

MIMA # \_\_\_\_\_

the Customer will purchase and install the odorizer system. Peoples may choose to be present for the installation and shall have the right to test the system after its installation. Thereafter, Peoples will operate and maintain the odorizer systems and, where applicable, a thermal electric generator (unless a public electric power supply can be made available to the site), together with necessary valves, tubing and fittings, in order to properly odorize gas delivered to the gas purchase meter. If the odorizer system is located outside of the Interconnection Facility location, the Customer shall provide site access, as described in Section 1.03 of Appendix A, for the site where the odorization system is located.

- (b) Upgrades. If Customer should desire to upgrade or replace any of the currently existing odorizers or generators, all equipment must be subject to the review and approval of Peoples.
- (c) Refill. Peoples will manage the filling and refilling (or tank exchange) of the odorant to make sure, that sufficient odorant is available for gas delivered to the gas purchase meter.
- (d) Odorant Cost. Customer will reimburse Peoples, upon receipt of its invoices, for the cost of odorant (based on the then applicable price per pound), including all future tank refills.
- (e) Odorizer Site. Customer will provide and maintain, at its own cost, perimeter fencing around the Odorizer sites to enclose and protect the odorizers and related equipment.
- (f) Communication Cost. Customer will reimburse Peoples, upon receipt of its invoices, for the monthly cost of public telephone or cellular service for the communications equipment used to monitor the operation of the odorizers and the odorant level and for the monthly cost of electrical service used to operate and maintain the odorizers, if electric power is provided to the odorizers from a public supplier.
- (g) Maintenance Cost. Customer will reimburse Peoples, upon receipt of its invoices, for the cost of any regular, periodic, and other odorizer maintenance service, including all labor and necessary replacement parts or equipment, to assure the continued efficient operation of the odorizers. This includes reserve parts held in Peoples' stock to enable timely and proficient resolutions.
- (h) Responsibility. Peoples is not responsible for any damage to the Odorizers or generators excepting any damage caused by the willful acts or gross negligence of Peoples.

2.03 Gas Quality Inspections. If gas sample analysis indicates that any of these specifications have not been met, Peoples may refuse deliveries until the Customer makes the necessary provisions to fully comply with the gas quality requirements. Customer will contract with one of the approved vendors to perform annual gas sample analysis, and provide gas analysis reports to Peoples.

2.04 Gas Quality Inspections. After initial deliveries are received, Peoples reserves the right to periodically sample gas at the production meter set to validate the gas quality. If the analysis indicates that gas quality specifications are not met, Peoples has the right to shut off the deliveries indefinitely until the Customer makes the necessary provisions to fully comply.

2.05 Remedies. Should any of the above substances enter Peoples' facilities and cause damage to metering, regulating and/or other equipment, or interruption of service, Customer shall reimburse Peoples for the costs to repair such damage and for any related costs which Peoples may incur to restore service to, and/or repair facilities of, its customers, including payments made by Peoples to customers in settlement of claims arising out of interruption of gas service. Any such costs may be deducted from payments due Customer for gas delivered. In addition, if the gas delivered fails in Peoples' opinion to meet the quality specifications set forth herein, Peoples may elect to refuse to take all or any portion of such gas until the Customer bring the gas into conformity with such specifications. In the case of any such refusal, Customer agrees to exercise all due diligence to bring such gas into conformance with the specifications set forth herein. Peoples has the right to shut off deliveries

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indefinitely until the Customer makes the necessary provisions to meet the gas quality standards. Peoples may also elect to require continuous gas quality monitoring with fail safe shut off as a provision to accept existing or new deliveries. Damages as a result of gas quality violations are the responsibility of the Customer and the meter set shall be shut-in until damages are paid in full.

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EXHIBIT A- \_\_\_\_\_  
to  
Master Interconnect Agreement

**Additional Terms and Conditions Governing Transportation of Gas**

This Exhibit A ("Exhibit") is made part of and is subject to the terms and conditions of the Master Interconnect Agreement made and entered into by and between Peoples Natural Gas Company LLC, with an office located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212 (hereinafter referred to as "Peoples"), and PRODUCER with an office at ADDRESS (hereinafter referred to as "Customer"). Customer and Peoples are also referred to herein individually as a "Party" and collectively as the "Parties."

This Exhibit A    supersedes, in its entirety, the previously executed Agreement(s) between the parties for the transport and/or purchase of gas for the meter(s) described herein.

The following table sets forth the Service Term Start Date, Service Term End Date, Gathering Rate, Retainage Rate, Receipt Point(s), and Estimated Daily Quantity for each interconnection point at which natural gas shall be transported on Peoples' System. The Service Term Start Date for each individual Receipt Point shall be the latter of the date set forth below or the first day of the immediately succeeding Production Period in which Customer delivers Gas to Peoples at the Receipt. The Service Term End Date for each individual transaction shall be the date set forth below. After this initial term, this Exhibit will automatically renew from month-to-month unless either Customer or Peoples provides written notice of termination to the other party at least (thirty) 30 days prior to the expiration date. If either party terminates this agreement, the Customer will be disconnected and the Interconnect shall be abandoned unless a subsequent Exhibit is executed within thirty (30) calendar days.

Service Term Start Date	Service Term End Date	Gathering Rate*	Gathering Retainage (%)*	Receipt Point	Estimated Daily Quantity
Date	Date	<input type="checkbox"/> \$/Dth <input type="checkbox"/> \$/mcf	%	XXXX	XXX
Date	Date	<input type="checkbox"/> \$/Dth <input type="checkbox"/> \$/mcf	%	XXXX	XXX

\*Notes specifically incorporated into Rate descriptions:

- Rates for Gathering and Retainage charges are subject to change.
- Production delivered to Peoples Natural Gas tariffed division will be subject to the then-effective PES rates until the then-effective PES agreement expires (the parties specifically agree that the "Peoples Natural Gas tariffed division" excludes the former Equitable Gas Distribution Company which was merged into the Peoples' overall distribution system).

This Exhibit shall become effective upon its execution by both Peoples and Customer and shall continue in full force and effect through the end of the latest Service Term End Date set forth herein, including any extensions thereof. The obligations of Customer to make payment hereunder and the obligation of Customer to indemnify Peoples, and Peoples to indemnify Customer, pursuant hereto shall survive the termination or cancellation of the Master Agreement and this Exhibit. Peoples shall have the right to terminate this Exhibit, upon sixty (60) days advance written notice to Customer, if Gas has not flowed for the previous period of twelve (12) consecutive months, or if Peoples or its designee has caused the Interconnect Facilities to be disconnected or removed.

**SIGNATURE PAGE FOLLOWS ON PAGE 2**

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IN WITNESS WHEREOF, Peoples and Customer have duly executed this Exhibit on this \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_\_\_.

**PEOPLES NATURAL GAS COMPANY LLC**

**PRODUCER**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

MIMA # \_\_\_\_\_

EXHIBIT A- \_\_\_\_\_  
to  
Master Interconnect Agreement

**Additional Terms and Conditions Governing the Purchase of Gas**

This Exhibit A ("Exhibit") is subject to the terms and conditions of the Master Interconnect Agreement made and entered into by and between Peoples Natural Gas Company LLC, with an office located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212 (hereinafter referred to as "Peoples"), and PRODUCER with an office at ADDRESS (hereinafter referred to as "Customer"). Customer and Peoples are also referred to herein individually as a "Party" and collectively as the "Parties."

This Exhibit A   supersedes, in its entirety, the previously executed Agreement(s) between the parties for the transport and/or purchase of gas for the meter(s) described herein.

The following sets forth the additional terms and conditions whereby Peoples shall purchase natural gas from Customer at the specific Receipt Point(s) identified in this Exhibit.

