shall not have any significant collection lawsuits or judgments outstanding that would seriously reflect upon Supplier's ability to remain solvent.
- 19.8 If any of the events or actions described in Paragraphs 19.5, 19.6, and 19.7 above shall be initiated or imposed during the terms of service under the Agreement, Supplier shall provide notification thereof to East Ohio within two (2) working days of any such initiated or imposed event or action.
- 19.9 If Supplier has an ongoing business relationship with East Ohio, no delinquent balances shall be consistently outstanding for billings made previously by East Ohio and Supplier shall have paid its account in the past according to the established terms and not made deductions or withheld payment for claims not authorized by contract.
- 19.10 In order to assure that the value of Supplier's financial security instruments remains proportional to Supplier's potential liability under the Agreement, the required dollar amounts of such instruments may be adjusted at the sole discretion of East Ohio, in circumstances including, but not limited to, a change in the level of unsecured credit, if any, determined by East Ohio or a change in amount of required collateral in accordance with paragraph 19.19. In the event East Ohio

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determines that additional security is required, East Ohio will notify the Supplier of its determination, including the grounds for that determination, and will inform the Supplier that it shall either provide financial security as required by East Ohio within five (5) business days or adjust its current and future participation to a level no greater than East Ohio's revised requirements. Supplier's failure to adjust accordingly may result in East Ohio limiting the enrollment of additional Customers in Supplier's pool and/or terminating, at its sole discretion in accordance with reasonable and standard industry practice, the Agreement upon ten (10) days written notice to Supplier.

- 19.11 Supplier shall inform East Ohio of any significant change in Supplier's current financial condition. The required dollar amounts of financial security instruments may also be adjusted at the sole discretion of East Ohio based upon Supplier's demonstrated ability or inability to pay promptly.
- 19.12 In the event of a Supplier default on its obligations as set forth in these General Terms and Conditions, East Ohio shall have the right to use the proceeds from Supplier's financial instrument(s) to satisfy Supplier's obligations under the Agreement and any outstanding claims that East Ohio may have against Supplier. Such proceeds may also be used to secure additional gas supplies, including payment of the costs of the gas supplies themselves, the costs of transportation, storage, gathering, taxes, and other related costs incurred in bringing those gas supplies into East Ohio's system.
- 19.13 East Ohio reserves the right to use Supplier's assets associated with the Agreement, including without limitation financial instruments required of Supplier to meet creditworthiness standards of this or any other agreement with Supplier; Supplier's on-system storage inventory held by East Ohio pursuant to this or any other agreement with Supplier; and any other gas in kind, As-Extracted or otherwise, delivered to East Ohio by Supplier, to offset or recoup any costs owed to and/or incurred by East Ohio.

SECURED INTEREST (Paragraphs 19.14 – 19.18)

- 19.14 Supplier shall grant East Ohio a security interest in the Collateral, as defined herein, to secure the payment and performance of Supplier's obligations under this or any other agreement between East Ohio and Supplier ("Obligations"). Such Collateral shall consist of all of the following: (i) financial instruments required of Supplier to meet creditworthiness standards of this or any other agreement with Supplier; (ii) Supplier's on-system storage inventory held by East Ohio pursuant to this or any other agreement with Supplier; and (iii) any other gas in kind, As-Extracted or otherwise, delivered to East Ohio by Supplier.

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- 19.15 Supplier shall authorize East Ohio to file a financing statement ("Financing Statement") describing the Collateral in any jurisdiction as determined by East Ohio and represents that its exact legal name, state of formation, and principal place of business are as set forth in the Agreement.
- 19.16 Supplier's failure to grant East Ohio a security interest in the Collateral may result in East Ohio eliminating any unsecured credit extended to Supplier and adjusting the collateral requirement formula set forth in Paragraph 19.19 accordingly.
- 19.17 Upon a material default of this or any other agreement, East Ohio shall have the right without limitation to (1) take possession or otherwise dispose of such Collateral without delay to satisfy any and all Supplier Obligations then owing to East Ohio and (2) pursue any remedy available at law, including but not limited to those available as set forth in the Uniform Commercial Code of Ohio, to collect, enforce or satisfy such Obligations.
- 19.18 In the event Supplier elects, or is forced, to terminate its participation in this program in accordance with the provisions of the Agreement, or in the event of a Supplier default resulting in termination of the Agreement, it shall continue its obligation to maintain its financial security instrument until East Ohio confirms that Supplier has satisfied all of the outstanding claims of East Ohio.

COLLATERAL REQUIREMENTS (Paragraph 19.19)

- 19.19 East Ohio shall assess the amount of financial security required of Supplier on a monthly basis by subtracting the maximum unsecured credit limit, if any, extended to Supplier from the collateral requirement, which shall be updated by the fifth business day of every month. To determine the Winter Period collateral requirement, East Ohio shall utilize the maximum collateral requirement estimated for the Winter Period. To determine the Summer Period collateral requirement, East Ohio shall utilize the maximum collateral requirement estimated for the Summer Period. The collateral requirement shall be estimated using the following formula:

CR = (TPR – (LP + AS)) X P_{co} where:

CR equals Collateral Requirement (in \$)

TPR equals Total Pool Requirements (in mcf) as estimated by East Ohio for the upcoming month using normal heating degree days.

LP equals Local Production (in mcf) as determined by the first-of-month confirmed nomination of local production (if applicable) dedicated to the pool or

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nominated from the Supplier's Local Production Pooling Service pool times the number of days in the month.

AS equals Available Storage (in mcf) as determined by the beginning-of-the-month storage inventory (if applicable) held by the Supplier in conjunction with its Pool.

P_{co} equals Cash Out Price (in \$/mcf) as determined by the estimated negative imbalance volume cash out rate based on *Platts Gas Daily* or successor publication pricing with the applicable adjustments.

East Ohio may add to the preceding Collateral Requirement any amounts billed pursuant to the Agreement but not yet paid by Supplier as well as any amounts estimated to be billed for the upcoming month as determined by East Ohio.

20. LIMITATION ON LIABILITY

- 20.1 East Ohio shall have no liability for acts arising out of obligations performed under its tariff, provided that East Ohio's actions are in accordance with its tariff and applicable industry standards. In no event shall East Ohio be liable for any consequential, incidental or punitive damages for acts or omissions that are alleged to violate East Ohio's tariff or applicable industry standards.
- 20.2 Each party to the Agreement shall bear responsibility for all of its own breaches, tortious acts, or tortious omissions connected in any way with the Agreement hereunder, causing damages or injuries of any kind to the other party or to any third party, unless expressly agreed in writing between the parties. Therefore, the offending party as a result of such offense shall hold harmless and indemnify the non-offending party against any claim, liability, loss or damage whatsoever suffered by the non-offending party or by any third party. As used herein, the term "party" shall mean a corporation or partnership entity or individual with whom East Ohio has a contractual relationship. The phrase "damages or injuries of any kind" shall include, without limitation, actual damages, litigation expenses, court costs, and attorneys' fees, and the phrase "tortious acts or tortious omissions" shall include without limitation sole or concurrent simple negligence, recklessness, and intentional acts or omissions.

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21. STANDARDS OF CONDUCT

- 21.1 In addition to the financial requirements outlined in Section 19 above, East Ohio may impose reasonable standards of conduct for Supplier as a prerequisite for participation in East Ohio's gas pooling service program. Supplier acknowledges that in its capacity as a participant in this program, it has a continuing responsibility to conduct its business in a legal and ethical manner. If, as a result of Customers' complaints, and/or from its own investigation, East Ohio determines, in its sole judgment, that Supplier is not operating under the Agreement in an ethical and/or legal manner or jeopardizes East Ohio's ability to effectively meet its Core Demand requirements, then East Ohio shall have the unilateral right to terminate the Agreement and deny Supplier further participation in East Ohio's pooling program.

22. OBLIGATIONS

- 22.1 Supplier shall be deemed to be in control and possession of the gas received by East Ohio for Supplier's account, until it shall have been delivered to East Ohio at the Transportation Receipt Point(s) or the Production Receipt Point(s), as applicable, after which East Ohio shall be deemed to be in control, but not possession, of the gas until the gas is allocated to Supplier's Customers.
- 22.2 The Supplier warrants the title to the Pool-to-Pool Volumes, Production Volumes or Transportation Volumes received by East Ohio for Supplier's account, as applicable, and shall indemnify East Ohio for and save East Ohio harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or attributable to the adverse claims of any and all other persons or parties to the gas received by East Ohio, provided, however, that if any person or party makes claim to any gas received by East Ohio adverse to Supplier's claim of ownership of the gas, or obtains a lien or encumbrance against the gas, East Ohio may withhold payment, if any may be due, for such gas until such adverse claim or lien is released or disposed of by the parties by final court action and may pay such withheld amount(s) to the party entitled to payment, unless the Supplier posts a bond in an amount and on terms satisfactory to East Ohio to protect and indemnify East Ohio against such adverse claim or lien.

23. FORCE MAJEURE

- 23.1 The term "Force Majeure," as used herein, and as applied to East Ohio or Supplier, shall mean acts of law, including governmental bodies acting pursuant to law, acts of God, strikes, lockouts or other labor disturbances, acts of a public enemy, war, blockades, insurrections, riots, epidemics, lightning, fires, floods,

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washouts, arrests, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, freezing of wells or pipelines, partial or entire failure of such wells, or any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the affected party. The settlement of strikes, lockouts or labor disturbances by acceding to the demands of an opposing party when such course is inadvisable is at the discretion or judgment of the affected party.

- 23.2 In the event East Ohio or Supplier is rendered unable, wholly or in part, by Force Majeure to carry out its obligations other than the obligation to make payment of amounts accrued and due under the Agreement, and after notice of the Force Majeure condition is given to the other party in writing or by facsimile, the obligation of both parties, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused except the obligation to continue delivery of Production Volumes during curtailment periods. The Force Majeure condition shall be remedied with all reasonable dispatch.
- 23.3 Whenever East Ohio has implemented its Emergency Curtailment Plan on file with the PUCO or is unable to meet its Core Demand due to Force Majeure conditions on, or upstream of, East Ohio's system, East Ohio shall have the right to use the Supplier's flowing service entitlement resulting from such condition shall be remedied as quickly as possible, and must be preceded by the exhaustion of other reasonable alternatives to avoid the involuntary interruption of service. To the extent possible and appropriate in the circumstances, any necessary interruptions in service will be based on the size and location of the facilities served by Supplier, to minimize the absolute number of interruptions required.
- 23.4 If East Ohio and Supplier have not entered into a contractual compensation arrangement covering the sale of Supplier's gas to East Ohio, East Ohio shall compensate the Supplier for gas diverted by East Ohio from the Supplier pursuant to Section 23.3 above as follows: East Ohio shall reimburse Supplier for the cost of the gas diverted plus a portion of the Supplier's annual interstate pipeline demand charges, if any, in each month in which gas is taken by East Ohio. On the first Day on which gas is diverted in any month, the demand charge compensation shall equal 1/24 of the Supplier's annual pipeline demand charges; if gas is diverted on two or more Days in a month, the demand charge compensation shall be 1/12 of the Supplier's annual pipeline demand charges. In no event shall the monthly demand charge compensation exceed 1/12 of the Supplier's annual pipeline demand charges. The total compensation determined in accordance with this Section shall not be less than the cost of gas as computed pursuant to Section 15.1 of this Agreement.
- 23.5 Neither East Ohio nor Supplier shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, Force Majeure.
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- 23.6 Such causes or contingencies affecting the performance of the Agreement by East Ohio or the Supplier shall not relieve the affected party of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by facsimile to the other party as soon as reasonably practical after the occurrence of the cause relied upon, nor shall such causes or contingencies affecting the Agreement by either party relieve it of liability in the event of its concurring negligence, nor shall such causes or contingencies affecting the performance of the Agreement relieve either party from its obligations to make payments of amounts then due under the Agreement for gas already allocated to Supplier's Customers.

24. OWNERSHIP OF FACILITIES

- 24.1 Except as provided herein, all pipelines, fittings and other properties furnished under the Agreement shall remain the property of the party paying for the facilities, who shall be solely responsible for the maintenance and operation of those facilities, and each party may remove its property at the termination of the Agreement. Existing measuring stations owned by parties other than East Ohio that qualify as Production Receipt Points shall not become the property of East Ohio, but shall be maintained and operated by East Ohio until termination of the Agreement. However, any measuring stations constructed or otherwise furnished by East Ohio shall be and remain the property of East Ohio.

25. RULES GOVERNING ELECTRONIC ENROLLMENT OF CUSTOMERS

- 25.1 Suppliers are prohibited from enrolling potential Customers without their consent. Proof of that consent must be in the form of a Customer's signature on a contract.
- 25.2 Suppliers wishing to use other enrollment methods, such as but not limited to direct solicitation, telephonic, and internet enrollment, agree to do so as long as the enrollment and consent conform with Section 4901:1-29-06 of the Ohio Administrative Code.
- 25.3 The Supplier must send an electronic enrollment request to the Company within three business days of execution of a contract with the Customer, unless a later enrollment transmittal date is agreed to in the contract by the Customer.
- 25.4 Company will notify Customer of enrollment via a letter sent to Customer's billing address on record with Company at time of enrollment. Customer may contact Company and rescind any enrollment submitted by Supplier.

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- 25.5 Company will notify Supplier of enrollments per Section 11 of this Agreement or via other electronic method as posted on Company's EBB.

26. MISCELLANEOUS

- 26.1 No modification of the terms and provisions of the Agreement shall be made or become effective except by the execution of a supplementary written agreement.
- 26.2 No waiver by East Ohio or Supplier of any one or more defaults by the other in the performance of any provision of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.
- 26.3 The Agreement shall not be assignable without the prior written consent of the other party, which consent shall not unreasonably be withheld.
- 26.4 The payments of the rates stated in the Agreement, as well as the other provisions and conditions of the Agreement, shall be subject to all applicable Federal and State laws and orders, rules and regulations.
- 26.5 In the event any tax is imposed on natural gas, or the production, severance, gathering, transportation, sale, delivery, or use of natural gas, or if such tax is imposed in any other manner so as to constitute directly or indirectly a charge upon the gas delivered to East Ohio for redelivery hereunder, the amount of such tax shall be borne by Supplier so far as it affects or relates to or is apportionable to the gas delivered to East Ohio hereunder. In the event East Ohio is required to pay such tax, the amount of the tax shall be billed directly to Supplier.
- 26.6 Supplier shall pay, or cause to be paid, any royalty payments due or owed on the gas received and redelivered hereunder, and shall indemnify and hold East Ohio harmless from any responsibility, liability or obligation for payment of any such royalty. In the event East Ohio is obligated by law to make any such royalty payment directly to royalty owners, Supplier shall reimburse East Ohio for any such payment and any costs associated with such payment. If Supplier fails to reimburse East Ohio, East Ohio may deduct the amount of such payments or costs from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the Collateral as defined in Paragraph 19.15 of these General Terms and Conditions.

Contract No.

SERVICE AGREEMENT
FULL REQUIREMENTS POOLING SERVICE

THIS AGREEMENT is entered into as of _____, by **THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio** ("East Ohio") and _____ ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of Full Requirements Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier's Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge for service provided under the Agreement. The volumetric charge shall be ~~\$0.07-067~~ per Mcf for all Aggregate Consumption and Supplier Allocation Volumes allocated by Supplier for delivery by East Ohio to Supplier's Customers under the Agreement and for all Positive Imbalance Volumes purchased by East Ohio from Supplier. The ~~\$0.07-067~~ per Mcf volumetric charge shall be discounted by fifty percent (50%) for all Supplier Allocation Volumes allocated by Supplier to Customers that have in effect a gas pooling service agreement with East Ohio. A credit of ~~\$0.05048~~ per Mcf shall be given for Production Volumes, however, this credit shall not exceed the above volumetric charge assessed for all Aggregate Consumption under the Agreement. No volumetric charge shall be assessed by East Ohio on Supplier Allocation Volumes allocated by Supplier to Supplier's own Daily or General Gas Pooling Service Pools. A charge of ~~\$100.00925, \$9860~~ shall be assessed for each Imbalance Trading transaction, as set forth in Section ~~14-13~~ of the General Terms and Conditions of Full Requirements Pooling Service. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Contract No.

Section 5. Term. This Agreement shall become effective as of _____, 20____ and continue through _____, 20____ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year. Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 56. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

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Section 67. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered personally or by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

EAST OHIO:

SUPPLIER:

Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: _____

Managing Director, Pricing and Regulatory Affairs

Commercial Operations

Title: _____

Phone: (216) 736-6376

Phone: _____

Fax: (216) 736-6247

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____

Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

Contract No.

By: _____

Title: _____

Legal

Approval: _____

Title: _____

General Terms and Conditions of Full Requirements Pooling Service

DEFINITIONS

Aggregate Consumption Volume -- the aggregate quantity of gas actually consumed by all End Use Customers of Supplier's Pool over their respective Customer Billing Cycles as determined by East Ohio through actual or estimated meter readings.

Agreement -- the FRPS contract between East Ohio and Supplier.

Balancing Service -- an optional firm storage service available to Suppliers.

Core Sales Demand -- the total supply needs of East Ohio's Percentage of Income Payment Plan and Standard Service Offer Customers. ~~system supply customers.~~

Customer -- any individual, governmental, or corporate entity: a) all of whose natural gas requirements are supplied by a Supplier's Pool and taking transportation service from East Ohio pursuant to East Ohio's General Transportation Service ("GTS") or Transportation Service for Schools ("TSS") rate schedules ("End Use"), or b) that has in effect an Agreement with East Ohio.

Customer's Billing Cycle -- for Delivery Points equipped with electronic gas measurement equipment, the calendar month used for billing purposes; for Delivery Points not equipped with electronic gas measurement equipment, the period that occurs between actual or estimated meter readings ~~taken used~~ by East Ohio for billing purposes.

Daily Available Volume -- the total quantity of gas available to be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any given Day. This quantity is equal to the total volume of gas actually delivered to East Ohio for Supplier's account on that Day (Transportation Volumes, Production Volumes, Pool-to-Pool Volumes, and Balancing Service), less an appropriate Unaccounted-for Gas Percentage, plus any adjustments associated with the reconciliation of Production Volumes as outlined in Section ~~9-8~~ of these General Terms and Conditions and the reconciliation of Positive Imbalance Volumes within Supplier's Aggregated Monthly Tolerance Level as outlined in Paragraph ~~4-5~~ 14.2.

Day -- a 24 hour period beginning at 10:00 a.m. Eastern Time or such other time as specified by East Ohio.

Delivery Point -- the billing determinant for the application of customer charges represented by the meter location at which gas is redelivered by East Ohio to the Customer.

EBB -- East Ohio's Electronic Bulletin Board.

FERC -- the Federal Energy Regulatory Commission.

General Terms and Conditions of Full Requirements Pooling Service

FRPS -- Full Requirements Pooling Service.

Human Needs Customer -- any Customer that uses natural gas for heating a residence, or a governmental agency or other entity that provides emergency or life support services. Human Needs Customers include hospitals, nursing homes, and residential correctional institutions, and exclude hotels, motels and non-residential educational facilities.

Maximum Balancing Volume -- the maximum volume of gas that East Ohio will hold in a Supplier's Balancing Service account at any point in time.

Maximum Daily Allocation Quantity -- the maximum quantity of gas that may be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any Day as determined by East Ohio.

Maximum Daily Balancing Volume -- the maximum volume of gas that East Ohio will inject into or withdraw from a Supplier's Balancing Service account on any Day.

Mcf -- one thousand (1,000) cubic feet of gas in its natural state having a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit.

Measurement Operating Agreement -- an agreement in which a producer assumes ownership, maintenance and measurement responsibility for low flow production meters.

MMBtu -- one million (1,000,000) British Thermal Units.

Monthly Available Volume -- the sum of Daily Available Volumes accumulated over a month.

Monthly Tolerance Level -- the imbalance tolerance level, expressed as a percentage of the Aggregate Consumption Volume, that establishes the degree to which the Customer's Positive Imbalance Volume will be subject to reconciliation on a volumetric basis pursuant to East Ohio's Volume Banking Service.

Negative Imbalance Volume -- the amount by which the Aggregate Consumption Volume exceeds the Monthly Available Volume for the same month.

OFO -- Operational Flow Order issued by East Ohio.

Pool -- Supplier's FRPS aggregation account on East Ohio's system established under the Agreement.

Pool-to-Pool Volume -- the volume of gas actually delivered for Supplier's account on any Day from an eligible account of another Supplier participating in East Ohio's gas pooling program.

