

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NO. R-2008-2028394

PECO Energy Company

Exhibit to Accompany
Direct Testimony of Amy E. Hamilton

PECO Energy Company

AGREEMENT FOR GAS TRANSPORTATION SERVICE

This Agreement is made on _____, 19____, between PECO Energy, a public utility in the Commonwealth of Pennsylvania, and _____ (Customer), a _____ for Gas Transportation Service at _____

TARIFF

Agreement, and all rates, fees, charges and surcharges for service, in all respects shall be, and remain, subject to the applicable provisions of Rate Schedules TS-I and TS-F, the General Terms, and Conditions for Gas Transportation Service, and applicable provisions of PECO Energy's Tariff (Gas - PA. PUC No. 1) (Tariff), as such Tariff may be amended or superseded from time to time, on file with, and approved by, the Pennsylvania Public Utility Commission.

TERM

Initial term of this Agreement shall be _____; after the initial term, this Agreement shall continue on a month-to-month renewal basis. This Agreement may be canceled by either party after the initial term, upon at least _____ days prior to any monthly renewal date. Any termination of this Agreement shall not relieve either party of any obligation incurred prior to the effective date of termination, including but not limited to guarantee obligations.

Agreement is canceled during any renewal term by the Customer, Standby Sales Service demand charges under Rate Schedules shall be due and payable until PECO Energy is able to reduce its purchase obligation, or otherwise utilize the released supplies pursuant to Section 3.3 of the General Terms and Conditions of the Tariff. If this Agreement is canceled during any renewal term by PECO Energy's Standby Sales Service demand charges shall terminate.

EXHIBITS

All Exhibits listed below are incorporated into, and made a part of, this Agreement. An exhibit may be added or superseded by agreement of PECO Energy and the customer to be effective on the date shown in the new or superseding exhibit.

- Exhibit 1 - Gas Consumption Capability, Contract Quantities, and Commodity Charges
- Exhibit 2 - Nomination Procedure
- Exhibit 3 - Designation of Agent for Customer
- Exhibit 4 - Transportation Buyer Group
- Exhibit 5 - City Gate Sales Service Agreement
- Exhibit 6 - Alternate Fuel Certification Statement
- Exhibit 7 - Investment Guarantee
- Exhibit 8 - Election to Decline Full Firm Standby Sales Service

TRANSPORTATION CONTRACT QUANTITIES

- (a) The Customer's Transportation Contract Quantities (TCQs) are set forth in Exhibit 1. PECO Energy is not obligated to accept deliveries of gas greater than the TCQs, and the Customer agrees not to tender on any day a quantity of gas in excess of the TCQs. ~
- (b) PECO Energy has the right to r_e, vise the TCQs specified in Exhibit 1. Any suc.h~;~nn shall be based upon the Customers maximum daily usage during the previ~,~}{~k(~lve (12) months, and shall not exceed 110% of that usage.
- (c) Customer shall notify PECO Energy of modifications in gas usag, =irements by written notice addressed to at

TRANSPORTATION COMMODITY CHARGES

- (a) The initial commodity charges applicable to each MCF are set forth in Exhibit 1.
- (b) In addition to the initial commodity charges specifie(1, the Customer agrees to pay any surcharge, fee, penalty or other assessm, by the Pennsylvania Public Utility Commission, including those for the interstate pipeline "transition costs," balancing costs, and taxes.



STANDBY SALES SERVICE UNDER

The Standby Sales Service Contract QI is set forth in Exhibit 1.

ALTERNATE FUEL CATEGORY

The Customer certifies that the .=1 ry, where applicable, stated in Exhibits 1 and 6, is correct. The Customer notice to PECO Energy of any changes to its operation that alter its altern~ category and capability within 30 days of the change. The Customer shall compl CO Energy's verification procedures as requested. The Customer agrees to provide ;,nergy, when requested, an updated Exhibit 1.

SOURCE OF

Where er the rate for Pennsylvania-produced gas, Customer shall comply with PECO Er procedures as requested.

S BALANCING OBLIGATIONS

The has the ultimate responsibility for:

- (a) monitoring the daily quantity of transportation gas being delivered by its supplier,
- (b) monitoring its daily usage of gas, and
- (c) managing transportation deliveries and its usage, within tolerances specified in the Tariff, such that daily and monthly imbalances shall be kept to as near zero as possible.

