#### **SECTION 10**

PECO revised its existing Agreement for Gas Transportation Service, effective January 1, 2013. The revisions focused on telemetering improvements. Section 10 includes both the revised agreement (dated January 1, 2013) and the previous version (dated October 8, 2008) for purposes of comparison. Each version contains a footnote with the appropriate contract date.



#### AGREEMENT FOR GAS TRANSPORTATION SERVICE RATE TS-I or TS-F

rvice Address
lling Address

Rate for which service is requested:	TS-I	TS-F	
--------------------------------------	------	------	--

The customer named above ("Customer") agrees to purchase gas transportation service from PECO Energy Company (the "Company") for the service address listed above, in accordance with the Company's Gas Service Tariff on file with the Public Utility Commission (Gas PA P.U.C. No. 2) as that tariff may from time-to-time be approved by the Commission, as follows:

#### 1. TRANSPORTATION CONTRACT QUANTITIES

- (a) The Customer's Transportation Contract Quantities (TCQs) are set forth in Exhibit 1. PECO 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) PECC has the **rest** to registerine it cas specified in Exhibit 1) Any such evision shall be based upon the Customer's maximum daily usage during the previous twelve (12) months, and shall not exceed 110% of that usage.
- (c) Customer shall notify PECO of modifications in gas usage requirements by written notice addressed to \_\_\_\_\_\_ (ESO Representative) at (215) 841-\_\_\_\_.

## 2. TRANSPORTUTION REMANDING STATES SONLY

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

#### 3. STANDBY SALES SERVICE UNDER RATE TS-F

The Standby Sales Service Contract Quantity under Rate TS-F is set forth in Exhibit 1. If the Customer declines full firm standby sales service, Exhibit 8 must be executed and attached.

#### 4. ALTERNATE FUEL CATEGORY

The Customer certifies that the alternate fuel category, where applicable, stated in Exhibits 1 and 6, is correct. The Customer will submit written notice to PECO of any changes to its operation that alter its alternate fuel category and capability within 30 days of the change. The Customer shall comply with PECO's verification procedures as requested. The Customer agrees to provide PECO, when requested, an updated Exhibit 1.

#### 5. CUSTOMER'S BALANCING OBLIGATIONS

The Customer has responsibility to:

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

#### 6. 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 PECO's Tariff, Gas Transportation Service-General Terms and Conditions, Rule 2.5.

# 7. NOMINATION PROFEDURE RMATIONAL

The Customer will adhere to the Gas Transportation Nomination Procedure attached as Exhibit 2 to this agreement. PECO 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.

### 8. DESIGNATOR OF AGENT ORBOYNE GROUP FOR CUSTOMER IT

Designation of an agent, if any, is made in Exhibit 3, if attached. Designation of a buyer group, if any, is made in Exhibit 4, if attached.

#### 9. DELIVERY OF GAS TO THE PECO SYSTEM

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

The Customer-owned gas transported by Transcontinental shall be delivered to:

Transfer Point #6555 - Transco/PECO interconnections

The Customer-owned gas transported by Texas Eastern shall be delivered to the points listed below, and all such points shall be included in the Texas Eastern transportation contract executed by the Customer or his agent.

M&R No. 035 Tetco/PECO interconnection, Delaware Co., PA M&R No. 036 Tetco/PECO interconnection, Montgomery Co., PA M&R No. 1220 Tetco/PECO interconnection, Montgomery Co., PA M&R No. 2004 Tetco/PECO interconnection, Chester Co., PA M&R No. 2405 Tetco/PECO interconnection, Montgomery Co., PA M&R No. 2475 Tetco/PECO interconnection, Montgomery Co., PA

### 10. TELEMETRY AND TELEPHONE EQUIPMENT

- (a) Customer shall permit PECO to install and operate telemetering equipment to remotely read PECO's meter.
- (b) Customer shall provide and pay for telephone service required for the operation of PECO's equipment and/or the transmittal of data from PECO's meter, as directed by PECO. Customer shall provide telephone for this purpose at least fifteen(15) working days prior to the commencement of here ce under this agreement.

(c) Service under this contract will not be provided prior to the date on which Customer installs the required telephone service. Customer is responsible to maintain the telephone service in working order at all times

(d) PECO will read the meter on the last day of the month if a reading is not transmitted. If the PECO technician determines that the phone line is not functioning, Customer will be notified that the phone line in the phone line is not function of the must be repaired within thirty (30) lays.

(e) If more than thirty (30) days elapse and the telephone service is not restored to working order to PECO's satisfaction, then the following steps will be taken:

(1) If PECO has sufficient capacity in its gas supply system to supply Customer, then Customer's Account will be served as firm service on PECO's Rate GC-General Service–Commercial and Industrial, for a minimum of twelve (12) months.

(2) If PECO does not have sufficient capacity in its gas supply system to supply Customer, then PECO will disconnect Customer's facility from the PECO gas supply system for a minimum of twelve (12) months. During any such period of disconnection, Customer will use an alternate fuel to meet its heating and process needs.

#### 11. CITY GATE SALES SERVICE

If Customer will take service pursuant to PECO's Rate CGS – City Gate Sales Service, Exhibit 5 must be completed and attached.