General Terms and Conditions of Full Requirements Pooling Service

Positive Imbalance Volume -- the amount by which the Monthly Available Volume exceeds the Aggregate Consumption Volume for the same month.

Production Receipt Point(s) -- the meter(s) or measuring station(s), as specified by Supplier and accepted by East Ohio, at which Ohio produced gas is delivered into East Ohio's system for Supplier's account.

Production Volume -- the volume of gas actually delivered for Supplier's account into East Ohio's system on any Day at the Production Receipt Points.

PSIA -- pounds per square inch, absolute.

PUCO -- The Public Utilities Commission of Ohio.

Summer Period -- the seven month period beginning April 1 and continuing through October 31.

Supplier -- any entity that has in effect an ~~FRPS~~ a pooling Agreement with East Ohio or arranges for the production and or delivery of Production Volumes to East Ohio.

Supplier Allocation Volume -- the quantity of gas allocated by Supplier on any Day to the account of another Supplier.

Transportation Receipt Point(s) -- the interconnection(s) ~~as specified by Supplier and accepted by East Ohio;~~ at which gas is delivered into East Ohio's system from an Upstream Pipeline for Supplier's account.

Transportation Volume -- the volume of gas ~~actually~~ delivered for Supplier's account on any Day into East Ohio's system at the Transportation Receipt Point(s).

Unaccounted-for Gas Percentage -- the portion of Supplier's city gate deliveries retained by East Ohio to compensate East Ohio for gas lost, used, and unaccounted for in operations. Such percentage may be adjusted periodically to reflect changes in the amount of gas lost, used, and unaccounted for in operations.

Upstream Pipeline -- any interstate pipeline, intrastate pipeline, or local distribution company other than East Ohio through which gas is delivered directly to East Ohio for Supplier's account.

Volume Banking Service -- a service available to End Use Customers pursuant to GTS and TSS rate schedules whereby East Ohio will reconcile in subsequent Customer Billing Cycles, on a volumetric basis, any Positive Imbalance Volumes (as defined in East Ohio's General Terms and Conditions of Transportation Service) previously incurred. Volume Banking Service is not directly available to Suppliers.

The East Ohio Gas Company

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General Terms and Conditions of Full Requirements Pooling Service

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Winter Period -- the five month period beginning November 1 and continuing through March 31.

General Terms and Conditions of Full Requirements Pooling Service

1. GOVERNMENTAL AUTHORIZATIONS

- 1.1 East Ohio and Supplier agree that they will file, as soon as practical after execution of the Agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations, if any, for service contemplated by the Agreement, and that they will provide each other from time to time such information as may be necessary to secure and maintain such authorizations.
- 1.2 In the event governmental approval of the Agreement is conditioned in any manner, either party may, within thirty (30) days of such event, elect to terminate the Agreement by giving the other fifteen (15) days' prior written notice, and upon such termination neither party shall have any liability or obligation to the other by reason of the Agreement other than the obligation to make payments as provided for herein with respect to events or transactions that have occurred prior to such termination.
- 1.3 If the transactions provided for under the Agreement at any time subject either party to the jurisdiction of or regulation by the FERC, or subject Supplier to the jurisdiction of the PUCO, to an extent greater than any that exists on the date of the Agreement, whether by reason of statutory, regulatory or judicial action, then either party may elect to terminate the Agreement in the manner provided for in Paragraph 1.2 provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the date of termination.

2. TERM

- ~~2.1 The Agreement shall be effective from the date specified in the Agreement for a primary term of twelve (12) months and shall continue thereafter subject to cancellation by either party on sixty (60) days' prior written notice to the other, provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the date of termination.~~

32. SOURCES OF SUPPLY

- ~~32.1~~ Subject to the terms and conditions of the Agreement, East Ohio agrees to use its best efforts to receive, for Supplier's account, Transportation Volumes, Production Volumes and/or Pool-to-Pool Volumes. Supplier must submit a valid nomination of supply that reasonably reflects Customer's anticipated usage.

General Terms and Conditions of Full Requirements Pooling Service

43. TRANSPORTATION RECEIPT POINTS

- 43.1 All Transportation Volumes will be measured at Transportation Receipt Points specified by Supplier and accepted by East Ohio in accordance with the terms of East Ohio's agreement with the Upstream Pipeline. Such measurement shall be conclusive for purposes of the Agreement.
- 43.2 When Transportation Volumes are received by East Ohio on an MMBtu basis, East Ohio will make a heat content adjustment in order to convert Supplier's Transportation Volumes to an Mcf basis. For each calendar year, East Ohio will calculate the weighted average heat content of all gas delivered by to East Ohio by Upstream Pipelines during this period, ~~(the "Heat Content Adjustment Factor")~~. This Heat Content Adjustment Factor, expressed as MMBtu per Mcf, will be used to adjust all Transportation Volumes received during the following twelve (12) month period commencing on April 1, unless East Ohio and Supplier agree in writing to an alternative Heat Content Adjustment Factor. If such a review indicates that area or point-specific Heat Content Adjustment Factors are required, East Ohio may implement them after review by the PUCO staff.
- 43.3 Transportation Volumes received by East Ohio at Transportation Receipt Points shall conform to Upstream Pipeline's gas quality standards, unless such standards have not been filed with, and approved by, either the FERC or the PUCO, in which case Transportation Volumes must conform with East Ohio's gas quality standards in effect at the time.
- 43.4 East Ohio shall use its best efforts to receive Transportation Volumes for Supplier's account, unless Supplier has made an election pursuant to Section ~~65~~ of these General Terms and Conditions.

54. NOMINATION OF TRANSPORTATION VOLUMES

- 54.1 All Transportation Volumes received for Supplier's account at Transportation Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.
- 5.2 ~~Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.~~

General Terms and Conditions of Full Requirements Pooling Service

- ~~54.32~~ 54.43 Nominations must conform, in content and format, with East Ohio's specifications for Transportation Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; Upstream Pipeline; Upstream Pipeline contract number; and requested daily Transportation Volume.
- 54.43 East Ohio will either confirm, in total or in part, or reject Supplier's Transportation Volume nomination based upon East Ohio's operating conditions, the limits and requirements of East Ohio's system and facilities, previously confirmed nominations and timely confirmation by Upstream Pipelines. Confirmed Transportation Volumes will be posted on East Ohio's EBB. In order to support system operations, maintain system integrity and minimize Positive or Negative Imbalance Volumes, East Ohio may request Supplier to nominate and deliver Transportation Volumes to designated Transportation Receipt Points. Such requests shall be posted in advance on East Ohio's EBB. If, in East Ohio's sole discretion, voluntary compliance by Suppliers fails to correct operational deficiencies, East Ohio may exercise its authority under Paragraph ~~48~~17.1 to issue Supplier-specific and/or system-wide OFOs.
- ~~54.54~~ Confirmed nominations will become effective on the date specified in Supplier's nomination and will remain in force until the last day of the current calendar month, subject to continued receipt by East Ohio from Upstream Pipeline of the confirmed volume, unless superseded by a subsequent Transportation Volume nomination.
- ~~54.65~~ Nominations made in accordance with this Section do not relieve Supplier of the obligation to submit corresponding nominations for service with an Upstream Pipeline.

65. FIRM RECEIPT POINT OPTION

- ~~65.1~~ 65.1 Supplier may elect to designate specific Transportation Receipt Points as firm receipt points. Each such firm receipt point, and the corresponding maximum daily transportation quantity for each such firm receipt point, shall be specified in the Agreement or via an amendment sent by East Ohio. ~~The sum of the maximum daily transportation quantities for all firm receipt points shall not exceed the total Maximum Daily Allocation Quantity specified in the Agreement.~~
- 65.2 Access to any receipt points on East Ohio's system, as to which an election pursuant to Paragraph ~~65~~1 above has not been made, shall be on a best efforts basis.
- ~~65.3~~ 65.3 Supplier making an election pursuant to Paragraph ~~65~~1 above shall be assessed a firm receipt point surcharge; the actual amount of the surcharge shall be

General Terms and Conditions of Full Requirements Pooling Service

determined through competitive bidding with minimum bid amounts to be determined by East Ohio.

76. PRODUCTION RECEIPT POINTS

- 76.1 The unit of measurement for Production Volumes shall be one (1) cubic foot of gas, and the term "cubic foot of gas" shall mean a cubic foot of gas at a pressure of 14.73 PSIA and at a temperature of 60 degrees Fahrenheit. For purposes of measurement and meter calibration, atmospheric pressure shall be assumed to be 14.4 pounds per square inch. All gas delivered to East Ohio by the Supplier, or by the party from which the Supplier purchases volumes delivered to East Ohio, shall be measured by orifice, rotary, or other measurement facilities constructed, installed and operated in accordance with standard industry practices and East Ohio's requirements for such facilities~~facility of standard type to be selected and furnished by East Ohio, except where superceded by a Measurement Operating Agreement. Orifice meters on East Ohio's system shall be constructed and installed in accordance with the applicable provisions of the American National Standard "Orifice Metering of Natural Gas," ANSI/API 2530, first edition, and any amendments thereto.~~ The volumes of gas delivered to East Ohio shall be computed from meter records and converted into the unit of measurement specified above in accordance with reasonable and standard industry practices. Correction shall not be made for deviation from the Ideal Gas Laws. In the absence of a recording thermometer, an assumed flowing temperature of 60 degrees Fahrenheit shall be used in computing said quantities of gas; provided, however, that if the temperature of the natural gas passing through the meter is determined for any Day by the use of a recording thermometer, then the arithmetic average of the temperatures recorded for such Day shall be used.
- 76.2 The Production Volume delivered to East Ohio shall ~~be delivered in its natural state, and have a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit and must conform with East Ohio's gas quality standards in effect at the time.~~ East Ohio reserves the right to accept gas of non-standard specification on a non-discriminatory basis pursuant to an agreement setting forth applicable terms, conditions and charges, if applicable, provided the acceptance of such gas does not adversely impact East Ohio's operations or service to customers.
- 76.3 If at any time the delivery by the Supplier at the Production Receipt Point(s) specified by Supplier and accepted by East Ohio shall be less than an average of ten thousand cubic feet per Day, then East Ohio, at its sole option, may require the gas behind any such meter(s) to be measured pursuant to a Measurement Operating Agreement, by giving the Supplier thirty (30) days' prior written notice.

General Terms and Conditions of Full Requirements Pooling Service

- 76.4 The Production Receipt Points for Production Volumes from physical meters specified by Supplier and accepted by East Ohio shall be at measuring stations constructed to East Ohio's standards, ~~where the measurement and regulation equipment will be specifications, and operated and maintained by East Ohio,~~ except where superceded by a Measurement Operating Agreement. The measuring station will be located at such points as East Ohio and the Supplier shall agree, on East Ohio's lines as now constructed or on any extensions thereof that East Ohio ~~in its sole judgment may hereafter construct.~~ The sites for said measuring stations may be furnished by East Ohio, or, if furnished by the Supplier, shall provide rights of ingress and egress to East Ohio. In the event the Supplier wishes to change any Production Receipt Points, Supplier shall reimburse East Ohio in advance for East Ohio's costs in connection with ~~such the~~ change. Supplier shall be directly responsible for all other costs associated with the change. Measuring stations on East Ohio's lines existing as of the date of the Agreement and owned by the Supplier or any other person shall, subject to the approval of East Ohio, also be designated as Production Receipt Points, to be operated and maintained by East Ohio, except where superceded by a Measurement Operating Agreement.
- 76.5 Supplier may aggregate Production Volumes as measured by third parties at measuring stations furnished, constructed, owned, operated and maintained by third parties. Detailed information concerning such aggregated Production Volumes shall be reported by Supplier to East Ohio in a timely manner in accordance with reasonable and standard industry practice.
- 76.6 Supplier shall be responsible for the construction of any necessary pipeline extending from the wells to the Production Receipt Points agreed upon. The Supplier, at the Supplier's expense, shall construct any required measuring stations in accordance with East Ohio's ~~specifications~~ standards. All new pipelines that connect wells specified by Supplier with East Ohio's measuring stations shall be owned and constructed by the Supplier or by the party from which the Supplier purchases volumes delivered to East Ohio.
- 76.7 Unless otherwise agreed to by East Ohio and Supplier, prior to construction of a Production Receipt Point, East Ohio and Supplier, or the party from which the Supplier purchases volumes delivered to East Ohio, shall enter into an agreement identifying cost, construction and ownership responsibilities of all parties.
- 76.8 Production Volumes received by East Ohio at Production Receipt Points specified by Supplier and accepted by East Ohio shall be taken by East Ohio on a best efforts basis at all times at full flow against the varying pressures maintained from time to time in East Ohio's pipelines. East Ohio at any time may suspend the taking of gas ~~under the Agreement hereunder~~ while making repairs or alterations in its facilities ~~or when East Ohio deems it to be operationally necessary in~~

General Terms and Conditions of Full Requirements Pooling Service

accordance with reasonable and standard industry practice. When practicable, East Ohio shall notify the Supplier in advance of its plans to suspend the taking of gas, giving its best estimate of the duration of the suspension. Such repairs and alterations shall be completed with reasonable speed, unavoidable delays excepted. During periods when East Ohio must suspend the taking of gas, East Ohio shall not be required to accept Production Volumes from meters. Subject to the foregoing, the Supplier may submit a request in writing to East Ohio for approval to install equipment to compress and pump the gas to be delivered to East Ohio under the Agreement hereunder at the existing delivery point or at an alternative delivery point. If Supplier compresses and pumps gas into East Ohio's system, Supplier shall install and maintain at its own expense the necessary equipment for the elimination or suppression of pulsation in the flowing gas that is created by compression equipment. In addition, the Supplier shall install the necessary equipment to insure the flowing temperature of the Production Volumes delivered does not exceed 120 degrees Fahrenheit at the measuring stations described.

76.9 The capacity of East Ohio's facilities to receive Production Volumes at the Production Receipt Points shall be determined by East Ohio in its sole judgment, in accordance with reasonable and standard industry practice. East Ohio shall have the right to restrict, limit or halt its receipt of Production Volumes whenever, in its sole judgment, in accordance with reasonable and standard industry practice, it is necessary to do so due to Force Majeure, an order of the PUCO or other governmental body, or circumstances requiring East Ohio to act to protect its ability to meet its Core Sales Demand. In the event East Ohio exercises its right to restrict, limit or halt its receipt of Production Volumes, it shall give the Supplier notice by telephone, letter or otherwise to decrease or terminate deliveries of Production Volumes to East Ohio until such time as, in East Ohio's sole judgment, in accordance with reasonable and standard industry practice, deliveries may be increased or resumed. If the Supplier fails to act promptly in accordance with such notice, East Ohio shall have the right to shut in Production Receipt Points or otherwise refuse to accept further Production Volumes at the Production Receipt Points.

76.10 The Supplier shall install and maintain, at the Supplier's own expense, the necessary equipment for separating and removing oil, water, water vapor, salt, dust and other foreign substances from Production Volumes upstream of the Production Receipt Points. The gas delivered to East Ohio at the Production Receipt Points shall be free from all foreign matter or fluid contamination that could interfere with its marketability or interfere with the operation of East Ohio's lines, regulators, meters or other appliances connected with East Ohio's distribution system. East Ohio may refuse at any time any Production Volumes that contain contamination or objectionable odors, or otherwise do not meet East Ohio's gas quality standards in effect at the time. East Ohio may bill the Supplier

General Terms and Conditions of Full Requirements Pooling Service

for any and all costs associated with removing oil, water, water vapor, salt, dust and other foreign substances erroneously delivered into East Ohio's system

- 76.11 East Ohio shall ~~furnish, install, and maintain in good repair~~ all meters, ~~and gauges and regulating equipment~~ at the Production Receipt Points, except where superceded by a Measurement Operating Agreement. East Ohio shall read the meters, which shall be accessible to inspection and examination by the Supplier at all reasonable times. If either party challenges the accuracy of any meter in use under the Agreement and desires to have the meter tested, East Ohio shall test the meter in the presence of a Supplier employee or representative, if the Supplier wishes to exercise the right to be present or to be represented at such test. The cost of testing the meter shall be borne by the party challenging its accuracy if it proves to be correct, and it shall be deemed correct if there be no greater variation than three percent (3%), either fast or slow. If the meter on test proves to be incorrect, the cost of testing the meter shall be borne by East Ohio. Any adjustment for errors in the meter shall be made for a period not to exceed ninety (90) days prior to the date of challenge by either party. The statements of meter measurement and estimated deliveries, which under the Agreement are to be rendered by East Ohio to the Supplier monthly, shall be final, excepting as to corrections or adjustments then pending or subsequently determined by East Ohio, unless exceptions to the statements are made by the Supplier in writing and mailed to East Ohio within sixty (60) days after the Supplier receives the statements. Corrections or adjustments shall be made by adjusting volumes in the first measurement period following their determination.

- ~~7.12 The addition or removal of Production Receipt Points specified by the Supplier shall be the subject of written supplements, which shall be proposed by the Supplier and accepted or rejected at the sole discretion of East Ohio, in accordance with reasonable and standard industry practice.~~

87. NOMINATION OF PRODUCTION VOLUMES

- 87.1 All Production Volumes received for Supplier's account at Production Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.

- ~~8.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.~~

General Terms and Conditions of Full Requirements Pooling Service

87.32 Nominations must conform, in content and format, with East Ohio's specifications for Production Volume nominations, which shall include, at a minimum Supplier's East Ohio contract number and the requested daily Production Volume.

87.43 Subject to the limits of East Ohio's operating conditions and facilities, and the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Production Volume nomination. Confirmed Production Volumes will be posted on East Ohio's EBB.

87.54 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Production Volume nomination.

98. RECONCILIATION OF PRODUCTION VOLUMES

98.1 Confirmed Production Volume nominations will be credited to Supplier's account on the date specified in the Supplier's nomination. When actual Production Volumes are known, any discrepancies between actual and confirmed Production Volumes will be reconciled, in the first full calendar month following the determination of actual Production Volumes (the "Adjustment Month"), in accordance with the provisions of Paragraphs 98.2 and 98.3.

98.2 When actual Production Volumes exceed confirmed Production Volume nominations, the positive volumetric discrepancy will be reconciled in the Adjustment Month by increasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the positive volumetric discrepancy divided by the number of days in the Adjustment Month.

98.3 When confirmed Production Volume nominations exceed actual Production Volumes, the negative volumetric discrepancy will be reconciled in the Adjustment Month by decreasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the negative volumetric discrepancy divided by the number of days in the Adjustment Month.

409. NOMINATION OF POOL-TO-POOL VOLUMES

409.1 All Pool-to-Pool Volumes received for Supplier's account shall be nominated to East Ohio in advance according to the procedures outlined in this Section.

General Terms and Conditions of Full Requirements Pooling Service

- 409.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 409.3 Nominations must conform, in content and format, with East Ohio's specifications for Pool-to-Pool Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; requested daily Pool-to-Pool Volume; and East Ohio contract number of the other Supplier from whom Supplier plans to receive supply.
- 409.4 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Pool-to-Pool Volume nomination. Confirmed Pool-to-Pool Volumes will be posted on East Ohio's EBB.
- 409.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Pool-to-Pool Volume nomination. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable.

410. NOMINATION OF SUPPLIER ALLOCATION VOLUMES

- 410.1 Supplier Allocation Volumes shall be nominated in advance by Supplier according to the procedures outlined in this Section.
- 410.2 Supplier Allocation Volume nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 410.3 Supplier Allocation Volume nominations must conform, in content and format, with East Ohio's specifications for such nominations, which shall include, at a minimum: Supplier's East Ohio contract number; East Ohio contract number of the other Supplier to whom Supplier plans to send supply; and the requested daily Supplier Allocation Volume.
- 410.4 East Ohio will either confirm, in total or in part, or reject the Supplier Allocation Volume nomination. Confirmed Supplier Allocation Volume nominations will be posted on East Ohio's EBB.

General Terms and Conditions of Full Requirements Pooling Service

~~44~~10.5 Confirmed Supplier Allocation Volume nominations will become effective on the date specified in the nomination and will remain in force until the last day of the current calendar month unless superseded by subsequent Supplier Allocation Volume nominations. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable.

4211. AGGREGATE ALLOCATION TO CUSTOMERS

~~42~~11.1 On or about the 25th of each month, East Ohio shall provide Supplier with a list of Customers scheduled to be served from Supplier's Pool for the upcoming month. Supplier shall notify East Ohio of any changes to that list before the 1st of the upcoming month.