TREATMENT OF DEFICIENT DELIVERIES

All deficient deliveries at the end of any month shall be billed as a purchase under the applicable Standby Sales rates, plus penalty if applicable, pursuant to Section 2.5 of the General Terms and Conditions of the Tariff.

DESIGNATION OF AGENT FOR CUSTOMER

Designation of an Agent, if any, is made in Exhibit 3 to this Agreement if attached and executed.

DELIVERY OF GAS TO THE PECO ENERGY SYSTEM

The Customer is responsible to make all necessary arrangements for the delivery of gas to PECO Energy's system through the facilities of Texas Eastern Corporation or Transcontinental Gas Pipe Line Corporation. The Customer shall be responsible for all costs incurred to deliver transportation gas to PECO Energy's city gas mains including, but not limited to, balancing or penalty charges. The Customer is responsible for any imbalance, penalty or similar charge assessed PECO Energy which results from operations.

The Customer-owned gas transported by Transcontinental Gas Pipe Line Corporation shall be delivered to the Transfer Point #6555 - Transco/PECO Energy interconnections

The Customer-owned gas transported below, and all such points shall be included in the transportation contract executed by the Customer or his Agent.

- M&R No. 035 Tetco/PECO Energy interconnection, Delaware Co., PA
- M&R No. 036 Tetco/PECO Energy interconnection, Montgomery Co., PA
- M&R No. 1220 Energy interconnection, Montgomery Co., PA
- M&R No. 2004 Energy interconnection, Chester Co., PA
- M&R No. 2405 PECO Energy interconnection, Montgomery Co., PA
- M&R No. Energy interconnection, Montgomery Co., PA

NOMINATION

The Customer shall conform to the Gas Transportation Nomination Procedure attached as Exhibit 2 to this Agreement. PECO Energy shall have the right to revise the Gas Transportation Nomination Procedure, and any such revision will be furnished to the Customer at least thirty (30) days prior to its effective date.

TELEMETRY EQUIPMENT

- (a) The Customer shall permit PECO Energy to install and operate telemetering equipment to remotely read PECO Energy's meter. The Customer shall provide and pay for telephone and electric service required for the operation of PECO Energy's equipment. Telephone and electric service shall be provided by the Customer for this purpose at least ten (10) working days prior to the commencement of service under this Agreement.
- (b) If the telemetering equipment is not operational prior to the commencement of transportation service under this Agreement, or if the telemetering equipment fails, the Customer shall be responsible for reading PECO Energy's meter at 8:00 AM each day and promptly reporting these readings to PECO Energy's dispatching office in the manner directed by PECO Energy.

NOTICES AND COMMUNICATIONS

Any formal communications concerning this Agreement shall be in writing and delivered either by hand, by first class certified mail, or by facsimile to the appropriate address as follows:

Customer Company

Notices and Correspondence:

Notices and Correspondence:

PECO Energy Company

Telephone:

Telephone: _____

FAX: _____

FAX: _____

Daily Operations:

Dispatching

PECO Energy Company

Gas Supply & Transportation Group

900 Front Street

West Conshohocken, PA 19428-2723

Telephone: _____

Telephone: (610) 832-6451

FAX: _____

FAX: (610) 832-6497

() a. The title to all gas delivered to PECO Energy under this Agreement.

(b) The gas will be and is free and clear of all liens, encumbrances, and claims whatsoever,

(c) Such gas meets the quality and pressure specifications of the transporting pipelines.

ADVERSE CONDITIONS

Before PECO Energy installs any facilities, Customer agrees to provide in writing to PECO Energy all available information regarding potential or actual contamination, waste or similar materials or other adverse environmental or hazardous conditions on the Customer's premises on or near where PECO Energy facilities are to be located.

INDEMNITY

The customer shall indemnify and hold PECO Energy harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of adverse claims of title of any and all persons to the gas delivered to PECO Energy.

ENTIRE AGREEMENT

This Agreement constitutes the entire agreement and understanding between PECO Energy, the Customer, and the Customer's Agent (if any), and shall cancel and supersede, as of its effective date, all prior contracts, supplemental agreements, negotiations, or terms, whether oral or written, for the transportation of natural gas. Except as otherwise provided herein, this Agreement may not be modified or amended except in writing by both parties with the same formality that was followed in the execution of this Agreement.