#### 12. EXHIBITS

All Exhibits marked below are incorporated into, and made a part of, this agreement. An exhibit may be added or superseded by agreement of PECO 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 8 Election to Decline Full Firm Standby Sales Service

#### <u>13. TERM</u>

The initial term of his agreement shall be one year commencing \_\_\_\_\_, \_\_\_\_. After the initial term, this agreement shall continue on a month-to-month basis. Either party may cancel this agreement after the initial term, upon at least thirty (30) days notice 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.

# 14. TERINA FORMATIONAL

If this agreement is canceled during any renewal term by the Customer, Standby Sales Service demand charges under Rate TS-F shall be due and payable until PECO is able to reduce its purchase obligations or otherwise utilize the released supplies pursuant to PECO's Tariff, Gas Transportation Service-General Terms and Conditions, Rule 3.3. If PECO cancels this agreement during any renewal term, Standby Sales Service demand charges shall terminate.

# 15. NOTCESAND RANDUNGARONS ES ONLY

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:
Customer Name:	PECO Energy Company
Contact Name:	Contact Name:
Address:	Address:
City:	City:
State/Zip:	State/Zip:

Telephone:	Telephone:
Fax:	Fax:
Daily Operations:	Dispatching:
Customer Location :	PECO Energy Company
Contact Name:	Contact Name: Gas Supply & Transportation
	Group Attention: End User Transportation Analyst
Address:	Address: 2301 Market Street S9-1
City:	City: Philadelphia
State/Zi	State/Zip: PA 19101
Telephone:	Telephone: (215) 841-6422 or (215) 841-6438
Fax:	Fax: (215) 841-6906

# 16. WARDEN OR ON ATIONAL

The Customer warrants that:

- (a) It has good and marketable title to all gas delivered to PECO under this agreement.
- (b) Such gas will be and is free and clear of all liens, encumbrances, and claims whatsoever,
- (c) Such ges meets the quality on the source spicifications of the transporting pipelines.

#### **17. ADVERSE CONDITIONS**

Before PECO installs any facilities, Customer agrees to provide in writing to PECO 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 facilities are to be located.

#### 18. INDEMNITY

The customer shall indemnify and hold PECO 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.

#### **19. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement and understanding between PECO and Customer, and shall cancel and supersede, as of its effective date, all prior contracts, supplemental agreements, negotiations, or discussions, whether oral or written, for the transportation of natural gas.

#### **20. INTERPRETATION**

This agreement shall be interpreted under the laws 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 over this agreement. Captions and headings in this agreement are for convenience only and do not constitute a part of this agreement.

#### 21. CANCELLATION

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

#### 22. ASSIGNMENT

This agreement shall not be assigned by either party without he written constant of the other, in which went 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 a release is agreed to in writing by the other party and the assuming party.

#### 23. CONFIDENTIALITY

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

In Witness Whereof, the parties hereto have caused this agreement to be duly executed in duplicate originals.

Customer	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
	Effective	
	Date:	

#### Gas Consumption Capability, Contract Quantities, and Commodity Charges

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

Account Number \_\_\_\_\_

Date (if other than effective date of underlying agreement):

#### **Gas Consumption Capability**

The annual consumption capability at this metering location is \_\_\_\_\_\_ Mcf per year.

### 1. FirmSevice Contract Quantities and Commodity Charges – for Rate TS-F

A. Rate TS-F Transportation Contract Quantity (TCQ) \_\_\_\_\_Mcf/day

Annual Usage for Firm Transportation (check one):



B. Rate TS-F Standby Sales Service Contract Quantity \_\_\_\_\_Mcf/day

If Customer declines firm Standby Sales Service, Exhibit 8 must be attached.

If Customer accepts firm Standby Sales Service, the Standby Sales Contract Quality (SSQ multi-quality case the Rate TS-F TCC. The total maximum firm daily quality that PECO shall be obligated to transport sine Rate TS-F TCQ specified above. The total maximum firm daily quantity that PECO shall be obligated to supply is the Rate TS-F Standby Sales Service Quantity specified above.

- C. Rate for Standby Sales Service (Optional):
  - □ Rate GC (capability is less than 18,000 Mcf per year)
  - □ Rate L (capability is 18,000 Mcf per year or more)

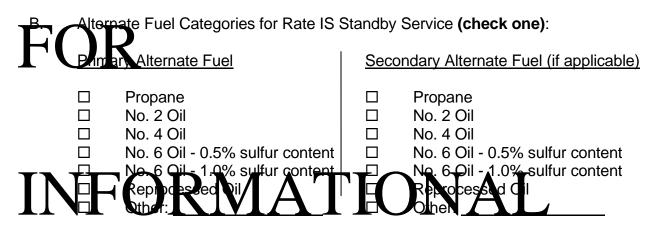
#### 2. Interruptible Service Contract Quantity and Commodity Charge – For Rate TS-I

A. Rate TS-I Transportation Contract Quantity (TCQ) \_\_\_\_\_ Mcf/day

Annual Usage for Interruptible Transportation (check one):

- Less than 5,000 Mcf per year (Exhibit 4 -Transportation Buyer Group is required)
- Greater than 5,000 Mcf and less than 18,000 Mcf per year, or
- Greater than or equal to 18,000 Mcf per year.

[Note: It is not necessary to separately obtain interruptible standby sales service; that service is included in PECO's Rate TS-I service.]