1. **Sale and Purchase Obligations.** Customer shall produce and sell to Peoples, and Peoples shall take and pay for, quantities of Gas delivered to the Receipt Point(s) set forth below. Peoples shall have no obligation to pay for any Gas until such time as it has been produced and delivered to the designated Receipt Point(s). Except in instances where Peoples and Customer agree otherwise, Customer's sale shall be a full requirements sale where all Gas produced shall be delivered to Peoples. Notwithstanding the foregoing, Peoples may reduce or suspend its purchases under this Master Agreement in the event that Peoples has insufficient pipeline capacity or insufficient market demand to facilitate the sale and/or use of Customer's Gas. Upon notice to Customer, Customer shall promptly comply with Peoples' reduction or suspension request. In the event Peoples should ever cease, in whole or in part, to sell Gas directly to end-use customers (otherwise known as providing merchant or sales service), then Peoples may, in its sole discretion, terminate this Master Agreement upon at least sixty (60) days written notice to Customer.
2. **Agency.** Peoples reserves the right to act as Customer's agent to market the production dedicated hereunder while continuing to pay Customer the price set forth in this Exhibit. All other terms and conditions of the agreement shall remain in full force and effect.
3. **Title to Gas.** Customer warrants that it will have good and merchantable title to or will have the right to sell all Gas delivered under this Master Agreement and that such Gas will be free and clear of all liens, encumbrances, and adverse claims by third parties. Customer shall indemnify and hold Peoples harmless from any and all suits, claims, actions, debts, levies, accounts, damages, costs, losses, and expenses of any nature arising from or out of any adverse claims of any kind or nature asserted by any person or entity concerning such Gas, including, but not limited to any claims, suits, actions, or demands that may arise due to the nonpayment of any landowner royalties, overriding royalties, or rentals.
4. **Possession, Control, and Liability.** Title to all Gas purchased under this Master Agreement shall pass from Customer to Peoples at the Receipt Point(s). As between the Parties to this Master Agreement, Customer shall be deemed to be in possession and control of the Gas to be delivered to Peoples until Customer delivers the Gas to Peoples at the Receipt Point(s), and Peoples shall be deemed in possession and control thereafter.
5. **Peoples' Monthly Production Statement and Payment.** On or before the last business day of each calendar Month during the term of this Master Agreement, Peoples shall: (i) send Customer a production statement, in either hardcopy or electronic form, reflecting the total quantity of Gas delivered to Peoples under this Master Agreement during the relevant Production Period; and (ii) make payment to Customer

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by check or by automated clearinghouse (ACH) direct deposit pursuant to a separate ACH direct deposit agreement.

6. **Customer's Agent.** Although the terms of this Master Agreement extend to and are binding upon all Parties hereto, their respective heirs, successors, personal representatives and assigns, in no event will Peoples remit, or be required to remit, payment to more than one (1) payee per month in exchange for the Gas produced and sold hereunder. Accordingly, Customer hereby appoints the following Agent to receive all statements and payments hereunder:

Name: \_\_\_\_\_ (the "Agent")

Address: \_\_\_\_\_  
\_\_\_\_\_

The Agent is authorized to give the necessary receipts and acquaintances to Peoples and to make adjustments and settlements under this Master Agreement, and Peoples shall have no obligation with respect to, or responsibility for, the application of any gas purchase proceeds paid to the Agent. If at any time the Agent shall resign or be discharged or shall otherwise be unable or unwilling so to act, Peoples may withhold further payment of money for purchase of natural gas hereunder, without liability for interest, until Peoples is furnished by Customer with the necessary documentation (properly executed and acknowledged by all necessary parties) designating a new agent, as the case may be, to receive such payment, for all parties interested in such payment.

7. **Royalties.** In no event will Peoples be obligated to make royalty, over-riding royalty or working interest payments for Gas purchased under this Master Agreement.
8. **Regulatory Authorities.** Peoples shall use reasonable efforts to obtain the necessary regulatory approvals from the Commission to recover the prices paid to Customer for Gas purchased under this Master Agreement. If the Commission issues an order, opinion, act, regulation, or rule that prohibits Peoples from recovering as part of Peoples' gas cost recovery proceeding the full price paid to Customer for Gas purchased under this Master Agreement, then Peoples may at any time: (i) credit the difference between the price paid for Gas under this Master Agreement and the amount permitted to be recovered through Peoples' rates against amounts due Customer; or (ii) receive a refund of such amounts directly from Customer upon request by Peoples.
9. **Taxes.** Customer shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas upstream of Receipt Point(s) and all Taxes at the Receipt Point(s). Peoples shall pay or cause to be paid all Taxes on or with respect to the Gas downstream of Receipt Point(s). If a party is required to remit or pay Taxes which are the other Party's responsibility hereunder, the Party responsible for such Taxes shall promptly reimburse the other Party for such Taxes. Any Party entitled to an exemption from any such Taxes or charges shall furnish the other Party any necessary documentation thereof.
10. **Service Term.** The Service Term Start Date for each individual Receipt Point shall be the latter of the date set forth below or the first day of the immediately succeeding Production Period in which Customer delivers Gas to Peoples at the Receipt Point(s). The Term End Date for each individual transaction shall be the date set forth below. After this initial Service Term, this Exhibit A will automatically renew from month-to-month unless either Customer or Peoples provides written notice of termination to the other party at least thirty (30) days prior to the expiration date. If either party terminates this agreement, the Customer will be disconnected and the interconnection point shall be abandoned unless a subsequent Exhibit is executed within thirty (30) calendar days.

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11. **Transaction Specifics.** The following table sets forth the Service Term Start Date, Service Term End Date, Contract Price, Receipt Point(s) and Estimated Daily Quantity for each Gas purchase transaction between the Parties.

Service Term Start Date	Service Term End Date	Contract Price*	Receipt Point	Estimated Daily Quantity
Date	Date	_____% Inside F.E.R.C. First of the Month Dominion Transmission Appalachian Index* <input type="checkbox"/> \$/Dth <input type="checkbox"/> \$/mcf	XXXX	XXX
Date	Date	_____% Inside F.E.R.C. First of the Month Dominion Transmission Appalachian Index* <input type="checkbox"/> \$/Dth <input type="checkbox"/> \$/mcf	XXXX	XXX

\*Notes specifically incorporated into Rate descriptions:

- Rates for Gathering and Retainage charges are subject to change.
- Production delivered to Peoples Natural Gas tariffed division will be subject to the then-effective PES rates until the then-effective PES agreement expires (the parties specifically agree that the "Peoples Natural Gas tariffed division" excludes the former Equitable Gas Distribution Company which was merged into the Peoples' overall distribution system).

This Exhibit shall become effective upon its execution by both Peoples and Customer and shall continue in full force and effect through the end of the latest Service Term End Date set forth herein, including any extensions thereof. The obligations of Peoples to make payment hereunder for Gas which has been delivered and the obligation of Customer to indemnify Peoples, and Peoples to indemnify Customer, pursuant hereto shall survive the termination or cancellation of the Master Agreement and this Exhibit. Peoples shall have the right to terminate this Exhibit, upon sixty (60) days advance written notice to Customer, if Gas has not flowed for the previous period of twelve (12) consecutive months, or if Peoples or its designee has caused the Interconnect Facilities to be disconnected or removed.

IN WITNESS WHEREOF, Peoples and Customer have duly executed this Exhibit on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

PEOPLES NATURAL GAS COMPANY LLC

PRODUCER

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

AGENT

Acknowledged as to the obligations of Agent only

By: \_\_\_\_\_

Name: \_\_\_\_\_

MIMA # \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Base Contract for Sale and Purchase of Natural Gas

This Base Contract is entered into as of the following date: \_\_\_\_\_

The parties to this Base Contract are the following:

PARTY A PEOPLES NATURAL GAS COMPANY LLC	PARTY NAME	PARTY B
375 North Shore Drive, Suite 300 Pittsburgh PA 15212	<b>ADDRESS</b>	
<a href="http://www.peoples-gas.com">www.peoples-gas.com</a>	<b>BUSINESS WEBSITE</b>	
	<b>CONTRACT NUMBER</b>	
00-791-6208	<b>D-U-N-S® NUMBER</b>	
<input checked="" type="checkbox"/> US FEDERAL: 26-3349481 <input type="checkbox"/> OTHER: _____	<b>TAX ID NUMBERS</b>	<input type="checkbox"/> US FEDERAL: <input type="checkbox"/> OTHER: _____
Pennsylvania	<b>JURISDICTION OF ORGANIZATION</b>	
<input type="checkbox"/> Corporation <input checked="" type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> Other: _____	<b>COMPANY TYPE</b>	<input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> Other: _____
	<b>GUARANTOR (IF APPLICABLE)</b>	
<b>CONTACT INFORMATION</b>		
<u>375 North Shore Drive, Suite 300, Pittsburgh PA 15212</u> ATTN: <u>Gas Procurement</u> TEL#: <u>412-208-6591</u> FAX#: _____ TEL#: <u>412-208-6570</u> FAX#: _____ EMAIL: <a href="mailto:joseph.e.schurer@peoples-gas.com">joseph.e.schurer@peoples-gas.com</a> EMAIL: <a href="mailto:donald.a.melzer@peoples-gas.com">donald.a.melzer@peoples-gas.com</a>	▪ <b>COMMERCIAL</b>	_____ ATTN: _____ TEL#: _____      FAX#: _____ TEL#: _____      FAX#: _____
<u>375 North Shore Drive, Suite 300, Pittsburgh PA 15212</u> ATTN: <u>Gas Procurement</u> TEL#: <u>412-208-6591</u> FAX#: _____ EMAIL: <a href="mailto:joseph.e.schurer@peoples-gas.com">joseph.e.schurer@peoples-gas.com</a>	▪ <b>SCHEDULING</b>	_____ ATTN: _____ TEL#: _____      FAX#: _____ TEL#: _____      FAX#: _____
<u>375 North Shore Drive, Suite 300, Pittsburgh PA 15212</u> ATTN: <u>Manager, Gas Supply</u> TEL#: <u>412-208-6525</u> FAX#: _____ EMAIL: <a href="mailto:steven.p.kolich@peoples-gas.com">steven.p.kolich@peoples-gas.com</a>	▪ <b>CONTRACT AND LEGAL NOTICES</b>	_____ ATTN: _____ TEL#: _____      FAX#: _____ EMAIL: _____
<u>375 North Shore Drive, Suite 300, Pittsburgh PA 15212</u> ATTN: <u>Gas Procurement</u> TEL#: <u>412-208-6591</u> FAX#: _____ EMAIL: <a href="mailto:joseph.e.schurer@peoples-gas.com">joseph.e.schurer@peoples-gas.com</a>	▪ <b>CREDIT</b>	_____ ATTN: _____ TEL#: _____      FAX#: _____ EMAIL: _____
<u>375 North Shore Drive, Suite 300, Pittsburgh PA 15212</u> ATTN: <u>Gas Scheduling</u> TEL#: <u>412-208-6591</u> FAX#: _____ E-Fax: _____      E-fax #: _____ EMAIL: <a href="mailto:joseph.e.schurer@peoples-gas.com">joseph.e.schurer@peoples-gas.com</a>	▪ <b>TRANSACTION CONFIRMATIONS</b>	_____ ATTN: _____ TEL#: _____      FAX#: _____ EMAIL: _____
<b>ACCOUNTING INFORMATION</b>		
<u>375 North Shore Drive, Suite 300, Pittsburgh PA 15212</u> ATTN: <u>Mark Stewart</u> TEL#: <u>412-208-6633</u> FAX#: <u>412-208-6815</u> EMAIL: <a href="mailto:mark.i.stewart@peoples-gas.com">mark.i.stewart@peoples-gas.com</a>	▪ <b>INVOICES</b> ▪ <b>PAYMENTS</b> ▪ <b>SETTLEMENTS</b>	_____ ATTN: _____ TEL#: _____      FAX#: _____ EMAIL: _____
BANK: <u>JP Morgan Chase</u> ABA: <u>021000021</u> ACCT: <u>849096359</u> OTHER DETAILS: _____	<b>WIRE TRANSFER NUMBERS (IF APPLICABLE)</b>	BANK: _____ ABA: _____      ACCT: _____ OTHER DETAILS: _____
BANK: <u>JP Morgan Chase</u> ABA: <u>021000021</u> ACCT: <u>849096359</u> OTHER DETAILS: _____	<b>ACH NUMBERS (IF APPLICABLE)</b>	BANK: _____ ABA: _____      ACCT: _____ OTHER DETAILS: _____
ATTN: _____ ADDRESS: _____	<b>CHECKS (IF APPLICABLE)</b>	ATTN: _____ ADDRESS: _____



## General Terms and Conditions Base Contract for Sale and Purchase of Natural Gas

### SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas. The entire agreement between the parties shall be the Contract as defined in Section 2.9.

The parties have selected either the "Oral Transaction Procedure" or the "Written Transaction Procedure" as indicated on the Base Contract.

#### Oral Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a transaction covered by this Section 1.2 (Oral Transaction Procedure) provided that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement the Base Contract or General Terms and Conditions of this Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section 1.3 but must be expressly agreed to by both parties; provided that the foregoing shall not invalidate any transaction agreed to by the parties.

#### Written Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of nonconflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3. If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Base Contract, and (iv) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

1.4. The parties agree that each party may electronically record all telephone conversations with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings entered into in accordance with the requirements of this Base Contract.

### SECTION 2. DEFINITIONS

The terms set forth below shall have the meaning ascribed to them below. Other terms are also defined elsewhere in the Contract and shall have the meanings ascribed to them herein.

2.1. "Additional Event of Default" shall mean Transactional Cross Default or Indebtedness Cross Default, each as and if selected by the parties pursuant to the Base Contract.

2.2. "Affiliate" shall mean, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of at least 50 percent of the voting power of the entity or person.

- 2.3. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.
- 2.4. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.
- 2.5. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).
- 2.6. "Business Day(s)" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S.
- 2.7. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.8. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.9. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation, all of which shall form a single integrated agreement between the parties.
- 2.10. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 2.11. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 2.12. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 2.13. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as cash, an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, guaranty, or other good and sufficient security of a continuing nature.
- 2.14. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.15. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 2.16. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 2.17. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.18. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 2.19. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 2.20. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.
- 2.21. "Guarantor" shall mean any entity that has provided a guaranty of the obligations of a party hereunder.
- 2.22. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 2.23. "Indebtedness Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it or its Guarantor, if any, experiences a default, or similar condition or event however therein defined, under one or more agreements or instruments, individually or collectively, relating to indebtedness (such indebtedness to include any obligation whether present or future, contingent or otherwise, as principal or surety or otherwise) for the payment or repayment of borrowed money in an aggregate amount greater than the threshold specified in the Base Contract with respect to such party or its Guarantor, if any, which results in such indebtedness becoming immediately due and payable.

- 2.24. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.
- 2.25. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.
- 2.26. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.27. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.
- 2.28. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.
- 2.29. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.
- 2.30. "Specified Transaction(s)" shall mean any other transaction or agreement between the parties for the purchase, sale or exchange of physical Gas, and any other transaction or agreement identified as a Specified Transaction under the Base Contract.
- 2.31. "Spot Price " as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.
- 2.32. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.
- 2.33. "Transactional Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it shall be in default, however therein defined, under any Specified Transaction.
- 2.34. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.
- 2.35. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

**SECTION 3. PERFORMANCE OBLIGATION**

3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as agreed to by the parties in a transaction.

<b>The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.</b>
<b>Cover Standard:</b>
3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s) excluding any quantity for which no replacement is available; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in the amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s) excluding any quantity for which no sale is available; and (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available for all or any portion of the Contract Quantity of Gas, then in addition to (i) or (ii) above, as applicable, the sole and exclusive remedy of the performing party with respect to the Gas not replaced or sold shall be an amount equal to any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the quantity of such Gas not replaced or sold. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.
<b>Spot Price Standard:</b>
3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be

recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

3.3. Notwithstanding Section 3.2, the parties may agree to Alternative Damages in a Transaction Confirmation executed in writing by both parties.

3.4. In addition to Sections 3.2 and 3.3, the parties may provide for a Termination Option in a Transaction Confirmation executed in writing by both parties. The Transaction Confirmation containing the Termination Option will designate the length of nonperformance triggering the Termination Option and the procedures for exercise thereof, how damages for nonperformance will be compensated, and how liquidation costs will be calculated.

## SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s). Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior Notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's receipt of quantities of Gas greater than or less than the Scheduled Gas, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.

## SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Seller shall meet the pressure, quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

## SECTION 6. TAXES

The parties have selected either "Buyer Pays At and After Delivery Point" or "Seller Pays Before and At Delivery Point" as indicated on the Base Contract.

### Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

### Seller Pays Before and At Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

## SECTION 7. BILLING, PAYMENT, AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month's billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due under Section 7.1 in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 Days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with this Section 7.2.

7.3. In the event payments become due pursuant to Sections 3.2 or 3.3, the performing party may submit an invoice to the nonperforming party for an accelerated payment setting forth the basis upon which the invoiced amount was calculated. Payment from the nonperforming party will be due five Business Days after receipt of invoice.