INTERPRETATION

This Agreement shall be interpreted under the law of the Commonwealth of Pennsylvania. This Agreement and the obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction hereover (or the successors of those authorities). Captions and headings in this Agreement are for convenience only and do not constitute a part of this Agreement.

C.C., O, O

Before any installation of facilities either party shall have the right to cancel and terminate this Agreement by written notice to the other party and after such notice, both parties shall be relieved of all duties and obligations arising hereunder.

ASSIGNMENT

This Agreement shall not be assigned by either party without the written consent of the other, in which event it shall be binding on the party to which it is assigned. Assignment of this Agreement shall not release the assigning party from any of the obligations under this Agreement unless such release is agreed to in writing by the other party and the assuming party.

CONFIDENTIALITY

The terms of this Agreement including, but not limited to, the transportation commodity charges, the volume of gas transported, and all other material items shall be kept confidential by PECO Energy, the Customer, and any agents designated by the Customer, except to the extent that any information must be disclosed to a third party as required by law.

TRANSPORTATION
In _____
originals. _____
Customer Name: _____
By: _____
Name (Print): _____
Title: _____
Address: _____
Phone: _____
Date: _____

ENDIX
_____ment to be duly execu.
Company: _____
By: _____
Title: _____
Date: _____
Efec.Date: _____
PECO Energy Company

FOR INFORMATIONAL PURPOSES
ONLY

Exhibit

Gas Consumption Capability, Contract Quantities, and Commodity Charges

**Agreement For Gas Transportation Service
Between
PECO Energy Company
And**

URPO

Consumption Capability

The annual consumption capability at this metering location is _____ Mcf per year. Therefore, the charge and the maximum commodity charge applicable under this Agreement are for the category of (check one): _____)"

- less than 18,000 Mcf per year, or 4 _____
- greater than or equal to 18,000 _____ per year _____

1. Firm Service Contract Quantity, _____ Charges

A. Rate TS-F Transportation Contract Quantity (TCQ) _____ Mcf/day

Commodity Charge for Firm Transportation (check one):

- \$0.92 _____ per Mcf for gas produced in Pennsylvania
- \$2. _____ per Mcf for gas produced outside Pennsylvania (uses _____ Mcf per year)

- \$0.49 per Mcf for gas produced in Pennsylvania
- \$0.85 per Mcf for gas produced outside Pennsylvania

_____ (uses 18,000 Mcf per year or more)

B. Rate TS-F Standby Sales Service Contract Quantity _____ Mcf/day

The Standby Sales Contract Quantity (SSQ) must equal the Rate TS-F TCQ if the customer receives both TS-F and TS-I through the same meter. The total maximum firm daily quantity that PECO Energy shall be obligated to transport is the Rate TS-F TCQ specified above. The total maximum firm daily quantity that PECO Energy shall be obligated to supply is the Rate TS-F Standby Sales Service Quantity specified above. In the absence of a properly executed exhibit 8, the TCQ must be equal to the SSQ.

C. Rate for Standby Sales Service (check one):

- Rate GC (capability is less than 18,000 Mcf per year)
- Rate L (capability is 18,000 Mcf per year or more)

2. Interruptible Service Contract Quantity and Commodity Charge

Rate TS-I Transportation Contract Quantity (TCQ) ~ Mcf/day

Commodity Charge for Interruptible Transportation (check one):

- \$0.92 per Mcf (uses less than 18,000 Mcf per year)
- \$0.49 per Mcf (uses 18,000 Mcf per year or more)

SES

Rate TS-I service includes interruptible standby sales service under PECO Energy's Rate IS service.