(Note: This information must be the same as provided in Exhibit 6.)

#### 3. <u>Other Charges</u>



4. <u>System Losses</u>

The quantity of transportation gas received for this account shall be reduced by the percentage specified in PECO's Tariff, Gas Transportation Service-General Terms and Conditions, Rule 1.3.

Customer	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
	Effective	
	Date:	

#### Exhibit 2 Nomination Procedure

Customer Name:

Account Number \_\_\_\_\_

Date (if other than effective date of underlying agreement): \_\_\_\_\_

1. Nomination information or questions concerning nominations shall be forwarded to:

PECO Gas Supply & Transportation Group Attention: End User Transportation Analyst 2301 Market Street, Mail Stop: S9-1 Philalelphia PA 19101 Releptone: 215) 841-6422 or (215) 841-6438 FAX: (215) 841-6906

- Nomination information shall be submitted to PECO's Electronic Bulletin Board (EBB) showing the total dekatherms delivered to the PECO system by day. Subtotals shall also be provided by Customer and by pipeline transportation contract number. Contact PECO at the address shown above to obtain access to hele the HORR ALL PECO at the address shown above to obtain access to the PECO.
  The Natural Gas Supplier is responsible for verifying that the pipeline is in fact
- 3. The Natural Gas Supplier is responsible for verifying that the pipeline is in fact delivering the nominated quantity and for notifying the customer as to its daily delivery status. The Natural Gas Supplier may fulfill this responsibility itself, or through an agent. If the responsibility verification is met by using an agent, the Natural Gas Supplier shall nonetheless be responsible for the accuracy of the verification to the same extent as if the Natural Gas Supplier had itself provided the verification.
- 4. Changes in nominations during a calendar month shall be provided to PECO no later than 2:00 PM Eastern time one business day prior to the effective date of the change.

Customer	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
	Effective	
	Date:	

#### Exhibit 3 Designation of Agent for Gas Transportation Service

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

Account Number \_\_\_\_\_

Date (if other than effective date of underlying agreement):

Customer designates the party specified below to act as agent on the Customer's behalf for scheduling, dispatching, giving and receipt of notices, and other administrative aspects of transportation service.

- FOR
- Even house it has designated an agent, the Customer shall remain responsible to PECO for all of the Customer's obligations under the agreement.
- All communications from PECO to the agent will constitute communications to Customer for all purposes.
- Customer is responsible to maintain communication with its agent on all matters, including whether its agent has properly procured and delivered gas commodity/for C istomer. PECO is not responsible to inform Customer of any shanges made by agent on Customer's behalf. PECO is not responsible to inform Customer if its agent has informed PECO that it will no longer act as Customer's supplier.
- This designation, or any substitute designation, will be effective only if provided at least five days before the end of the month.

Agent:		Address:	
Contact Person:		Telephone:	
		Email:	

Customer Name:	Company:	PECO Energy Company
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
i	Effective Date:	

Title:

#### Exhibit 4 Designation of Transportation Buyer Group

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

Account Number \_\_\_\_\_

Date (if other than effective date of underlying agreement):

The Customer hereby agrees to join a Buyer Group as designated below and is qualified to do so because the annual volume specified in Exhibit 1 is less than 5,000 Mcf per year.

1. The natural gas supplier below agrees to sponsor a gas transportation buyer group on PECP Energy company's (PECO's) gas system.

Address	
Contact Person	Phone
accounts in the buyer group:	f trun por ation gas to each of the following
Customer Name	Account Number
Customer Name	Account Number
Customer Name_POSES	Account Number
Customer Name	Account Number

3. PECO Energy shall have the right to revise administrative procedures for transportation buyer groups in accordance with its tariff.

Supplier	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
	Effective	
	Date:	

2.

#### Exhibit 5 City Gate Sales Service Agreement

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

Account Number \_\_\_\_\_

Date (if other than effective date of underlying agreement): \_\_\_\_\_

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

#### <u>1. TERM</u>

The paties agree that the term of service hereunder shall commence on \_\_\_\_\_\_, 20\_\_\_\_, and that on inue through \_\_\_\_\_\_, 20\_\_\_\_. Prior to the end of this term, Acquisition Service Charges and Firm Supply Reservation Charges when applicable for the remaining months of the contract term will be due 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.



#### Monthly nominations shall be provided to:

End User Transportation Analyst, Gas Supply & Transportation Group 2301 Market Street Philadelphia, PA 19101

Telephone: (215) 841-6422 or (215) 841-6438

#### FAX: D(2) 5) 82 - 60 OSFS ONLY Daily scheduling shall be coordinated with.

End User Transportation Analyst, Gas Supply & Transportation Group Telephone: (215) 841-6422 or (215) 841-6438 FAX: (215) 841-6906

	· · · · · · · · · · · · · · · · · · ·	
Customer	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name	Name	
(Print):	(Print):	
Title:	Title:	
Date:	Date:	
	Effective	
	Date:	

#### Exhibit 6 Alternate Fuel Certification

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

Account Number \_\_\_\_\_

Date (if other than effective date of underlying agreement):

#### **Designation of Alternate Fuel**

Indicate the primary alternate fuel that you are currently using for this agreement. (Note: This information must be the same as provided in Exhibit 1.) Attach a copy of your most recent invoice from your alternate fuel supplier documenting this fuel type.