7.4. If the invoiced party, in good faith, disputes the amount of any such invoice or any part thereof, such invoiced party will pay such amount as it concedes to be correct; provided, however, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount paid or disputed without undue delay. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section.

7.5. If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

7.6. A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.

7.7. Unless the parties have elected on the Base Contract not to make this Section 7.7 applicable to this Contract, the parties shall net all undisputed amounts due and owing, and/or past due, arising under the Contract such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with Section 7; provided that no payment required to be made pursuant to the terms of any Credit Support Obligation or pursuant to Section 7.3 shall be subject to netting under this Section. If the parties have executed a separate netting agreement, the terms and conditions therein shall prevail to the extent inconsistent herewith.

## SECTION 8. TITLE, WARRANTY, AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and assume any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims. EXCEPT AS PROVIDED IN THIS SECTION 8.2 AND IN SECTION 15.8, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE DISCLAIMED.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury (including death) or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury (including death) or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. The parties agree that the delivery of and the transfer of title to all Gas under this Contract shall take place within the Customs Territory of the United States (as defined in general note 2 of the Harmonized Tariff Schedule of the United States 19 U.S.C. §1202, General Notes, page 3); provided, however, that in the event Seller took title to the Gas outside the Customs Territory of the United States, Seller represents and warrants that it is the importer of record for all Gas entered and delivered into the United States, and shall be responsible for entry and entry summary filings as well as the payment of duties, taxes and fees, if any, and all applicable record keeping requirements.

8.5. Notwithstanding the other provisions of this Section 8, as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

## SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payment instructions, and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder shall be in writing and may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

9.4. The party receiving a commercially acceptable Notice of change in payment instructions or other payment information shall not be obligated to implement such change until ten Business Days after receipt of such Notice.

**SECTION 10. FINANCIAL RESPONSIBILITY**

10.1. If either party ("X") has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by the other party ("Y") (including, without limitation, the occurrence of a material change in the creditworthiness of Y or its Guarantor, if applicable), X may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to X, including, but not limited to cash, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or guaranty. Y hereby grants to X a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Y to X pursuant to this Section 10.1. Upon the return by X to Y of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.

10.2. In the event (each an "Event of Default") either party (the "Defaulting Party") or its Guarantor shall: (i) make an assignment or any general arrangement for the benefit of creditors; (ii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iii) otherwise become bankrupt or insolvent (however evidenced); (iv) be unable to pay its debts as they fall due; (v) have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; (vi) fail to perform any obligation to the other party with respect to any Credit Support Obligations relating to the Contract; (vii) fail to give Adequate Assurance of Performance under Section 10.1 within 48 hours but at least one Business Day of a written request by the other party; (viii) not have paid any amount due the other party hereunder on or before the second Business Day following written Notice that such payment is due; or ix) be the affected party with respect to any Additional Event of Default; then the other party (the "Non-Defaulting Party") shall have the right, at its sole election, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to terminate and liquidate the transactions under the Contract, in the manner provided in Section 10.3, in addition to any and all other remedies available hereunder.

10.3. If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the "Early Termination Date") for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a "Terminated Transaction". On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law ("Excluded Transactions"), which Excluded Transactions must be liquidated and terminated as soon thereafter as is legally permissible, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

**The parties have selected either "Early Termination Damages Apply" or "Early Termination Damages Do Not Apply" as indicated on the Base Contract.**

**Early Termination Damages Apply:**

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, as defined below, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

For purposes of this Section 10.3.1, "Contract Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price, and "Market Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

**Early Termination Damages Do Not Apply:**

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially

reasonable manner, the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract.

The parties have selected either "Other Agreement Setoffs Apply" or "Other Agreement Setoffs Do Not Apply" as indicated on the Base Contract.

**Other Agreement Setoffs Apply:**

**Bilateral Setoff Option:**

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff any Net Settlement Amount against (i) any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; and (ii) any amount(s) (including any excess cash margin or excess cash collateral) owed or held by the party that is entitled to the Net Settlement Amount under any other agreement or arrangement between the parties.

**Triangular Setoff Option:**

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option, and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff (i) any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; (ii) any Net Settlement Amount against any amount(s) (including any excess cash margin or excess cash collateral) owed by or to a party under any other agreement or arrangement between the parties; (iii) any Net Settlement Amount owed to the Non-Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Non-Defaulting Party or its Affiliates to the Defaulting Party under any other agreement or arrangement; (iv) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party to the Non-Defaulting Party or its Affiliates under any other agreement or arrangement; and/or (v) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party or its Affiliates to the Non-Defaulting Party under any other agreement or arrangement.

**Other Agreement Setoffs Do Not Apply:**

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract.

10.3.3. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 10.3.2 is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 10.3.2 shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

10.4. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the Net Settlement Amount, and whether the Net Settlement Amount is due to or due from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of the Net Settlement Amount, provided that failure to give such Notice shall not affect the validity or enforceability of the liquidation or give rise to any claim by the Defaulting Party against the Non-Defaulting Party. The Net Settlement Amount as well as any setoffs applied against such amount pursuant to Section 10.3.2, shall be paid by the close of business on the second Business Day following such Notice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount as adjusted by setoffs, shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

10.5. The parties agree that the transactions hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that Buyer and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code.

10.6. The Non-Defaulting Party's remedies under this Section 10 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Contract.

10.7. With respect to this Section 10, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions therein shall prevail to the extent inconsistent herewith.

## SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of Firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars, or acts of terror; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price than the Contract Price, Buyer's ability to purchase Gas at a lower or more advantageous price than the Contract Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Contract; (iv) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in Section 11.2; or (v) the loss or failure of Seller's gas supply or depletion of reserves, except, in either case, as provided in Section 11.2. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written Notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

11.6. Notwithstanding Sections 11.2 and 11.3, the parties may agree to alternative Force Majeure provisions in a Transaction Confirmation executed in writing by both parties.

## SECTION 12. TERM

This Contract may be terminated on 30 Day's written Notice, but shall remain in effect until the expiration of the latest Delivery Period of any transaction(s). The rights of either party pursuant to Section 7.6, Section 10, Section 13, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any transaction.

## SECTION 13. LIMITATIONS

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

## SECTION 14. MARKET DISRUPTION

If a Market Disruption Event has occurred then the parties shall negotiate in good faith to agree on a replacement price for the Floating Price (or on a method for determining a replacement price for the Floating Price) for the affected Day, and if the parties have not so agreed on or before the second Business Day following the affected Day then the replacement price for the Floating Price shall be determined within the next two following Business Days with each party obtaining, in good faith and from non-affiliated market participants in the relevant market, two quotes for prices of Gas for the affected Day of a similar quality and quantity in the geographical location closest in proximity to the Delivery Point and averaging the four quotes. If either party fails to provide two quotes then the average of the other party's two quotes shall determine the replacement price for the Floating Price. "Floating Price" means the price or a factor of the price agreed to in the transaction as being based upon a specified index. "Market Disruption Event" means, with respect to an index specified for a transaction, any of the following events: (a) the failure of the index to announce or publish information necessary for determining the Floating Price; (b) the failure of trading to commence or the permanent discontinuation or material suspension of trading on the exchange or market acting as the index; (c) the temporary or permanent discontinuance or unavailability of the index; (d) the temporary or permanent closing of any exchange acting as the index; or (e) both parties agree that a material change in the formula for or the method of determining the Floating Price has occurred. For the purposes of the calculation of a replacement price for the Floating Price, all numbers shall be rounded to three decimal places. If the fourth decimal number is five or greater, then the third decimal number shall be increased by one and if the fourth decimal number is less than five, then the third decimal number shall remain unchanged.

## SECTION 15. MISCELLANEOUS

15.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party (and shall not relieve the assigning party from liability hereunder), which consent will not be unreasonably withheld or delayed; provided, either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, or (ii) transfer its interest to any parent or Affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any such assignment, transfer and assumption, the transferor shall remain principally liable for and shall not be relieved of or discharged from any obligations hereunder.

15.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

15.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

15.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective transaction(s). This Contract may be amended only by a writing executed by both parties.

15.5. The interpretation and performance of this Contract shall be governed by the laws of the jurisdiction as indicated on the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

15.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provisions thereof.

15.7. There is no third party beneficiary to this Contract.

15.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

15.9. The headings and subheadings contained in this Contract are used solely for convenience and do not constitute a part of this Contract between the parties and shall not be used to construe or interpret the provisions of this Contract.