B. Alternate Fuel Categories for Rate IS Standby (check one):

| | |
|-------------------------------|----------------------------------------|
| <u>Primary Alternate Fuel</u> | <u>Alternate Fuel ('if applicable)</u> |
|-------------------------------|----------------------------------------|

- | | | | |
|--------------------------|---------------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | Propane | <input type="checkbox"/> | Propane |
| <input type="checkbox"/> | No. 2 Oil | <input type="checkbox"/> | No. 2 Oil |
| <input type="checkbox"/> | No. 4 Oil | <input type="checkbox"/> | No. 4 Oil |
| <input type="checkbox"/> | No. 6 Oil - 0.5% sulfur content | <input type="checkbox"/> | No. 6 Oil - 0.5% sulfur content |
| <input type="checkbox"/> | No. 6 Oil - 1.0% sulfur content | <input type="checkbox"/> | No. 6 Oil - 1.0% sulfur content |
| <input type="checkbox"/> | Reprocessed Oil | <input type="checkbox"/> | Reprocessed Oil |
| <input type="checkbox"/> | Other: | <input type="checkbox"/> | Other: |

Confirmation of the above will be provided by the Customer when requested by PECO Energy.

Other Charges

The above charges do not include "transition" cost charges, balancing charges and other charges as authorized by the Pennsylvania Public Utility Commission.

System Access

Quantity of transportation gas received for this account shall be reduced by 2.5 percent for system losses.

Company

Name:

Company: PECO Energy Company

By:

By:

Name (Print):

Title:

Title:

Date:

Date:

Effective Date:

Exhibit 2

**Gas Transportation Nomination Procedure
PECO Energy Company**

Nomination information or questions concerning nominations shall be forwarded to:

PECO Energy Company
Gas Supply & Transportation Group
300 Front Street, Bldg. 2
West Conshohocken, PA 19428-2723
Telephone: (610) 832-6451
FAX: (610) 832-6497

Nomination information shall be submitted in spreadsheet format acceptable to PECO Energy showing the total dekatherms delivered to the PECO Energy system by day. Subtotals shall also be provided by pipeline transportation contract number. Upon request, PECO Energy will provide a spreadsheet template which can be used for this purpose. Contact PECO Energy for more information.

format acceptable to PECO Energy system by day. pipeline transportation contract number. spreadsheet template which can be used for this purpose.

3. The gas supplier is responsible for providing the nominated quantity and for notifying PECO Energy of any change in nomination.

PECO Energy will be responsible for providing the pipeline is in fact delivering the nominated quantity and its daily delivery status.

Written nominations must be submitted to PECO Energy no later than five (5) working days before the beginning of a calendar month. In special circumstances, PECO Energy may, in its sole discretion, accept verbal nominations. A written confirmation to PECO Energy must be submitted no later than three (3) working days prior to the beginning of the month.

five (5) working days before the beginning of a calendar month. PECO Energy may, in its sole discretion, accept verbal nominations. A written confirmation to PECO Energy must be submitted no later than three (3) working days prior to the beginning of the month.

Changes to nominations during a calendar month shall be provided to PECO Energy no later than Eastern time one (1) working day prior to the effective date of the change.



Company Name:

Company: PECO Energy Company

By:

By:

Name (Print):

Title:

Title:

Date:

Date:

Effective Date:

Exhibit 3

**Designation Of Agent For
Gas Transportation Service
Between
PECO Energy Company
And**

The Customer hereby designates the party specified below to act on the Customer's behalf for scheduling, dispatching, giving and receipt of notices and other administrative aspects of transportation service. The Agent agrees to keep the Customer informed of its balancing status for each billing period. The signature below evidences the Agent's acceptance of all the terms and conditions of this Agreement for Gas Transportation Service. The Customer shall, nevertheless, remain responsible to PECO Energy for all of the Customer's obligations under the Agreement.

Check one:

Mail PECO Energy bill to Customer Mail PECO Energy bill to Agent

Name: _____
Address: _____

Telephone: ~,=~



By:
Title:
Date:

Company
Name:
By:
Name (Print):
Title:
Date:

Company: PECO Energy Company
By:
Title:
Date:
Effec.Date:

Exhibit 4

**Transportation Buyer Group
Agreement For Gas Transportation Service
Between
PECO Energy Company
And**

The Customer hereby agrees to join a Buyer Group and is qualified because the annual volume specified in Exhibit 1 is less than 5,000 Mcf per year ~V

SPONSOR INFORMATION

Company Name:

Address:

Signature:

~i~..~P' ~/

Name (Print):

O~

Title:

Date:

~~

Company
Name: ~

Company: PECO Energy Company

Title:

Title: %.

Date:

Date:

Effec.Date:

Attachment 1, Exhibit 4
PECO ENERGY COMPANY
SPONSOR AGREEMENT FOR GAS TRANSPORTATION BUYER GROUP

The company below (hereinafter called Sponsor) agrees to sponsor a gas transportation buyer group on PECO Energy Company's (PECO's) gas system.