rim ry Atemate Fuel	Secondary Alternate Fuel (if applicable)
Propane	Propane
□ No. 2 Oil	🗆 No. 2 Oil
No. 4 Oil	🗆 No. 4 Oil
No. 6 Oil - 0.5% sulfur content	No. 6 Oil - 0.5% sulfur content
No. 6 Oil - 1.0% sulfur content	No. 6 Oil - 1.0% sulfur content
Reprocessed Oil	Reprocessed Oil
Information on Lermanentity Installed Dit or	Propane Storage Talk(s)
Tank #1 gallons Che	eck if underground 🛛
	eck if underground
	eck if underground 🛛
	eck if underground 🛛
Other - Please Explain:	<u> </u>
1. Indicate the lot Reallane of oillon protection period in the tarks listed above.	e Su normally muintan in intentory in the winter

2. Under maximum-use conditions (e.g., coldest weather, maximum production, etc.), how many days would this inventory last? \_\_\_\_\_ days.

3. List any equipment that is served under this agreement that <u>cannot</u> use an alternate fuel.

<u>Equipment</u>	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.

Customer Name:	Title:
Signature:	Date:
Name (Print):	Effective Date:

#### **Election to Decline Full Firm Standby Sales Service**

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

Account Number \_\_\_\_\_

Date (if other than effective date of underlying agreement):

#### <u>General</u>

The Customenteeby declines to elect full firm standby sales service from PECO equal to the TCQ for the firm transportation service under Rate TSF elected in Exhibit 1 of this agreement. The customer therefore agrees and understands that it has no contractual right to purchase gas from PECO under any rate schedule on a daily or monthly basis, and PECO has no obligation to supply natural gas to the Customer, during the term of the agreement, greater than the standby sales quantity (SSQ) indicated in Exhibit 1 of this agreement. Upon termination of the agreement, any obligation to provide retail sales service greater than the SSQ is contingent upon PECO's ability to arrange the additional parsupply.

### INFORMATIONAL

Election in Exhibit 1 to Decline Firm Standby Sales Service

The Customer understands that unauthorized use will be billed at a price equivalent to the standby sales rate indicated in Exhibit 1 plus a \$25 per Mcf surcharge. Gas consumption under the following conditions shall be considered unauthorized use: 1) any gas use transition of customer's supplied faile to chliver, 2) consumption of gas exceeding the baty celliveries blue the anowable daily variation, and 3) any consumption of gas in excess of the total delivered in a billing month. The billing for unauthorized use does not provide the Customer with a right to consume gas supplied by PECO and Customer may be liable for damages to PECO and PECO's other customers that are attributable to unauthorized use of gas.

#### Election in Exhibit 1 of Partial Firm Standby Sales Service

The Customer understands that unauthorized use will be billed at a price equivalent to the standby sales rate indicated in Exhibit 1 plus a \$25 per Mcf surcharge. Gas consumption under the following conditions shall be considered unauthorized use: 1) any gas use in excess of the SSQ when the Customer's supplier fails to deliver, 2) consumption of gas exceeding the daily deliveries plus the allowable daily variation plus the standby sales quantity, and 3) the quantity of deficient deliveries at the conclusion of a billing month that exceeds the SSQ times the number of days in the billing month. The

billing for unauthorized use does not provide the Customer with a right to consume gas supplied by PECO and Customer may be liable for damages to PECO and PECO's other customers that are attributable to unauthorized use of gas.

#### Customer Acknowledgement

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's distribution system and that it has been advised that PECO intends to take appropriate action, as described below, to proteet the integrity of the gas distribution system:

1) PECO 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 will make reasonable efforts to notify Customer at least 1 hour prior to stoppage of unauthorized use, stoppage of unauthorized use if not conditional upon such notice. AEEO will make reasonable efforts to reato e physical evenies as soon as as upply of Customer is esumed and the restoration process can be coordinated with Customer.

2) The Customer understands that unauthorized use will be determined on a daily basis and that the Customer (or its agent) is solely responsible for delivering daily gas supply to PECO. In determining the daily quantity of delivered gas supply, PECO relies on the daily nomination information provided by Customer, its agent and the interstate pipeline). Where the Customers agen nominates ripeline deliveries for more than one PECO customer has ne sole responsibility of Customer, through its agent, to provide Customer's individual allocation of agent's pipeline deliveries. In the absence of Customer-specific allocation for a specific day received by PECO prior to the beginning of the gas day, the Customer has no delivered gas supply that day for purposes of affecting a stoppage of unauthorized use.

3) Customer also acknowledges that a surcharge of \$25.00 per Mcf will apply to the volumes of unauthorized gas consumed, but that this in no way implies that gas will be available, nor it is intended as a backup source of gas. Payment of a penalty by the Customer for unauthorized use does not give the Customer any rights to use such gas.

#### **Emergencies and Operational Flow Orders**

The customer understands that provisions of PECO's Gas Tariff and Commission regulations apply to emergency conditions. The Customer understands that PECO may issue operational flow orders or similar directives as necessary and that such orders or

directives may, among other things, suspend the availability of the allowable daily variation in determining unauthorized use.

#### Tariff Changes

The Customer acknowledges being advised by PECO that PECO intends to propose changes to its Gas Tariff from time to time and that changes authorized by the Commission will supersede any inconsistent provision herein.