~~42~~11.2 East Ohio may, at any time and at its sole discretion, prepare an estimate of Supplier's Aggregate Consumption Volume based on projected Customer usage ("Estimated Usage") in order to compare such estimate to Supplier's Daily or Monthly Available Volume as reflected on East Ohio's EBB at the time.

~~42~~11.3 If, in East Ohio's sole judgment, Supplier's Daily or Monthly Available Volume as reflected on East Ohio's EBB is materially ~~deficient~~ different compared to then Estimated Usage, East Ohio shall notify Supplier. Supplier shall have an opportunity, ~~within two business days of receipt of the notice,~~ to offer specific and verifiable reasons for potential differences, if any, from East Ohio's figure. East Ohio may revise the Estimated Usage figure after considering such reasons and determine whether a material ~~deficiency~~ difference continues to exist. Supplier shall use its best efforts to eliminate a material ~~deficiency~~ difference at the first available opportunity.

~~42~~11.4 Supplier's actual Aggregate Consumption Volume and End Use Customer consumption shall be posted on East Ohio's EBB as soon after the end of a calendar month as practical prior to the commencement of the imbalance trading procedure set forth in Section ~~44~~13. Supplier shall review the posted information and notify East Ohio of any concerns regarding the posting prior to the end of the imbalance trading and reallocation period. The parties shall use their best efforts to address such concerns so as to minimize adverse impacts on Supplier's imbalance trading activity. Notwithstanding such efforts, East Ohio shall have no obligation to Supplier to make retroactive adjustments to prior period imbalance trading activity. Any adjustments associated with changes to Aggregate Consumption Volumes shall be made by adjusting volumes on a prospective basis at the first available opportunity.

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~~42~~11.5 If the Supplier has a material negative imbalance at the conclusion of the imbalance trading and reallocation period, East Ohio may, at its sole discretion, (i) request a list of End Use Customers to be removed from Supplier's Pool in order to eliminate the negative imbalance; (ii) limit Supplier's future participation to a level that does not exceed Supplier's Monthly Available Volume; and/or (iii) terminate the Agreement upon ten (10) days' written notice to Supplier. If asked to provide the list described in (i) above, Supplier shall provide such list within two (2) business days of East Ohio's request. If Supplier fails to provide such list, all End Use Customers shall be removed from Supplier's Pool as of the month in which the negative imbalance occurred. East Ohio shall use its best efforts to provide commodity service, pursuant to the PUCO's Gas Transportation Program Guidelines set forth in Case No. 85-800-GA-COL, to End Use Customers removed from Supplier's Pool.

4312. VOLUME BANKING SERVICE

~~43~~12.1 Volume Banking Service, as described in East Ohio's General Terms and Conditions of Transportation Service and in East Ohio's GTS and TSS rate schedules, is not directly available to Supplier. Supplier shall be required, however, to aggregate the benefits of Volume Banking Service that would otherwise accrue to its individual End Use Customers, for Supplier's own use according to the procedures outlined in this Section.

~~43~~12.2 Each End Use Customer of Supplier's Pool must assign the benefits of its Volume Banking Service to Supplier and must notify East Ohio in writing of its selected Supplier and Volume Banking Service assignment no later than the tenth day of the month immediately preceding the calendar month in which the assignment will become effective. Failure to do so may result in the End Use Customer remaining with its current supplier for the month. It shall be Supplier's responsibility to ensure that the End-Use Customer has made that assignment. Customer must assign its Volume Banking Service in its entirety to Supplier pursuant to the Agreement. Customer may not assign a portion of the benefits of its Volume Banking Service to one Supplier and the remaining benefits to a second Supplier, nor may Customer retain a portion of the benefits of Volume Banking Service for its own use. Customer's assignment will remain in effect for the duration of its agreement with the Supplier.

~~43~~12.3 East Ohio will multiply the Customer's assigned Monthly Tolerance Level times the Customer's Billing Cycle usage. The resulting quantities, expressed in Mcf, will be summed and shall become the Supplier's "Aggregated Monthly Tolerance Level." This Aggregated Monthly Tolerance Level will be available to Supplier for its use in the month corresponding to the Customer's Billing Cycle.

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4413. IMBALANCE TRADING

- 4413.1 Positive or Negative Imbalance Volumes existing after Supplier's Aggregate Consumption and Supplier Allocation Volumes are finalized as detailed in Section 42-11 may, at Supplier's discretion, be partially or totally offset through the imbalance trading procedure outlined in this section. Supplier may trade imbalance volumes with one or more suppliers operating FRPS, ~~or Energy Choice Pooling Service ("ECPS")~~, or Standard Service Offer ("SSO") pools.
- 4413.2 If Supplier has a Positive Imbalance Volume existing after Supplier's Aggregate Consumption and Supplier Allocation Volumes are finalized, Supplier may nominate all or a portion of this volume (the "Imbalance Trading Volume") to be traded to another supplier operating an FRPS, ~~or ECPS~~, or SSO pool. Supplier agrees to pay to East Ohio ~~one hundred dollars (\$100.00) the contractual rate plus applicable taxes, riders, and surcharges~~ for each such trading transaction.
- 4413.3 If Supplier has a Negative Imbalance Volume existing after Supplier's Aggregate Consumption and Supplier Allocation Volumes are finalized, Supplier may offset all or a portion of this imbalance by receiving Imbalance Trading Volumes nominated by other suppliers operating an FRPS or ECPS pool.
- 4413.4 All Imbalance Trading Volumes designated for a calendar month shall be nominated to East Ohio by the close of the ~~imbalance trading and reallocation period for imbalance trading~~ as stated on East Ohio's EBB. Nominations of Imbalance Trading Volumes are to be transmitted to East Ohio via East Ohio's EBB. Supplier shall not trade so as to increase the size of its initial imbalance.
- 4413.5 Nominations must conform, in content and format, with East Ohio's specifications for Imbalance Trading Volume nominations, which shall include, at a minimum: Supplier's East Ohio FRPS contract number; receiving Supplier's East Ohio FRPS or ECPS contract number(s); and the requested Imbalance Trading Volume.
- 4413.6 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Imbalance Trading Volume nomination. Confirmed Imbalance Trading Volumes will be posted on East Ohio's EBB.
- 4413.7 Confirmed Imbalance Trading Volume nominations shall be effective only for the month to which the related Aggregate Consumption and Supplier Allocation Volumes apply and shall be reflected in the computation of final Negative and Positive Imbalance Volumes for that month to be billed pursuant to Sections ~~45-14~~ and ~~4615~~.

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14. POSITIVE IMBALANCE VOLUMES

14.1 Unless Supplier and East Ohio otherwise agree, East Ohio will purchase Supplier's Positive Imbalance Volumes, in excess of Supplier's Aggregated Monthly Tolerance Level, at a rate determined by adding the current month's Positive Imbalance Volume reference gas cost, the minimum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times eighty percent (80%), plus the variable transportation charges paid to bring the gas to East Ohio's system, adjusted for shrinkage.

14.2 Positive Imbalance Volumes within Supplier's Aggregated Monthly Tolerance Level shall be available for delivery to the Supplier during non-OFO periods in the first full calendar month following the determination of the Positive Imbalance Volume (the "Adjustment Month"), by increasing the Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the Positive Imbalance Volume divided by the number of days in the Adjustment Month.

15. NEGATIVE IMBALANCE VOLUMES

15.1 Unless Supplier and East Ohio otherwise agree, East Ohio will sell gas to Supplier to eliminate Negative Imbalance Volumes at a rate determined by adding the current month's Negative Imbalance Volume reference gas cost, the maximum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times one hundred and twenty percent (120%), plus the 100% load factor firm transportation charges paid to bring transport gas on Dominion Transmission, Inc. ("DTI") to East Ohio's interconnections with DTI (the gas to East Ohio's system, plus excise tax, adjusted for shrinkage. Charges for Negative Imbalance Volumes attributable to the Supplier's failure to comply with operational flow orders will be based on the provisions of Section 187. If the Supplier's Negative Imbalance Volumes exceed 25% of all estimated daily Aggregate Consumption Volumes over two or more consecutive months, East Ohio may at its sole discretion in accordance with reasonable and standard industry practice, terminate the contract Agreement.

16. BALANCING STORAGE SERVICES

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~~17.1 Optional Balancing Services Firm Storage Service ("FSS") are is available to Supplier under the Agreement, subject to the availability of such service, storage capacity and to the procedures and restrictions outlined in this Section. If elected and awarded, service will be administered in accordance with Dominion East Ohio's Firm Storage Service tariff service (F-FSS).~~

~~17.2 Gas allocated from Supplier's Pool to its Balancing Service account(s) shall be injected into East Ohio's storage facilities on a best efforts basis, and thereafter shall be available for return to Supplier's Pool in accordance with the provisions of Paragraph 17.5. East Ohio may decline requests to provide optional Balancing Service under the Agreement whenever, in its judgment, rendering such service would be detrimental to the operation of East Ohio's system or its ability to meet its Core Sales Demand. East Ohio's obligation to inject or withdraw gas on Supplier's behalf on any Day is limited to the Maximum Daily Balancing Volume specified in the Agreement, and to the Maximum Balancing Volume specified in the Agreement.~~

~~17.3 All receipts and deliveries into and out of Supplier's Balancing Service account(s) must be nominated in advance in accordance with the procedures applicable to the specific Balancing Service(s) described below.~~

~~17.4 East Ohio shall have the right to restrict, limit, or halt its receipt or delivery of Balancing Service volumes whenever, in East Ohio's sole discretion in accordance with reasonable and standard industry practice, it is necessary to do so due to Force Majeure or under circumstances requiring East Ohio to act to protect its ability to meet its Core Sales Demand.~~

~~17.5 Supplier may chose from the following Balancing Services:~~

~~Seasonal Service~~

~~This service is available to Supplier at a load factor of fifty percent (50%) or more. That is, Supplier agrees to take Seasonal Service such that the amount allocated from Supplier's Seasonal Service account to its Pool in any month does not exceed the lesser of (1) the total volumes received by East Ohio for Supplier's Seasonal Service account times forty percent (40%) or (2) the total unallocated volumes remaining in Supplier's Seasonal Service account. The Supplier may inject gas into East Ohio's storage facilities during the Summer Period and withdraw gas during the Winter Period. Daily withdrawal volumes shall be specified by the Supplier in advance of the Winter Period. If Supplier elects this service, it shall be charged a reservation fee, payable before November 1 each year, and a usage fee, as specified in the Agreement, based on the rates and charges set forth in East Ohio's Firm Storage Service.~~

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~~Enhanced Seasonal Service~~

~~This service is available to Supplier at a load factor of fifty percent (50%) or more. The Supplier may inject gas into East Ohio's storage facilities during the Summer Period and withdraw gas during the Winter Period. Daily withdrawal volumes shall be nominated by Supplier in advance of each month of the Winter Period; limited nomination changes, which shall apply prospectively, shall be permitted during the month and during the imbalance trading and reallocation period. If Supplier elects this service, it shall be charged a reservation fee, payable before November 1 each year, and a usage fee, as specified in the Agreement, based on the rates and charges set forth in East Ohio's Firm Storage Service.~~

1817. OPERATIONAL FLOW ORDERS

~~1817.1~~ In order to support system operation and maintain system integrity, Supplier is subject to East Ohio's issuance of operational flow orders ("OFO")s, which may direct Supplier to adjust its supply nominations and/or its Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. East Ohio may also issue OFOs that direct Supplier to deliver specific quantities of gas to specific Transportation Receipt Points. If Supplier is directed to adjust its supply nominations, Supplier shall have an opportunity, upon receipt of such direction, to offer specific and verifiable reasons for potential differences, if any, from East Ohio's estimate. East Ohio may revise its estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool after considering such reasons. Supplier shall abide by East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool.

~~1817.2~~ Failure to comply with an OFO ~~will may~~ result in East Ohio, at its sole discretion in accordance with reasonable and standard industry practice, adjusting Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. In the event that such an adjustment cannot fully equalize Supplier's Daily Available Volume with that estimate, Supplier may be billed the following incremental charges times the OFO Shortfall, which is defined as the imbalance between Daily Available Volume and East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool on those Days subject to the OFO:

- (A) the payment of a gas cost equal to the highest incremental cost paid by East Ohio on the date of non-compliance; and

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- (B) demand charges based on the Dominion Transmission, Inc. FTNN rate schedule weighted average costs incurred for Core Sales Demand pursuant to the following schedule:

Number of Days of Noncompliance Multiplier	Monthly demand—Demand Charge
During the Calendar Month	Applied to Maximum OFO Shortfall
One, Two or Three	Three
Four, Five, or Six	Six
Seven, Eight or Nine	Nine
Ten or More	Twelve

The maximum amount that the ~~supplier~~ Supplier shall pay pursuant to Paragraph ~~18.17.1(B)~~ over any Winter Season shall be twelve months' demand charges multiplied by the maximum OFO Shortfall experienced during that Winter season; and

- (C) the payment of all other charges, inclusive of storage and overrun costs, incurred by East Ohio on the date of the OFO Shortfall~~shortfall~~; and associated excise tax;
- (D) East Ohio shall credit all payments received for charges billed pursuant to this ~~section~~ Section to costs recovered through Transportation Migration Rider – Part B, in the following manner:

- ~~1. Payments received for the amount billed pursuant to Paragraph 18.2(A) shall be credited to the Actual Adjustment Component of the Gas Cost Recovery rate ("AA").~~
- ~~2. Payments in excess of the amount billed pursuant to Paragraph 18.2(A) shall be credited equally to the AA, Transportation Migration Rider, Part A, and Transportation Migration Rider, Part B. Final reconciliation of the credit shall be reflected in the AA.~~

~~18.17.3~~ Supplier shall use its best efforts to eliminate any OFO Shortfall at the first available opportunity. Failure to do so may result in East Ohio, at its sole discretion, (i) requesting a list of End Use Customers to be removed from Supplier's Pool in order to eliminate the OFO Shortfall; (ii) limiting Supplier's future participation to a level that does not exceed Supplier's Monthly Available Volume; and/or (iii) terminating the Agreement upon ten (10) days' written notice to Supplier. If asked to provide the list described in (i) above, Supplier shall provide such list within two (2) business days of East Ohio's request. If Supplier

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fails to provide such list, all End Use Customers shall be removed from Supplier's Pool as of the month in which the OFO Shortfall occurred. East Ohio shall use its best efforts to provide commodity service, pursuant to the PUCO's Gas Transportation Program Guidelines set forth in Case No. 85-800-GA-COI, to End Use Customers removed from Supplier's Pool.

17.4 Suppliers in compliance with an OFO shall not be subject to any incremental charges or costs.

18. STATEMENT

18.1 Each calendar month East Ohio shall render a statement of account to Supplier, summarizing and providing all of the data necessary to calculate any of the charges due East Ohio under the Agreement, including any purchases by East Ohio pursuant to Paragraph Section 14.1.

18.2 Charges previously billed to Supplier by East Ohio, but unpaid by the payment date specified by East Ohio, will be assessed a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.

18.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within thirty (30) days of the statement date, East Ohio may deduct this unpaid amount from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the Collateral as defined in Paragraph Section 19.15.

18.4 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within forty five (45) days of the statement date, East Ohio may, at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement upon ten (10) days' written notice to Supplier.

19. CREDITWORTHINESS

19.1 ———East Ohio shall not commence service or continue service to Supplier if Supplier fails to meet the creditworthiness criteria outlined in this Section. Such creditworthiness criteria shall not be used to discriminate on any basis other than as specified herein. A fee of \$50.00 shall be assessed to Supplier for the initial and each subsequent creditworthiness review performed by East Ohio. East Ohio shall apply consistent evaluative practices to determine the acceptability of Supplier's overall financial condition, working capital, and profitability trends.

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~~2019.2~~ In order for East Ohio to complete its financial evaluation, Supplier shall provide East Ohio the following information: 1) most recent audited financial statements for itself or its parent company; 2) most recent Annual Report, 10K or 10Q for itself or its parent company; 3) list of parent companies and affiliates; 4) names, addresses and phone numbers of three trade references, and 5) names, addresses and phone numbers of financial institution contacts. In the event that Supplier is unable to provide such information, East Ohio may permit the Supplier to provide other verifiable sources of financial information. East Ohio may require additional information if the preceding is not sufficient to determine Supplier's creditworthiness.

~~2019.3~~ A Supplier may satisfy its initial creditworthiness requirement by demonstrating that it has and maintains investment grade long-term bond ratings from any two of the following ~~four~~ rating agencies:

Agency	Senior Securities Rating (Bonds)
Standard & Poors	BBB- or higher
Moody's Investors' Services	Baa3 or higher
Fitch IBCA	BBB- or higher
Duff & Phelps Credit Rating Co.	BBB- or higher

~~2019.4~~ East Ohio shall make reasonable alternative credit arrangements with a Supplier that is unable to meet the aforementioned criteria and with those Suppliers whose credit requirements exceed their allowed unsecured credit limit, if any. East Ohio shall determine the amount and type of additional financial instruments, if any, needed to support a Supplier's participation in the program.

~~2019.5~~ Supplier shall not be operating under any chapter of the bankruptcy laws and shall not be subject to liquidation or debt reduction procedures under state laws such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Supplier who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act, but only with adequate assurances that East Ohio's billing under the Agreement will be paid promptly as a cost of administration under the federal court's jurisdiction.

~~2019.6~~ Supplier shall not be subject to the uncertainty of pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or which could jeopardize the ability to exist as an ongoing business entity.

~~2019.7~~ Supplier shall not have any significant collection lawsuits or judgments outstanding that would seriously reflect upon Supplier's ability to remain solvent.

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~~2019.8~~ If any of the events or actions described in Paragraphs ~~2019.5~~, ~~2019.6~~, and ~~2019.7~~ above shall be initiated or imposed during the terms of service under the Agreement, Supplier shall provide notification thereof to East Ohio within two (2) working days of any such initiated or imposed event or action.

~~2019.9~~ If Supplier has an ongoing business relationship with East Ohio, no delinquent balances shall be consistently outstanding for billings made previously by East Ohio and Supplier shall have paid its account in the past according to the established terms and not made deductions or withheld payment for claims not authorized by contract.

~~2019.10~~ In order to assure that the value of Supplier's financial security instruments remains proportional to Supplier's potential liability under the Agreement, the required dollar amounts of such instruments may be adjusted at the sole discretion of East Ohio, in circumstances including, but not limited to, a change in the level of unsecured credit, if any, determined by East Ohio or a change in amount of required collateral in accordance with paragraph ~~2019.2019~~. In the event East Ohio determines that additional security is required, East Ohio will notify the Supplier of its determination, including the grounds for that determination, and will inform the Supplier that it shall either provide financial security as required by East Ohio within five (5) business days or adjust its current and future participation to a level no greater than East Ohio's revised requirements. Supplier's failure to adjust accordingly may result in East Ohio limiting the enrollment of additional Customers in Supplier's pool and/or terminating, at its sole discretion in accordance with reasonable and standard industry practice, the Agreement upon ten (10) days written notice to Supplier.

~~2019.11~~ Supplier shall inform East Ohio of any significant change in Supplier's current financial condition. The required dollar amounts of financial security instruments may also be adjusted at the sole discretion of East Ohio based upon Supplier's demonstrated ability or inability to pay promptly.

~~20.12~~ ~~In order for East Ohio to remain fully informed on participating Suppliers, a Supplier that is certified by the PUCO shall serve East Ohio with its Annual Report to the Commission coincident with timing of its filing with the PUCO, and any other information provided to the PUCO pursuant to OAC Chapter 4901:1-27.~~

~~2019.1312~~ In the event of a Supplier default on its obligations as set forth in these General Terms and Conditions, East Ohio shall have the right to use the proceeds from Supplier's financial instrument(s) to satisfy Supplier's obligations under the Agreement and any outstanding claims that East Ohio may have against Supplier. Such proceeds may also be used to secure additional gas supplies, including payment of the costs of the gas supplies themselves, the costs of transportation,

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storage, gathering, taxes, and other related costs incurred in bringing those gas supplies into East Ohio's system.

2019.4413 East Ohio reserves the right to use Supplier's assets associated with the Agreement, including without limitation financial instruments required of Supplier to meet creditworthiness standards of this or any other agreement with Supplier; Supplier's on-system storage inventory held by East Ohio pursuant to this or any other agreement with Supplier; and any other gas in kind, As-Extracted or otherwise, delivered to East Ohio by Supplier, to offset or recoup any costs owed to and/or incurred by East Ohio.