15.10. Unless the parties have elected on the Base Contract not to make this Section 15.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, (iv) to the extent necessary to comply with a regulatory agency's reporting requirements including but not limited to gas cost recovery proceedings; or (v) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure, and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

15.11. The parties may agree to dispute resolution procedures in Special Provisions attached to the Base Contract or in a Transaction Confirmation executed in writing by both parties

15.12. Any original executed Base Contract, Transaction Confirmation or other related document may be digitally copied, photocopied, or stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement, if introduced as evidence on paper, the Transaction Confirmation, if introduced as evidence in automated facsimile form, the recording, if introduced as evidence in its original form, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of the recording, the Transaction Confirmation, or the Imaged Agreement on the basis that such were not originated or maintained in documentary form. However, nothing herein shall be construed as a waiver of any other objection to the admissibility of such evidence.

**DISCLAIMER:** The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. **NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.**

TRANSACTION CONFIRMATION  
FOR IMMEDIATE DELIVERY

EXHIBIT A

Letterhead/Logo	Date: _____, ____ Transaction Confirmation #: _____	
This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated _____. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.		
<b>SELLER:</b> _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	<b>BUYER:</b> _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	
Contract Price: \$ ____/MMBtu or _____		
Delivery Period: Begin: _____, ____ End: _____, ____		
<b>Performance Obligation and Contract Quantity:</b> (Select One)		
<b>Firm (Fixed Quantity):</b> _____ MMBtus/day <input type="checkbox"/> EFP	<b>Firm (Variable Quantity):</b> _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller	<b>Interruptible:</b> Up to _____ MMBtus/day
<b>Delivery Point(s):</b> _____ (If a pooling point is used, list a specific geographic and pipeline location):		
<b>Special Conditions:</b>   		
Seller: _____ By: _____ Title: _____ Date: _____	Buyer: _____ By: _____ Title: _____ Date: _____	

**Peoples Natural Gas Company LLC**  
§ 53.53 III.E

28. Provide a statement explaining the details of firm gas purchase (long-term) contracts with affiliated and nonaffiliated utilities, including determination of costs, terms of contract, and other pertinent information.

\* \* \* \* \*

Peoples does not have any firm gas purchase contracts with an affiliate.

Peoples Natural Gas has two long-term natural gas purchase arrangements with the nonaffiliated EQT Energy. The term of one arrangement is from December 17, 2013 through December 16, 2033. It allows Peoples Natural Gas to purchase a daily minimum of zero dekatherms to a daily maximum of 164,935 dekatherms. These purchases may be made at any receipt point on Equitrans' Mainline or Sunrise systems, or at other mutually agreed upon Equitrans points. The arrangement requires a minimum calendar year annual purchase of 20,000,000 dekatherms. The arrangement specifies different terms for purchases that are baseload or intra-month. For baseload purchases, Peoples must provide EQT Energy its requested daily baseload purchase quantity no later than 8:00 AM EDT, five business days before the first day of the relevant month. Only baseload purchases are permitted under the arrangement for the months of April through October. All baseload purchases are priced at "Inside FERC" Dominion, Appalachia, index with no adjustment, related to the month of flow. The agreement allows Peoples to make daily intra-month calls for the months of November, December, January, February and March. The intra-month purchase provisions require Peoples to make its daily election by 8:00 AM EDT for the following day of flow, or days of flow if the next days are weekends or holidays. Intra-month quantities are priced as "Gas Daily", Dominion, South Point, Midpoint, index, with no adjustment, related to the days of flow. During the months of November, December, January, February and March, Peoples pays a demand charge of \$0.1746 multiplied by 164,935 dekatherms for each day of the month in consideration of the intra-month purchase option. For any day of the year, the maximum daily and baseload purchase total cannot exceed 164,935 dekatherms.

Peoples second long-term agreement with EQT Energy has a term of April 1, 2014 through March 31, 2034. It allows Peoples to purchase a daily minimum of zero dekatherms and a daily maximum of 251,700 dekatherms. These purchases may be made at any receipt point on Equitrans' Mainline or Sunrise systems, or at other mutually agreed upon Equitrans points. The arrangement requires a minimum purchase of 15,000,000 dekatherms for periods starting with April 1<sup>st</sup> and ending March 31<sup>st</sup> of the following calendar year. The arrangement specifies different terms for purchases that are baseload or intra-month. For baseload purchases, Peoples must provide EQT Energy its requested daily baseload purchase quantity no later than 8:00 AM EDT, five business days before the first day of the relevant month. Only baseload purchases are permitted under the arrangement for the months of April through October. All baseload purchases are priced at "Inside FERC" Dominion, Appalachia, index with no adjustment, related to

the month of flow. The agreement allows Peoples to make daily intra-month calls for the months of November, December, January, February and March. The intra-month purchase provisions require Peoples to make its daily election by 8:00 AM EDT for the following day of flow, or days of flow if the next days are weekends or holidays. Intra-month quantities are priced as "Gas Daily", Dominion, South Point, Midpoint, index, with no adjustment, related to the days of flow. During the months of November, December, January, February and March, Peoples pays a demand charge of \$0.1746 multiplied by 251,700 for each day of the month in consideration of the intra-month purchase option. For any day of a period starting with April 1<sup>st</sup> and ending March 31<sup>st</sup> of the following calendar year, the maximum daily and baseload purchase total cannot exceed 251,700 dekatherms.

**Peoples Natural Gas Company LLC**  
§ 53.53 IV.B

4. Provide an exhibit for each customer classification showing the following data for the test year and the four previous years:
  - a. The maximum coincident peak day demand.
  - b. The maximum coincident 3-day peak day demand.
  - c. The average monthly consumption in MCF during the Primary Heating Season (November-March).
  - d. The average monthly consumption in MCF during the Non-heating season (April-October).
  - e. The average daily consumption in MCF for each 12-month period.

\* \* \* \* \*

a.b. Page 2 of this response shows the 3-day peak for Peoples combined divisions for the prior four years. During this time, Peoples and Equitable divisions had a combined gas cost and shared gas planning function. Pages 3-4 of this response provides the same information for the 2013-2014 heating season for Peoples and Equitable divisions respectively.

c.d.e. Pages 5-15 of this response contain annual, heating season, and non-heating season consumption by customer classification, both on a divisional and combined basis. Equitable Division converted billing systems in 2015. As a result, the Equitable Division data presented is from 2015 forward.

**Peoples Natural Gas Company LLC**  
**Exhibit 12, Schedule 13 a,b**  
**Three-Day Peak and Single Day Peak**

Heating Season	Three-Day Single-Day Peak	Residential	Commercial	Industrial	Total
2014-2015	February 18	505,852	262,230	152,941	921,023
	February 19	595,898	308,909	180,166	1,084,974
	February 20	542,878	281,424	164,136	988,439
	February 19	595,898	308,909	180,166	1,084,974
2015-2016	February 11	452,781	232,756	169,501	855,037
	February 12	441,426	226,919	165,250	833,595
	February 13	492,133	252,986	184,232	929,352
	February 13	492,133	252,986	184,232	929,352
2016-2017	January 6	422,929	217,409	162,373	802,711
	January 7	445,694	229,112	171,113	845,919
	January 8	470,860	242,049	180,775	893,684
	January 8	470,860	242,049	180,775	893,684
2017-2018	January 4	509,577	258,620	177,519	945,716
	January 5	560,591	284,511	195,291	1,040,393
	January 6	553,688	281,007	192,886	1,027,581
	January 5	560,591	284,511	195,291	1,040,393

**Peoples Natural Gas Company LLC - Peoples Division  
Exhibit 12, Schedule 13 a,b  
Three-Day Peak and Single Day Peak**

Heating Season	Three-Day Single-Day Peak	Residential	Commercial	Industrial	Total
2013-2014	January 27	301,290	149,752	64,148	515,190
	January 28	339,547	168,767	72,294	580,608
	January 29	359,565	178,716	76,556	614,837
	January 29	359,565	178,716	76,556	614,837

**Peoples Natural Gas Company LLC - Equitable Division  
 Exhibit 12, Schedule 13 a,b  
 Three-Day Peak and Single Day Peak**