#### Sales and Use Taxes

The customer understands that the amounts billed by PECO for transportation service do not include a picable sales or use taxes, or any other taxes that may apply to sale and purchase of transported gas.

#### Termination and Adjustment

PECO shall have the right to cancel this service agreement and/or adjust Customer's SSQ to a reasonable level if unauthorized use occurs during the term of this agreement. More ver, FECO and Customer manually agree on changes in SSR during the term of the agreement is cuding reductions in SSQ should customer equirements change during the term.

#### Backup Fuel

If the Customer maintains an alternate fuel supply, the Customer hereby agrees to maintain and switch to said alternate fuel supply in the event of a loss of gas deliveries. The Customer agrees to notive PECD if the alternate rule supply should become unus ble.

Customer	Company:	PECO Energy Company
Name:		
Signature	Signature:	
:		
Name	Name	
(Print):	(Print):	
Title:	Title:	
Deter	Datas	
Date:	Date:	
	Effective	
	Date:	

#### **PECO Energy Company**

#### AGREEMENT FOR GAS TRANSPORTATION SERVICE

This Agreement is made on, \_\_\_\_\_\_, 20\_\_\_\_, between PECO Energy Company (PECO Energy), a public utility in the Commonwealth of Pennsylvania and,\_\_\_\_\_\_(Customer), a \_\_\_\_\_\_(Type of business) for Gas Transportation Service at \_\_\_\_\_\_.

#### **TARIFF**

This Agreement, and all rates, fees, charges and surcharges for service hereunder, 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 other applicable provisions of PECO Energy's Tariff (Gas - PA. PUC No. 2) (Tariff), as such Tariff may be amended or superseded from time to time, on file with, and approved by, the Pennsylva is Public Itil / Ommission.

#### **TERM**

The initial term of this Agreement shall be \_\_\_\_\_ year(s) (Duration) commencing \_\_\_\_\_, 20\_\_\_. After the initial term, this Agreement shall continue on a month-to-month renewal basis. Either party may cancel this Agreement after the initial term, upon at least thirty (30) days notice prior to any monthly renewal date. Any termination of this Agreement shall not relieve either party of any obligation increased prior to the effective date of termination including any investment guarantee obligations.

### TERMINATION FORMATIONAL

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

# EXHIBITS PURPOSES ONLY

All Exhibits marked 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 revise the TCQs specified in Exhibit 1. Any such revision shall be based upon the Customer's maximum daily usage during the previous twelve (12) months, and shall not exceed 110% of that usage.
- (c) Customer shall notify PECO Energy of modifications in gas usage requirements by written notice addressed to \_\_\_\_\_\_ (ESO Representative) at (215) 841-XXXX.

#### TRANSPORTATION COMMODITY CHARGES

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

### STANDERS SERVICE ONDER RAVE THE The Standby Sales Service Contrast Charactity under Rave TS F is set orthin Exhibit 1.

#### **ALTERNATE FUEL CATEGORY**

The Customer certifies that the alternate fuel category, where applicable, stated in Exhibits 1 and 6, is correct. The Customer will submit written notice to PECO Energy of any changes to its operation that alter its alternate fuel category and dap bit y hith not cay, of the change. The Customer shall concly with PECO Energy's verification procedures as requested, the customer agrees to puvde the O Energy, when requested, an updated Exhibit 1.

#### **CUSTOMER'S BALANCING OBLIGATIONS**

The Customer 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 Gas Transportation Service-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 Transmission Corporation or Transcontinental Gas Pipe Line Corporation. The Customer bears sole responsibility for all costs incurred to deliver transportation gas to PECO Energy's city gate stations 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 Customer's operations.

The Custom grow led has ransported by Transcontinental shall be delivered to: Transfer Point 65 5. Transco/PECO Energy interconnections

The Customer-owned gas transported by Texas Eastern shall be delivered to the points listed below, and all such points shall be included in the Texas Eastern 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. 2014 Tetco/PECO Energy interconnection, Montgomery Co., PA M&F Nd. 2014 Tetco/PECO Energy interconnection, Montgomery Co., PA M&F Nd. 2445 Tetco/PECO Energy interconnection, Montgomery Co., PA

#### NOMINATION PROCEDURE

The Customer will adhere 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 me Custome at least thir ((J0) days prior to its elective date.

#### TELEMETRICEQUIPMENT

- (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. The Customer shall provide telephone and electric service 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:
Company Name:	Company Name: PECO Energy Company
Contact Name:	Contact Name:
Address:	Address:
City:	City:
State/Zip:	State/Zip:
Telephone: <b>FOR</b>	Telephone:
Fax:	Fax:
Daily Operations:	Dispatching:
Company Location Name:	Company Name: PECO Energy Company
Contact Name: INFORM	Contact Name: Gas Supply & Transportation Group
Address:	A tres 230 Marke Stree Ma Stor S9-1
City:	City: Philadelphia
State/Zip:	State/Zip: PA 19101
Telephone:	Telephone: (215) 841-6422 or (215) 841-6438
Fax: <b>PURPUSI</b>	

#### WARRANTIES

The Customer warrants that:

- (a) It has good and marketable title to all gas delivered to PECO Energy under this Agreement.
- (b) Such gas will be and is free and clear of all liens, encumbrances, and claims whatsoever, and
- (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 discussions, 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 laws 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 over this Agreement (or the successors of those authorities). Captions and headings in this Agreement are full domenic coord, and do not constitute a part of this Agreement.