Company Name:
Address:

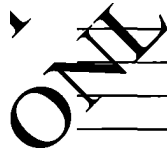
Contact Person:
Phone:

Sponsor holds the following transportation a Corporation or Transcontinental Gas Pipe Line Cot

Texas Eastern Transmission

Pipeline

Contract Number



Sponsor agrees to included in the buyer

allocations of transportation gas to each meter location

4. Sponsor to PECO Energy as part of this agreement, and to be updated quarterly, a current members of the buyer group. Such reports will be submitted to PECO Ener later than fifteen (15) days after the end of a calendar quarter.
5. Sponsor not be financially responsible to PECO Energy for any transportation charges ~,~.~b~ group members.
6. PECO Energy shall have the right to revise administrative procedures for transportation buyer groups from time to time in accordance with its tariff. PECO Energy will advise all parties involved in a buyer group at least thirty (30) days prior to the effective date of any revision.

SPONSOR:
Signature:
Name:
Title:
Date:

PECO ENERGY COMPANY
Signature:
Name:
Title:
Date:

Please submit this agreement, along with the list of group members, to:
Administrator - End-User Transportation
PECO Energy Company
300 Front Street
West Conshohocken, PA 19428-2723

Exhibit 5
City Gate Sales Service Agreement
Agreement For Gas Transportation Service
Between
PECO Energy Company
And

~ , ~
~ ~
~X~"~"

PECO Energy agrees to provide and Customer agrees to receive and pay for the CGS service pursuant to the terms of this Agreement, Rate CGS, and the applicable provisions of PECO Energy's Gas Service Tariff as such may be amended or superseded from time to time.

1. TERM

~ , ~ -

The parties agree that the term of service hereunder shall commence on [redacted], and shall continue through [redacted]. Prior to the expiration of this term, Acquisition Service Charges and Firm Supply Charges will be applicable for the remaining months of the contract term and shall be paid by the Customer prior to the effective date of the cancellation. Any cancellation or termination of this Agreement shall not relieve either party of obligations existing on or prior to the effective date of the cancellation or termination.

3. NOTICES AND COMMUNICATIONS

Monthly notices shall be provided to:

Administrator, Gas Supply & Transportation Group
30th Street
Pittsburgh, PA 15222-2723
Telephone: (610) 832-6452/6407
FAX: (610) 832-6499

Emergency scheduling shall be coordinated with:

Regional Gas System Operator, System Control & Storage
Telephone: (610) 832-6487
FAX: (610) 832-6498

Company

Name:

Company: PECO Energy Company

By:

By:

Name (Print):

Title:

Title:

Date:

Date:

Effective Date:

**Exhibit 6
Alternate Fuel Certification
To
Agreement For Gas Transportation Service
Between
PECO Energy Company
And**

Designation of Alternate Fuel

Indicate the primary alternate fuel that you are currently using for this agreement. Attach a copy of your most recent invoice from your alternate fuel supplier documenting this fuel type.

Primary Alternate Fuel

Secondary Alternate Fuel (if applicable)

- | | | | |
|--------------------------|-------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | Propane | <input type="checkbox"/> | Propane |
| <input type="checkbox"/> | No. 2 Oil | <input type="checkbox"/> | No. 2 Oil |
| <input type="checkbox"/> | No. 4 Oil | <input type="checkbox"/> | No. 4 Oil |
| <input type="checkbox"/> | No. 6 Oil - 0.5% sulfur | <input type="checkbox"/> | No. 6 Oil - 0.5% sulfur content |
| <input type="checkbox"/> | No. 6 Oil - 1.0% sulfur | <input type="checkbox"/> | No. 6 Oil - 1.0% sulfur content |
| <input type="checkbox"/> | Reprocessed Oil | <input type="checkbox"/> | Oil |
| <input type="checkbox"/> | Other: | <input type="checkbox"/> | Other: |

Information on Permanently

- | | | | |
|---------|---------------|----------------------|--------------------------|
| Tank #1 | | Check if underground | <input type="checkbox"/> |
| Tank #2 | _____ gallons | Check if underground | <input type="checkbox"/> |
| Tank #3 | _____ gallons | Check if underground | <input type="checkbox"/> |
| Tank #4 | _____ gallons | Check if underground | <input type="checkbox"/> |
| Other - | _____ gallons | | |

Indicate _____ gallons of oil or propane you normally maintain in inventory in the winter period in _____, _____ as listed above: _____ gallons.

Under maximum-use conditions (e.g., mild weather, maximum production, etc.), how many _____% would this inventory last? _____ days.

List any equipment that is served under this contract that cannot use an alternate fuel.

Equipment

Estimated Gas Use

- | | | |
|----|--|-------------|
| 1. | | Mcf per day |
| 2. | | Mcf per day |
| 3. | | Mcf per day |

I hereby certify that the above information is true and correct to the best of my knowledge and belief and that my alternate fuel system is in good working condition.

Company Name:

Title:

By:

Date:

Name (Print):

Effective Date:

**Exhibit 7
Investment Guarantee
To
Agreement For Gas Transportation Service
Between
PECO Energy Company
And**

To provide gas transportation service, PECO Energy will install, maintain, repair, replace and operate a gas line to serve the Customer's facility at _____ to PECO Energy do not in any way give Customer title to or interest in, any gas main or service installed.

In recognition of the investment in facilities that _____ must make to provide gas transportation service, the Customer and its successor shall guarantee a minimum payment to PECO Energy of \$ _____ for gas service during the _____ year initial term (not including any up-front amount) which shall commence on _____ and end on _____.

The accumulated Rate (TS-I/TS-_____les paid by the Customer in the _____ year initial term shall be considered the guaranteed minimum payment.

If the accumulated Rate _____ during the _____ year term of the Agreement are less _____ amount of \$ _____, the Customer shall remit the difference within _____ days after receipt of an invoice from PECO Energy.

The terms listed _____ shall not be credited toward the minimum payment:

- a) The _____; Customer Charge for transportation service.
- b) Any _____ made by the Customer under other PECO Energy gas rate schedules.
- c) _____ but surcharges approved by the Pennsylvania Public Utility Commission for of interstate pipeline "transition costs," balancing costs and similar costs.

3. PECO Energy has the right to increase the amount of the minimum payment if the Pennsylvania Public Utility Commission takes any action reducing the portion of the gas transportation commodity charges retained by PECO Energy.

(OPTIONAL CLAUSE)

4. The Customer agrees to pay PECO Energy an up-front amount of \$ _____ for this gas service installation. This amount is the difference between the cost associated with extending gas main and/or service of \$ _____, and the Customer's guaranteed revenue of \$ _____. The payment shall be made prior to _____.

Company Name:
By:
Name (Print):
Title:
Date:

Company: PECO Energy Company
By:
Title:
Date:
Effective Date:

Exhibit 8

Election to Decline Full Firm Standby Sales Service

General

The Customer hereby declines to elect full firm standby sales service Energy Company equal to the TCQ for the firm transportation service under Rate T- ~d in Exhibit 1 of this Agreement. The Customer therefore agrees and understands th; no contractual right to purchase gas from PECO Energy under any rate schedule on or monthly basis, and PECO Energy has no obligation to supply natural gas to the during the term of the agreement, greater than the standby sales quantity (SSQ) indi 1 of this Agree- ment. Upon termination of the agreement, any obligation to p sales service greater than the SSQ is contingent upon PECO Energy's ability to the additional gas supply.

Election in Exhibit 1 to Decline Firm Standl

The Customer understands that unauthorized use at a price equivalent to the standby sales rate indicated in Exhibit 1 plus a surcharge. Gas consumption under the following conditions shall be considere(use: 1) any gas use when the Customer's supplier fails to deliver, 2) ~eding the daily deliveries plus the allowable daily variation, and 3) any cons~ of the total delivered in a billing month. The billing for unauthorized Customer with a right to consume gas supplied by PECO Energy and for damages to PECO Energy and PECO Energy's other customers unauthorized use of gas.