Heating Season	Three-Day Single-Day Peak	Residential	Commercial	Industrial	Total
2013-2014	January 6	267,952	99,429	44,329	411,710
	January 7	304,545	113,008	50,383	467,936
	January 8	231,131	85,766	38,238	355,135
	January 7	304,545	113,008	50,383	467,936

Peoples Natural Gas Company LLC - Peoples Division  
 Exhibit 12, Schedule 13 c,d,e  
 Average Monthly Consumption  
 Witness: Carol Scanlon

		Residential			Commercial			Industrial		
		Mcf			Mcf			Mcf		
		Customer	Throughput	Average	Customer	Throughput	Average	Customer	Throughput	Average
October	2017	332,089	1,309,432	3.9	27,935	800,532	28.7	248	1,223,162	4,932.1
November	2017	331,136	3,430,991	10.4	27,891	1,732,623	62.1	246	1,433,480	5,827.2
December	2017	332,028	5,532,505	16.7	27,918	2,738,245	98.1	246	1,687,787	6,860.9
January	2018	332,303	6,420,303	19.3	27,965	3,330,096	119.1	245	1,885,220	7,694.8
February	2018	331,945	4,164,927	12.5	27,985	2,465,970	88.1	245	2,059,583	8,406.5
March	2018	331,455	4,717,757	14.2	27,940	2,505,771	89.7	246	1,681,512	6,835.4
April	2018	333,263	2,935,212	8.8	28,023	1,885,562	67.3	247	1,906,959	7,720.5
May	2018	332,959	1,040,163	3.1	28,003	870,421	31.1	247	1,618,463	6,552.5
June	2018	332,536	719,312	2.2	27,919	607,970	21.8	248	1,439,775	5,805.5
July	2018	331,210	519,906	1.6	27,859	488,048	17.5	245	1,330,741	5,431.6
August	2018	332,553	510,287	1.5	27,862	553,412	19.9	245	1,336,642	5,455.7
September	2018	331,949	538,533	1.6	27,801	429,076	15.4	245	492,804	2,011.4
Twelve Month Total		332,119	31,839,328	95.9	27,925	18,407,724	659.2	246	18,096,127	73,536.6
Heating Season (Nov - Mar)		331,773	24,266,483	73.1	27,940	12,772,704	457.2	246	8,747,581	35,617.2
Nonheating Season (Apr - Oct)		332,366	7,572,845	22.8	27,915	5,635,020	201.9	246	9,348,546	37,936.1
Daily Average		87,231.0			50,432.1			49,578.4		
Total / 365		87,231.0			50,432.1			49,578.4		





Peoples Natural Gas Company LLC - Peoples Division  
 Exhibit 12, Schedule 13 c,d,e  
 Average Monthly Consumption  
 12 Months Ended September 30, 2017

		Residential			Commercial			Industrial		
				Mcf			Mcf			Mcf
		Customer	Throughput	Average	Customer	Throughput	Average	Customer	Throughput	Average
October	2016	332,221	1,430,027	4.3	28,014	862,106	30.8	255	1,145,673	4,492.8
November	2016	333,603	2,662,195	8.0	28,146	1,416,083	50.3	252	2,035,492	8,077.4
December	2016	334,754	4,996,206	14.9	28,223	2,546,536	90.2	254	1,648,928	6,491.8
January	2017	334,732	5,179,521	15.5	28,199	2,627,907	93.2	254	1,755,122	6,909.9
February	2017	334,928	3,916,906	11.7	28,195	2,282,826	81.0	256	1,900,503	7,423.8
March	2017	335,307	4,117,341	12.3	28,215	2,264,748	80.3	255	1,631,413	6,397.7
April	2017	334,266	1,518,699	4.5	28,121	1,169,979	41.6	255	1,740,610	6,825.9
May	2017	333,083	1,274,586	3.8	28,047	874,533	31.2	255	1,425,587	5,590.5
June	2017	332,534	560,672	1.7	27,992	567,749	20.3	253	839,714	3,319.0
July	2017	331,893	555,593	1.7	27,932	522,092	18.7	253	1,818,417	7,187.4
August	2017	330,965	524,590	1.6	27,889	454,067	16.3	251	1,143,029	4,553.9
September	2017	331,285	740,395	2.2	27,893	597,244	21.4	250	1,320,696	5,282.8
Twelve Month Total		333,298	27,476,731	82.4	28,072	16,185,870	576.6	254	18,405,184	72,580.4
Heating Season (Nov - Mar)		334,665	20,872,169	62.4	28,196	11,138,100	395.0	254	8,971,459	35,292.9
Nonheating Season (Apr - Oct)		332,321	6,604,562	19.9	27,984	5,047,770	180.4	253	9,433,725	37,266.4
Daily Average Total / 365			<u>75,278.7</u>			<u>44,344.8</u>			<u>50,425.2</u>	

Peoples Natural Gas Company LLC - Equitable Division  
 Exhibit 12, Schedule 13 c,d,e  
 Average Monthly Consumption  
 12 Months Ended September 30, 2017

		Residential			Commercial			Industrial		
				Mcf					Mcf	
		Customer	Throughput	Average	Customer	Throughput	Average	Customer	Throughput	Average
October	2016	245,036	904,851	3.7	17,974	538,765	30.0	151	967,233	6,405.5
November	2016	246,199	1,974,966	8.0	18,060	887,845	49.2	150	860,907	5,739.4
December	2016	247,126	3,691,078	14.9	18,128	1,551,050	85.6	151	1,082,126	7,166.4
January	2017	247,141	3,747,766	15.2	18,128	1,965,590	108.4	152	1,472,633	9,688.4
February	2017	247,288	2,838,313	11.5	18,129	1,815,561	100.1	153	1,506,939	9,849.3
March	2017	247,564	2,815,435	11.4	18,136	1,865,139	102.8	152	1,484,777	9,768.3
April	2017	246,886	1,081,150	4.4	18,069	903,080	50.0	152	1,155,992	7,605.2
May	2017	246,005	733,462	3.0	18,024	671,772	37.3	153	1,052,953	6,882.0
June	2017	245,725	390,980	1.6	17,986	610,784	34.0	154	1,380,638	8,965.2
July	2017	244,845	366,294	1.5	17,939	346,617	19.3	153	1,035,346	6,767.0
August	2017	243,639	352,216	1.4	17,900	391,667	21.9	153	1,218,246	7,962.4
September	2017	244,041	465,229	1.9	17,870	497,833	27.9	152	1,078,716	7,096.8
Twelve Month Total		245,958	19,361,741	78.7	18,029	12,045,703	668.1	152	14,296,506	93,952.9
Heating Season (Nov - Mar)		247,064	15,067,558	61.0	18,116	8,085,186	446.3	152	6,407,381	42,265.0
Nonheating Season (Apr - Oct)		245,168	4,294,182	17.5	17,966	3,960,518	220.4	153	7,889,124	51,707.7
Daily Average Total / 365			<u>53,045.9</u>			<u>33,001.9</u>			<u>39,168.5</u>	

Peoples Natural Gas Company LLC  
Exhibit 12, Schedule 13 c,d,e  
Average Monthly Consumption  
12 Months Ended September 30, 2017

		Residential			Commercial			Industrial		
				Mcf			Mcf			Mcf
		Customer	Throughput	Average	Customer	Throughput	Average	Customer	Throughput	Average
October	2016	577,257	2,334,878	4.0	45,988	1,400,871	30.5	406	2,112,906	5,204.2
November	2016	579,802	4,637,161	8.0	46,206	2,303,928	49.9	402	2,896,399	7,205.0
December	2016	581,880	8,687,284	14.9	46,351	4,097,586	88.4	405	2,731,054	6,743.3
January	2017	581,873	8,927,287	15.3	46,327	4,593,498	99.2	406	3,227,755	7,950.1
February	2017	582,216	6,755,219	11.6	46,324	4,098,387	88.5	409	3,407,442	8,331.2
March	2017	582,871	6,932,777	11.9	46,351	4,129,888	89.1	407	3,116,190	7,656.5
April	2017	581,152	2,599,848	4.5	46,190	2,073,059	44.9	407	2,896,602	7,117.0
May	2017	579,088	2,008,048	3.5	46,071	1,546,305	33.6	408	2,478,540	6,074.9
June	2017	578,259	951,652	1.6	45,978	1,178,533	25.6	407	2,220,352	5,455.4
July	2017	576,738	921,888	1.6	45,871	868,709	18.9	406	2,853,764	7,029.0
August	2017	574,604	876,807	1.5	45,789	845,733	18.5	404	2,361,275	5,844.7
September	2017	575,326	1,205,624	2.1	45,763	1,095,077	23.9	402	2,399,411	5,968.7
Twelve Month Total		579,256	46,838,472	80.9	46,101	28,231,573	612.4	406	32,701,690	80,595.7
Heating Season (Nov - Mar)		581,728	35,939,728	61.8	46,312	19,223,286	415.1	406	15,378,840	37,897.6
Nonheating Season (Apr - Oct)		577,489	10,898,744	18.9	45,950	9,008,287	196.0	406	17,322,849	42,697.2
Daily Average Total / 365			<u>128,324.6</u>			<u>77,346.8</u>			<u>89,593.7</u>	

Peoples Natural Gas Company LLC - Peoples Division  
 Exhibit 12, Schedule 13 c,d,e  
 Average Monthly Consumption  
 12 Months Ended September 30, 2016

	Residential			Commercial			Industrial		
	Customer	Throughput	Mcf Average	Customer	Throughput	Mcf Average	Customer	Throughput	Mcf Average
October 2015	331,311	1,631,353	4.9	27,959	913,205	32.7	200	1,545,176	7,725.9
November 2015	332,173	2,555,643	7.7	28,029	1,312,529	46.8	200	2,397,398	11,987.0
December 2015	333,019	3,321,724	10.0	28,108	1,751,049	62.3	198	2,133,159	10,773.5
January 2016	333,399	6,055,776	18.2	28,156	2,893,095	102.8	200	1,679,374	8,396.9
February 2016	333,806	5,147,323	15.4	28,175	2,834,000	100.6	201	1,980,420	9,852.8
March 2016	333,885	2,721,300	8.2	28,156	1,763,570	62.6	201	1,791,064	8,910.8
April 2016	333,588	2,200,925	6.6	28,159	1,401,281	49.8	201	1,527,777	7,600.9
May 2016	332,059	1,199,077	3.6	28,103	909,801	32.4	226	1,359,599	6,015.9
June 2016	331,318	594,893	1.8	28,071	530,450	18.9	232	1,258,657	5,425.2
July 2016	331,055	510,275	1.5	28,016	431,571	15.4	232	1,152,496	4,967.7
August 2016	331,011	536,320	1.6	27,939	451,961	16.2	233	1,127,564	4,839.3
September 2016	331,438	510,820	1.5	27,937	446,564	16.0	234	1,342,076	5,735.4
Twelve Month Total	332,339	26,985,429	81.2	28,067	15,639,075	557.2	213	19,294,761	90,514.9
Heating Season (Nov - Mar)	333,256	19,801,767	59.4	28,125	10,554,243	375.3	200	9,981,416	49,907.1
Nonheating Season (Apr - Oct)	331,683	7,183,662	21.7	28,026	5,084,832	181.4	223	9,313,346	41,844.3
Daily Average Total / 366		<u>73,730.7</u>			<u>42,729.7</u>			<u>52,717.9</u>	

Peoples Natural Gas Company LLC - Equitable Division  
 Exhibit 12, Schedule 13 c,d,e  
 Average Monthly Consumption  
 12 Months Ended September 30, 2016

		Residential			Commercial			Industrial		
				Mcf			Mcf			Mcf
		Customer	Throughput	Average	Customer	Throughput	Average	Customer	Throughput	Average
October	2015	244,922	1,128,638	4.6	18,054	625,807	34.7	152	1,016,712	6,688.9
November	2015	245,433	1,812,174	7.4	17,946	906,812	50.5	153	805,268	5,263.2
December	2015	246,105	2,262,281	9.2	18,023	1,154,506	64.1	157	748,056	4,764.7
January	2016	246,350	4,493,419	18.2	18,042	1,830,308	101.4	162	857,792	5,295.0
February	2016	246,593	3,671,919	14.9	18,049	2,145,831	118.9	158	1,402,453	8,876.3
March	2016	246,561	1,868,439	7.6	18,060	1,584,010	87.7	154	1,549,885	10,064.2
April	2016	246,447	1,565,006	6.4	18,062	1,112,926	61.6	154	1,415,079	9,188.8
May	2016	245,716	719,079	2.9	18,007	786,113	43.7	153	1,308,245	8,550.6
June	2016	244,996	397,451	1.6	17,958	525,648	29.3	153	1,227,640	8,023.8
July	2016	244,393	354,920	1.5	17,936	367,678	20.5	153	1,069,423	6,989.7
August	2016	244,228	331,138	1.4	17,925	435,637	24.3	153	1,494,140	9,765.6
September	2016	244,426	351,490	1.4	17,925	308,784	17.2	154	1,141,786	7,414.2
Twelve Month Total		245,514	18,955,955	77.2	17,999	11,784,058	654.7	155	14,036,477	90,753.1
Heating Season (Nov - Mar)		246,208	14,108,232	57.3	18,024	7,621,467	422.9	157	5,363,454	34,205.7
Nonheating Season (Apr - Oct)		245,018	4,847,723	19.8	17,981	4,162,591	231.5	153	8,673,023	56,633.5
Daily Average Total / 366			<u>51,792.2</u>			<u>32,196.9</u>			<u>38,351.0</u>	



Peoples Natural Gas Company LLC - Peoples Division  
 Exhibit 12, Schedule 13 c,d,e  
 Average Monthly Consumption  
 12 Months Ended September 30, 2015

		Residential			Commercial			Industrial		
		Customer	Throughput	Mcf Average	Customer	Throughput	Mcf Average	Customer	Throughput	Mcf Average
October	2014	330,326	1,594,679	4.8	27,951	878,899	31.4	203	1,549,319	7,632.1
November	2014	331,613	3,496,084	10.5	28,069	1,649,300	58.8	201	1,622,209	8,070.7
December	2014	332,342	4,979,134	15.0	28,129	2,467,032	87.7	202	1,937,051	9,589.4
January	2015	332,820	6,368,406	19.1	28,169	3,096,663	109.9	202	1,860,900	9,212.4
February	2015	333,128	6,593,082	19.8	28,184	3,348,486	118.8	202	2,251,108	11,144.1
March	2015	333,005	4,706,225	14.1	28,154	2,703,946	96.0	203	2,367,288	11,661.5
April	2015	332,372	2,105,213	6.3	28,091	1,466,562	52.2	203	2,043,813	10,068.0
May	2015	330,583	973,276	2.9	27,985	710,810	25.4	203	1,679,787	8,274.8
June	2015	329,863	664,571	2.0	27,920	500,496	17.9	203	1,537,645	7,574.6
July	2015	335,480	568,294	1.7	28,034	438,132	15.6	203	1,470,166	7,242.2
August	2015	329,180	541,256	1.6	27,829	408,503	14.7	202	1,424,450	7,051.7
September	2015	329,396	505,833	1.5	27,836	419,410	15.1	201	1,233,369	6,136.2
Twelve Month Total		331,676	33,096,052	99.8	28,029	18,088,239	645.3	202	20,977,103	103,676.0
Heating Season (Nov - Mar)		332,582	26,142,932	78.6	28,141	13,265,428	471.4	202	10,038,556	49,695.8
Nonheating Season (Apr - Oct)		331,029	6,953,121	21.0	27,949	4,822,811	172.6	203	10,938,547	53,998.5
Daily Average Total / 365			<u>90,674.1</u>			<u>49,556.8</u>			<u>57,471.5</u>	

Peoples Natural Gas Company LLC - Peoples Division  
 Exhibit 12, Schedule 13 c,d,e  
 Average Monthly Consumption  
 12 Months Ended September 30, 2014

	Residential			Commercial			Industrial		
	Customer	Throughput	Mcf Average	Customer	Throughput	Mcf Average	Customer	Throughput	Mcf Average
October 2013	330,323	1,532,341	4.6	27,924	852,224	30.5	200	1,485,390	7,426.9
November 2013	331,624	3,529,731	10.6	28,056	1,922,514	68.5	201	1,580,367	7,862.5
December 2013	331,961	5,017,725	15.1	28,089	2,216,713	78.9	202	1,583,592	7,839.6
January 2014	333,603	6,785,140	20.3	28,198	3,305,588	117.2	203	1,850,721	9,116.8
February 2014	332,581	5,950,571	17.9	28,159	3,154,185	112.0	201	2,279,932	11,342.9
March 2014	332,378	5,028,421	15.1	28,131	2,637,266	93.7	201	1,970,459	9,803.3
April 2014	331,828	2,536,974	7.6	28,079	1,580,275	56.3	200	2,061,660	10,308.3
May 2014	330,744	1,374,522	4.2	28,006	850,033	30.4	198	1,646,268	8,314.5
June 2014	329,375	580,694	1.8	27,926	475,581	17.0	198	1,390,662	7,023.5
July 2014	328,849	587,325	1.8	27,863	436,232	15.7	199	1,486,679	7,470.7
August 2014	328,692	553,417	1.7	27,829	413,506	14.9	199	1,421,215	7,141.8
September 2014	328,844	695,563	2.1	27,814	466,302	16.8	200	1,352,035	6,760.2
Twelve Month Total	330,900	34,172,423	103.3	28,006	18,310,419	653.8	200	20,108,979	100,461.2
Heating Season (Nov - Mar)	332,429	26,311,587	79.1	28,127	13,236,266	470.6	202	9,265,071	45,957.7
Nonheating Season (Apr - Oct)	329,808	7,860,836	23.8	27,920	5,074,153	181.7	199	10,843,908	54,452.9
Daily Average Total / 365		<u>93,623.1</u>			<u>50,165.5</u>			<u>55,093.1</u>	

**Peoples Natural Gas Company LLC**  
**Peoples Division**  
**§ 53.53 IV.B**

13. Submit the projected demands for all customer classes for the three years following the test year filing.

\* \* \* \* \*

**Projected For Twelve Months Ended September 30**

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	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Residential</b>	50,557,933	50,086,215	49,844,323
<b>Commercial</b>	31,763,273	31,784,428	31,804,015
<b>Industrial</b>	34,694,476	34,694,476	34,694,476
<b>TOTAL</b>	<b>117,015,682</b>	<b>116,565,119</b>	<b>116,342,815</b>

**Peoples Natural Gas Company LLC**  
§ 53.53 III.E

3. Submit a schedule showing a reconciliation of test year MCF sales and line losses. List all amounts of gas purchased, manufactured and transported.

\* \* \* \* \*

Refer to Exhibit No. 12, Schedule No. 16 (53.53 IV.B.14).

**Peoples Natural Gas Company LLC**  
§ 53.53 IV.B

14. Supply an exhibit showing the gas deliveries to each customer class for the most recent 24 month period. The exhibit should identify the source of the gas, such as “purchased” (pipeline), “production” (includes purchases from local producers), “storage withdrawal,” “propane/air,” and “unaccounted for.”

\* \* \* \* \*

Refer to pages 2-3 which reflect the gas deliveries and gas received for the twelve months ended August 31, 2017 and August 31, 2018. The time periods reflect the same time periods as are required for the Unaccounted For Gas (UFG) filings made with the Commission.

**Peoples Natural Gas - Reconciliation of Receipts and Deliveries**

Total System

	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Total
Gas Received													
From Production Facilities	2,827,346	2,610,170	2,752,611	2,728,495	2,633,204	2,416,521	2,510,542	2,259,188	2,266,833	2,522,089	2,811,581	2,922,342	31,260,921
From Storage Facilities	5,185	85,292	40,109	152,763	406,882	247,490	170,503	242,824	212,272	44,087	5,224	5,587	1,618,218
From Interstate Pipeline	2,228,831	4,977,571	8,726,810	15,345,033	14,314,161	10,962,876	12,354,877	4,968,639	4,137,098	2,732,827	2,346,548	2,127,964	85,223,235
Exchange PTWP & Columbia	290,497	76,787	127,745	216,306	211,223	172,076	184,066	115,782	113,656	60,318	50,233	207,212	1,825,900
Total Receipts	5,351,858	7,749,820	11,647,276	18,442,596	17,565,470	13,798,964	15,219,988	7,586,433	6,729,859	5,359,320	5,213,586	5,263,104	119,928,274
Gas Delivered													
To Customers	3,871,895	6,835,844	10,077,674	16,578,095	17,060,453	13,326,314	13,958,913	6,718,379	6,035,930	4,298,003	4,100,437	4,130,206	106,992,145
To Storage Facilities	174,763	156,038	125,999	75,923	-	-	124,239	103,522	7,288	189,489	267,071	187,598	1,411,930
To Transmission (Off System)	243,971	243,781	215,917	166,573	156,874	165,493	158,968	215,275	241,837	170,508	196,377	237,414	2,412,988
Exchange PTWP & Columbia	350,385	41,341	77,172	121,553	127,818	124,797	131,313	88,455	80,704	78,120	117,295	38,581	1,377,533
Total Deliveries	4,641,014	7,277,004	10,496,762	16,942,145	17,345,145	13,616,604	14,373,433	7,125,631	6,365,759	4,736,120	4,681,180	4,593,799	112,194,596
Adjustments													
Total Adjustments	100,646	78,789	144,263	275,178	322,499	327,212	262,556	114,580	79,816	69,054	75,167	76,886	1,926,647
UFG (mcf)	610,197	394,028	1,006,250	1,225,274	(102,174)	(144,852)	583,999	346,222	284,284	554,146	457,239	592,419	5,807,031

**Peoples Natural Gas - Reconciliation of Receipts and Deliveries**

Total System

	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Total
<b>Gas Received</b>													
From Production Facilities	2,831,943	2,899,691	3,020,994	2,970,028	2,743,627	2,544,513	2,688,147	2,132,861	2,582,659	2,657,106	2,737,785	2,633,367	32,442,721
From Storage Facilities	5,000	18,503	5,684	277,717	278,383	324,381	175,062	90,226	39,521	10,612	10,233	10,021	1,245,343
From Interstate Pipeline	2,390,302	4,019,763	9,934,234	15,909,085	19,171,950	11,936,591	14,356,055	9,617,444	3,138,674	2,728,112	2,414,414	2,581,874	98,198,499
Exchange PTWP & Columbia	25,792	46,819	125,200	204,865	244,728	156,532	181,387	117,991	29,001	21,210	19,390	17,679	1,190,594
<b>Total Receipts</b>	<b>5,253,037</b>	<b>6,984,776</b>	<b>13,086,113</b>	<b>19,361,695</b>	<b>22,438,689</b>	<b>14,962,017</b>	<b>17,400,651</b>	<b>11,958,522</b>	<b>5,789,855</b>	<b>5,417,040</b>	<b>5,181,822</b>	<b>5,242,940</b>	<b>133,077,156</b>
<b>Gas Delivered</b>													
To Customers	4,428,789	5,970,818	12,043,364	17,993,078	21,066,550	14,195,392	15,974,592	11,007,604	5,488,634	4,583,876	4,230,426	4,110,948	121,094,070
To Storage Facilities	289,501	219,652	62,549	-	16	-	-	23,717	110,271	236,136	117,324	342,989	1,402,155
To Transmission (Off System)	220,502	205,829	191,139	180,066	57,443	163,491	131,515	-	216,535	187,318	193,119	188,308	1,935,265
Exchange PTWP & Columbia	38,465	40,227	35,294	128,497	150,022	67,244	136,632	141,661	37,935	37,533	32,125	33,771	879,404
<b>Total Deliveries</b>	<b>4,977,256</b>	<b>6,436,525</b>	<b>12,332,346</b>	<b>18,301,641</b>	<b>21,274,030</b>	<b>14,426,127</b>	<b>16,242,739</b>	<b>11,172,982</b>	<b>5,853,375</b>	<b>5,044,862</b>	<b>4,572,994</b>	<b>4,676,016</b>	<b>125,310,894</b>
<b>Adjustments</b>													
<b>Total Adjustments</b>	<b>110,102</b>	<b>119,048</b>	<b>205,548</b>	<b>342,828</b>	<b>414,136</b>	<b>434,634</b>	<b>311,178</b>	<b>244,169</b>	<b>108,381</b>	<b>88,421</b>	<b>91,439</b>	<b>97,194</b>	<b>2,567,078</b>
<b>UFG (mcf)</b>	<b>165,679</b>	<b>429,202</b>	<b>548,218</b>	<b>717,226</b>	<b>750,523</b>	<b>101,256</b>	<b>846,734</b>	<b>541,371</b>	<b>(171,901)</b>	<b>283,757</b>	<b>517,389</b>	<b>469,731</b>	<b>5,199,185</b>