#### **CANCELLATION**

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 INFORMATION DE ASSIGNER DY BITTER PARTY WITHOUT THE MITTER CONSENT OF THE OTHER, IN THE

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 a release is agreed to in writing by the other party and the assuming party.

h event it

#### CONFIDENTIALITY

The terms of this Ag bt li it d to. the volume of nert ir slu b sportation d he tra Þe ind harge gas transported, and a other manyrial tem, sha he k al b therCu omer. and anv p confiden D gy agents designated by the Customer, except to the extent that any information must be disclosed to a third party as required by law.

In Witness Whereof, the parties hereto have caused this Agreement to be duly executed in duplicate originals.

Customer Name:	Company:	PECO Energy Company
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Address:	Date:	
Phone:	Effective Date:	
Date:	Ð	



# INFORMATIONAL PURPOSES ONLY

#### Gas Consumption Capability, Contract Quantities, and Commodity Charges To Agreement For Gas Transportation Service Between PECO Energy Company And

#### (Customer Name)

#### Gas 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):

#### 1. Firm Service onthic Quantities and Commodity Charges

A. Rate TS-F Transportation Contract Quantity (TCQ) \_\_\_\_\_Mcf/day

Annual Usage for Firm Transportation (check one):



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 abov. Th m. ki suna 1 m Id fly Iquar ity PECC Ener y shall be ie ta hà eq bove. In is te Se /ice ecified ee of a properly executed exhibit 8, the TCQ must abse be equal to

- C. Rate for Standby Sales Service (**Optional**):
  - 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

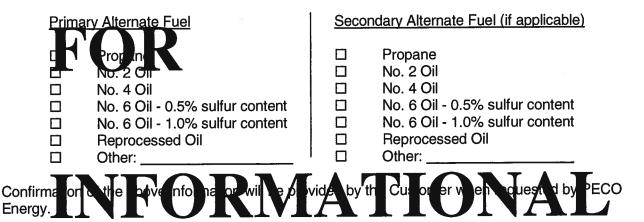
A. Rate TS-I Transportation Contract Quantity (TCQ) \_\_\_\_\_ Mcf/day

Annual Usage for Interruptible Transportation (check one):

- Greater than 5,000 Mcf and less than 18,000 Mcf per year, or
- Greater than or equal to 18,000 Mcf per year.

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

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



#### 3. Other Charges

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

#### 4. <u>System Dec RPOSE</u> The quantity of transportation gas received for this adsound shall be reduced by 2.5-percent i

The quantity of transportation gas received for this absound shall be reduced by 2.5 percent for system losses.

Company	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	-
Date:	Date:	
	Effective	
	Date:	

#### Gas Transportation Nomination Procedure PECO Energy Company

1. Nomination information or questions concerning nominations shall be forwarded to:

PECO Energy Company Gas Supply & Transportation Group Attention: End User Transportation Analyst 2301 Market Street, Mail Stop: S9-1 Philadelphia, PA 19101 Telephone: (215) 841-6422 or (215) 841-6438 FAX: (215) 841-6906

- 2. 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 reovided by Customer and by pipeline transportation contract number. Upon request AFCO Energy will provide a standard spreadsheet template which can be used for this purpose. Contact PECO Energy at the address shown above to obtain this template.
- 3. The gas supplier is responsible for verifying that the pipeline is in fact delivering the nominated quantity and for notifying the customer as to its daily delivery status.

vorking days before th beginning of a calendar 4. Written n ations are re alin in it bii creti bal month. / má sole S tand la clien nominati ns five (5 work, g be*l*ini na c A wro D. JO he lar. hohth. av: confirmation to such verbal nominations shall be supplied no later than three (3) working days prior to the beginning of the month.

5. Changes in nominations during a calendar month shall be provided to PECO Energy no later than 11:15 AM Eastern time one (1) working day prior to the effective date of the change.

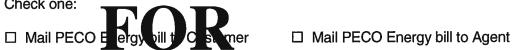
-			
Company Name:	PUKPU	C Many	PLCO nerg Conpany
Signature:		Signature:	
Name (Print):	2	Name (Print):	
Title:		Title:	
Date:		Date:	н
		Effective Date:	

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

#### (Customer Name)

The Customer hereby designates the party specified below to act as an Agent 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:	-



Agent:		
Name:		
Address:		
Telephone:		ATIONAL
FAX:		
By:		
Title:		
Date:		
	PURPOSE	IS ONLY
Company Name:		PLOC Energy Company
Signature:	Signa	iture:
Name (Print):	Name	9 (Print):
Title:	Title:	
Date:	Date:	
	Effect Date:	live

#### Transportation Buyer Group Agreement For Gas Transportation Service Between PECO Energy Company And <u>(Customer Name)</u>

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

#### **SPONSOR INFORMATION**

Company Na	me	
Address:		
i. č	F	<b>'OR</b>
Signature		
Name (Print):		
Title:		
Date:		
	Τ	NFUKMAIIUNAL

Company	C	ompany:	PECO Energy Company
Name:			
Signature:	Si	gnature:	
Name (Print):			
Title:	PURPOS		UNLI
Date:	D	ate:	
		fective	
		ate:	

#### Attachment 1, Exhibit 4

#### PECO ENERGY COMPANY

#### SPONSOR AGREEMENT FOR GAS TRANSPORTATION BUYER GROUP

1. 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:	

2. Sponsor holds the following transportation agreements with Texas Eastern Transmission Corporation or Transcontinental Gas Pipe Line Corporation.