SECURED INTEREST (Paragraphs 2019.45-14 - 2019.4918)

2019.4514 Supplier shall grant East Ohio a security interest in the Collateral, as defined herein, to secure the payment and performance of Supplier's obligations under this or any other agreement between East Ohio and Supplier ("Obligations"). Such Collateral shall consist of all of the following: (i) financial instruments required of Supplier to meet creditworthiness standards of this or any other agreement with Supplier; (ii) Supplier's on-system storage inventory held by East Ohio pursuant to this or any other agreement with Supplier; and (iii) any other gas in kind, As-Extracted or otherwise, delivered to East Ohio by Supplier.

2019.4615 Supplier shall authorize East Ohio to file a financing statement ("Financing Statement") describing the Collateral in any jurisdiction as determined by East Ohio and represents that its exact legal name, state of formation, and principal place of business are as set forth in the Agreement.

2019.4716 Supplier's failure to grant East Ohio a security interest in the Collateral may result in East Ohio eliminating any unsecured credit extended to Supplier and adjusting the collateral requirement formula set forth in Paragraph 2019.20-19 accordingly.

2019.4817 Upon a material default of this or any other agreement, East Ohio shall have the right without limitation to (1) take possession or otherwise dispose of such Collateral without delay to satisfy any and all Supplier Obligations then owing to East Ohio and (2) pursue any remedy available at law, including but not limited to those available as set forth in the Uniform Commercial Code of Ohio, to collect, enforce or satisfy such Obligations.

2019.4918 In the event Supplier elects, or is forced, to terminate its participation in this program in accordance with the provisions of the Agreement, or in the event of a Supplier default resulting in termination of the Agreement, it shall continue

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its obligation to maintain its financial security instrument until East Ohio confirms that Supplier has satisfied all of the outstanding claims of East Ohio.

COLLATERAL REQUIREMENTS (Paragraph 2019.2019)

~~2019.2019~~ East Ohio shall assess the amount of financial security required of Supplier on a monthly basis by subtracting the maximum unsecured credit limit, if any, extended to Supplier from the collateral requirement, which shall be updated by the fifth business day of every month. To determine the Winter Period collateral requirement, East Ohio shall utilize the maximum collateral requirement estimated for the Winter Period. To determine the Summer Period collateral requirement, East Ohio shall utilize the maximum collateral requirement estimated for the Summer Period. The collateral requirement shall be estimated using the following formula:

$CR = (TPR - (LP + AS)) \times P_{co}$ where:

CR equals Collateral Requirement (in \$)

TPR equals Total Pool Requirements (in mcf) as estimated by East Ohio for the upcoming month using normal heating degree days.

LP equals Local Production (in mcf) as determined by the first-of-month confirmed nomination of local production (if applicable) dedicated to the pool or nominated from the Supplier's Local Production Pooling Service pool times the number of days in the month.

AS equals Available Storage (in mcf) as determined by the beginning-of-the-month storage inventory (if applicable) held by the Supplier in conjunction with its Pool.

P_{co} equals Cash Out Price (in \$/mcf) as determined by the estimated negative imbalance volume cash out rate based on *Platts Gas Daily* or successor publication pricing with the applicable adjustments.

East Ohio may add to the preceding Collateral Requirement any amounts billed pursuant to the Agreement but not yet paid by Supplier as well as any amounts estimated to be billed for the upcoming month as determined by East Ohio.

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20. LIMITATION ON LIABILITY

20.1 East Ohio shall have no liability for acts arising out of obligations performed under its tariff, provided that East Ohio's actions are in accordance with its tariff

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and applicable industry standards. In no event shall East Ohio be liable for any consequential, incidental or punitive damages for acts or omissions that are alleged to violate East Ohio's tariff or applicable industry standards.

- 20.2 Each party to the Agreement shall bear responsibility for all of its own breaches, tortious acts, or tortious omissions connected in any way with the Agreement hereunder, causing damages or injuries of any kind to the other party or to any third party, unless expressly agreed in writing between the parties. Therefore, the offending party as a result of such offense shall hold harmless and indemnify the non-offending party against any claim, liability, loss or damage whatsoever suffered by the non-offending party or by any third party. As used herein, the term "party" shall mean a corporation or partnership entity or individual with whom East Ohio has a contractual relationship. The phrase "damages or injuries of any kind" shall include, without limitation, actual damages, litigation expenses, court costs, and attorneys' fees, and the phrase "tortious acts or tortious omissions" shall include without limitation sole or concurrent simple negligence, recklessness, and intentional acts or omissions.

2121. STANDARDS OF CONDUCT

- 2121.1 In addition to the financial requirements outlined in Section 20-19 above, East Ohio may impose reasonable standards of conduct for Supplier as a prerequisite for participation in East Ohio's gas pooling service program. Supplier acknowledges that in its capacity as a participant in this program, it has a continuing responsibility to conduct its business in a legal and ethical manner. If, as a result of Customers' complaints, and/or from its own investigation, East Ohio determines, in its sole judgment, that Supplier is not operating under the Agreement in an ethical and/or legal manner or jeopardizes East Ohio's ability to effectively meet its Core Sales-Demand requirements, then East Ohio shall have the unilateral right to terminate the Agreement and deny Supplier further participation in East Ohio's pooling program.

2222. OBLIGATIONS

- 2222.1 Supplier shall be deemed to be in control and possession of the gas received by East Ohio for Supplier's account, until it shall have been delivered to East Ohio at the Transportation Receipt Point(s) or the Production Receipt Point(s), as applicable, after which East Ohio shall be deemed to be in control, but not possession, of the gas until the gas is allocated to Supplier's Customers.

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~~2222~~.2 The Supplier warrants the title to the Pool-to-Pool Volumes, Production Volumes or Transportation Volumes received by East Ohio for Supplier's account, as applicable, and shall indemnify East Ohio for and save East Ohio harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or attributable to the adverse claims of any and all other persons or parties to the gas received by East Ohio, provided, however, that if any person or party makes claim to any gas received by East Ohio adverse to Supplier's claim of ownership of the gas, or obtains a lien or encumbrance against the gas, East Ohio may withhold payment, if any may be due, for such gas until such adverse claim or lien is released or disposed of by the parties by final court action and may pay such withheld amount(s) to the party entitled to payment, unless the Supplier posts a bond in an amount and on terms satisfactory to East Ohio to protect and indemnify East Ohio against such adverse claim or lien.

2323. FORCE MAJEURE

~~2323~~.1 The term "Force Majeure," as used herein, and as applied to East Ohio or Supplier, shall mean acts of law, including governmental bodies acting pursuant to law, acts of God, strikes, lockouts or other labor disturbances, acts of a public enemy, war, blockades, insurrections, riots, epidemics, lightning, fires, floods, washouts, arrests, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, freezing of wells or pipelines, partial or entire failure of such wells, or any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the affected party. The settlement of strikes, lockouts or labor disturbances by acceding to the demands of an opposing party when such course is inadvisable is at the discretion or judgment of the affected party.

~~2323~~.2 In the event East Ohio or Supplier is rendered unable, wholly or in part, by Force Majeure to carry out its obligations other than the obligation to make payment of amounts accrued and due under the Agreement, and after notice of the Force Majeure condition is given to the other party in writing or by facsimile, the obligation of both parties, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused except the obligation to continue delivery of Production Volumes during curtailment periods. The Force Majeure condition shall be remedied with all reasonable dispatch.

~~23.3~~ Whenever East Ohio has implemented its Emergency Curtailment Plan on file with the PUCO or is unable to meet its Core Demand due to Force Majeure conditions on, or upstream of, East Ohio's system, East Ohio shall have the right to use the Supplier's flowing service entitlement resulting from such condition shall be remedied as quickly as possible, and must be preceded by the exhaustion of other reasonable alternatives to avoid the involuntary interruption of service.

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To the extent possible and appropriate in the circumstances, any necessary interruptions in service will be based on the size and location of the facilities served by Supplier, to minimize the absolute number of interruptions required.

23.4 If East Ohio and Supplier have not entered into a contractual compensation arrangement covering the sale of Supplier's gas to East Ohio, East Ohio shall compensate the Supplier for gas diverted by East Ohio from the Supplier pursuant to Section 23.3 above as follows: East Ohio shall reimburse Supplier for the cost of the gas diverted plus a portion of the Supplier's annual interstate pipeline demand charges, if any, in each month in which gas is taken by East Ohio. On the first Day on which gas is diverted in any month, the demand charge compensation shall equal 1/24 of the Supplier's annual pipeline demand charges; if gas is diverted on two or more Days in a month, the demand charge compensation shall be 1/12 of the Supplier's annual pipeline demand charges. In no event shall the monthly demand charge compensation exceed 1/12 of the Supplier's annual pipeline demand charges. The total compensation determined in accordance with this Section shall not be less than the cost of gas as computed pursuant to Section 15.1 of this Agreement.

~~23.3.35~~ Neither East Ohio nor Supplier shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, Force Majeure.

~~23.3.46~~ Such causes or contingencies affecting the performance of the Agreement by East Ohio or the Supplier shall not relieve the affected party of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by facsimile to the other party as soon as reasonably practical after the occurrence of the cause relied upon, nor shall such causes or contingencies affecting the Agreement by either party relieve it of liability in the event of its concurring negligence, nor shall such causes or contingencies affecting the performance of the Agreement relieve either party from its obligations to make payments of amounts then due under the Agreement for gas already allocated to Supplier's Customers.

24.24. OWNERSHIP OF FACILITIES

~~24.24.1~~ Except as provided herein, all pipelines, fittings and other properties furnished under the Agreement shall remain the property of the party paying for the facilities, who shall be solely responsible for the maintenance and operation of those facilities, and each party may remove its property at the termination of the Agreement. Existing measuring stations owned by parties other than East Ohio that qualify as Production Receipt Points shall not become the property of East Ohio, but shall be maintained and operated by East Ohio until termination of the

General Terms and Conditions of Full Requirements Pooling Service

Agreement. However, any measuring stations constructed or otherwise furnished by East Ohio shall be and remain the property of East Ohio.

25. RULES GOVERNING ELECTRONIC ENROLLMENT OF CUSTOMERS

25.1 Suppliers are prohibited from enrolling potential Customers without their consent. Proof of that consent must be in the form of a Customer's signature on a contract.

25.2 Suppliers wishing to use other enrollment methods, such as but not limited to direct solicitation, telephonic, and internet enrollment, agree to do so as long as the enrollment and consent conform with Section 4901:1-29-06 of the Ohio Administrative Code.

25.3 The Supplier must send an electronic enrollment request to the Company within three business days of execution of a contract with the Customer, unless a later enrollment transmittal date is agreed to in the contract by the Customer.

25.4 Company will notify Customer of enrollment via a letter sent to Customer's billing address on record with Company at time of enrollment. Customer may contact Company and rescind any enrollment submitted by Supplier.

25.5 Company will notify Supplier of enrollments per Section 11 of this Agreement or via other electronic method as posted on Company's EBB.

2526. MISCELLANEOUS

2526.1 No modification of the terms and provisions of the Agreement shall be made or become effective except by the execution of a supplementary written agreement.

2526.2 No waiver by East Ohio or Supplier of any one or more defaults by the other in the performance of any provision of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

2526.3 The Agreement shall not be assignable without the prior written consent of the other party, which consent shall not unreasonably be withheld.

2526.4 The payments of the rates stated in the Agreement, as well as the other provisions and conditions of the Agreement, shall be subject to all applicable Federal and State laws and orders, rules and regulations.

General Terms and Conditions of Full Requirements Pooling Service

~~25~~26.5 In the event any tax is imposed on natural gas, or the production, severance, gathering, transportation, sale, delivery, or use of natural gas, or if such tax is imposed in any other manner so as to constitute directly or indirectly a charge upon the gas delivered to East Ohio for redelivery hereunder, the amount of such tax shall be borne by Supplier so far as it affects or relates to or is apportionable to the gas delivered to East Ohio hereunder. In the event East Ohio is required to pay such tax, the amount of the tax shall be billed directly to Supplier.

~~25~~26.6 Supplier shall pay, or cause to be paid, any royalty payments due or owed on the gas received and redelivered hereunder, and shall indemnify and hold East Ohio harmless from any responsibility, liability or obligation for payment of any such royalty. In the event East Ohio is obligated by law to make any such royalty payment directly to royalty owners, Supplier shall reimburse East Ohio for any such payment and any costs associated with such payment. If Supplier fails to reimburse East Ohio, East Ohio may deduct the amount of such payments or costs from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the Collateral as defined in Paragraph ~~20~~19.15 of these General Terms and Conditions.

SERVICE AGREEMENT
DAILY POOLING SERVICE

THIS AGREEMENT is entered into as of _____, by **THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio** ("East Ohio") and _____ ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of Daily Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier's Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge for service provided under the Agreement. The volumetric charge shall be \$0.067 per Mcf for all Aggregate Consumption and Supplier Allocation Volumes allocated by Supplier for delivery by East Ohio to Supplier's Customers under the Agreement and for all Positive Imbalance Volumes purchased by East Ohio from Supplier. The \$0.067 per Mcf volumetric charge shall be discounted by fifty percent (50%) for all Supplier Allocation Volumes allocated by Supplier to Customers that have in effect a gas pooling service agreement with East Ohio. No volumetric charge shall be assessed by East Ohio on Supplier Allocation Volumes allocated by Supplier to Supplier's own Full Requirements or General Gas Pooling Service Pools. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Section 5. **Term.** This Agreement shall become effective as of _____, 20__ and continue through _____, 20__ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year.

Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 6. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

Section 7. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

EAST OHIO:

SUPPLIER:

Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: _____

Managing Director, Commercial Operations

Title: _____

Phone: (216) 736-6376

Phone: _____

Fax: (216) 736-6247

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____

Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

By: _____

Title: _____

General Terms and Conditions of Daily Pooling Service

DEFINITIONS

Allocation Volume -- the quantity of gas actually allocated by Supplier to an End Use Customer on any Day. This volume may not exceed the confirmed supply nomination made by, or on behalf of, the Supplier to East Ohio for supply to be received from Supplier on the same Day.

Agreement -- the DPS contract between East Ohio and Supplier.

Core Demand -- the total supply needs of East Ohio's Percentage of Income Payment Plan and Standard Service Offer Customers.

Customer -- any individual, governmental, or corporate entity: a) taking transportation service from East Ohio pursuant to East Ohio's Daily Transportation Service ("DTS") rate schedule ("End Use"), or b) that has in effect a Gas Pooling Agreement with East Ohio.

Customer's Billing Cycle -- for Delivery Points equipped with electronic gas measurement equipment, the calendar month used for billing purposes; for Delivery Points not equipped with electronic gas measurement equipment, the period that occurs between actual or estimated meter readings used by East Ohio for billing purposes.

Daily Available Volume -- the total quantity of gas available to be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any given Day. This quantity may not exceed the total volume of gas actually delivered to East Ohio for Supplier's account on that Day (Transportation Volumes and Pool-to-Pool Volumes), less an appropriate Unaccounted-for Gas Percentage.

Day -- a 24 hour period beginning at 10:00 a.m. Eastern Time or such other time as specified by East Ohio.

Delivery Point -- the billing determinant for the application of customer charges represented by the meter location at which gas is redelivered by East Ohio to the Customer.

EBB -- East Ohio's Electronic Bulletin Board.

FERC -- the Federal Energy Regulatory Commission.

DPS -- Daily Pooling Service.

Maximum Daily Allocation Quantity -- the maximum quantity of gas that may be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any Day as determined by East Ohio.

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Mcf -- one thousand (1,000) cubic feet of gas in its natural state having a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit.

MMBtu -- one million (1,000,000) British Thermal Units.

Monthly Available Volume -- the sum of Daily Available Volumes accumulated over a month.

Monthly Tolerance Level -- the imbalance tolerance level, expressed as a percentage of the Aggregate Consumption Volume, that establishes the degree to which the Customer's Positive Imbalance Volume will be subject to reconciliation on a volumetric basis pursuant to East Ohio's Volume Banking Service.

Negative Imbalance Volume -- the amount by which the Aggregate Consumption Volume exceeds the Monthly Available Volume for the same month.

OFO -- Operational Flow Order issued by East Ohio.

Pool -- Supplier's DPS aggregation account on East Ohio's system established under the Agreement.

Pool-to-Pool Volume -- the volume of gas actually delivered for Supplier's account on any Day from an eligible account of another Supplier participating in East Ohio's gas pooling program.

Positive Imbalance Volume -- the amount by which the Available Volume exceeds the Aggregate Consumption Volume for the same month.

PUCO -- The Public Utilities Commission of Ohio.

Supplier -- any entity that has in effect a pooling agreement with East Ohio or arranges for the production and or delivery of Production Volumes to East Ohio.

Transportation Receipt Point(s) -- the interconnection(s) at which gas is delivered into East Ohio's system from an Upstream Pipeline for Supplier's account.

Transportation Volume -- the volume of gas delivered for Supplier's account on any Day into East Ohio's system at the Transportation Receipt Point(s).

Unaccounted-for Gas Percentage -- the portion of Supplier's city gate deliveries retained by East Ohio to compensate East Ohio for gas lost, used, and unaccounted for in operations. Such percentage may be adjusted periodically to reflect changes in the amount of gas lost, used, and unaccounted for in operations.

Upstream Pipeline -- any interstate pipeline, intrastate pipeline, or local distribution company other than East Ohio through which gas is delivered directly to East Ohio for Supplier's account.

General Terms and Conditions of Daily Pooling Service

Volume Banking Service -- a service available to End Use Customers pursuant to DTS rate schedule whereby East Ohio will reconcile in subsequent Customer Billing Cycles, on a volumetric basis, any Positive Imbalance Volumes (as defined in East Ohio's General Terms and Conditions of Transportation Service) previously incurred. Volume Banking Service is not directly available to Suppliers.

General Terms and Conditions of Daily Pooling Service

1. GOVERNMENTAL AUTHORIZATIONS

- 1.1 East Ohio and Supplier agree that they will file, as soon as practical after execution of the Agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations, if any, for service contemplated by the Agreement, and that they will provide each other from time to time such information as may be necessary to secure and maintain such authorizations.
- 1.2 In the event governmental approval of the Agreement is conditioned in any manner, either party may, within thirty (30) days of such event, elect to terminate the Agreement by giving the other fifteen (15) days' prior written notice, and upon such termination neither party shall have any liability or obligation to the other by reason of the Agreement other than the obligation to make payments as provided for herein with respect to events or transactions that have occurred prior to such termination.
- 1.3 If the transactions provided for under the Agreement at any time subject either party to the jurisdiction of or regulation by the FERC, or subject Supplier to the jurisdiction of the PUCO, to an extent greater than any that exists on the date of the Agreement, whether by reason of statutory, regulatory or judicial action, then either party may elect to terminate the Agreement in the manner provided for in Paragraph 1.2 provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the date of termination.

2. SOURCES OF SUPPLY

- 2.1 Subject to the terms and conditions of the Agreement, East Ohio agrees to use its best efforts to receive, for Supplier's account, Transportation Volumes and/or Pool-to-Pool Volumes. Supplier must submit a valid nomination of supply that reasonably reflects Customer's anticipated usage.

3. TRANSPORTATION RECEIPT POINTS

- 3.1 All Transportation Volumes will be measured at Transportation Receipt Points specified by Supplier and accepted by East Ohio in accordance with the terms of East Ohio's agreement with the Upstream Pipeline. Such measurement shall be conclusive for purposes of the Agreement.

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- 3.2 When Transportation Volumes are received by East Ohio on an MMBtu basis, East Ohio will make a heat content adjustment in order to convert Supplier's Transportation Volumes to an Mcf basis. For each calendar year, East Ohio will calculate the weighted average heat content of all gas delivered to East Ohio by Upstream Pipelines during this period. This Heat Content Adjustment Factor, expressed as MMBtu per Mcf, will be used to adjust all Transportation Volumes received during the following twelve (12) month period commencing on April 1, unless East Ohio and Supplier agree in writing to an alternative Heat Content Adjustment Factor. If such a review indicates that area or point-specific Heat Content Adjustment Factors are required, East Ohio may implement them after review by the PUCO staff.
- 3.3 Transportation Volumes received by East Ohio at Transportation Receipt Points shall conform to Upstream Pipeline's gas quality standards, unless such standards have not been filed with, and approved by, either the FERC or the PUCO, in which case Transportation Volumes must conform with East Ohio's gas quality standards in effect at the time.
- 3.4 East Ohio shall use its best efforts to receive Transportation Volumes for Supplier's account, unless Supplier has made an election pursuant to Section 5 of these General Terms and Conditions.