Election in Exhibit 1 of

Standby Sales Service

The Customer understand~ unauthorized use will be billed at a price equivalent to the standby sales rate indi Exhibit 1 plus a \$25 per Mcf surcharge. Gas consumption under the following all be considered unauthorized use: 1) any gas use in excess of the SSQ when the supplier fails to deliver, 2) consumption of gas exceeding the daily deliveries plus daily variation plus the standby sales quantity, and 3) the quantity of deficient del~[ie.s the conclusion of a billing month that exceeds the SSQ times the number of days in/,t~[ffrng month. The billing for unauthorized use does not provide the Customer with a righ~(lkco)~sfJme gas supplied _b,y PECO Energy and Customer may be liable for damages to PEC~rll~y and PECO Energy s other customers that are attributable to unauthorized use of gas. ~,

Customer Acknowledgment

The Customer acknowledges that it fully understands and accepts the risks and responsibilities of making its own natural gas supply and transportation arrangements. The Customer further acknowledges that the consumption of unauthorized gas may result in severe operational problems on PECO Energy's distribution system and that it has been advised that PECO Energy intends to take appropriate action, as described below, to protect the integrity of the gas distribution system:

1) PECO Energy will take such steps that are necessary to prevent the customer from consuming unauthorized gas, may physically stop unauthorized use by either manually or remotely shutting off gas the customer's meter, and may, at its discretion, install a remote shut-off valve for this purpose. Although PECO Energy will make reasonable efforts to notify Customer at least 1 hour prior to stoppage of unauthorized use, stoppage is not conditional upon such notice. PECO Energy will make reasonable efforts to restore physical deliveries as soon as gas supply of Customer is resumed and the restoration process can be coordinated with Customer.

Exhibit 8

Election to Decline Full Firm Standby Sales Service

General

The Customer hereby declines to elect full firm standby sales service Company equal to the TCQ for the firm transportation service under Rate 1 of this Agreement. The Customer therefore agrees and understands the right to purchase gas from PECO Energy under any *rate* schedule on and PECO Energy has no obligation to supply natural gas to the the agreement, greater than the standby sales quantity (SSQ) ind ment. Upon termination of the agreement, any obligation to than the SSQ is contingent upon PECO Energy's ability to Energy =d in Exhibit no contractual or monthly basis, g the term of 1 of this Agree- sales service greater the additional gas supply.

Election in Exhibit 1 to Decline Firm

The Customer understands that unauthorized use standby sales rate indicated in Exhibit 1 plus a the following conditions shall be considered Customer's supplier fails to deliver, 2) allowable daily variation, and 3) any cons= month, The billing for unauthorized gas supplied by PECO Energy and PECO Energy's other customers at a price equivalent to the surcharge. Gas consumption under use: 1) any gas use when the =eding the daily deliveries plus the of the total delivered in a billing Customer with a right to consume for damages to PECO Energy and unauthorized use of gas.

Election in Exhibit I of

Standby Sales Service

The Customer understand unauthorized use will be billed at a price equivalent to the standby sales rate indi Exhibit 1 plus a \$25 per Mcf surcharge. Gas consumption under the following ~all be considered unauthorized use: 1) any gas use in excess of the SSQ when the supplier fails to deliver, 2) consumption of gas exceeding the daily deliveries plus daily variation plus the standby sales quantity, and 3) the quantity of deficient del~_~e_s the conclusion of a billing month that exceeds the SSQ times the number of days i!~J~ffrnng month. The billing for unauthorized use does not provide the Customer with a righ~col~sfJme gas supplied by PECO Energy and Customer may be liable for damages to PEC~r]L~gy and PECO Energy's other customers that are attributable to unauthorized use of gas. ~-

Customer Acknowledgment

The Customer acknowledges that it fully understands and accepts the risks and responsibilities of making its own natural gas supply and transportation arrangements. The Customer further acknowledges that the consumption of unauthorized gas may result in severe operational problems on PECO Energy's distribution system and that it has been advised that PECO Energy intends to take appropriate action, as described below, to protect the integrity of the gas distribution system:

- 1) PECO Energy will take such steps that are necessary to prevent the customer from consuming unauthorized gas, may physically stop unauthorized use by either manually or remotely shutting off gas the customer's meter, and may, at its discretion, install a remote shut-off valve for this purpose. Although PECO Energy will make reasonable efforts to notify Customer at least 1 hour prior to stoppage of unauthorized use, stoppage is not conditional upon such notice. PECO Energy will make reasonable efforts to restore physical deliveries as soon as gas supply of Customer is resumed an~.~d.d the restoration process can be coordinated with Customer.