Pipeline	Contract Number
	<u>, \</u>

- 3. Sponsor agrees to provide daily allocations of transportation gas to each meter location included in the buyer group
- 4. Sponsor arrees a sponit to PECC Evergy is part of this arreement and to be uppared quarterly, a list of the current members of the buyer group. Such reports will be submitted to PECO Energy not later than fifteen (15) days after the end of a calendar quarter.
- 5. Sponsor will not be financially responsible to PECO Energy for any transportation charges incurred by group members.
- 6. PECO Energy shall have the night to revise administrative procedures for transportation bayer groups from any to time in ac obtained with its taiff. PLSO Energy will advise all partes involved it a buyer group of least that v do days prior to the effective date of any revision.

Company	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
	Effective	
	Date:	

#### City Gate Sales Service Agreement Agreement For Gas Transportation Service Between PECO Energy Company And <u>(Customer Name)</u>

PECO Energy agrees to provide and Customer agrees to receive and pay for Rate 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. <u>TERM</u>

The parties agree that the term of service hereunder shall commence on \_\_\_\_\_\_, 20\_\_\_\_, and shall continue through \_\_\_\_\_\_\_, 20\_\_\_\_, 20\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_, 20\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_, 20\_\_

2. <u>TYPE OF SERVICE</u> (select one or both)

\_\_\_\_ Firm \_\_\_\_\_ Interruptible

#### 

End User Transportation Analyst, Gas Supply & Transportation Group 2301 Market Street Philadelphia, PA 19101 Telephone: (215) 841-6422 or (215) 841-6438 FAX: (215) 841-6906

#### Daily scheduling shall be coordinated with:

End User Trans of Telephone: (115 FAX: (115 1-6422 of 21 2-44 643 SES ONLY

Company	Company:	PECO Energy Company
Name:		
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
	Effective	
	Date:	

#### Exhibit 6 **Alternate Fuel Certification** To **Agreement For Gas Transportation Service** Between **PECO Energy Company** And (Customer Name)

#### **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

Propane No. 2 Oil No. 4 Oil No\_6 Oil = 0.5% sulfur content ur content Other:

Secondary Alternate Fuel (if applicable)

Propane

No. 2 Oil 

No. 4 Oil 

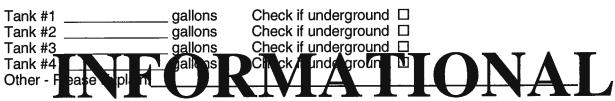
No. 6 Oil - 0.5% sulfur content 

No. 6 Oil - 1.0% sulfur content

Reprocessed Oil

Other:

Information on Permanently Installed Oil or Propane Storage Tank(s)



- 1. Indicate the total gallons of oil or propane you normally maintain in inventory in the winter period in the tanks listed above: \_\_\_\_\_ gallons.
- 2. Under maximum-use conditions (e.g., coldest weather, maximum production, etc.), how many days would this inventory last? \_\_\_\_\_ days.

3. Lis	ist any equin in that is an equin er uits agree, he it is a cannot se nor a Equir k at Erinat	s G s Uşe
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:
Signature:	Date:
Name (Print):	Effective Date:

#### Exhibit 7 Investment Guarantee To Agreement For Gas Transportation Service Between PECO Energy Company And (Customer Name)

- 1. To provide gas transportation service, PECO Energy will install, own, maintain and operate a gas line to serve the Customer's facility at \_\_\_\_\_\_. Customer payments to PECO Energy do not in any way give Customer title to, nor interest in, any gas main or service installed.
- In recognition of the investment in facilities that PECO Energy must make to provide gas transportation service, the Customer and its successors hereby guarantee a minimum payment to PECO Energy of \$\_\_\_\_\_\_ for gas transportation service during the \_\_\_\_\_\_ year initial term (not including any up-front amount). The \_\_\_\_\_\_ year term shall commence on \_\_\_\_\_\_, 20\_\_\_, and end on \_\_\_\_\_\_, 20\_\_\_\_,

The accumulated References (TS /18-F) commodity charges paid by the Customer in the \_\_\_\_\_ year initial term shall be considerated as a credit towards the guaranteed minimum payment.

If the accumulated Rate (TS-I/TS-F) commodity charges during the \_\_\_\_year term of the Agreement are less than the guaranteed amount of \$\_\_\_\_\_, the Customer shall remit the difference within thirty (30) days after receipt of an invoice from PECO Energy.