4. NOMINATION OF TRANSPORTATION VOLUMES

- 4.1 All Transportation Volumes received for Supplier's account at Transportation Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.
- 4.2 Nominations must conform, in content and format, with East Ohio's specifications for Transportation Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; Upstream Pipeline; Upstream Pipeline contract number; and requested daily Transportation Volume.
- 4.3 East Ohio will either confirm, in total or in part, or reject Supplier's Transportation Volume nomination based upon Allocated Volumes and East Ohio's operating conditions, the limits and requirements of East Ohio's system and facilities, previously confirmed nominations and timely confirmation by Upstream Pipelines. Confirmed Transportation Volumes will be posted on East Ohio's EBB. In order to support system operations, maintain system integrity and minimize Positive or Negative Imbalance Volumes, East Ohio may request Supplier to nominate and deliver Transportation Volumes to designated Transportation Receipt Points. Such requests shall be posted in advance on East Ohio's EBB. If, in East Ohio's sole discretion, voluntary compliance by Suppliers

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fails to correct operational deficiencies, East Ohio may exercise its authority under Paragraph 10.1 to issue Supplier-specific and/or system-wide OFOs.

- 4.4 Confirmed nominations will become effective on the date specified in Supplier's nomination and will remain in force until the last day of the current calendar month, subject to continued receipt by East Ohio from Upstream Pipeline of the confirmed volume, unless superseded by a subsequent Transportation Volume nomination.
- 4.5 Nominations made in accordance with this Section do not relieve Supplier of the obligation to submit corresponding nominations for service with an Upstream Pipeline.

5. FIRM RECEIPT POINT OPTION

- 5.1 Supplier may elect to designate specific Transportation Receipt Points as firm receipt points. Each such firm receipt point, and the corresponding maximum daily transportation quantity for each such firm receipt point, shall be specified in the Agreement or via an amendment sent by East Ohio.
- 5.2 Access to any receipt points on East Ohio's system, as to which an election pursuant to Paragraph 5.1 above has not been made, shall be on a best efforts basis.
- 5.3 Supplier making an election pursuant to Paragraph 5.1 above shall be assessed a firm receipt point surcharge; the actual amount of the surcharge shall be determined through competitive bidding with minimum bid amounts to be determined by East Ohio.

6. NOMINATION OF POOL-TO-POOL VOLUMES

- 6.1 All Pool-to-Pool Volumes received for Supplier's account shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 6.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 6.3 Nominations must conform, in content and format, with East Ohio's specifications for Pool-to-Pool Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; requested daily Pool-to-Pool Volume; and

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East Ohio contract number of the other Supplier from whom Supplier plans to receive supply.

- 6.4 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will only confirm nominations if Supplier's Maximum Daily Available Volume does not exceed the total Allocation Volume. If an imbalance exists, East Ohio will either confirm, in total or in part, or reject Supplier's Pool-to-Pool Volume nomination. Confirmed Pool-to-Pool Volumes will be posted on East Ohio's EBB.
- 6.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Pool-to-Pool Volume nomination. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable. Subsequent nominations will only be confirmed if Supplier's Maximum Daily Available Volume does not exceed the total Allocation Volume.

7. VOLUME BANKING SERVICE

- 7.1 Volume Banking Service, as described in East Ohio's General Terms and Conditions of Transportation Service and in East Ohio's DTS rate schedule, is not directly available to Supplier. Supplier shall be required, however, to aggregate the benefits of Volume Banking Service assigned to Supplier by its individual End Use Customers, for Supplier's own use according to the procedures outlined in this Section.
- 7.2 Each End Use Customer of Supplier's Pool may assign the benefits of its Volume Banking Service to Supplier and must notify East Ohio in writing of its selected Supplier and Volume Banking Service assignment no later than the tenth day of the month immediately preceding the calendar month in which the assignment will become effective. Customer may not assign a portion of the benefits of its Volume Banking Service to one Supplier and the remaining benefits to a second Supplier, nor may Customer retain a portion of the benefits of Volume Banking Service for its own use. Customer's assignment will remain in effect for the duration of its agreement with the Supplier.
- 7.3 East Ohio will multiply the Customer's assigned Monthly Tolerance Level times the Customer's Billing Cycle usage. The resulting quantities, expressed in Mcf, will be summed and shall become the Supplier's "Aggregated Monthly Tolerance Level." This Aggregated Monthly Tolerance Level will be available to Supplier for its use in the month corresponding to the Customer's Billing Cycle.

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8. POSITIVE IMBALANCE VOLUMES

- 8.1 Unless Supplier and East Ohio otherwise agree, East Ohio will purchase Supplier's Positive Imbalance Volumes, in excess of Supplier's Aggregated Monthly Tolerance Level, at a rate determined by adding the current month's Positive Imbalance Volume reference gas cost, the minimum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times eighty percent (80%), plus the variable transportation charges paid to bring the gas to East Ohio's system, adjusted for shrinkage.
- 8.2 Positive Imbalance Volumes within Supplier's Aggregated Monthly Tolerance Level shall be available for delivery to the Supplier during non-OFO periods in the first full calendar month following the determination of the Positive Imbalance Volume (the "Adjustment Month"), by increasing the Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the Positive Imbalance Volume divided by the number of days in the Adjustment Month.

9. NEGATIVE IMBALANCE VOLUMES

- 9.1 Unless Supplier and East Ohio otherwise agree, East Ohio will sell gas to Supplier to eliminate Negative Imbalance Volumes at a rate determined by adding the current month's Negative Imbalance Volume reference gas cost, the maximum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times one hundred and twenty percent (120%), plus the 100% load factor firm transportation charges paid to transport gas on Dominion Transmission, Inc. ("DTI") to East Ohio's interconnections with DTI, plus excise tax, adjusted for shrinkage. Charges for Negative Imbalance Volumes attributable to the Supplier's failure to comply with operational flow orders will be based on the provisions of Section 10. If the Supplier's Negative Imbalance Volumes exceed 25% of all estimated daily Allocated Volumes over two or more consecutive months, East Ohio may at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement.

10. OPERATIONAL FLOW ORDERS

- 10.1 In order to support system operation and maintain system integrity, Supplier is subject to East Ohio's issuance of operational flow orders ("OFO"), which may direct Supplier to adjust its supply nominations and/or its Supplier Allocation

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Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. East Ohio may also issue OFOs that direct Supplier to deliver specific quantities of gas to specific Transportation Receipt Points. If Supplier is directed to adjust its supply nominations, Supplier shall have an opportunity, upon receipt of such direction, to offer specific and verifiable reasons for potential differences, if any, from East Ohio's estimate. East Ohio may revise its estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool after considering such reasons. Supplier shall abide by East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool.

- 10.2 Failure to comply with an OFO, may result in East Ohio, at its sole discretion in accordance with reasonable and standard industry practice, adjusting Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. In the event that such an adjustment cannot fully equalize Supplier's Daily Available Volume with that estimate, Supplier may be billed the following incremental charges times the OFO Shortfall, which is defined as the imbalance between Daily Available Volume and East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool on those Days subject to the OFO:

- (A) the payment of a gas cost equal to the highest incremental cost paid by East Ohio on the date of non-compliance; and
- (B) demand charges based on the Dominion Transmission, Inc. FTNN rate schedule pursuant to the following schedule:

Number of Days of Noncompliance During the Calendar Month	Monthly Demand Charge Multiplier Applied to Maximum OFO Shortfall
One, Two or Three	Three
Four, Five, or Six	Six
Seven, Eight or Nine	Nine
Ten or More	Twelve

The maximum amount that the Supplier shall pay pursuant to Paragraph 10.1(B) over any Winter Season shall be twelve months' demand charges multiplied by the maximum OFO Shortfall experienced during that Winter season; and

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- (C) the payment of all other charges, inclusive of storage and overrun costs, incurred by East Ohio on the date of the OFO shortfall; and associated excise tax.
 - (D) East Ohio shall credit all payments received for charges billed pursuant to this Section to costs recovered through Transportation Migration Rider – Part B.
- 10.3 Supplier shall use its best efforts to eliminate any OFO Shortfall at the first available opportunity. Failure to do so may result in East Ohio, at its sole discretion, (i) requesting a list of End Use Customers to be removed from Supplier's Pool in order to eliminate the OFO Shortfall; (ii) limiting Supplier's future participation to a level that does not exceed Supplier's Monthly Available Volume; and/or (iii) terminating the Agreement upon ten (10) days' written notice to Supplier. If asked to provide the list described in (i) above, Supplier shall provide such list within two (2) business days of East Ohio's request. If Supplier fails to provide such list, all End Use Customers shall be removed from Supplier's Pool as of the month in which the OFO Shortfall occurred. East Ohio shall use its best efforts to provide commodity service, pursuant to the PUCO's Gas Transportation Program Guidelines set forth in Case No. 85-800-GA-COI, to End Use Customers removed from Supplier's Pool.
- 10.4 Suppliers in compliance with an OFO shall not be subject to any incremental charges or costs.

11. STATEMENT

- 11.1 Each calendar month East Ohio shall render a statement of account to Supplier, summarizing and providing all of the data necessary to calculate any of the charges due East Ohio under the Agreement, including any purchases by East Ohio pursuant to Sections 9 and 10.
- 11.2 Charges previously billed to Supplier by East Ohio, but unpaid by the payment date specified by East Ohio, will be assessed a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.
- 11.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within thirty (30) days of the statement date, East Ohio may deduct this unpaid amount from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Full Requirements Pooling Service Agreement including, but not limited to, any and all of the Collateral as defined in Section 19.15 of the General Terms and Conditions of Full Requirements Pooling Service.

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- 11.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within forty five (45) days of the statement date, East Ohio may, at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement upon ten (10) days' written notice to Supplier.

12. LIMITATION ON LIABILITY

- 12.1 East Ohio shall have no liability for acts arising out of obligations performed under its tariff, provided that East Ohio's actions are in accordance with its tariff and applicable industry standards. In no event shall East Ohio be liable for any consequential, incidental or punitive damages for acts or omissions that are alleged to violate East Ohio's tariff or applicable industry standards.
- 12.2 Each party to the Agreement shall bear responsibility for all of its own breaches, tortious acts, or tortious omissions connected in any way with the Agreement hereunder, causing damages or injuries of any kind to the other party or to any third party, unless expressly agreed in writing between the parties. Therefore, the offending party as a result of such offense shall hold harmless and indemnify the non-offending party against any claim, liability, loss or damage whatsoever suffered by the non-offending party or by any third party. As used herein, the term "party" shall mean a corporation or partnership entity or individual with whom East Ohio has a contractual relationship. The phrase "damages or injuries of any kind" shall include, without limitation, actual damages, litigation expenses, court costs, and attorneys' fees, and the phrase "tortious acts or tortious omissions" shall include without limitation sole or concurrent simple negligence, recklessness, and intentional acts or omissions.

13. STANDARDS OF CONDUCT

- 13.1 Supplier must have an active Full Requirements Pooling Service Agreement in good standing with East Ohio in order to request a Daily Pooling Service Agreement. East Ohio in its sole discretion may reject any request for Daily Pooling Service, provided however that East Ohio shall not exercise such discretion in a manner to provide any unreasonable advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other supplier.
- 13.2 East Ohio may impose reasonable standards of conduct for Supplier as a prerequisite for participation in East Ohio's gas pooling service program. Supplier acknowledges that in its capacity as a participant in this program, it has a continuing responsibility to conduct its business in a legal and ethical manner. If,

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as a result of Customers' complaints, and/or from its own investigation, East Ohio determines, in its sole judgment, that Supplier is not operating under the Agreement in an ethical and/or legal manner or jeopardizes East Ohio's ability to effectively meet its Core Demand requirements, then East Ohio shall have the unilateral right to terminate the Agreement and deny Supplier further participation in East Ohio's pooling program.

14. OBLIGATIONS

- 14.1 Supplier shall be deemed to be in control and possession of the gas received by East Ohio for Supplier's account, until it shall have been delivered to East Ohio at the Transportation Receipt Point(s) after which East Ohio shall be deemed to be in control, but not possession, of the gas until the gas is allocated to Supplier's Customers.
- 14.2 The Supplier warrants the title to the Pool-to-Pool Volumes or Transportation Volumes received by East Ohio for Supplier's account, as applicable, and shall indemnify East Ohio for and save East Ohio harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or attributable to the adverse claims of any and all other persons or parties to the gas received by East Ohio, provided, however, that if any person or party makes claim to any gas received by East Ohio adverse to Supplier's claim of ownership of the gas, or obtains a lien or encumbrance against the gas, East Ohio may withhold payment, if any may be due, for such gas until such adverse claim or lien is released or disposed of by the parties by final court action and may pay such withheld amount(s) to the party entitled to payment, unless the Supplier posts a bond in an amount and on terms satisfactory to East Ohio to protect and indemnify East Ohio against such adverse claim or lien.

15. FORCE MAJEURE

- 15.1 The term "Force Majeure," as used herein, and as applied to East Ohio or Supplier, shall mean acts of law, including governmental bodies acting pursuant to law, acts of God, strikes, lockouts or other labor disturbances, acts of a public enemy, war, blockades, insurrections, riots, epidemics, lightning, fires, floods, washouts, arrests, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, freezing of wells or pipelines, partial or entire failure of such wells, or any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the affected party. The settlement of strikes, lockouts or labor disturbances by acceding to the demands of an opposing party when such course is inadvisable is at the discretion or judgment of the affected party.

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- 15.2 In the event East Ohio or Supplier is rendered unable, wholly or in part, by Force Majeure to carry out its obligations other than the obligation to make payment of amounts accrued and due under the Agreement, and after notice of the Force Majeure condition is given to the other party in writing or by facsimile, the obligation of both parties, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused during curtailment periods. The Force Majeure condition shall be remedied with all reasonable dispatch.
- 15.3 Whenever East Ohio has implemented its Emergency Curtailment Plan on file with the PUCO or is unable to meet its Core Demand due to Force Majeure conditions on, or upstream of, East Ohio's system, East Ohio shall have the right to use the Supplier's flowing service entitlement resulting from such condition shall be remedied as quickly as possible, and must be preceded by the exhaustion of other reasonable alternatives to avoid the involuntary interruption of service. To the extent possible and appropriate in the circumstances, any necessary interruptions in service will be based on the size and location of the facilities served by Supplier, to minimize the absolute number of interruptions required.
- 15.4 If East Ohio and Supplier have not entered into a contractual compensation arrangement covering the sale of Supplier's gas to East Ohio, East Ohio shall compensate the Supplier for gas diverted by East Ohio from the Supplier pursuant to Section 15.3 above as follows: East Ohio shall reimburse Supplier for the cost of the gas diverted plus a portion of the Supplier's annual interstate pipeline demand charges, if any, in each month in which gas is taken by East Ohio. On the first Day on which gas is diverted in any month, the demand charge compensation shall equal 1/24 of the Supplier's annual pipeline demand charges; if gas is diverted on two or more Days in a month, the demand charge compensation shall be 1/12 of the Supplier's annual pipeline demand charges. In no event shall the monthly demand charge compensation exceed 1/12 of the Supplier's annual pipeline demand charges. The total compensation determined in accordance with this Section shall not be less than the cost of gas as computed pursuant to Section 9.1 of this Agreement.
- 15.5 Neither East Ohio nor Supplier shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, Force Majeure.
- 15.6 Such causes or contingencies affecting the performance of the Agreement by East Ohio or the Supplier shall not relieve the affected party of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by facsimile to the other party as soon as reasonably practical after the occurrence of the cause relied upon, nor shall such causes or contingencies affecting the Agreement by either party relieve it of liability in the event of its

General Terms and Conditions of Daily Pooling Service

concurring negligence, nor shall such causes or contingencies affecting the performance of the Agreement relieve either party from its obligations to make payments of amounts then due under the Agreement for gas already allocated to Supplier's Customers.

16. OWNERSHIP OF FACILITIES

- 16.1 Except as provided herein, all pipelines, fittings and other properties furnished under the Agreement shall remain the property of the party paying for the facilities, who shall be solely responsible for the maintenance and operation of those facilities, and each party may remove its property at the termination of the Agreement. However, any measuring stations constructed or otherwise furnished by East Ohio shall be and remain the property of East Ohio.

17. MISCELLANEOUS

- 17.1 No modification of the terms and provisions of the Agreement shall be made or become effective except by the execution of a supplementary written agreement.
- 17.2 No waiver by East Ohio or Supplier of any one or more defaults by the other in the performance of any provision of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.
- 17.3 The Agreement shall not be assignable without the prior written consent of the other party, which consent shall not unreasonably be withheld.
- 17.4 The payments of the rates stated in the Agreement, as well as the other provisions and conditions of the Agreement, shall be subject to all applicable Federal and State laws and orders, rules and regulations.
- 17.5 In the event any tax is imposed on natural gas, or the production, severance, gathering, transportation, sale, delivery, or use of natural gas, or if such tax is imposed in any other manner so as to constitute directly or indirectly a charge upon the gas delivered to East Ohio for redelivery hereunder, the amount of such tax shall be borne by Supplier so far as it affects or relates to or is apportionable to the gas delivered to East Ohio hereunder. In the event East Ohio is required to pay such tax, the amount of the tax shall be billed directly to Supplier.
- 17.6 Supplier shall pay, or cause to be paid, any royalty payments due or owed on the gas received and redelivered hereunder, and shall indemnify and hold East Ohio harmless from any responsibility, liability or obligation for payment of any such

General Terms and Conditions of Daily Pooling Service

royalty. In the event East Ohio is obligated by law to make any such royalty payment directly to royalty owners, Supplier shall reimburse East Ohio for any such payment and any costs associated with such payment. If Supplier fails to reimburse East Ohio, East Ohio may deduct the amount of such payments or costs from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the collateral as defined in Paragraph 19.15 of the General Terms and Conditions of Full Requirements Pooling Service.

SERVICE AGREEMENT
GENERAL POOLING SERVICE

THIS AGREEMENT is entered into as of _____, by THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio ("East Ohio") and _____ ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of General Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier's Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge for service provided under the Agreement. The volumetric charge shall be \$0.067 per Mcf for all Aggregate Consumption and Supplier Allocation Volumes allocated by Supplier for delivery by East Ohio to Supplier's Customers under the Agreement and for all Positive Imbalance Volumes purchased by East Ohio from Supplier. The \$0.067 per Mcf volumetric charge shall be discounted by fifty percent (50%) for all Supplier Allocation Volumes allocated by Supplier to Customers that have in effect a gas pooling service agreement with East Ohio. No volumetric charge shall be assessed by East Ohio on Supplier Allocation Volumes allocated by Supplier to Supplier's own Daily or Full Requirements Gas Pooling Service Pools. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Section 5. **Term.** This Agreement shall become effective as of _____, 20__ and continue through _____, 20__ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year.

Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 6. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

Section 7. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

EAST OHIO:

Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Managing Director, Commercial Operations

Phone: (216) 736-6376

Fax: (216) 736-6247

SUPPLIER:

Attn: _____

Title: _____

Phone: _____

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____

Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

By: _____

Title: _____

General Terms and Conditions of General Pooling Service

DEFINITIONS

Allocation Volume -- the quantity of gas actually allocated by Supplier to an End Use Customer on any Day. This volume may not exceed the confirmed supply nomination made by, or on behalf of, the Supplier to East Ohio for supply to be received from Supplier on the same Day.

Agreement -- the GPS contract between East Ohio and Supplier.

Core Demand -- the total supply needs of East Ohio's Percentage of Income Payment Plan and Standard Service Offer Customers.

Customer -- any individual, governmental, or corporate entity: a) taking transportation service from East Ohio pursuant to East Ohio's General Transportation Service ("GTS") or Transportation Service for Schools ("TSS") rate schedules ("End Use"), or b) that has in effect a Gas Pooling Agreement with East Ohio.

Customer's Billing Cycle -- for Delivery Points equipped with electronic gas measurement equipment, the calendar month used for billing purposes; for Delivery Points not equipped with electronic gas measurement equipment, the period that occurs between actual or estimated meter readings used by East Ohio for billing purposes.

Daily Available Volume -- the total quantity of gas available to be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any given Day. This quantity may not exceed the total volume of gas actually delivered to East Ohio for Supplier's account on that Day (Transportation Volumes and Pool-to-Pool Volumes), less an appropriate Unaccounted-for Gas Percentage.

Day -- a 24 hour period beginning at 10:00 a.m. Eastern Time or such other time as specified by East Ohio.

Delivery Point -- the billing determinant for the application of customer charges represented by the meter location at which gas is redelivered by East Ohio to the Customer.

EBB -- East Ohio's Electronic Bulletin Board.

FERC -- the Federal Energy Regulatory Commission.

GPS -- General Pooling Service.

Maximum Daily Allocation Quantity -- the maximum quantity of gas that may be allocated by Supplier for delivery by East Ohio to all Customers in the aggregate on any Day as determined by East Ohio.

General Terms and Conditions of General Pooling Service

Mcf -- one thousand (1,000) cubic feet of gas in its natural state having a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit.

MMBtu -- one million (1,000,000) British Thermal Units.

Monthly Available Volume -- the sum of Daily Available Volumes accumulated over a month.

Monthly Tolerance Level -- the imbalance tolerance level, expressed as a percentage of the Aggregate Consumption Volume, that establishes the degree to which the Customer's Positive Imbalance Volume will be subject to reconciliation on a volumetric basis pursuant to East Ohio's Volume Banking Service.

Negative Imbalance Volume -- the amount by which the Aggregate Consumption Volume exceeds the Monthly Available Volume for the same month.

OFO -- Operational Flow Order issued by East Ohio.

Pool -- Supplier's GPS aggregation account on East Ohio's system established under the Agreement.

Pool-to-Pool Volume -- the volume of gas actually delivered for Supplier's account on any Day from an eligible account of another Supplier participating in East Ohio's gas pooling program.

Positive Imbalance Volume -- the amount by which the Available Volume exceeds the Aggregate Consumption Volume for the same month.

PUCO -- The Public Utilities Commission of Ohio.

Supplier -- any entity that has in effect a pooling agreement with East Ohio or arranges for the production and or delivery of Production Volumes to East Ohio.

Transportation Receipt Point(s) -- the interconnection(s) at which gas is delivered into East Ohio's system from an Upstream Pipeline for Supplier's account.

Transportation Volume -- the volume of gas delivered for Supplier's account on any Day into East Ohio's system at the Transportation Receipt Point(s).

Unaccounted-for Gas Percentage -- the portion of Supplier's city gate deliveries retained by East Ohio to compensate East Ohio for gas lost, used, and unaccounted for in operations. Such percentage may be adjusted periodically to reflect changes in the amount of gas lost, used, and unaccounted for in operations.

Upstream Pipeline -- any interstate pipeline, intrastate pipeline, or local distribution company other than East Ohio through which gas is delivered directly to East Ohio for Supplier's account.

General Terms and Conditions of General Pooling Service

Volume Banking Service -- a service available to End Use Customers pursuant to GTS and TSS rate schedules whereby East Ohio will reconcile in subsequent Customer Billing Cycles, on a volumetric basis, any Positive Imbalance Volumes (as defined in East Ohio's General Terms and Conditions of Transportation Service) previously incurred. Volume Banking Service is not directly available to Suppliers.

General Terms and Conditions of General Pooling Service

1. GOVERNMENTAL AUTHORIZATIONS

- 1.1 East Ohio and Supplier agree that they will file, as soon as practical after execution of the Agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations, if any, for service contemplated by the Agreement, and that they will provide each other from time to time such information as may be necessary to secure and maintain such authorizations.
- 1.2 In the event governmental approval of the Agreement is conditioned in any manner, either party may, within thirty (30) days of such event, elect to terminate the Agreement by giving the other fifteen (15) days' prior written notice, and upon such termination neither party shall have any liability or obligation to the other by reason of the Agreement other than the obligation to make payments as provided for herein with respect to events or transactions that have occurred prior to such termination.
- 1.3 If the transactions provided for under the Agreement at any time subject either party to the jurisdiction of or regulation by the FERC, or subject Supplier to the jurisdiction of the PUCO, to an extent greater than any that exists on the date of the Agreement, whether by reason of statutory, regulatory or judicial action, then either party may elect to terminate the Agreement in the manner provided for in Paragraph 1.2 provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the date of termination.

2. SOURCES OF SUPPLY

- 2.1 Subject to the terms and conditions of the Agreement, East Ohio agrees to use its best efforts to receive, for Supplier's account, Transportation Volumes and/or Pool-to-Pool Volumes. Supplier must submit a valid nomination of supply that reasonably reflects Customer's anticipated usage.

3. TRANSPORTATION RECEIPT POINTS

- 3.1 All Transportation Volumes will be measured at Transportation Receipt Points specified by Supplier and accepted by East Ohio in accordance with the terms of East Ohio's agreement with the Upstream Pipeline. Such measurement shall be conclusive for purposes of the Agreement.
- 3.2 When Transportation Volumes are received by East Ohio on an MMBtu basis, East Ohio will make a heat content adjustment in order to convert Supplier's

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Transportation Volumes to an Mcf basis. For each calendar year, East Ohio will calculate the weighted average heat content of all gas delivered to East Ohio by Upstream Pipelines during this period. This Heat Content Adjustment Factor, expressed as MMBtu per Mcf, will be used to adjust all Transportation Volumes received during the following twelve (12) month period commencing on April 1, unless East Ohio and Supplier agree in writing to an alternative Heat Content Adjustment Factor. If such a review indicates that area or point-specific Heat Content Adjustment Factors are required, East Ohio may implement them after review by the PUCO staff.

- 3.3 Transportation Volumes received by East Ohio at Transportation Receipt Points shall conform to Upstream Pipeline's gas quality standards, unless such standards have not been filed with, and approved by, either the FERC or the PUCO, in which case Transportation Volumes must conform with East Ohio's gas quality standards in effect at the time.
- 3.4 East Ohio shall use its best efforts to receive Transportation Volumes for Supplier's account, unless Supplier has made an election pursuant to Section 5 of these General Terms and Conditions.

4. NOMINATION OF TRANSPORTATION VOLUMES

- 4.1 All Transportation Volumes received for Supplier's account at Transportation Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.
- 4.2 Nominations must conform, in content and format, with East Ohio's specifications for Transportation Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; Upstream Pipeline; Upstream Pipeline contract number; and requested daily Transportation Volume.
- 4.3 East Ohio will either confirm, in total or in part, or reject Supplier's Transportation Volume nomination based upon Allocated Volumes and East Ohio's operating conditions, the limits and requirements of East Ohio's system and facilities, previously confirmed nominations and timely confirmation by Upstream Pipelines. Confirmed Transportation Volumes will be posted on East Ohio's EBB. In order to support system operations, maintain system integrity and minimize Positive or Negative Imbalance Volumes, East Ohio may request Supplier to nominate and deliver Transportation Volumes to designated Transportation Receipt Points. Such requests shall be posted in advance on East Ohio's EBB. If, in East Ohio's sole discretion, voluntary compliance by Suppliers fails to correct operational deficiencies, East Ohio may exercise its authority under Paragraph 10.1 to issue Supplier-specific and/or system-wide OFOs.

General Terms and Conditions of General Pooling Service

- 4.4 Confirmed nominations will become effective on the date specified in Supplier's nomination and will remain in force until the last day of the current calendar month, subject to continued receipt by East Ohio from Upstream Pipeline of the confirmed volume, unless superseded by a subsequent Transportation Volume nomination.
- 4.5 Nominations made in accordance with this Section do not relieve Supplier of the obligation to submit corresponding nominations for service with an Upstream Pipeline.

5. FIRM RECEIPT POINT OPTION

- 5.1 Supplier may elect to designate specific Transportation Receipt Points as firm receipt points. Each such firm receipt point, and the corresponding maximum daily transportation quantity for each such firm receipt point, shall be specified in the Agreement or via an amendment sent by East Ohio.
- 5.2 Access to any receipt points on East Ohio's system, as to which an election pursuant to Paragraph 5.1 above has not been made, shall be on a best efforts basis.
- 5.3 Supplier making an election pursuant to Paragraph 5.1 above shall be assessed a firm receipt point surcharge; the actual amount of the surcharge shall be determined through competitive bidding with minimum bid amounts to be determined by East Ohio.

6. NOMINATION OF POOL-TO-POOL VOLUMES

- 6.1 All Pool-to-Pool Volumes received for Supplier's account shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 6.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 6.3 Nominations must conform, in content and format, with East Ohio's specifications for Pool-to-Pool Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; requested daily Pool-to-Pool Volume; and East Ohio contract number of the other Supplier from whom Supplier plans to receive supply.

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- 6.4 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will only confirm nominations if Supplier's Maximum Daily Available Volume does not exceed the total Allocation Volume. If an imbalance exists, East Ohio will either confirm, in total or in part, or reject Supplier's Pool-to-Pool Volume nomination. Confirmed Pool-to-Pool Volumes will be posted on East Ohio's EBB.
- 6.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Pool-to-Pool Volume nomination. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable. Subsequent nominations will only be confirmed if Supplier's Maximum Daily Available Volume does not exceed the total Allocation Volume.

7. VOLUME BANKING SERVICE

- 7.1 Volume Banking Service, as described in East Ohio's General Terms and Conditions of Transportation Service and in East Ohio's GTS and TSS rate schedules, is not directly available to Supplier. Supplier shall be required, however, to aggregate the benefits of Volume Banking Service assigned to Supplier by its individual End Use Customers, for Supplier's own use according to the procedures outlined in this Section.
- 7.2 Each End Use Customer of Supplier's Pool may assign the benefits of its Volume Banking Service to Supplier and must notify East Ohio in writing of its selected Supplier and Volume Banking Service assignment no later than the tenth day of the month immediately preceding the calendar month in which the assignment will become effective. Customer may not assign a portion of the benefits of its Volume Banking Service to one Supplier and the remaining benefits to a second Supplier, nor may Customer retain a portion of the benefits of Volume Banking Service for its own use. Customer's assignment will remain in effect for the duration of its agreement with the Supplier.
- 7.3 East Ohio will multiply the Customer's assigned Monthly Tolerance Level times the Customer's Billing Cycle usage. The resulting quantities, expressed in Mcf, will be summed and shall become the Supplier's "Aggregated Monthly Tolerance Level." This Aggregated Monthly Tolerance Level will be available to Supplier for its use in the month corresponding to the Customer's Billing Cycle.

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8. POSITIVE IMBALANCE VOLUMES

- 8.1 Unless Supplier and East Ohio otherwise agree, East Ohio will purchase Supplier's Positive Imbalance Volumes, in excess of Supplier's Aggregated Monthly Tolerance Level, at a rate determined by adding the current month's Positive Imbalance Volume reference gas cost, the minimum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times eighty percent (80%), plus the variable transportation charges paid to bring the gas to East Ohio's system, adjusted for shrinkage.
- 8.2 Positive Imbalance Volumes within Supplier's Aggregated Monthly Tolerance Level shall be available for delivery to the Supplier during non-OFO periods in the first full calendar month following the determination of the Positive Imbalance Volume (the "Adjustment Month"), by increasing the Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the Positive Imbalance Volume divided by the number of days in the Adjustment Month.

9. NEGATIVE IMBALANCE VOLUMES

- 9.1 Unless Supplier and East Ohio otherwise agree, East Ohio will sell gas to Supplier to eliminate Negative Imbalance Volumes at a rate determined by adding the current month's Negative Imbalance Volume reference gas cost, the maximum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times one hundred and twenty percent (120%), plus the 100% load factor firm transportation charges paid to transport gas on Dominion Transmission, Inc. ("DTI") to East Ohio's interconnections with DTI, plus excise tax, adjusted for shrinkage. Charges for Negative Imbalance Volumes attributable to the Supplier's failure to comply with operational flow orders will be based on the provisions of Section 10. If the Supplier's Negative Imbalance Volumes exceed 25% of all estimated daily Allocated Volumes over two or more consecutive months, East Ohio may at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement.

10. OPERATIONAL FLOW ORDERS

- 10.1 In order to support system operation and maintain system integrity, Supplier is subject to East Ohio's issuance of operational flow orders ("OFO"), which may direct Supplier to adjust its supply nominations and/or its Supplier Allocation

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Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. East Ohio may also issue OFOs that direct Supplier to deliver specific quantities of gas to specific Transportation Receipt Points. If Supplier is directed to adjust its supply nominations, Supplier shall have an opportunity, upon receipt of such direction, to offer specific and verifiable reasons for potential differences, if any, from East Ohio's estimate. East Ohio may revise its estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool after considering such reasons. Supplier shall abide by East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool.

- 10.2 Failure to comply with an OFO may result in East Ohio, at its sole discretion in accordance with reasonable and standard industry practice, adjusting Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. In the event that such an adjustment cannot fully equalize Supplier's Daily Available Volume with that estimate, Supplier may be billed the following incremental charges times the OFO Shortfall, which is defined as the imbalance between Daily Available Volume and East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool on those Days subject to the OFO:

- (A) the payment of a gas cost equal to the highest incremental cost paid by East Ohio on the date of non-compliance; and
- (B) demand charges based on the Dominion Transmission, Inc. FTNN rate schedule pursuant to the following schedule:

Number of Days of Noncompliance During the Calendar Month	Monthly Demand Charge Multiplier Applied to Maximum OFO Shortfall
One, Two or Three	Three
Four, Five, or Six	Six
Seven, Eight or Nine	Nine
Ten or More	Twelve

The maximum amount that the Supplier shall pay pursuant to Paragraph 10.1(B) over any Winter Season shall be twelve months' demand charges multiplied by the maximum OFO Shortfall experienced during that Winter season; and

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- (C) the payment of all other charges, inclusive of storage and overrun costs, incurred by East Ohio on the date of the OFO shortfall; and associated excise tax.
 - (D) East Ohio shall credit all payments received for charges billed pursuant to this Section to costs recovered through Transportation Migration Rider – Part B.
- 10.3 Supplier shall use its best efforts to eliminate any OFO Shortfall at the first available opportunity. Failure to do so may result in East Ohio, at its sole discretion, (i) requesting a list of End Use Customers to be removed from Supplier's Pool in order to eliminate the OFO Shortfall; (ii) limiting Supplier's future participation to a level that does not exceed Supplier's Monthly Available Volume; and/or (iii) terminating the Agreement upon ten (10) days' written notice to Supplier. If asked to provide the list described in (i) above, Supplier shall provide such list within two (2) business days of East Ohio's request. If Supplier fails to provide such list, all End Use Customers shall be removed from Supplier's Pool as of the month in which the OFO Shortfall occurred. East Ohio shall use its best efforts to provide commodity service, pursuant to the PUCO's Gas Transportation Program Guidelines set forth in Case No. 85-800-GA-COI, to End Use Customers removed from Supplier's Pool.
- 10.4 Suppliers in compliance with an OFO shall not be subject to any incremental charges or costs.

11. STATEMENT

- 11.1 Each calendar month East Ohio shall render a statement of account to Supplier, summarizing and providing all of the data necessary to calculate any of the charges due East Ohio under the Agreement, including any purchases by East Ohio pursuant to Sections 9 and 10.
- 11.2 Charges previously billed to Supplier by East Ohio, but unpaid by the payment date specified by East Ohio, will be assessed a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.
- 11.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within thirty (30) days of the statement date, East Ohio may deduct this unpaid amount from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Full Requirements Pooling Service Agreement including, but not limited to, any and all of the Collateral as defined in Section 19.15 of the General Terms and Conditions of Full Requirements Pooling Service.

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- 11.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within forty five (45) days of the statement date, East Ohio may, at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement upon ten (10) days' written notice to Supplier.

12. LIMITATION ON LIABILITY

- 12.1 East Ohio shall have no liability for acts arising out of obligations performed under its tariff, provided that East Ohio's actions are in accordance with its tariff and applicable industry standards. In no event shall East Ohio be liable for any consequential, incidental or punitive damages for acts or omissions that are alleged to violate East Ohio's tariff or applicable industry standards.
- 12.2 Each party to the Agreement shall bear responsibility for all of its own breaches, tortious acts, or tortious omissions connected in any way with the Agreement hereunder, causing damages or injuries of any kind to the other party or to any third party, unless expressly agreed in writing between the parties. Therefore, the offending party as a result of such offense shall hold harmless and indemnify the non-offending party against any claim, liability, loss or damage whatsoever suffered by the non-offending party or by any third party. As used herein, the term "party" shall mean a corporation or partnership entity or individual with whom East Ohio has a contractual relationship. The phrase "damages or injuries of any kind" shall include, without limitation, actual damages, litigation expenses, court costs, and attorneys' fees, and the phrase "tortious acts or tortious omissions" shall include without limitation sole or concurrent simple negligence, recklessness, and intentional acts or omissions.

13. STANDARDS OF CONDUCT

- 13.1 Supplier must have an active Full Requirements Pooling Service Agreement in good standing with East Ohio in order to request a General Pooling Service Agreement. East Ohio in its sole discretion may reject any request for General Pooling Service, provided however that East Ohio shall not exercise such discretion in a manner to provide any unreasonable advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other supplier.
- 13.2 East Ohio may impose reasonable standards of conduct for Supplier as a prerequisite for participation in East Ohio's gas pooling service program. Supplier acknowledges that in its capacity as a participant in this program, it has a

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continuing responsibility to conduct its business in a legal and ethical manner. If, as a result of Customers' complaints, and/or from its own investigation, East Ohio determines, in its sole judgment, that Supplier is not operating under the Agreement in an ethical and/or legal manner or jeopardizes East Ohio's ability to effectively meet its Core Demand requirements, then East Ohio shall have the unilateral right to terminate the Agreement and deny Supplier further participation in East Ohio's pooling program.

14. OBLIGATIONS

- 14.1 Supplier shall be deemed to be in control and possession of the gas received by East Ohio for Supplier's account, until it shall have been delivered to East Ohio at the Transportation Receipt Point(s) after which East Ohio shall be deemed to be in control, but not possession, of the gas until the gas is allocated to Supplier's Customers.
- 14.2 The Supplier warrants the title to the Pool-to-Pool Volumes or Transportation Volumes received by East Ohio for Supplier's account, as applicable, and shall indemnify East Ohio for and save East Ohio harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or attributable to the adverse claims of any and all other persons or parties to the gas received by East Ohio, provided, however, that if any person or party makes claim to any gas received by East Ohio adverse to Supplier's claim of ownership of the gas, or obtains a lien or encumbrance against the gas, East Ohio may withhold payment, if any may be due, for such gas until such adverse claim or lien is released or disposed of by the parties by final court action and may pay such withheld amount(s) to the party entitled to payment, unless the Supplier posts a bond in an amount and on terms satisfactory to East Ohio to protect and indemnify East Ohio against such adverse claim or lien.

15. FORCE MAJEURE

- 15.1 The term "Force Majeure," as used herein, and as applied to East Ohio or Supplier, shall mean acts of law, including governmental bodies acting pursuant to law, acts of God, strikes, lockouts or other labor disturbances, acts of a public enemy, war, blockades, insurrections, riots, epidemics, lightning, fires, floods, washouts, arrests, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, freezing of wells or pipelines, partial or entire failure of such wells, or any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the affected party. The settlement of strikes, lockouts or labor disturbances by acceding to the demands of an opposing party

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when such course is inadvisable is at the discretion or judgment of the affected party.

- 15.2 In the event East Ohio or Supplier is rendered unable, wholly or in part, by Force Majeure to carry out its obligations other than the obligation to make payment of amounts accrued and due under the Agreement, and after notice of the Force Majeure condition is given to the other party in writing or by facsimile, the obligation of both parties, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused during curtailment periods. The Force Majeure condition shall be remedied with all reasonable dispatch.
- 15.3 Whenever East Ohio has implemented its Emergency Curtailment Plan on file with the PUCO or is unable to meet its Core Demand due to Force Majeure conditions on, or upstream of, East Ohio's system, East Ohio shall have the right to use the Supplier's flowing service entitlement resulting from such condition shall be remedied as quickly as possible, and must be preceded by the exhaustion of other reasonable alternatives to avoid the involuntary interruption of service. To the extent possible and appropriate in the circumstances, any necessary interruptions in service will be based on the size and location of the facilities served by Supplier, to minimize the absolute number of interruptions required.
- 15.4 If East Ohio and Supplier have not entered into a contractual compensation arrangement covering the sale of Supplier's gas to East Ohio, East Ohio shall compensate the Supplier for gas diverted by East Ohio from the Supplier pursuant to Section 15.3 above as follows: East Ohio shall reimburse Supplier for the cost of the gas diverted plus a portion of the Supplier's annual interstate pipeline demand charges, if any, in each month in which gas is taken by East Ohio. On the first Day on which gas is diverted in any month, the demand charge compensation shall equal 1/24 of the Supplier's annual pipeline demand charges; if gas is diverted on two or more Days in a month, the demand charge compensation shall be 1/12 of the Supplier's annual pipeline demand charges. In no event shall the monthly demand charge compensation exceed 1/12 of the Supplier's annual pipeline demand charges. The total compensation determined in accordance with this Section shall not be less than the cost of gas as computed pursuant to Section 9.1 of this Agreement.
- 15.5 Neither East Ohio nor Supplier shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, Force Majeure.
- 15.6 Such causes or contingencies affecting the performance of the Agreement by East Ohio or the Supplier shall not relieve the affected party of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by facsimile to the other party as soon as reasonably practical after the

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occurrence of the cause relied upon, nor shall such causes or contingencies affecting the Agreement by either party relieve it of liability in the event of its concurring negligence, nor shall such causes or contingencies affecting the performance of the Agreement relieve either party from its obligations to make payments of amounts then due under the Agreement for gas already allocated to Supplier's Customers.

16. OWNERSHIP OF FACILITIES

- 16.1 Except as provided herein, all pipelines, fittings and other properties furnished under the Agreement shall remain the property of the party paying for the facilities, who shall be solely responsible for the maintenance and operation of those facilities, and each party may remove its property at the termination of the Agreement. However, any measuring stations constructed or otherwise furnished by East Ohio shall be and remain the property of East Ohio.

17. MISCELLANEOUS

- 17.1 No modification of the terms and provisions of the Agreement shall be made or become effective except by the execution of a supplementary written agreement.
- 17.2 No waiver by East Ohio or Supplier of any one or more defaults by the other in the performance of any provision of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.
- 17.3 The Agreement shall not be assignable without the prior written consent of the other party, which consent shall not unreasonably be withheld.
- 17.4 The payments of the rates stated in the Agreement, as well as the other provisions and conditions of the Agreement, shall be subject to all applicable Federal and State laws and orders, rules and regulations.
- 17.5 In the event any tax is imposed on natural gas, or the production, severance, gathering, transportation, sale, delivery, or use of natural gas, or if such tax is imposed in any other manner so as to constitute directly or indirectly a charge upon the gas delivered to East Ohio for redelivery hereunder, the amount of such tax shall be borne by Supplier so far as it affects or relates to or is apportionable to the gas delivered to East Ohio hereunder. In the event East Ohio is required to pay such tax, the amount of the tax shall be billed directly to Supplier.

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- 17.6 Supplier shall pay, or cause to be paid, any royalty payments due or owed on the gas received and redelivered hereunder, and shall indemnify and hold East Ohio harmless from any responsibility, liability or obligation for payment of any such royalty. In the event East Ohio is obligated by law to make any such royalty payment directly to royalty owners, Supplier shall reimburse East Ohio for any such payment and any costs associated with such payment. If Supplier fails to reimburse East Ohio, East Ohio may deduct the amount of such payments or costs from any payments accruing to Supplier under the Agreement or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the collateral as defined in Paragraph 19.15 of the General Terms and Conditions of Full Requirements Pooling Service.

SERVICE AGREEMENT
LOCAL PRODUCTION POOLING SERVICE

THIS AGREEMENT is entered into as of _____, by **THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio** ("East Ohio") and _____ ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of Local Production Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the Production Volumes and Pool-to-Pool Volumes requested by Supplier to be delivered to Supplier's Pool for allocation by East Ohio to Supplier's other pools or to LPPS accounts of other Suppliers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge of \$0.033 per Mcf for all Supplier Allocation Volumes nominated and confirmed for allocation to LPPS accounts of other Suppliers. Supplier Allocation Volumes nominated and confirmed for allocation to Supplier's other pools shall be allocated at no charge. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Production Receipt Points.** Supplier shall provide to East Ohio a listing of those Production Receipt Points designated to deliver gas into Supplier's LPPS account, identifying each Production Receipt Point by well name, state permit number, lot and section, township, county and station number.

Section 5. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Section 6. **Term.** This Agreement shall become effective as of _____, 20__ and continue through _____, 20__ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year.

Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 7. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

Section 8. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

EAST OHIO:

SUPPLIER:

Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: _____

Managing Director, Commercial Operations

Title: _____

Phone: (216) 736-6376

Phone: _____

Fax: (216) 736-6247

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____

Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

By: _____

Title: _____

General Terms and Conditions of Local Production Pooling Service

DEFINITIONS

Agreement -- the LPPS contract between East Ohio and Supplier.

Core Demand -- the total supply needs of East Ohio's Percentage of Income Payment Plan and Standard Service Offer Customers.

Day -- a 24 hour period beginning at 10:00 a.m. Eastern Time or such other time as specified by East Ohio.

EBB -- East Ohio's Electronic Bulletin Board.

FERC -- the Federal Energy Regulatory Commission.

LPPS -- Local Production Pooling Service.

Mcf -- one thousand (1,000) cubic feet of gas in its natural state having a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit.

Measurement Operating Agreement -- an agreement in which a producer assumes ownership, maintenance and measurement responsibility for low flow production meters.

MMBtu -- one million (1,000,000) British Thermal Units.

OFO -- Operational Flow Order issued by East Ohio.

Pool -- Supplier's LPPS aggregation account on East Ohio's system established under the Agreement.

Pool-to-Pool Volume -- the volume of gas actually delivered for Supplier's account on any Day from a LPPS account of another Supplier participating in East Ohio's gas pooling program.

Production Receipt Point(s) -- the meter(s) or measuring station(s), as specified by Supplier and accepted by East Ohio, at which Ohio produced gas is delivered into East Ohio's system for Supplier's account.

Production Volume -- the volume of gas actually delivered for Supplier's account into East Ohio's system on any Day at the Production Receipt Points.

PSIA -- pounds per square inch, absolute.

PUCO -- The Public Utilities Commission of Ohio.

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Summer Period -- the seven month period beginning April 1 and continuing through October 31.

Supplier -- any entity that has in effect an LPPS Agreement with East Ohio.

Supplier Allocation Volume -- the volume of gas actually delivered out of Supplier's Pool on any Day to other Dominion East Ohio pools that it operates and/or to LPPS accounts of other Suppliers.

Winter Period -- the five month period beginning November 1 and continuing through March 31.

General Terms and Conditions of Local Production Pooling Service

1. GOVERNMENTAL AUTHORIZATIONS

- 1.1 East Ohio and Supplier agree that they will file, as soon as practical after execution of the Agreement, all necessary applications with the appropriate governmental authorities for the purpose of securing all requisite authorizations, if any, for service contemplated by the Agreement, and that they will provide each other from time to time such information as may be necessary to secure and maintain such authorizations.
- 1.2 In the event governmental approval of the Agreement is conditioned in any manner, either party may, within thirty (30) days of such event, elect to terminate the Agreement by giving the other fifteen (15) days' prior written notice, and upon such termination neither party shall have any liability or obligation to the other by reason of the Agreement other than the obligation to make payments as provided for herein with respect to events or transactions that have occurred prior to such termination.
- 1.3 If the transactions provided for under the Agreement at any time subject either party to the jurisdiction of or regulation by the FERC, or subject Supplier to the jurisdiction of the PUCO, to an extent greater than any that exists on the date of the Agreement, whether by reason of statutory, regulatory or judicial action, then either party may elect to terminate the Agreement in the manner provided for in Paragraph 1.2 provided, however, that termination shall not relieve either party of its obligations hereunder with respect to events or transactions that have occurred prior to the date of termination.

2. SOURCES OF SUPPLY

- 2.1 Subject to the terms and conditions of the Agreement, East Ohio agrees to use its best efforts to receive, for Supplier's account Production Volumes, including the reconciliation of actual Production Volumes to confirmed Production Volume nominations, and/or Pool-to-Pool Volumes from another Supplier's LPPS account.

3. PRODUCTION RECEIPT POINTS

- 3.1 The unit of measurement for Production Volumes shall be one (1) cubic foot of gas, and the term "cubic foot of gas" shall mean a cubic foot of gas at a pressure of 14.73 PSIA and at a temperature of 60 degrees Fahrenheit. For purposes of measurement and meter calibration, atmospheric pressure shall be assumed to be 14.4 pounds per square inch. All gas delivered to East Ohio by the Supplier, or by the party from which the Supplier purchases volumes delivered to East Ohio,

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shall be measured by orifice, rotary, or other measurement facilities constructed, installed and operated in accordance with standard industry practices and East Ohio's requirements for such facilities, except where superseded by a Measurement Operating Agreement. The volumes of gas delivered to East Ohio shall be computed from meter records and converted into the unit of measurement specified above in accordance with reasonable and standard industry practices. Correction shall not be made for deviation from the Ideal Gas Laws. In the absence of a recording thermometer, an assumed flowing temperature of 60 degrees Fahrenheit shall be used in computing said quantities of gas; provided, however, that if the temperature of the natural gas passing through the meter is determined for any Day by the use of a recording thermometer, then the arithmetic average of the temperature recorded for such Day shall be used.

- 3.2 The Production Volume delivered to East Ohio shall be delivered in its natural state, have a gross heating value of not less than 1,000 British thermal units per cubic foot at 14.73 PSIA, 60 degrees Fahrenheit and must conform with East Ohio's gas quality standards in effect at the time. East Ohio reserves the right to accept gas of non-standard specification on a non-discriminatory basis pursuant to an agreement setting forth applicable terms, conditions and charges, if applicable, provided the acceptance of such gas does not adversely impact East Ohio's operations or service to customers.
- 3.3 If at any time the delivery by the Supplier at the Production Receipt Point(s) specified by Supplier and accepted by East Ohio shall be less than an average of ten thousand cubic feet per Day, then East Ohio, at its sole option, may require the gas behind any such meter(s) to be measured pursuant to a Measurement Operating Agreement, by giving the Supplier thirty (30) days' prior written notice.
- 3.4 The Production Receipt Points for Production Volumes from physical meters specified by Supplier and accepted by East Ohio shall be at measuring stations constructed to East Ohio's standards, where the measurement and regulation equipment will be operated and maintained by East Ohio, except where superseded by a Measurement Operating Agreement. The measuring station will be located at such points as East Ohio and the Supplier shall agree, on East Ohio's lines as now constructed or on any extensions thereof that East Ohio may hereafter construct. The sites for said measuring stations may be furnished by East Ohio, or, if furnished by the Supplier, shall provide rights of ingress and egress to East Ohio. In the event the Supplier wishes to change any Production Receipt Points, Supplier shall reimburse East Ohio in advance for East Ohio's costs in connection with the change. Supplier shall be directly responsible for all other costs associated with the change. Measuring stations on East Ohio's lines existing as of the date of the Agreement and owned by the Supplier or any other person shall, subject to the approval of East Ohio, also be designated as

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Production Receipt Points, to be operated and maintained by East Ohio, except where superseded by a Measurement Operating Agreement.

- 3.5 Supplier may aggregate Production Volumes as measured by third parties at measuring stations furnished, constructed, owned, operated and maintained by third parties. Detailed information concerning such aggregated Production Volumes shall be reported by Supplier to East Ohio in a timely manner in accordance with reasonable and standard industry practice.
- 3.6 Supplier shall be responsible for the construction of any necessary pipeline extending from the wells to the Production Receipt Points agreed upon. The Supplier, at the Supplier's expense, shall construct any required measuring stations in accordance with East Ohio's standards. All new pipelines that connect wells specified by Supplier with East Ohio's measuring stations shall be owned and constructed by the Supplier or by the party from which the Supplier purchases volumes delivered to East Ohio.
- 3.7 Unless otherwise agreed to by East Ohio and Supplier, prior to construction of a Production Receipt Point, East Ohio and Supplier, or the party from which the Supplier purchases volumes delivered to East Ohio, shall enter into an agreement identifying cost, construction and ownership responsibilities of all parties.
- 3.8 Production Volumes received by East Ohio at Production Receipt Points specified by Supplier and accepted by East Ohio shall be taken by East Ohio on a best efforts basis at all times at full flow against the varying pressures maintained from time to time in East Ohio's pipelines. East Ohio at any time may suspend the taking of gas hereunder while making repairs or alterations in its facilities or when East Ohio deems it to be operationally necessary in accordance with reasonable and standard industry practice. When practicable, East Ohio shall notify the Supplier in advance of its plans to suspend the taking of gas, giving its best estimate of the duration of the suspension. Such repairs and alterations shall be completed with reasonable speed, unavoidable delays excepted. During periods when East Ohio must suspend the taking of gas, East Ohio shall not be required to accept Production Volumes from meters. Subject to the foregoing, the Supplier may submit a request in writing to East Ohio for approval to install equipment to compress and pump the gas to be delivered to East Ohio hereunder at the existing delivery point or at an alternative delivery point. If Supplier compresses and pumps gas into East Ohio's system, Supplier shall install and maintain at its own expense the necessary equipment for the elimination or suppression of pulsation in the flowing gas that is created by compression equipment.
- 3.9 The capacity of East Ohio's facilities to receive Production Volumes at the Production Receipt Points shall be determined by East Ohio in its sole judgment, in accordance with reasonable and standard industry practice. East Ohio shall

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have the right to restrict, limit or halt its receipt of Production Volumes whenever, in its sole judgment, in accordance with reasonable and standard industry practice, it is necessary to do so due to Force Majeure, an order of the PUCO or other governmental body, or circumstances requiring East Ohio to act to protect its ability to meet its Core Demand. In the event East Ohio exercises its right to restrict, limit or halt its receipt of Production Volumes, it shall give the Supplier notice by telephone, letter or otherwise to decrease or terminate deliveries of Production Volumes to East Ohio until such time as, in East Ohio's sole judgment, in accordance with reasonable and standard industry practice, deliveries may be increased or resumed. If the Supplier fails to act promptly in accordance with such notice, East Ohio shall have the right to shut in Production Receipt Points or otherwise refuse to accept further Production Volumes at the Production Receipt Points.

- 3.10 The Supplier shall install and maintain, at the Supplier's own expense, the necessary equipment for separating and removing oil, water, water vapor, salt, dust and other foreign substances from Production Volumes upstream of the Production Receipt Points. The gas delivered to East Ohio at the Production Receipt Points shall be free from all foreign matter or fluid contamination that could interfere with its marketability or interfere with the operation of East Ohio's lines, regulators, meters or other appliances connected with East Ohio's system. East Ohio may refuse at any time any Production Volumes that contain contamination or objectionable odors, or otherwise do not meet East Ohio's gas quality standards in effect at the time. East Ohio may bill the Supplier for any and all costs associated with removing oil, water, water vapor, salt, dust and other foreign substances erroneously delivered into East Ohio's system
- 3.11 East Ohio shall furnish, install, and maintain all meters and gauges at the Production Receipt Points, except where superseded by a Measurement Operating Agreement. East Ohio shall read the meters, which shall be accessible to inspection and examination by the Supplier at all reasonable times. If either party challenges the accuracy of any meter in use under the Agreement and desires to have the meter tested, East Ohio shall test the meter in the presence of a Supplier employee or representative, if the Supplier wishes to exercise the right to be present or to be represented at such test. The cost of testing the meter shall be borne by the party challenging its accuracy if it proves to be correct, and it shall be deemed correct if there be no greater variation than three percent (3%), either fast or slow. If the meter on test proves to be incorrect, the cost of testing the meter shall be borne by East Ohio. Any adjustment for errors in the meter shall be made for a period not to exceed ninety (90) days prior to the date of challenge by either party. The statements of meter measurement and estimated deliveries, which under the Agreement are to be rendered by East Ohio to the Supplier monthly, shall be final, excepting as to corrections or adjustments then pending or subsequently determined by East Ohio, unless exceptions to the statements are

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made by the Supplier in writing and mailed to East Ohio within sixty (60) days after the Supplier receives the statements. Corrections or adjustments shall be made by adjusting volumes in the first measurement period following their determination.

- 3.12 The addition or removal of Production Receipt Points specified by the Supplier shall be the subject of a written supplement to an Agreement, which shall be proposed by the Supplier and accepted or rejected at the sole discretion of East Ohio, in accordance with reasonable and standard industry practice.

4. NOMINATION OF PRODUCTION VOLUMES

- 4.1 All Production Volumes received for Supplier's account at Production Receipt Points shall be nominated to East Ohio in advance according to the procedures outlined in this Section and in East Ohio's EBB.
- 4.2 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 4.3 Nominations must conform, in content and format, with East Ohio's specifications for Production Volume nominations, which shall include, at a minimum Supplier's East Ohio contract number and the requested daily Production Volume.
- 4.4 Subject to the limits of East Ohio's operating conditions and facilities, and the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Production Volume nomination. Supplier's daily Production Volume nomination shall equal the expected production period volume divided by the number of days in the corresponding calendar month. Confirmed Production Volumes will be posted on East Ohio's EBB.
- 4.5 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Production Volume nomination.
- 4.6 The volume nominated by Supplier each day, either to Supplier's other gas pooling contract on East Ohio or as a Pool-to-Pool Volume, must match the Supplier's Production Volume available for that specific day. If an imbalance exist East Ohio, in its sole discretion may adjust Supplier's nomination to their

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Full Requirements pooling contract in order to eliminate the imbalance. If adjustments to the Full Requirements pooling contract nomination are insufficient to eliminate the imbalance, East Ohio will reduce all Pool-to-Pool Volumes on a pro rata basis until the imbalance is zero.

5. RECONCILIATION OF PRODUCTION VOLUMES

- 5.1 Confirmed Production Volume nominations will be credited to Supplier's account on the date specified in the Supplier's nomination. When actual Production Volumes are known, any discrepancies between actual and confirmed Production Volumes will be reconciled, in the first full calendar month following the determination of actual Production Volumes (the "Adjustment Month"), in accordance with the provisions of Paragraphs 5.2 and 5.3.
- 5.2 When actual Production Volumes exceed confirmed Production Volume nominations, the positive volumetric discrepancy will be reconciled in the Adjustment Month by increasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the positive volumetric discrepancy divided by the number of days in the Adjustment Month.
- 5.3 When confirmed Production Volume nominations exceed actual Production Volumes, the negative volumetric discrepancy will be reconciled in the Adjustment Month by decreasing Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the negative volumetric discrepancy divided by the number of days in the Adjustment Month.

6. NOMINATION OF POOL-TO-POOL VOLUMES

- 6.1 All Pool-to-Pool Volumes received for Supplier's account shall be nominated to East Ohio in advance according to the procedures outlined in this Section.
- 6.2 The only source of supply for Pool-to-Pool Volumes received into Supplier's LPPS Pool is another Supplier's LPPS Pool.
- 6.3 Nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 6.4 Nominations must conform, in content and format, with East Ohio's specifications for Pool-to-Pool Volume nominations, which shall include, at a minimum: Supplier's East Ohio contract number; requested daily Pool-to-Pool Volume; and

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East Ohio contract number of the other Supplier from whom Supplier plans to receive supply.

- 6.5 Subject to the reasonableness of Supplier's nomination as determined solely by East Ohio, East Ohio will either confirm, in total or in part, or reject Supplier's Pool-to-Pool Volume nomination. Confirmed Pool-to-Pool Volumes will be posted on East Ohio's EBB.
- 6.6 Confirmed nominations will become effective on the date specified in the Supplier's nomination and will remain in force until the last day of the current calendar month, unless superseded by a subsequent Pool-to-Pool Volume nomination. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable.

7. NOMINATION OF SUPPLIER ALLOCATION VOLUMES

- 7.1 Supplier Allocation Volumes shall be nominated in advance by Supplier according to the procedures outlined in this Section.
- 7.2 Supplier must nominate for each Day 100% of its Local Production Volume plus any Pool-to-Pool Volume to other East Ohio pools that it operates and/or to LPPS accounts of other Suppliers. Any differences created during periods in which no OFOs have been issued shall result in the purchase or sale of gas pursuant to Sections 8 and 9 of this Agreement. Any shortfall created during OFO periods shall result in the purchase of gas pursuant to Section 10, Operational Flow Orders.
- 7.3 Supplier Allocation Volume nominations are to be transmitted to East Ohio via East Ohio's EBB and are to be received by East Ohio by the dates and times specified in East Ohio's calendar of nominations, as amended from time to time, which is available on East Ohio's EBB.
- 7.4 Supplier Allocation Volume nominations must conform, in content and format, with East Ohio's specifications for such nominations, which shall include, at a minimum: Supplier's East Ohio contract number; East Ohio contract number of the other Supplier to whom Supplier plans to send supply; and the requested daily Supplier Allocation Volume.
- 7.5 East Ohio will either confirm, in total or in part, or reject the Supplier Allocation Volume nomination. Confirmed Supplier Allocation Volume nominations will be posted on East Ohio's EBB. Partial confirmation may result from mismatched

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Pool-to-Pool and Supplier Allocation Volumes, in which case East Ohio will confirm the lower of the nominations.

- 7.6 Confirmed Supplier Allocation Volume nominations will become effective on the date specified in the nomination and will remain in force until the last day of the current calendar month unless superseded by subsequent Supplier Allocation Volume nominations. If such a subsequent nomination has the effect of increasing a Supplier's Positive or Negative Imbalance Volumes, East Ohio shall have the right to reject such nomination as unreasonable.

8. POSITIVE IMBALANCE VOLUMES

- 8.1 Unless Supplier and East Ohio otherwise agree, East Ohio will purchase Supplier's Positive Imbalance Volumes, in excess of Supplier's Aggregated Monthly Tolerance Level, at a rate determined by adding the current month's Positive Imbalance Volume reference gas cost, the minimum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times eighty percent (80%), plus the variable transportation charges paid to bring the gas to East Ohio's system, adjusted for shrinkage.
- 8.2 Positive Imbalance Volumes within Supplier's Aggregated Monthly Tolerance Level shall be available for delivery to the Supplier during non-OFO periods in the first full calendar month following the determination of the Positive Imbalance Volume (the "Adjustment Month"), by increasing the Supplier's Daily Available Volume on each Day in the Adjustment Month by an amount equal to the Positive Imbalance Volume divided by the number of days in the Adjustment Month.

9. NEGATIVE IMBALANCE VOLUMES

- 9.1 Unless Supplier and East Ohio otherwise agree, East Ohio will sell gas to Supplier to eliminate Negative Imbalance Volumes at a rate determined by adding the current month's Negative Imbalance Volume reference gas cost, the maximum of the daily midpoints of common price spreads for Dominion, South Point during the month as published in *Platts Gas Daily* (The McGraw-Hill Companies) or an appropriate successor index should it cease to be published, times one hundred and twenty percent (120%), plus the 100% load factor firm transportation charges paid to transport gas on Dominion Transmission, Inc. ("DTI") to East Ohio's interconnections with DTI, plus excise tax, adjusted for shrinkage. Charges for Negative Imbalance Volumes attributable to the Supplier's failure to comply with operational flow orders will be based on the provisions of Section 10. If the Supplier's Negative Imbalance Volumes exceed 25% of all estimated daily

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Aggregate Consumption Volumes over two or more consecutive months, East Ohio may at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement.

10. OPERATIONAL FLOW ORDERS

10.1 In order to support system operation and maintain system integrity, Supplier is subject to East Ohio's issuance of operational flow orders ("OFO"), which may direct Supplier to adjust its supply nominations and/or its Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. East Ohio may also issue OFOs that direct Supplier to deliver specific quantities of gas to specific Transportation Receipt Points. If Supplier is directed to adjust its supply nominations, Supplier shall have an opportunity, upon receipt of such direction, to offer specific and verifiable reasons for potential differences, if any, from East Ohio's estimate. East Ohio may revise its estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool after considering such reasons. Supplier shall abide by East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool.

10.2 Failure to comply with an OFO may result in East Ohio, at its sole discretion in accordance with reasonable and standard industry practice, adjusting Supplier Allocation Volumes such that the Supplier's Daily Available Volume equals East Ohio's estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool. In the event that such an adjustment cannot fully equalize Supplier's Daily Available Volume with that estimate, Supplier may be billed the following incremental charges times the OFO Shortfall, which is defined as the imbalance between Daily Available Volume and East Ohio's final estimate of the aggregate quantity of gas consumed by all End Use Customers of Supplier's Pool on those Days subject to the OFO:

- (A) the payment of a gas cost equal to the highest incremental cost paid by East Ohio on the date of non-compliance; and
- (B) demand charges based on the Dominion Transmission, Inc. FTNN rate schedule pursuant to the following schedule:

Number of Days of Noncompliance During the Calendar Month	Monthly Demand Charge Multiplier Applied to Maximum OFO Shortfall
One, Two or Three	Three
Four, Five, or Six	Six

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Seven, Eight or Nine
Ten or More

Nine
Twelve

The maximum amount that the Supplier shall pay pursuant to Paragraph 10.1(B) over any Winter Season shall be twelve months' demand charges multiplied by the maximum OFO Shortfall experienced during that Winter season; and

- (C) the payment of all other charges, inclusive of storage and overrun costs, incurred by East Ohio on the date of the OFO shortfall; and associated excise tax.
- (D) East Ohio shall credit all payments received for charges billed pursuant to this Section to costs recovered through Transportation Migration Rider – Part B.

10.3 Supplier shall use its best efforts to eliminate any OFO Shortfall at the first available opportunity. Failure to do so may result in East Ohio, at its sole discretion, (i) requesting a list of End Use Customers to be removed from Supplier's Pool in order to eliminate the OFO Shortfall; (ii) limiting Supplier's future participation to a level that does not exceed Supplier's Monthly Available Volume; and/or (iii) terminating the Agreement upon ten (10) days' written notice to Supplier. If asked to provide the list described in (i) above, Supplier shall provide such list within two (2) business days of East Ohio's request. If Supplier fails to provide such list, all End Use Customers shall be removed from Supplier's Pool as of the month in which the OFO Shortfall occurred. East Ohio shall use its best efforts to provide commodity service, pursuant to the PUCO's Gas Transportation Program Guidelines set forth in Case No. 85-800-GA-COI, to End Use Customers removed from Supplier's Pool.

10.4 Suppliers in compliance with an OFO shall not be subject to any incremental charges or costs.

11. STATEMENT

11.1 Each calendar month East Ohio shall render a statement of account to Supplier, summarizing and providing all of the data necessary to calculate any of the charges due East Ohio under the Agreement, including any purchases by East Ohio pursuant to Sections 9 and 10.

11.2 Charges previously billed to Supplier by East Ohio, but unpaid by the payment date specified by East Ohio, will be assessed a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.

General Terms and Conditions of Local Production Pooling Service

- 11.3 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within thirty (30) days of the statement date, East Ohio may deduct this unpaid amount from any payments accruing to Supplier under the Agreement, take gas in kind from Supplier's Pool in satisfaction of Supplier's obligations, based on the rates set forth in Section 8, or use Supplier's assets associated with the Full Requirements Pooling Agreement including, but not limited to, any and all of the Collateral as defined in Section 19.15 of the General Terms and Conditions of Full Requirements Pooling Service.
- 11.4 If Supplier fails to pay East Ohio for any services or charges rendered under the Agreement within forty five (45) days of the statement date, East Ohio may, at its sole discretion in accordance with reasonable and standard industry practice, terminate the Agreement upon ten (10) days' written notice to Supplier.

12. LIMITATION ON LIABILITY

- 12.1 East Ohio shall have no liability for acts arising out of obligations performed under its tariff, provided that East Ohio's actions are in accordance with its tariff and applicable industry standards. In no event shall East Ohio be liable for any consequential, incidental or punitive damages for acts or omissions that are alleged to violate East Ohio's tariff or applicable industry standards.
- 12.2 Each party to the Agreement shall bear responsibility for all of its own breaches, tortious acts, or tortious omissions connected in any way with the Agreement hereunder, causing damages or injuries of any kind to the other party or to any third party, unless expressly agreed in writing between the parties. Therefore, the offending party as a result of such offense shall hold harmless and indemnify the non-offending party against any claim, liability, loss or damage whatsoever suffered by the non-offending party or by any third party. As used herein, the term "party" shall mean a corporation or partnership entity or individual with whom East Ohio has a contractual relationship. The phrase "damages or injuries of any kind" shall include, without limitation, actual damages, litigation expenses, court costs, and attorneys' fees, and the phrase "tortious acts or tortious omissions" shall include without limitation sole or concurrent simple negligence, recklessness, and intentional acts or omissions.

13. STANDARDS OF CONDUCT

- 13.1 Supplier must have an active Full Requirements Pooling Service Agreement in good standing with East Ohio in order to request a Local Production Pooling Service Agreement. East Ohio in its sole discretion may reject any request for

General Terms and Conditions of Local Production Pooling Service

Local Production Pooling Service, provided however that East Ohio shall not exercise such discretion in a manner to provide any unreasonable advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other supplier.

- 13.2 East Ohio may impose reasonable standards of conduct for Supplier as a prerequisite for participation in East Ohio's gas pooling service program. Supplier acknowledges that in its capacity as a participant in this program, it has a continuing responsibility to conduct its business in a legal and ethical manner. If, as a result of Customers' complaints, and/or from its own investigation, East Ohio determines, in its sole judgment, that Supplier is not operating under the Agreement in an ethical and/or legal manner or jeopardizes East Ohio's ability to effectively meet its Core Demand requirements, then East Ohio shall have the unilateral right to terminate the Agreement and deny Supplier further participation in East Ohio's pooling program.

14. OBLIGATIONS

- 14.1 Supplier shall be deemed to be in control and possession of the gas received by East Ohio for Supplier's account, until it shall have been delivered to East Ohio at the Production Receipt Point(s), as applicable, after which East Ohio shall be deemed to be in control, but not possession, of the gas until the gas is allocated to Supplier's Customers.
- 14.2 The Supplier warrants the title to the Pool-to-Pool Volumes or Production Volumes received by East Ohio for Supplier's account, as applicable, and shall indemnify East Ohio for and save East Ohio harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or attributable to the adverse claims of any and all other persons or parties to the gas received by East Ohio, provided, however, that if any person or party makes claim to any gas received by East Ohio adverse to Supplier's claim of ownership of the gas, or obtains a lien or encumbrance against the gas, East Ohio may withhold payment, if any may be due, for such gas until such adverse claim or lien is released or disposed of by the parties by final court action and may pay such withheld amount(s) to the party entitled to payment, unless the Supplier posts a bond in an amount and on terms satisfactory to East Ohio to protect and indemnify East Ohio against such adverse claim or lien.

15. FORCE MAJEURE

- 15.1 The term "Force Majeure," as used herein, and as applied to East Ohio or Supplier, shall mean acts of law, including governmental bodies acting pursuant to

General Terms and Conditions of Local Production Pooling Service

law, acts of God, strikes, lockouts or other labor disturbances, acts of a public enemy, war, blockades, insurrections, riots, epidemics, lightning, fires, floods, washouts, arrests, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, freezing of wells or pipelines, partial or entire failure of such wells, or any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the affected party. The settlement of strikes, lockouts or labor disturbances by acceding to the demands of an opposing party when such course is inadvisable is at the discretion or judgment of the affected party.

- 15.2 In the event East Ohio or Supplier is rendered unable, wholly or in part, by Force Majeure to carry out its obligations other than the obligation to make payment of amounts accrued and due under the Agreement, and after notice of the Force Majeure condition is given to the other party in writing or by facsimile, the obligation of both parties, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused except the obligation to continue delivery of Production Volumes during curtailment periods. The Force Majeure condition shall be remedied with all reasonable dispatch.
- 15.3 Whenever East Ohio has implemented its Emergency Curtailment Plan on file with the PUCO or is unable to meet its Core Demand due to Force Majeure conditions on, or upstream of, East Ohio's system, East Ohio shall have the right to use the Supplier's flowing service entitlement resulting from such condition shall be remedied as quickly as possible, and must be preceded by the exhaustion of other reasonable alternatives to avoid the involuntary interruption of service. To the extent possible and appropriate in the circumstances, any necessary interruptions in service will be based on the size and location of the facilities served by Supplier, to minimize the absolute number of interruptions required.
- 15.4 If East Ohio and Supplier have not entered into a contractual compensation arrangement covering the sale of Supplier's gas to East Ohio, East Ohio shall compensate the Supplier for gas diverted by East Ohio from the Supplier pursuant to Section 23.3 above as follows: East Ohio shall reimburse Supplier for the cost of the gas diverted plus a portion of the Supplier's annual interstate pipeline demand charges, if any, in each month in which gas is taken by East Ohio. On the first Day on which gas is diverted in any month, the demand charge compensation shall equal 1/24 of the Supplier's annual pipeline demand charges; if gas is diverted on two or more Days in a month, the demand charge compensation shall be 1/12 of the Supplier's annual pipeline demand charges. In no event shall the monthly demand charge compensation exceed 1/12 of the Supplier's annual pipeline demand charges. The total compensation determined in accordance with this Section shall not be less than the cost of gas as computed pursuant to Section 9.1 of this Agreement.

General Terms and Conditions of Local Production Pooling Service

- 15.5 Neither East Ohio nor Supplier shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, Force Majeure.
- 15.6 Such causes or contingencies affecting the performance of the Agreement by East Ohio or the Supplier shall not relieve the affected party of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by facsimile to the other party as soon as reasonably practical after the occurrence of the cause relied upon, nor shall such causes or contingencies affecting the Agreement by either party relieve it of liability in the event of its concurring negligence, nor shall such causes or contingencies affecting the performance of the Agreement relieve either party from its obligations to make payments of amounts then due under the Agreement for gas already allocated to Supplier's Customers.

16. OWNERSHIP OF FACILITIES

- 16.1 Except as provided herein, all pipelines, fittings and other properties furnished under the Agreement shall remain the property of the party paying for the facilities, who shall be solely responsible for the maintenance and operation of those facilities, and each party may remove its property at the termination of the Agreement. Existing measuring stations owned by parties other than East Ohio that qualify as Production Receipt Points shall not become the property of East Ohio, but shall be maintained and operated by East Ohio until termination of the Agreement. However, any measuring stations constructed or otherwise furnished by East Ohio shall be and remain the property of East Ohio.

17. MISCELLANEOUS

- 17.1 No modification of the terms and provisions of the Agreement shall be made or become effective except by the execution of a supplementary written agreement.
- 17.2 No waiver by East Ohio or Supplier of any one or more defaults by the other in the performance of any provision of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.
- 17.3 The Agreement shall not be assignable without the prior written consent of the other party, which consent shall not unreasonably be withheld.
- 17.4 The payments of the rates stated in the Agreement, as well as the other provisions and conditions of the Agreement, shall be subject to all applicable Federal and State laws and orders, rules and regulations.

General Terms and Conditions of Local Production Pooling Service

- 17.5 In the event any tax is imposed on natural gas, or the production, severance, gathering, transportation, sale, delivery, or use of natural gas, or if such tax is imposed in any other manner so as to constitute directly or indirectly a charge upon the gas delivered to East Ohio for redelivery hereunder, the amount of such tax shall be borne by Supplier so far as it affects or relates to or is apportionable to the gas delivered to East Ohio hereunder. In the event East Ohio is required to pay such tax, the amount of the tax shall be billed directly to Supplier.
- 17.6 Supplier shall pay, or cause to be paid, any royalty payments due or owed on the gas received and redelivered hereunder, and shall indemnify and hold East Ohio harmless from any responsibility, liability or obligation for payment of any such royalty. In the event East Ohio is obligated by law to make any such royalty payment directly to royalty owners, Supplier shall reimburse East Ohio for any such payment and any costs associated with such payment. If Supplier fails to reimburse East Ohio, East Ohio may deduct the amount of such payments or costs from any payments accruing to Supplier under the Agreement, take gas in kind from Supplier's Pool in satisfaction of Supplier's obligations, based on the rates set forth in Section 8, or use Supplier's assets associated with the Agreement including, but not limited to, any and all of the collateral as defined in Paragraph 19.15 of the General Terms and Conditions of Full Requirements Pooling Service.

SERVICE AGREEMENT
FULL REQUIREMENTS POOLING SERVICE – WEST OHIO POOL

THIS AGREEMENT is entered into as of _____, by THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio ("East Ohio") and _____, ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of Full Requirements Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier's Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge for service provided under the Agreement. The volumetric charge shall be \$0.029 per Mcf for all Aggregate Consumption and Supplier Allocation Volumes allocated by Supplier for delivery by East Ohio to Supplier's Customers under the Agreement and for all Positive Imbalance Volumes purchased by East Ohio from Supplier. All pool to pool transfers are subject to a volumetric charge of \$0.029 per Mcf. No volumetric charge shall be assessed by East Ohio on Supplier Allocation Volumes allocated by Supplier to Supplier's own Daily or General Gas Pooling Service Pools. A charge of \$95.60 shall be assessed for each Imbalance Trading transaction, as set forth in Section 13 of the General Terms and Conditions of Full Requirements Pooling Service. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Section 5. **Term.** This Agreement shall become effective as of _____, 20__ and continue through _____, 20__ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year.

Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 6. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

Section 7. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

EAST OHIO:

SUPPLIER:

Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: _____

Managing Director, Commercial Operations

Title: _____

Phone: (216) 736-6376

Phone: _____

Fax: (216) 736-6247

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____

Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

By: _____

Title: _____

SERVICE AGREEMENT
DAILY POOLING SERVICE – WEST OHIO POOL

THIS AGREEMENT is entered into as of _____, by **THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio** ("East Ohio") and _____ ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of Daily Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier's Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge for service provided under the Agreement. The volumetric charge shall be \$0.029 per Mcf for all Aggregate Consumption and Supplier Allocation Volumes allocated by Supplier for delivery by East Ohio to Supplier's Customers under the Agreement and for all Positive Imbalance Volumes purchased by East Ohio from Supplier. All pool to pool transfers are subject to a volumetric charge of \$0.029 per Mcf. No volumetric charge shall be assessed by East Ohio on Supplier Allocation Volumes allocated by Supplier to Supplier's own General or Full Requirements Gas Pooling Service Pools. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Section 5. **Term.** This Agreement shall become effective as of _____, 20__ and continue through _____, 20__ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year. Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 6. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

Section 7. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

EAST OHIO:

SUPPLIER:

Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: _____

Managing Director, Commercial Operations

Title: _____

Phone: (216) 736-6376

Phone: _____

Fax: (216) 736-6247

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____ Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

By: _____ Title: _____

SERVICE AGREEMENT
GENERAL POOLING SERVICE – WEST OHIO POOL

THIS AGREEMENT is entered into as of _____, by **THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio** ("East Ohio") and _____ ("Supplier").

WITNESSETH: That in consideration of the mutual covenants contained in this Agreement, the parties agree:

Section 1. **Service to be Rendered.** In accordance with the provisions of East Ohio's General Terms and Conditions of General Pooling Service, a copy of which is attached and incorporated as a part of this Agreement, and the terms of this Agreement, East Ohio shall receive the aggregate quantities of gas requested by Supplier to be delivered to East Ohio for redelivery by East Ohio to Supplier's Customers within the State of Ohio.

Section 2. **Regulation.** This Agreement is contingent upon the receipt and continuation of all necessary regulatory approvals and authorizations, if any. This Agreement shall be void or expire, as appropriate, if necessary regulatory approval or authorization is not received or continued.

Section 3. **Rates and Charges.** In addition to all other rates and charges applicable under the Agreement, Supplier agrees to pay to East Ohio a volumetric charge for service provided under the Agreement. The volumetric charge shall be \$0.029 per Mcf for all Aggregate Consumption and Supplier Allocation Volumes allocated by Supplier for delivery by East Ohio to Supplier's Customers under the Agreement and for all Positive Imbalance Volumes purchased by East Ohio from Supplier. All pool to pool transfers are subject to a volumetric charge of \$0.029 per Mcf. No volumetric charge shall be assessed by East Ohio on Supplier Allocation Volumes allocated by Supplier to Supplier's own Daily or Full Requirements Gas Pooling Service Pools. All charges billed to Supplier shall be subject to the Gross Receipts Tax Rider.

Section 4. **Special Terms and Conditions.** East Ohio shall not operate its pooling service in a manner to provide any advantage or disadvantage to any Supplier (including any of East Ohio's affiliates), either in preference to or in derogation of the rights of any other Supplier.

Section 5. **Term.** This Agreement shall become effective as of _____, 20__ and continue through _____, 20__ for a primary term of twelve (12) months and shall continue thereafter on a year-to-year basis subject to cancellation by either party after the primary term, upon written notice to the other sixty (60) days prior to the end of any contract year. Termination shall not relieve either party of its obligations hereunder with respect to transactions that have occurred prior to the date of termination.

Section 6. **Representations.** Supplier represents that its (i) exact legal name is as set forth in this Agreement, (ii) place of formation is _____, and (iii) principle place of business is _____.

Section 7. **Notices.** Any notices, except those relating to billing or termination of service, required or permitted to be given pursuant to this Agreement shall be effective only if delivered by facsimile, e-mail, or via East Ohio's Electronic Bulletin Board to an officer or authorized representative of the party being notified, or mailed by certified mail to the address below:

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Dominion East Ohio
1201 East 55th Street
Cleveland, OH 44103-1028

Attn: Jeffrey A. Murphy

Attn: _____

Managing Director, Commercial Operations

Title: _____

Phone: (216) 736-6376

Phone: _____

Fax: (216) 736-6247

Fax: _____

IN WITNESS WHEREOF, the parties hereto have accordingly and duly executed this Agreement as of its effective date.

By: _____ Title: _____

THE EAST OHIO GAS COMPANY d/b/a Dominion East Ohio

By: _____ Title: _____