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

- a) Any purcha e mode to the Cus on er inder of er FCO to here reasonable to the schedules.
- b) The throughper surchinger approved by the Perint Ivania Perint Control of the Unity Control of the State o
- 1. 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) TIDE DE CONSULTANTES NO

2. The Customer agrees to parcrECD Evergy an orbit arount of \$\_\_\_\_\_\_ for the 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 \_\_\_\_\_, 20\_\_\_,

Company Name:	Company:	PECO Energy Company
Signature:	Signature:	
Name (Print):	Name (Print):	
Title:	Title:	
Date:	Date:	
I	Effective Date:	

#### **Election to Decline Full Firm Standby Sales Service**

#### <u>General</u>

The Customer hereby declines to elect full firm standby sales service from PECO Energy Company equal to the TCQ for the firm transportation service under Rate TSF elected in Exhibit 1 of this Agreement. The Customer therefore agrees and understands that it has no contractual right to purchase gas from PECO Energy under any rate schedule on a daily or monthly basis, and PECO Energy has no obligation to supply natural gas to the Customer, during the term of the agreement, greater than the standby sales guantity (SSQ) indicated in Exhibit 1 of this Agreement. Upon termination of the agreement, any obligation to provide retail sales service greater than the SSQ is contingent upon PECO Energy's ability to arrange the additional gas supply.

#### Election in Exhibit 1 to Decline Firm Standby Sales Service

alent the standbv ill be bille ce The Customer un ers nds hat at (na) d I 6e sales rate indicated in Exhibit 1 plus a \$25 per Mcf surcharge. Gas consumption under the following conditions shall be considered unauthorized use: 1) any gas use when the Customer's supplier fails to deliver, 2) consumption of gas exceeding the daily deliveries plus the allowable daily variation, and he billing for 3) any consumption of lelivered in a b gas h ) xd S unauthorized use does not provide the Customer with a right to consume das supplied by PECO Energy and Customer may be liable for damages to PECO Energy and PECO Energy's other customers that are attributable to unauthorized use of gas.

#### Election in Exhibit 1 of Partial Firm Standby Sales Service

The Customer understands that unauthorized use will be billed at a price equivalent to the standby sales rate indicated in Exhibit 1 plus a \$25 per Mcf surcharge. Gas consumption under the following conditions shall be considered unauthorized use: 1) any gas use in excess of the SSQ when the Rev. 10/08/08

Customer's supplier fails to deliver, 2) consumption of gas exceeding the daily deliveries plus the allowable daily variation plus the standby sales quantity, and 3) the quantity of deficient deliveries at the conclusion of a billing month that exceeds the SSQ times the number of days in the billing month. The billing for unauthorized use does not provide the Customer with a right to consume gas supplied by PECO Energy and Customer may be liable for damages to PECO Energy and PECO Energy's other customers that are attributable to unauthorized use of gas.

#### Customer Acknowledgement

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 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:

PECO Energy will take such steps that are necessary to prevent the customer from consuming 1) cally ston that the ized use by either lar Jah remotely subtting off unauthorized gas, ma phy 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 of unauthorized use is not conditional upon such notice. restor phy ical de vel s bd n as as supply of PECO Energy will make reas e na blð st Customer is resumed and the restoration process can be coordinated with

2) The Customer understands that unauthorized use will be determined on a daily basis and that the Customer (or its agent) is solely responsible for delivering daily gas supply to PECO Energy. In determining the daily quantity of delivered gas supply, PECO Energy relies on the daily nomination information provided by Customer, its agent and the interstate pipelines. Where the Customer's agent nominates pipeline deliveries for more than one PECO Energy customer, it is the sole Rev.10/08/08

responsibility of Customer, through its agent, to provide Customer's individual allocation of agent's pipeline deliveries. In the absence of Customer-specific allocation for a specific day received by PECO Energy prior to the beginning of the gas day, the Customer has no delivered gas supply that day for purposes of affecting a stoppage of unauthorized use.

3) Customer also acknowledges that a surcharge of \$25.00 per Mcf will apply to the volumes of unauthorized gas consumed, but that this in no way implies that gas will be available, nor it is intended as a backup source of gas. Payment of a penalty by the Customer for unauthorized use does not give the Customer any rights to use such gas.

#### Emergencies and Oberational Pow Orders

The customer understands that provisions of PECO Energy's Gas Tariff and Commission regulations apply to emergency conditions. The Customer understands that PECO Energy may issue operational flow orders or similar directives as necessary and that such orders or directives may, among other this sustant meaning in the alloyable duty rantion A deermining unauthorized use.

#### **Tariff Changes**

The Customer acknowledges being advised by PECO Energy that PECO Energy intends to propose changes to its G b aff from the trine or the changes a thoizer by the Complission will supersede any inconsistent provision herein.

#### Sales and Use Taxes

The Customer understands that the amounts billed by PECO Energy for transportation service do not include applicable sales or use taxes, or any other taxes that may apply to sale and purchase of transported gas.

#### **Termination and Adjustment**

PECO Energy shall have the right to cancel this service agreement and/or adjust Customer's SSQ to a reasonable level if unauthorized use occurs during the term of this agreement. Moreover, PECO Energy and Customer may mutually agree on changes in SSQ during the term of the Agreement, including reductions in SSQ should Customer requirements change during the term.

#### Backup Fuel

If the Customer maintains an alternate fuel supply, the Customer hereby agrees to maintain and switch to said alternate fuel supply in the event of a loss of gas deliveries. The Customer agrees to notify PECO Energy if the alternate fuel supply should become unusable.

Company:	
Signature:	
Name (Print):	FUK
Title:	
Date:	
Company:	PEC EDUCTORY COMPLY RVATIONAL
Signature:	
Name (Print):	
Name (Print): Title:	
Title:	PIRPOSES ONLY

Date: