

JACQUELINE I. CASCIANI

PROFESSIONAL EXPERIENCE

NEW YORK STATE ELECTRIC & GAS CORPORATION [1988 – Present]

**Manager, Energy Supply Gas
2017 – Present**

- Manage the acquisition of gas supply for system requirements and the execution of hedge positions consistent with internal controls and procedures to ensure regulatory cost recovery.
- Ensure sound economic analysis, strategies and supply planning studies to support the determination of optimal least cost supply.
- Manage supply, transportation and storage assets to provide reliable and cost effective procurement, including evaluations of the appropriate operating conditions necessary to ensure system integrity.
- Manage annual supply budgeting, variance reporting, contract negotiation and execution for all gas supply-related activities.
- Assist company regulatory staff in negotiations, data requests, and procedural issues related to regulatory agencies.
- Ensure all gas supply and hedge costs are prudently incurred and recovered through rates.
- Manage the retail access and transportation gas programs, and ensure they are designed and implemented consistent with Provider of Last Resort obligation to provide firm service and established regulatory policy at both the state and federal levels.

**Supervisor, Gas Supply Planning
2014 - 2017**

- Responsible for daily, monthly and seasonal supply planning and operational decisions of all of NYSEG and RG&E city gate natural gas requirements.
- Ensure adequate capacity for NYSEG and RG&E's design day natural gas requirements for all firm customers.
- Oversee supply planning activities including optimized utilization of supply, storage and transportation assets, storage injection and withdrawal plans, monthly base load requirements, and evaluation of reliability and cost implications of all strategic supply and distribution system opportunities.
- Manage the development and filing of the annual winter supply filing to the NY PSC.

**Lead Analyst – Energy Buyer (Electric)
2008 - 2014**

- Responsible for daily load forecasts, analyzing market conditions, changes in generator status, and transmission outages.
- Manage auctions associated with CO₂ Allowances.
- Ensure load requirements are met through the most economically viable means available, consistent with internal controls and procedures.

**Lead Analyst - Supply
1997 - 2008**

- Perform risk assessment and liquidity analysis associated with commodity procurement and supplier credit requirements, utilizing VaR, CFaR, hedge ratios, and Monte Carlo Simulations.

- Develop commodity market price forecasts, analyze historical data for electrical rate development and supply purchases.
- Developed and maintained \$700 million electric procurement budget and associated financial reporting.
- Responsible for billing and accounting of \$350 million Non-Utility Generator power purchases.

**Senior Management Specialist, Corporate Development
1995-1997**

- Provide analytic and quantitative support related to new business development, mergers, and acquisitions.
- Responsible for research, networking, strategic planning and financial analysis.
- Ensure compliance of Standards of Conduct among affiliates.

**Senior Analyst, Bulk Power Sales
1992-1995**

- Assess risk factors associated with new business entrants in the wholesale power market.
- Develop pricing concepts and performed revenue and profit analysis.
Developed and negotiated all wholesale energy contracts.

**DSM Specialist, Demand Side Management Design & Development
1991-1992**

- Evaluate costs associated with demand side management programs, recommended rebate levels, energy and demand goals, determined participation levels, and interacted closely with regulatory staff.

**Engineer, Distribution Engineering
1988-1991**

- Responsible for quality control inspections on distribution assets, and evaluation of costs and components for streetlights, and managed the distribution pole maintenance program.

CLOUGH HARBOR & ASSOCIATES [1988]

**Transportation Engineer
1988**

- Responsible for engineering analysis associated with highway relocation projects.

EDUCATION

MBA - Binghamton University, Binghamton, NY, 1994

BS – Wood Products Engineering, SUNY Environmental Science & Forestry / Syracuse University, Syracuse, NY, 1988

AS – Engineering Science, SUNY Broome, Binghamton, NY, 1986

PATRICK W. FOX

PROFESSIONAL EXPERIENCE

NEW YORK STATE ELECTRIC & GAS CORPORATION (NYSEG) [2008 – Present]

2016 – Present Manager, Electric Supply

- Develop and implement strategies to effectively procure and hedge company energy positions within risk management guidelines, rate plans and budget targets.
- Ensure company operations are in compliance with New York and PJM ISO market requirements and that such markets are monitored for changes and impact to operations. Follow all aspects and comply with the ISO energy, capacity, and transmission requirements.
- Execute the purchase and sale of capacity and/or environmental attributes while complying with company's guidelines and/or policies. Ensure compliance with all hedging/billing/procurement policies and/or procedures.
- Oversee accurate budget development and variance reporting.
- Ensure negotiated contracts reflect company policies.
- Participate in related regulatory and legislative proceedings.

2014 – 2016 Manager, Energy Supply (Gas)

- Manage the acquisition of gas supply for system requirements and the execution of hedge positions consistent with internal controls and procedures to ensure regulatory cost recovery.
- Ensures sound economic analysis and supply planning studies support the determination of best cost supply. Transportation and storage portfolio of assets.

- Manage annual supply budgeting, variance reporting and planning, regulatory and contract negotiation and execution for all gas supply-related activities.
- Responsible for assuring the NYSEG/Rochester Gas & Electric (RG&E) retail access and transportation gas programs are designed and implemented consistent with:
 - The LDC's Provider of Last Resort obligation to provide firm service.
 - Established regulatory policy at both state (NYPSC) and federal (FERC) level.
- Responsible for ensuring all NYSEG and RG&E gas supply and hedge costs are prudently incurred and recovered through rates.

2011 - 2014 Supervisor, Gas Supply (Planning)

- Responsible for planning and operational decisions of all of NYSEG and RG&E city gate natural gas requirements.
- Ensures adequate capacity for NYSEG and RG&E's design day natural gas requirements for all firm customers.
- Oversees all supply planning activities including storage injection and withdrawal plans, monthly base load requirements and prepares and files annually with the NYPSC the Winter Plan.
- Ensures ESCO compliance with all obligations set forth in the Gas Transportation Operating Procedures (GTOP) manual.

2008 - 2011 Lead Analyst – Energy Buyer

- Responsible for verifying that generation schedules are in accordance with daily bidding and the Daily Log Sheets.

- Ensuring that real-time load requirements are met through the most economically viable means available, within the limits of real time operation and Corporate Energy Supply Procedures

WISCONSIN PUBLIC SERVICE CORPORATION [1992 – 2008]

2002 - 2008 Director, Resource Supply/Market Oversight

- Responsible for corporate capacity and energy requirements: capacity planning, supply contract evaluation, negotiation, and performance monitoring.
- Responsible for electric accounting, contract administration, settlements, and regulatory reporting activities within Energy Supply & Control (ES&C).
- Responsible for developing the internal controls within ES&C required by the Sarbanes-Oxley law. Managed a budget in excess of \$450 million annually.

1995-2002 Superintendent, Gas Supply and Transportation

- Responsible for the strategic and operational planning, acquisition, and management of natural gas supplies and pipeline transportation services to ensure reliable and cost-competitive service to Wisconsin's and Michigan's natural gas customers.
- Educates and supports Public Service employees and customers in all matters related to natural gas purchases and transportation options.
- Managed a budget in excess of \$300 million annually.

1992-1995 Nuclear Maintenance Instructor

- Involved with analyzing, designing, developing, and implementing general maintenance practices/processes utilized at the Kewaunee Nuclear Power Plant.

- General technical instruction is provided to all skilled trades in topics of electrical and mechanical theory, as well as specialized training covering intricate electrical devices and circuits.

EDUCATION

MBA, University of Wisconsin – Oshkosh, Oshkosh, WI, 1999

BA, Business Administration, Columbia College, Columbia, MO, 1995

DAVID J. KIMIECIK

PROFESSIONAL EXPERIENCE

New York State Electric & Gas Corporation (NYSEG) 1989 – Present

Rochester Gas and Electric Corporation (RG&E) 2004 – Present

Vice President – Energy Services (NYSEG / RGE)

April 2010 - Present

Responsibilities include:

- Gas load hedging, procurement, portfolio planning, retail access management
- Electric load hedging and procurement
- Commodity risk management
- Electric and Gas wholesale contract negotiations
- Electric and Gas wholesale billing
- FERC/NERC/Sarbanes Oxley compliance
- Load / generation interconnection contracting and cost recovery
- Wholesale electric load reporting
- FERC tariff development and filings
- Wholesale gas and electric business planning

Vice President - Energy Supply (NYSEG / RGE)

June 2004 – April 2010

Responsibilities included:

- Gas load hedging, procurement, portfolio planning
- Electric load hedging and procurement
- Commodity risk management

- Electric and Gas wholesale contract negotiations
- Electric and Gas wholesale billing
- FERC/NERC/Sarbanes Oxley compliance
- Wholesale gas and electric business planning

Director - Energy Supply (NYSEG)
January 2003 – June 2004

Responsibilities included:

- Gas load hedging, procurement, portfolio planning
- Electric load hedging and procurement
- Commodity risk management
- Electric and Gas wholesale contract negotiations
- Electric and Gas wholesale billing
- FERC/NERC/Sarbanes Oxley compliance

Manager – Energy Trading (NYSEG)
February 1999 – January 2003

Responsibilities included:

- Ensuring all company electric and gas native load obligations were fulfilled
- Achievement of company electric and gas wholesale sales net revenue goals
- Transitioning electric supply function from net long to net-short operation (during asset divestiture of over 2000 MW)
- Transitioning wholesale supply operations from New York Power Pool operations to New York Independent System Operator operations
- Integrated NYSEG and RGE electric and gas wholesale operations into one functional unit

- Responsible for contract management, regulatory reporting, and billing

Supervisor – Operations Support (NYSEG)

February 1998 – February 1999

Responsibilities included:

- Intra-month sales/trading and asset management in support of company wholesale net revenue goals
- Conducting day-ahead and week-ahead generating plant commitment evaluations and native load forecasts
- Performing/overseeing bilateral transaction scheduling and transmission acquisition functions
- Direct supervision of 24-hour generation plant dispatch, load management, and real-time sales functions

Lead Engineer – Energy Trading (NYSEG)

August 1996 – February 1998

Responsibilities included:

- Representation of company on various New York Power Pool committees and Pennsylvania/New Jersey/Maryland power pool functions
- Performance of bilateral transaction scheduling and transmission acquisition functions, including company compliance with NERC tagging and OASIS rules
- Coordinating generation fleet testing of installed capacity and VAR support capability

Project Engineer – Power Supply / Plant Operations (NYSEG)

February 1994 – August 1996

Responsibilities included:

- Overall production cost reporting and profit/loss analysis of company fossil fueled generation fleet
- Development of system-wide incremental dispatch model for fossil fueled generation
- Generation department data and evaluations used in developing company long-range integrated resource plans

Staff Engineer – Hickling Power Station (NYSEG)

June 1991 – February 1994

Responsibilities included:

- Developing plant betterment and capital improvement projects, including budgets, schedule development, and project oversight
- Supervision of plant coal crew group responsible for fuel deliveries, inventory management, fuel handling functions, and ash disposal functions
- Steam boiler efficiency program implementation

Engineer – Generation Plant Performance (NYSEG)

June 1989 – June 1991

Responsibilities included:

- Power plant heat rate testing, including boiler efficiency and overall unit heat rate efficiency calculations
- Conducting steam path audits to evaluate structural and performance integrity of company steam turbine generators

- Assessment of potential production costs savings from generating station equipment upgrades

Education

May 1989	B.S.M.E. Rensselaer Polytechnic Institute
June 2014	M.B.A. Warwick University

Professional Development

June/July 2003	Utility Executive Course - University of Idaho
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TIMOTHY J. LYNCH

PROFESSIONAL EXPERIENCE

Avangrid Networks – NYSEG/RGE, Binghamton, NY **1987 - Present**

Director – Transmission Services (2018 – Present)

Currently managing a staff of interconnection program managers and analysts engaged in:

- Program management of generator, transmission and load interconnections
- Compliance monitoring and reporting
- Contract management and accounting/billing/reporting
- NYISO governance
- FERC/NERC/NYISO/NYSRC representation and strategic analysis

Manager – Electric Transmission Planning (2012 – 2018)

Manager of transmission system planning engineers for NYSEG and RG&E. Experience and accomplishments include:

- Timely completion of department deliverables, including Local Transmission Plans, 5 and 10 year prioritized project lists for budgeting, and scoping of system reinforcements.
- Led the completion of planning studies for several important company initiatives and represented IUSA before regulatory bodies regarding engineering justification.
- Regular interaction with NYISO, NERC and NPCC on matters of interest to Planning.
- Served as expert witness for direct testimony and cross-examination in regulatory proceedings.
- Led the completion of various standards and criteria documents.

- Served as cross-OpCo coordinator for all Compliance activities.
- Led the completion of the BES/TPL study, which required a large system planning compliance study pursuant to the FERC Brightline Rule.
- Hired employees, managed daily activities, developed team skills and responsibilities, reviewed work, and more. Met company expectations for safety, compliance, budget and all other employee administrative activities.

Manager – Programs/Projects, Electric Capital Delivery (2008 – 2012)

Project Manager of cross-functional engineering and construction projects. Performed full scope of project management responsibilities including engineering, budgeting, scheduling, compliance, contract negotiation and construction management.

- As assistant to the Investment Planning Director, developed a prioritized capital project budget and project justification for Electric and Gas capital projects for the NYSEG/RG&E 2010 Rate Case and represented NYSEG/RG&E before PSC Staff.
- Ithaca Transmission Project - Completed a schedule-critical \$75M transmission and substation project on time while maintaining a perfect safety and environmental record.
- Managed project teams and contractors on numerous other substation, transmission, and distribution construction projects through engineering, procurement, construction, and close-out.
- Proficient in managing projects through the IUSA Procurement process as well as cost tracking, variance analysis, and cash flow forecasting through SAP.

Lead Engineer/Analyst, Energy Supply (1997 – 2008)

Strategy development, implementation, and technical expertise for a start-up energy trading organization.

- Structured energy transactions to supply NYSEG customer load, minimize price risk, and create savings over purchase from NYISO market. Transactions have netted \$10-15M annually.
- Developed and acquired systems to facilitate trading and enhance daily operations.
- Developed trading strategies, traded energy products, and trained co-workers in a team environment.
- Provided subject matter expertise on a wide range of topics in support of developing FERC filings, developing transaction contracts, the formation of the NYISO, other ISO procedures and policies, and protecting NYSEG's interests in the deregulated environment.
- Restructured a service contract in an innovative way that saved \$2.3M annually.

Senior Engineer, Transmission Policies (1993 – 1997)

Project Manager of a cross-functional engineering and public relations project to address several service area takeover attempts (municipalization) and technical expert for federal deregulation proceedings.

- As Project Manager, technical advisor, and public spokesperson, successfully defended against five municipal takeover attempts, retaining 10% of total customer base and in excess of \$100M in annual revenue.
- Obtained a variety of contract consulting services and managed the accounts.
- Wrote a comprehensive training manual at the conclusion of takeover defense effort to capture strategies and lessons learned.

- Wrote and filed numerous regulatory filings to protect proprietary interests; wrote position papers that were used internally as well as released to the public.
- Negotiated transmission service contracts between utility companies for critical services. Uncovered a problem with an existing contract that resulted in a \$5M refund.
- Received Vice-Presidential citation for extraordinary project management performance.

Project Engineer, Substation & Protection Engineering (1987 -1993)

Project Manager of cross-functional engineering and construction projects worth \$80M.

Performed substation and protection engineering.

- Project Manager: Led the design and construction of a multi-million dollar transmission line and substation upgrade project, which went into service on time and within budget.
- Project Manager: Led the design and construction of a time-critical generator interconnection project on time. Acted as liaison among generator owner, several contractors, regulatory agencies, legal, and other utilities.
- Issued RFPs, evaluated bids, negotiated contracts, and invoiced contract engineering and construction services. Tracked costs and negotiated down suspected overcharges.
- Worked in a team environment to engineer and design substation construction projects.
- Developed software to automate the construction cost estimation process.
- Cross trained in Protection Engineering; performed relay setting analysis.

EASTERN UTILITIES ASSOCIATES, Lincoln, RI

1986

Engineering Intern – System Protection and Control

EDUCATION

BS, Electrical Engineering, Power Systems Emphasis, Worcester Polytechnic institute,
MA, 1987

Certified Intern Engineer by the University of the State of New York Education
Department

Lehigh Project Management course, Lehigh University, Lehigh, PA

PROFESSIONAL DEVELOPMENT

Lean Six Sigma Green Belt, University of Wisconsin Project Management for Electric
Utility Capital Projects, Contract & Vendor Management by PMLG, Project Management
Book of Knowledge Training by AM&T, Contract Negotiation Skills, Litigation
Avoidance, Leadership Development, Team Building, BPI Decision Making, NYMEX
Futures Market Training

TECHNICAL SKILLS DEVELOPMENT

University of Wisconsin Substation Equipment and Control, Power Systems Analysis,
Transmission Service Pricing, Engineering Economics, Power Systems Protection,
General Electric Electrical Diagram Analysis, Marquette University Power Transformer
Design, Visual Basic 6.0, Professional Engineers Exam Review Course, Microsoft Suite,
Microsoft Project, SAP.

NYSEG Generators¹

<u>Name</u>	<u>MW</u>
Harris Lake	4.10
High Falls	15.00
Mechanicville	18.50
Kents Falls	13.60
Rainbow Falls	2.60
Cadyville	5.50
Mill "C"	6.00
Auburn State Street ²	7.40

NYSEG QF Purchase Agreements³

<u>Name</u>	<u>MW</u>	<u>Contract Pricing</u>	<u>Termination Year</u>
Alice Falls Corporation	2.10	Fixed	2026
Allegheny Hydro #8 LP	16.00	Market	2030
Allegheny Hydro #9 LP	22.00	Market	2030
Ampersand Chasm Falls Hydro LLC	1.60	Market	Perpetual
Cayuga County Soil & Water Conservation District	0.63	Market	2019
Cornell University	30.00	Market	2019
Edward Kelly (Croton Falls Hydro)	0.18	Fixed	Perpetual
C-S Canal Hydro LLC	8.50	Market	2019
Finger Lakes Energy Corporation	0.21	Market	2019
Generate Buffalo Digester LLC	1.10	Market	2019
Lower Saranac LLC	6.70	Fixed	2029
Zotos International, Inc.	3.30	Market	2019

NYSEG Other Purchase Agreements³

<u>Name</u>	<u>MW</u>	<u>Contract Pricing</u>	<u>Termination Year</u>
NYPA Niagara Peaking	150.00	Fixed	2020

Notes:

1. Nameplate per 2019 NYISO Load and Capacity Data (Gold Book)
2. Notice to retire the Auburn State Street Gas Turbine was filed with the NYS PSC on April 9, 2019 (Case 05-E-0889) to be effective as early as May 1, 2019
3. Nameplate per 2019 NYISO Load and Capacity Data (Gold Book), Power Purchase Agreement, and/or Interconnection Agreement

RG&E Generators¹

<u>Name</u>	<u>MW</u>
Hydro Station 5	45.57
Hydro Station 2	8.50
Hydro Station 26	3.00

RG&E QF Purchase Agreements²

<u>Name</u>	<u>MW</u>	<u>Contract Pricing</u>	<u>Termination Year</u>
RED Rochester, LLC	41.00	Market	2019

RG&E Other Purchase Agreements²

<u>Name</u>	<u>MW</u>	<u>Contract Pricing</u>	<u>Termination Year</u>
NYPA Niagara Peaking	35.00	Fixed	2020

Notes:

1. Nameplate per 2019 NYISO Load and Capacity Data (Gold Book)
2. Nameplate per Power Purchase Agreement and/or Joint Proposal

NYSEG and RG&E
Local Production Plan
April 30, 2019

Level of confidentiality: **INTERNAL USE**





Executive Summary

NYSEG and RG&E (collectively, the “Companies”, individually the “Company”) will agree to new interconnections for all local producers and renewable natural gas producers (collectively, the “Producers”), who agree to pay for such interconnections, on a non-discriminatory basis, unless there is an operational, environmental or legal justification to deny such interconnection at the requested location.

The Companies will work with Producers on a confidential basis to discuss the producer’s production, the Companies’ facilities relevant to the proposed production, including pressures and flows, and potential changes to operations and facilities.

Both NYSEG and RG&E have had local production attached to their respective distribution systems for many years. Over the last few years, the Companies have also experienced an increased interest by Producers in the area of Renewable Natural Gas (“RNG”). Both local production from gas wells and RNG facilities are considered local production (“Local Production”) on the Companies systems. RNG has the potential to contribute to the reduction of greenhouse gas (“GHG”) emissions in addition to contributing to the diversity of supply provided by Local Production.

The Northeast Gas Association (“NGA”) is developing an RNG Interconnect Guidance Document to standardize interconnection guidelines in New York State. The goal of the NGO document is to provide a consistent approach to assess commercial and technical viability of each project without compromising safety or reliability of the grid, and will be utilized as a reference by the Companies.

This Local Production Plan (“Plan”) sets forth and describes the activities and processes in place to maximize the volumes of gas taken directly onto the distribution system, including:

- 1) A consistent approach to assess commercial and technical viability of each project without compromising the safety or reliability of the Companies’ systems
- 2) Defined requirements to keep gas flowing and avoid service interruptions
- 3) A standardized framework to reduce uncertainty and optimize facility design
- 4) An outlined structured approach for use by all parties and establishes the roles and responsibilities of each party, including
 - a) Operational interconnect responsibilities
 - b) Internal communications





- c) ESCO access to supply
- d) ESCO responsibilities
- 5) Commercial arrangements and pricing approach
- 6) Reliability issues and primary point capacity requirements

This Plan ensures that an efficient process is in place to maximize benefits to NYSEG / RG&E customers from local production attached directly to the NYSEG / RG&E distribution systems. These benefits include reduced cost of gas as well as benefits from the Gas Cost Incentive Mechanism ("GCIM") cost sharing mechanism. This plan will be revised as necessary to reflect changes as operational and regulatory circumstances evolve.





Local Production Process

Preliminary Evaluation	<p>Local Producer contacts COMPANY</p>
	<ol style="list-style-type: none"> 1) Initial contact from Producer is made with Gas Supply via email address provided on COMPANY website 2) Producer will download the following from the COMPANY website <ol style="list-style-type: none"> a) Current Gas Quality Standards (see Attachment 1) b) Latest approved Natural Gas TAP Agreement (see Attachment 2) c) Team NY Gas Tap Summary (see Attachment 3) d) Non-Disclosure Agreement (“NDA”) (see Attachment 4) 3) Gas Supply Analyst (Contracts) will provide Producer the following: <ol style="list-style-type: none"> a) First position Base Contract for Purchase and Sale of Natural Gas (NAESB) (see Attachment 5) b) NAESB Special Provisions (Attachment 6) c) Contact information for contractual and technical questions 4) Manager – Gas System Planning will be responsible for coordinating the negotiation and execution of the TAP Agreement and executing NDA. 5) Gas Supply Analyst will be responsible for coordinating the negotiation and execution of the NAESB Contract 6) Individuals responsible for negotiations and execution of these agreements can opt to have monthly status calls to discuss technical or contractual issues and get updates on progress of current negotiations 7) Gas Supply Analyst (Contracts) and/or other project member will create a project specific Team within Microsoft Teams. <ol style="list-style-type: none"> a) All Producer information and project documentation will be filed in the Team files section and will be accessible by any internal personnel requiring access. b) Key dates, meeting notes, and contracts will be tracked in the Team site.





Preliminary Evaluation	Preliminary Project Scope Description
	<ol style="list-style-type: none"> 1) Producer provides Project Scope Description <ol style="list-style-type: none"> a) Location of wells or renewable natural gas production facility, including address and map b) Feedstock source and clean-up technologies being considered, for RNG projects c) Maximum available delivery pressure (PSIG) d) Expected production volumes in Mcfh (1000 cubic feet per hour) of natural gas meeting gas quality requirements e) Expected hours per day of production and total daily production in Mcfd (1000 cubic feet per day) f) Interconnect temperature g) Expected heating value (BTU) in compliance with Companies' Gas Quality Standards h) Deliverability of gas to the COMPANY, including any daily and seasonal variations i) Projected dates desired for potential tie-in to NYSEG/RG&E system
	Hydraulic Network Study Fee
	<ol style="list-style-type: none"> 1) Gas System Planning requests invoice for the Hydraulic Network Study Fee of \$5,000, subject to refund of any unused amount 2) Upon receipt of Producer's Hydraulic Network Study Fee payment, this will trigger commencement of the Hydraulic Network Study
	Company Internal Analysis
	<ol style="list-style-type: none"> 1) Pipe size/length 2) Examine pipeline capacity during varying load periods 3) Reliability of Local Production <ol style="list-style-type: none"> a) NYSEG / RG&E will evaluate the flow patterns of each load pocket where Local Production is attached. At this time there are no examples where there are sufficient levels of consistent deliveries to establish a percentage that could be deemed reliable. In fact, in most instances there are days in certain load pockets where there is zero flow. There are a number of reasons for this lack of reliability including:





Preliminary Evaluation	<ul style="list-style-type: none"> i) Gas Quality issues <ul style="list-style-type: none"> (1) Out of service for non-compliance with gas quality specifications ii) Producers have the option to deliver to the interstate pipeline(s) or the COMPANY and divert supply based on economic opportunities iii) There are few actual wells at interconnection points. While these wells produce high volumes relative to the more traditional Medina wells in New York, when a well stops producing it has a dramatic impact on the volume being delivered to the load pocket. iv) The wells connected to the NYSEG / RG&E distribution system have much faster depletion rates than Medina wells. While the wells produce significantly more gas when tapped, they also have a much shorter production life v) Maintenance on Producers system that interferes with Local Production
	<p>Preliminary Review Meeting</p> <ul style="list-style-type: none"> 1) Review of interconnection process 2) Developer/Producer specific needs 3) Local, state, and/or federal regulatory requirements 4) In-person meeting to set foundation for open communication





Engineering Feasibility Analysis	Producer Provides Detailed Technical Proposal
	1) Description of well or chosen clean-up gas technology
	2) Detailed analysis of reasonably expected trace constituents which could impact pipeline safety/integrity and consumers
	3) Assurance that clean-up technology is compatible with upgraded gas requirements based on feed stock and reasonably expected trace constituents for RNG and that RNG meets Company gas quality requirements
	Company Assesses Potential Impacts
	1) Reliability of Local Production
2) Work with internal stakeholders (Gas Supply, Gas Control, Gas Engineering, Corporate Risk, Legal, etc.) to assure complete understanding of project	
Determine Preliminary Interconnect Cost Estimates	
1) Company Engineering will develop preliminary interconnect cost estimate	
2) Producer pays the entire cost of interconnection of the facilities to NYSEG and RG&E	
3) NYSEG and RG&E encourage Producers to tie into their respective distribution systems	





Agreements	Commercial Aspects of TAP Agreement Accepted
	1) Final gas quality tariff specifications and monitoring
	2) Gas measurement requirements
	3) Facility disconnection and shutdown rights
	4) Schedules, standards and inspections
	5) Delivery obligations (volume, energy content, pressure, temperature, flow rates, etc.)
	6) Term of agreement / Date of operation
	7) Design and construction
	8) Operation and maintenance requirements
	9) Easements and access rights
	10) Utilities
	11) Costs, fees and payment terms
	12) Insurance
	13) Ownership
	14) Taxes
	15) Gas pairing agreements, if any
16) Tariff or contract for transporting the gas enabling the Company to facilitate the desired transaction for the Producer, if sold to a third party	





Commercial Aspects of NAESB Agreement Accepted	
Agreements	1) Transaction procedure
	2) Performance Obligation
	3) Transportation, nominations and imbalances
	4) Quality and measurement
	5) Taxes
	6) Billing, payment and audit
	7) Title, warranty, indemnity
	8) Notices
	9) Financial responsibility
	10) Force Majeure
	11) Term
	12) Limitations
	13) Market disruption





Commissioning	Commissioning
	1) Producer must keep Company informed on progress
	2) Interim meetings
	3) Address pre-construction questions
	4) Start-up procedures
	5) Sampling requirements
	6) Response actions of out-of-compliance supply
	7) Emergency plans and procedures
8) Facility operations and maintenance	
Document Control	Document Control
	9) Finalized original NYSEG and RG&E contract documents will be sent to the NYSEG and RG&E Gas Supply Department.
	10) Gas Supply Department will log all TAP and NAESB agreements in Microsoft Teams, and maintain original documents in a locked central file located in the Energy Supply Department.
	11) Final documents will also be scanned into PDF files and saved on a designated drive of the Team NY integration server and in the Energy Transaction Risk Management System. The PDF files will be accessible to individuals who need to view and download these files for their use.





Nominations and Balancing	ESCO Nominations and Balancing
	<p>1) ESCOs can purchase from Local Production gas for their daily metered pools according to the limitations defined in the GTOP manual in section G. Nominations must be entered into GTS and Gas Supply makes sure the production from the designated station is greater than the nominations. If the flow falls below the nomination level then the ESCOs nominations are pro-rated accordingly.</p> <p>2) ESCO's can also purchase Local Production gas from the well and Gas Supply will revise the GTS nominations to reflect actual flow from the well.</p> <p>The Companies will monitor and track ESCO nominations.</p>
	<p>3) Local Production deliveries are not considered a replacement for primary point capacity requirements. ESCO local production gas supply is combined with the other city gate delivered supplies to serve the ESCOs pool and is "cashed out" at daily or monthly prices as appropriate. This balancing service process compensates the customers paying for pipeline capacity in the same manner as other city gate deliveries.</p>





Pricing	Pricing and System Supply Savings
	1) The Companies purchase Local Production volumes under a NAESB master agreement (see Attachments 5 and 6).
	2) NYSEG and RG&E negotiate the price at a discount to market to reflect the fact that the supply is interruptible and as a mechanism to compensate firm customers for providing a balancing service for the local producer.
	3) Under current practice and market / regulatory conditions, the Companies do not contract for supply at a fixed price or volume, or for a term greater than one year. a) This practice is a result of current uncertainty of load / customer base, shifting basis across various pooling points, and changing supply and demand fundamentals (such as Local Production, economy and the electric generation fuel mix).
	4) Local Production savings is calculated by comparing the negotiated price with the Producer to what the Company's alternative price would be if the gas had to be purchased upstream of the city gate and / or from another supplier.





Attachments





Attachment 1

Gas Quality Specifications

- I. All gas delivered by Well Producer to the Operator shall have a total dry heating value of not less than 1000 BTU per cubic foot, and not more than 1100 BTU per cubic foot. The gas delivered shall be commercially free from objectionable odors, except as set forth in paragraph III, dust or other solid or liquid matters which might interfere with the merchantability of the gas or cause injury to or interference with proper operation of the lines, regulators, meters, or other appliances through which the gas flows.
- II. At a pressure of 14.73 psia and a temperature of Fahrenheit (60°F), gas received by the Operator shall not contain more than the following:
- (a) Hydrogen Sulfide: One quarter (1/4) grain per one hundred (100) cubic feet.
 - (b) Total Sulfur: Twenty (20) grains per one hundred (100) cubic feet.
 - (c) Carbon Dioxide: Three percent (3%) by volume
 - (d) Ammonia: Shall not exceed 5 grains of ammonia per one hundred (100) cubic feet
 - (e) Water Content: Seven (7) pounds per one million (1,000,000) cubic feet.
 - (f) Flowing Gas Temperature: Not to be less than thirty degrees Fahrenheit (30°F) or more than one hundred and ten degrees Fahrenheit (110°F).
 - (g) Hydrocarbon Dew point: Shall not exceed fifteen degrees Fahrenheit (15°F) at any pressure between one hundred (100) psia and one thousand (1000) psia as calculated from gas composition or otherwise determined.
 - (h) Oxygen Content: Two tenths percent (0.20%) by volume.
 - (i) Total non-combustible gases: Five percent (5%) by volume.
 - (j) Dust, Gums, etc.: Shall be free of objectionable odors, dust, dirt, gum-forming constituents, water, and other liquid or solid mater, or water and hydrocarbons in liquid form at the temperature and pressure at which it is received by the Operator, which might interfere with its marketability or cause injury to or interference with proper operation of the lines, regulators, meters and other equipment of the Operator.
 - (k) Toxic Substances: No toxic or other substances that are not ordinarily part of a natural gas stream.
- III. All gas delivered by Well Producer to the Operator shall be adequately odorized in accordance with the specifications attached to this Exhibit. Well Producer shall use the Operator compatible odorant so as to render it readily detectable by the public and employees of Operator at all gas-in-air concentrations of one-tenth of the lower explosive limit and above, unless otherwise specified in Schedule 1, as modified. Well Producer shall indemnify the Operator against any claims associated with any failure to adequately odorize said gas.





IV. This Exhibit may be modified at the Operator's discretion to meet the quality specifications needed to effectively and safely operate the Operator's System.

Attachment 2

NATURAL GAS TAP AGREEMENT

BETWEEN

ROCHESTER GAS AND ELECTRIC CORPORATION

OR

NEW YORK STATE ELECTRIC & GAS CORPORATION

AND

DATED: _____

(February 2019)





NATURAL GAS TAP AGREEMENT

THIS NATURAL GAS TAP AGREEMENT made the _____ day of _____, 201X, by and between **New York State Electric & Gas (NYSEG)/Rochester Gas & Electric (RG&E)**, a corporation organized and existing pursuant to the laws of the State of New York, with an office located at **89 East Avenue, Rochester, New York 14649-0001** (hereinafter "**Operator**") and _____, a _____ company organized and existing pursuant to the laws of the State of _____, with offices located _____ (hereinafter "**Producer**"). Producer and Operator may sometimes be referred to herein individually as a "Party" or collectively as "the Parties."

WITNESSETH:

WHEREAS, Producer owns rights to natural gas supplies located in the Town of _____, County of _____, State of New York and wishes to deliver gas produced there to Operator's natural gas transmission system at a connection point located in the _____, State of New York; and

WHEREAS, Operator is willing to permit Producer to connect to the Operator System (as hereafter defined) on the conditions set forth in this Agreement.

NOW, THEREFORE, intending to be legally bound thereby, the Parties hereto agree as follows:

ARTICLE 1. DEFINITIONS. As used herein, the following capitalized terms shall have the meanings ascribed below:

Agreement: This Natural Gas Tap Agreement, as well as any and all amendments or supplements thereto duly authorized by the parties in accordance with the terms hereof.

Applicable Law: Any and all federal, state, local, and/or municipal laws, rules, regulations, orders, policies, or any other act having the force and effect of law relating or applicable to any activity carried out pursuant to this Agreement.

Producer Gas: Natural gas from well production or renewable gas source.

Producer Wells/Renewable Natural Gas (RNG) Source: The natural gas source situated in the Town of _____, _____ County, New York.

Producer Facilities: All buildings, facilities, equipment, and improvements, including the M&R Station, described in Section 3.1(a), below.

Producer Property: The parcel of land owned, leased, or controlled by Producer as shown and/or described on Exhibit "B," attached hereto and made part hereof.

Contract Year: A period consisting of twelve (12) consecutive calendar months beginning on the Commencement Date and each consecutive twelve (12) month period thereafter during the Term.





CPI/SPI: The All U.S. City Average Consumer Price Index/Service Price Index for All Urban Consumers (1982-84 = 100) found in Table 16 of the Consumer Price Index Report published by the Bureau of Labor Statistics of the United States Department of Labor under the Commodity and Service Group. In the event the Bureau of Labor Statistics substitutes some other price index for the CPI/SPI, such substitute index shall be used. If the CPI/SPI is discontinued and no similar index is substituted therefore, a similar index issued by a comparable agency shall be used.

Date of Operation: The date described in Section 3.7 hereof.

Demarcation Point: The point designated on Exhibit "B," attached hereto and made part hereof, where Producer Gas enters the Operator System.

Downstream: The flow of Producer Gas running generally from Producer Wells/RNG Source in the direction of the end-user.

Facility: Producer Facilities and the Operator Facilities, which connect Producer Wells/RNG Source to the Operator System.

Good Utility Practices: Those natural gas utility practices, methods, selections, and use of equipment, and acts that, at a particular time, in the exercise of reasonable judgment, would have been expected by those in the natural gas utility business to accomplish the desired result expeditiously in a manner consistent with safety, laws, regulations, reliability, environmental protection, and economy; "Good Utility Practice" is not intended to be limited to the optimum or best practice, method, or act to the exclusion of all others, but rather to delineate acceptable practices, methods, or acts generally accepted in the region.

Governmental Approvals: Any permit, consent, authorization, easement, right of way, license, variance, or any similar or related form of approval required from any Governmental Authority as are required in order to perform or exercise any activity, obligation, agreement, and/or right under this Agreement.

Governmental Authority: Any federal, state, local, municipal, or other governmental, legislature, regulatory or administrative agency, commission, official, department, board, or other governmental subdivision, court, tribunal, arbitral body, or other governmental authority.

Inlet Point: The point designated as the "Inlet Point" on Exhibit "B," attached hereto and made part hereof.

M&R Station: A natural gas metering and regulator station comprised of a building, meters, regulators, flow and pressure controls, equipment, and associated valves and piping, having the dimensions and characteristics shown or described in Exhibit "A," attached hereto and made part hereof, situated Upstream of the Demarcation Point, and which shall house those Operator Facilities shown or described in Exhibit "A."

Operator Delegated Responsibilities: Those responsibilities or obligations of Producer which are delegated to Operator as shown in "Exhibit C," attached hereto and made part hereof.

Operator Facilities: The pipes, pipelines, valves, meters, equipment, electronic measuring devices and other ancillary and related equipment and materials owned by Operator, including, but not limited to, any of the foregoing situated in, on, or about Producer Property and the M&R Station.





Operator System: The gas transmission/distribution system of Operator situated Downstream of the Demarcation Point.

Out-of-Pocket Costs: Reasonable and actual out-of-pocket expenses incurred by a party in performing an activity or service authorized under this Agreement, including any associated overhead costs (or allocations thereof), reimbursable employee charges (such as lodging, mileage, and meals, etc.), and administrative expenses.

Qualified Issuer: is a rated United States financial institution or a rated domestic branch of a foreign institution, with a rating of at least A- by Standards and Poor (S&P) or A3 by Moody's; if split rated the lower shall apply.

Qualified Guarantor: is a Parent of the party whose obligations are guaranteed with a long term unsecured credit rating of BBB- or better from S&P or Baa3 or better from Moody's; if split rated the lower shall apply.

Receipt Point: The connection point on the Operator System located in the Town of _____, County of _____, and State of New York as shown or described in Exhibit "B".

Renewable Natural Gas: Gas provided by a resource other than in-ground natural gas production that is from a renewable resource (i.e. biogas, landfill gas, etc.).

Term: The term of this Agreement as set forth in Article 7 hereof.

Upstream: The flow of Producer Gas running generally from the end-user toward the in-ground wells/RNG source.

ARTICLE 2 TAP AGREEMENT

On the condition that Producer or its designated agent complies with the terms and conditions of this Agreement, and continues to so comply during the Term, Operator shall permit Producer to connect to the Operator System for the purpose of delivering Producer Gas into the Operator System. Producer agrees to notify Operator whenever additional wells and/or transmission lines are added upstream of Producer tap.

ARTICLE 3 DESIGN, CONSTRUCTION, OPERATION, AND MAINTENANCE

3.1 Design and Construction

- (a) **Producer Facilities:** Producer shall design, construct, maintain, and, as needed, replace, remove, and relocate:
- (i) those buildings, facilities, pipes, valves, pipelines, and other improvements from the Inlet Point Downstream to the Demarcation Point, including but not limited to the M&R Station, as are shown and/or described in Exhibit "A" and Exhibit "B", attached hereto and made part hereof, at the locations designated on Exhibit "B", attached hereto and made part hereof, and
 - (ii) any new, additional, replacement, and/or expanded buildings, facilities, pipes, valves, pipelines, and other facilities and improvements as may be required by Applicable Law to maintain the connection





between Producer Wells/RNG Source and the Operator System and/or as may be reasonably required by the Operator to maintain the reliability, safety, and/or efficiency of the Operator System.

(b) Operator Facilities.

- (i) The Operator shall design, construct, install, and, as needed, replace, remove, and relocate Operator Facilities from the Demarcation Point Downstream to the Operator System, and within the M&R Station, as are required to connect Producer Wells/RNG Source to the Operator System in accordance with this Agreement, as well as any new, additional, replacement, and/or expanded pipes, valves, pipelines, and other facilities and improvements as may be required by Applicable Law to maintain the connection between Producer and the Operator System and/or as may be reasonably required by the Operator to maintain the reliability, safety, and/or efficiency of the Operator System.
- (ii) Notwithstanding anything to the contrary contained herein, Producer shall purchase and ship the SCADA/telemetry equipment described in Exhibit "I", at Producer's expense, to a location designated by Operator. The Operator shall then assemble, configure, and test such equipment prior to shipping such equipment to Producer Property, all at Producer's expense as provided herein. Producer shall be responsible for damage or risk of loss to such equipment prior to final installation and acceptance into the Facility. Upon installation of such equipment into the Facility and acceptance by the Operator, such equipment shall be Operator Facilities.

(c) Design and Construction Matrix.

The delineation of the respective design and construction responsibilities of Producer and the Operator, including identification of the Operator Delegated Responsibilities, are set forth in the responsibility matrix attached hereto and made part hereof, marked Exhibit "C."

Producer delegates, and the Operator assumes, responsibility to perform the Operator Delegated Responsibilities, subject to the remaining terms and conditions of this Agreement.

3.2 **Operation and Maintenance**

(a) Operator Operation and Maintenance

- (i) Effective upon the Date of Operation, the Operator shall perform those operational and maintenance responsibilities set forth in "Exhibit C" during the Term.
- (ii) The Operator's maintenance obligations shall include scheduled and emergency/call-out repair services pursuant to the Exhibit "C".
- (iii) Scheduled maintenance shall consist of semi-annual inspection and repair, as needed, to those portions of Producer Facilities which the Operator has agreed to maintain pursuant to the Exhibit "C."
- (iv) Emergency/call-out repair shall consist of emergency repair of Producer Facilities which the Operator has agreed to maintain pursuant to the Exhibit "C," on a 24x7 basis, by the Operator-trained gas personnel located within a reasonable distance of Producer Facilities. The Operator and Producer will designate contacts, phone numbers, and call-out procedures that Producer shall use to effect emergency/call-out repair.





(v) Odorant type shall be approved by the Operator.

(b) Producer Operation and Maintenance

Effective upon the Date of Operation, Producer shall perform those operational and maintenance responsibilities set forth in Exhibit "C" during the Term. Effective upon the first full day of the first full month following the Date of Operation, and thereafter during the Term in accordance with Exhibit "G" hereto, Producer shall provide the Operator with an analysis report from a reputable gas testing laboratory reasonably acceptable to Operator containing a complete chemical analysis of Producer Gas, including a breakdown of total sulfur components and any other specific data reasonably required by the Operator. Producer Gas delivered to the Operator System during the Term shall conform with the specifications set forth in Exhibit "H," attached hereto and made part hereof.

(c) Gas Pressure

Producer shall not deliver Producer Gas to the Receipt Point at a pressure in excess of **XXXX**____ psig.

(d) Each Party shall be responsible for the proper storage, clean up and disposal of any and all chemicals required for use in or on Facilities for which a party has operational responsibility.

3.3 Easements and Access Rights

(a) Easements and Rights from Producer

(i) Producer shall grant, and does hereby grant and convey to the Operator, its employees, agents, contractors, consultants, and designees, irrevocable easements, rights-of-way, and connection rights in, on, over, under and across the areas on Producer Property shown on and/or described in Exhibit "B," for the purposes of designing, constructing, operating, maintaining, expanding, replacing, and rebuilding the Operator Facilities on Producer Property, including such Facilities within and upon the M&R Station. To the extent the Operator is authorized or empowered by Applicable Law or this Agreement to perform any action or obligation of Producer upon Producer's default hereunder, Producer shall grant, and does hereby grant to the Operator such additional and/or expanded easements, rights-of-way, or connection rights as are reasonably necessary for the Operator to carry out and exercise such rights without additional cost to the Operator or interference from Producer.

(ii) Producer shall grant and does hereby grant the Operator, its employees, agents, contractors, consultants, and designees, a permanent and irrevocable right of access in, upon, and over Producer Property for the purposes of performing and carrying out, to the fullest extent, the Operator's rights and obligations set forth in this Agreement or as required by Applicable Law, including the right to transport, park, and operate cars, trucks, vehicles, trailers, heavy machinery, equipment, materials, and all other apparatus and items of the Operator and its employees, agents, contractors, consultants, and designees as are required to carry out any obligation, right, or duty called for hereunder. Producer shall be solely responsible for maintaining unimpeded access for the Operator employees, agents, contractors, consultants, and designees, and necessary equipment, vehicles, and materials, over Producer Property to enable the Operator to perform the Operator's duties, agreements, and obligations, and to exercise any rights held by the Operator hereunder, including but not limited to, removing any obstructions on Producer Property, snow removal, cutting grass and weeds, and removing brush, vegetation, and trees, all at Producer's sole cost and expense.





(iii) The easements, rights of way, connection rights, and rights of access for the installation, operation, and maintenance of the Operator Facilities includes such additional easements, rights of way, and connection rights as are necessary to maintain in place on Producer Property any and all wires, cables, and devices required to attach such Operator Facilities to the devices, machinery, and equipment which they measure and to sources of power.

(iv) Producer acknowledges and agrees to execute a Memorandum of this Agreement suitable for recording in the Office of the Clerk of the County where the Facility is located describing the easement and other property rights held by the Operator over Producer Property, at Producer's sole cost and expense.

(b) Easements from Third Persons

Producer, at its sole cost and expense, shall obtain, maintain, and record such easements, rights of way, access, and other rights from third persons as are required by Producer to design, construct, and operate Producer Facilities in accordance with this Agreement, including such easements, rights of way, and other access rights as are required by the Operator to carry out the Operator Designated Responsibilities, and any other responsibility or obligation undertaken by the Operator hereunder regarding activities relating to the Operator Facilities and/or Producer Facilities located on Producer Property or property of third parties, other than those responsibilities set forth in subsection (c), below.

(c) Easements for Operator Facilities

Operator, at Producer's cost and expense, shall be responsible for obtaining any and all easements, rights of way, access, and other rights from third persons required to design, construct, install, operate, and maintain the Operator Facilities Downstream from the Demarcation Point to the Operator System.

(d) Cooperation by Producer

Producer will execute and deliver to Operator any and all other grants, deeds, forms, or transfer documents as the Operator may require to record any of the easements, rights-of-way, access, or connection rights conveyed by Producer hereunder in the Office of the Clerk in the County where the Facility is located.

3.4 Governmental Approvals

(a) Producer Approvals

Producer, at its sole cost and expense, shall be responsible for obtaining and maintaining in effect during the Term, on terms that are reasonably acceptable to Producer and Operator, any and all Governmental Approvals as are required for the design, construction, installation, operation, maintenance, and repair of Producer Facilities and the Operator Facilities located on Producer Property.

(b) Operator Approvals

The Operator, at Producer's cost and expense, shall be responsible for obtaining and maintaining in effect during the Term, on terms that are reasonably acceptable to the Operator, any and all





Governmental Approvals as are required for the design, construction, installation, operation, maintenance, and repair of the Operator Facilities between the Demarcation Point Downstream to the Operator System.

3.5 Schedule and Standards

(a) Schedule

Producer Facilities and the Operator Facilities will be installed in accordance with the project plan and schedule attached hereto and made part hereof, marked Exhibit "D."

(b) Standards

Producer acknowledges and agrees that, as a condition to the Operator's obligation to accept Producer Facilities and to connect Producer Wells/RNG Source to the Operator System, and as a continuing condition to such consent, Producer Facilities shall be designed, installed, operated, and maintained in accordance with:

- (i) The construction, operation, and maintenance standards set forth in Exhibit "E," attached hereto and made part hereof, as the same may be modified hereafter by the Operator from time to time.
- (ii) Applicable Laws.
- (iii) Any and all policies, rules, and requirements issued by the Operator in connection with the safe and reliable operation of the Operator System or for the protection of persons or property which are in effect as of the Effective Date and as the same may be supplemented, modified, or expanded during the Term.
- (iv) Good utility practices.

(c) Inspection and Acceptance

(i) Plans

Where Producer is responsible for the development of any design, construction, or other plans related to any Producer Facilities pursuant to Exhibit "C," such plans shall be subject to prior approval and acceptance by Operator. Producer shall submit drafts of such plans to the Operator and shall afford the Operator no less than twenty (20) business days within which to review and comment on the plans. The Operator shall provide Producer with comments and suggested revisions to the plans within such twenty (20) day period which Producer will incorporate into modified plans without charge or responsibility to the Operator; Producer shall repeat the cycle outlined in this sentence and in the preceding sentence until the Operator issues written confirmation to Producer that the plans are approved without additional changes or conditions.

(ii) Inspection

Where Producer is responsible for completing construction of any Producer Facilities pursuant to Exhibit "C," the construction, testing, and operation of such Producer Facilities shall be subject to the





Operator's acceptance in accordance with this paragraph. Producer shall permit the Operator and its representatives to be present during construction and testing of such Facilities and to monitor same. When Producer Facilities are completed, Producer shall provide the Operator with written notice that such Producer Facilities are ready for the Operator's inspection for purposes of the Operator's acceptance. The Operator shall inspect Producer Facilities within a reasonable period of time after the Operator's receipt of such notice from Producer. Producer shall cooperate with the Operator in the Operator's inspection of Producer Facilities. Producer will alter and modify the Facilities as necessary following the Operator's inspection so that they conform to the requirements of this Agreement at Producer's sole cost and expense.

(iii) No Warranty

The Operator's inspection, review, and acceptance of plans and Facilities developed or constructed by Producer as provided herein shall not be construed as confirming or endorsing the design of, or as any warranty as to the safety, durability, usefulness, or reliability of such plans or Facilities. The Operator does not, and shall not, by reason of such inspection, review and acceptance, or failure to inspect, review and accept, be responsible for the strength, details of design, adequacy, safety, or usefulness of the plans and Facilities, nor shall the Operator's acceptance thereof be deemed an endorsement of such plans and Facilities.

3.6 Utilities

Producer shall be responsible for obtaining and securing the installation of electric and telephone service to serve Producer Facilities, at Producer's sole cost and expense.

3.7 Date of Operation

The Operator shall not be obligated to connect the Facility to the Operator System until the date when:

- (i) All Governmental Approvals necessary for the construction, operation, and maintenance of the Facility have been secured in accordance with this Agreement.
- (ii) Producer has constructed and tested, and the Operator has accepted, the Facility in accordance with the applicable provisions of this Article 3.
- (iii) All easements and other rights required to be obtained under Section 3.3 have been secured on the terms provided therein.
- (iv) The Facility conforms with Good Utility Practices and is otherwise safe and reliable in the Operator's reasonable determination.
- (v) Producer is not in default under this Agreement.

ARTICLE 4 COSTS, FEES, AND PAYMENT

4.1 Producer's Payment Obligation





Unless otherwise expressly stated herein to the contrary,

- (i) Producer shall pay the Operator for any and all work, services, and other activities which the Operator has agreed to perform hereunder, or which the Operator is required to perform in order to fulfill any obligation or agreement of the Operator hereunder, including any Out-of-Pocket Costs incurred by the Operator in connection therewith.
- (ii) Producer shall be solely responsible for any third party utility charges of any kind imposed upon the Operator or Producer in connection with the construction, operation, or maintenance of Producer Facilities or such portion of the Operator Facilities situated Upstream from the Demarcation Point.
- (iii) Producer shall be solely responsible for any and all costs, expenses, and/or fees of any kind or form associated with any work or services performed by Producer hereunder.

4.2 Design and Construction

- (a) In connection with design and construction, services performed by the Operator hereunder, Producer shall pay the Operator as follows for such services:
 - (i) Design and construction performed by the Operator's personnel or Operator's contractors as estimated in Exhibit "F".
 - (ii) Services performed by the Operator's personnel and equipment, Producer shall pay the hourly rate designated by title for the appropriate Operator personnel as set forth in Exhibit "G," attached hereto and incorporated herein.
 - (iii) Any Out-of-Pocket Costs incurred by the Operator in connection with performing such work and services, including any and all third party contractor, material, and equipment costs in connection therewith.

4.3 Maintenance Work

In connection with any and all maintenance and repair work performed by the Operator hereunder, Producer shall pay Operator:

- (i) **XXXX** per Contract Year for scheduled maintenance and repairs as stated in Exhibit "G".
- (ii) The Operator's hourly rate designated in Exhibit "G" for emergency/call-out repairs.
- (iii) For any Out-of-Pocket Costs incurred by the Operator in connection with performing such scheduled maintenance and emergency/call-out repairs services.

4.4 Other Work

In connection with any and all work or services performed by the Operator hereunder for which Producer has agreed or is obligated to pay the Operator other than as provided in Section 4.2 and Section 4.3, above, Producer shall pay the Operator:





- (i) The Operator's hourly rates designated in Exhibit "G," based upon the level and experience of the Operator personnel performing such work.
- (ii) Any Out-of-Pocket Costs incurred by the Operator in connection with such work and services.

4.5 Timing of Payments

- (a) The Operator will commence design and procurement of materials upon receipt of payment in advance for an initial invoice of \$XXXXXXX. Operator will commence construction upon receipt of payment in advance for a second invoice of \$XXXXXXX.
- (b) If total design and construction costs incurred by the Operator are less than the amount received as set forth in Article 4.5a, then within thirty (30) days of Operator's project closeout, the Operator shall reimburse the Producer the positive difference, if any. If total costs incurred by the Operator are greater than the amount received, then within thirty (30) days of Operator's project closeout, the Operator shall invoice the Producer the negative difference, if any.
- (c) Producer shall pay the scheduled maintenance charges in two (2) equal, semi-annual payments within thirty (30) days following the date of the Operator's invoice therefore, which invoices shall issue on:
 - (i) The Date of Operation and each anniversary thereof during the Term.
 - (ii) Six (6) months following the Date of Operation and each anniversary thereof during the Term.
- (d) Producer shall pay for all other work and services performed by the Operator, and any Out-of-Pocket Costs, within thirty (30) days following the date of Operator's invoice therefore, which invoice shall issue following completion of the relevant work or services unless otherwise agreed on a case by case basis.

4.6 Late Payment

Any payment due the Operator which is not paid within the time frame(s) set forth in Section 4.5 shall commence to bear interest at the rate of eighteen percent (18%) per annum, from the date due until fully paid.

4.7 Annual Adjustment

The annual scheduled maintenance charge set forth in Section 4.3, above, and the Operator rates set forth in Exhibit "G" hereto, shall be adjusted annually throughout the Term as of the anniversary of the first day of the first calendar month following the Effective Date to the extent of any percentage change which occurred in the CPI/SPI during the preceding twelve (12) months. The annual scheduled maintenance fee and the Exhibit "G" rates shall be increased by multiplying such fees then in effect by a fraction, the numerator of which is the CPI/SPI in effect two (2) months before the applicable adjustment date, and the denominator of which is the CPI/SPI in effect as of the calendar month fourteen (14) months before the applicable adjustment date. In no event shall the scheduled maintenance fee and the Exhibit "G" rates resulting from an annual CPI/SPI adjustment increase by less than three percent (3%). The Operator shall promptly notify Producer of each annual adjustment.

4.8 Financial Assurance





If Payment in Advance Option is not elected as described in 4.5a above, Producer shall, within 5 business days of contract execution, provide NYSEG / RG&E with collateral in the amount of \$XXXXXX in the form of either an irrevocable standby letter of credit issued by a Qualified Issuer, or a Parent Guarantee issued by a Qualified Guarantor. Collateral must be in a form acceptable to NYSEG / RG&E. If the issuer or guarantor is down-graded below the minimum rating requirement, or is no longer acceptable to NYSEG / RG&E, the Producer will provide a replacement form of collateral within 20 business days of notice.

ARTICLE 5 OWNERSHIP, TAXES, AND LIENS

5.1 Ownership

Producer shall own Well/RNG Source Producer Facilities and the Operator shall own the Operator Facilities and each party shall be responsible for all personal property taxes and assessments assessed against its respective Facilities.

5.2 Real Property Taxes

Producer shall be responsible for all real property taxes and all other taxes, fees, and assessments ("Real Property Taxes) attributable to Producer Facilities and the Operator will be responsible for all Real Property Taxes attributable to the Operator Facilities situated downstream from the Demarcation Point.

5.3 Mechanics Liens

Neither party (the "First Party") shall permit any mechanics', materialmens', or other liens to be filed against the other party's (the "Second Party") Facilities. Each First Party hereto covenants and agrees that any lien filed against the Second Party's Facilities based upon work claimed to have been done for, or materials claimed to have been furnished to the First Party, will be discharged by the First Party, by bond or otherwise, within fifteen (15) days after the filing thereof, at the sole cost and expense of the First Party. The Second Party shall have the right at all reasonable times to post and keep posted on its Facilities any notices which it deems necessary for the protection from such liens. If any such liens are filed and are not released within the aforementioned fifteen (15) day period, the Second Party may, without waiving its rights and remedies based upon breach by the First Party and without releasing the First Party from any of its obligations, cause such liens to be released by any means the Second Party shall deem proper, including payment in satisfaction of the claim giving rise to such liens. The First Party shall pay to the Second Party, at once, upon notice to the First Party, any sum paid by the Second Party to remove such liens, together with interest at the rate set forth in Section 4.6, above, from the date of payment by the Second Party.

Nothing herein shall prevent the Operator from filing liens against Producer Facilities due to Producer's breach of the provisions of this Agreement.

ARTICLE 6 REPRESENTATIONS, WARRANTIES, AND COVENANTS

6.1 Producer makes the following representations, warranties and covenants which shall be construed as covenants continuing during the Term:





-
- (a) Producer is a _____ company duly organized, validly existing and in good standing under the laws of the State of _____, and qualified to do business under the laws of the State of New York. Producer has the power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- (b) Producer is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement; the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement will not conflict with or constitute a breach of, or a default under, any of the terms, conditions, or provisions of any law, any order of any court or other agency of government, the certificate of incorporation or by-laws of Producer; or any contractual limitation, corporate restriction or outstanding trust indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which Producer is a party or by which it or any of its property is bound, or result in a breach of or a default under any of the foregoing; and this Agreement is the legal, valid and binding obligation of Producer enforceable in accordance with its terms, except as it may be rendered unenforceable by reason of bankruptcy or other similar laws affecting creditors' rights, or general principles of equity.
- (c) Producer shall, during the Term, be in compliance with all Applicable Laws with respect to the construction, ownership, operation and maintenance of Producer Facilities.
- (d) All action required on the part of Producer to execute and deliver this Agreement has been completed.
- (e) Effective upon the first full day of the first full month following the Date of Operation, and quarterly thereafter during the Term, Producer shall provide Operator with an analysis report from a reputable gas testing laboratory reasonably acceptable to Operator containing a complete chemical analysis of Producer Gas, including a breakdown of total sulfur components and any other specific data reasonably required by Operator.
- (f) Producer Gas delivered to the Operator System during the Term shall conform with the specifications set forth in Exhibit "H", attached hereto and made part hereof.
- (g) If the Operator at any time during the Term is required for any reason to relocate any of the Operator Facilities, whether situated on Producer Property or on property owned by third parties, Producer shall be responsible for, and hereby agrees to:
- (i) Locate an alternative site for the Operator Facilities reasonably acceptable to Operator.
 - (ii) Obtain any and all Governmental Approvals and other easements, rights of way, permits, licenses, and other agreements and consents from third parties and/or Governmental Authorities necessary, in the Operator's reasonable judgment, to relocate and to design, construct, operate, and maintain such relocated Operator Facilities in the new location, all on terms reasonably acceptable to the Operator.
 - (iii) Complete any surveys and/or environmental, geologic, or other soil or topographical tests or studies as the Operator may require, using reputable consulting and testing firms and sound testing, scientific, and





analytical methods, to insure that the new site is suitable for use by the Operator in its reasonable judgment.

- (iv) Convey without charge or expense to the Operator any and all additional deeds, grants, easements, rights of way, permits, licenses, and other agreements over Producer Property as are necessary, in the Operator's reasonable judgment, to relocate and to design, construct, operate, and maintain such relocated the Operator Facilities in the new location, all on terms reasonably acceptable to the Operator.
- (v) Pay or reimburse, at the Operator's option, all associated design, construction, and implementation costs associated with such relocation, and all of such costs incurred by the Operator (including Operator personnel charges at the rates set forth in Exhibit "G," as adjusted), including all costs, fees, and expenses associated with any of the activities set forth in subsections (i), (ii), (iii), and (iv) of this Section 6.1(g).

6.2 The Operator makes the following representations, warranties and covenants which shall be construed as covenants continuing during the Term:

- (a) The Operator is a corporation duly organized, validly existing and in good standing under the laws of the State of New York, and qualified to do business under the laws of the State of New York. The Operator has the power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- (b) The Operator is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement; the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement will not conflict with or constitute a breach of, or a default under, any of the terms, conditions, or provisions of any law, any order of any court or other agency of government, the certificate of incorporation or by-laws of the Operator; or any contractual limitation, corporate restriction or outstanding trust indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Operator is a party or by which it or any of its property is bound, or result in a breach of or a default under any of the foregoing; and this Agreement is the legal, valid and binding obligation of Operator enforceable in accordance with its terms, except as it may be rendered unenforceable by reason of bankruptcy or other similar laws affecting creditors' rights, or general principles of equity.
- (c) All action required on the part of the Operator to execute and deliver this Agreement has been completed.
- (d) With respect to any work or services performed by Operator hereunder:
 - (i) The Operator warrants that such work or services will be performed in accordance with Good Utility Practices;
 - (ii) EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, OPERATOR MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO ANY WORK OR SERVICES TO BE PERFORMED HEREUNDER BY OPERATOR, AND OPERATOR HEREBY WAIVES AND DISCLAIMS ALL OTHER WARRANTIES, WHETHER ORAL, WRITTEN, EXPRESS, IMPLIED, OR STATUTORY





INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR OR INTENDED PURPOSE;

- (iii) Without limiting the generality of the foregoing:
- (a) The Operator makes no warranty or representation with respect to any maintenance and/or repair procedures set forth in this Agreement, or developed hereafter, or any advice or other recommendations, written or verbal, supplied to Producer or its contractors by or on behalf of the Operator regarding the maintenance, repair, operation, alteration, replacement, and/or use of Producer Facilities.
 - (b) The Operator makes no warranty or representation that any maintenance and/or repair procedures set forth in this Agreement, or developed hereafter, or any advice or other recommendations, written or verbal, supplied to Producer or its contractors by or on behalf of the Operator regarding the maintenance, repair, operation, alteration, replacement, and/or use of Producer Facilities, are adequate to maintain and/or operate Producer Facilities to any level of performance, or that such procedures will prevent breakage or malfunction, or otherwise maintain any level of operational performance of any such Facilities.
 - (c) Producer disclaims any responsibility or liability on the part of Operator associated with Producer's use of, or reliance upon, any maintenance and/or repair procedures set forth in this Agreement, or developed hereafter, or any advice or other recommendations, written or verbal, supplied to Producer or its contractors by or on behalf of Operator regarding the maintenance, repair, operation, alteration, replacement, and/or use of Producer Facilities and/or the Operator facilities.

ARTICLE 7 **TERM AND TERMINATION**

7.1 **Term**

This Agreement shall become effective when executed by Producer and the Operator (the "Effective Date") and shall continue in full force and effect for a term of two (2) years commencing upon the Date of Operation, and shall automatically renew on the year anniversary of the Date of Operation for successive one (1) year terms thereafter, unless terminated by a party in accordance with this Agreement.

7.2 **Termination**

At any time following the initial two (2) year term of this Agreement, either party hereto may terminate this Agreement for any or no reason upon sixty (60) days prior written notice to the other party hereto served in accordance with the terms of this Agreement. Upon the effective date of such termination, all obligations, agreements, and rights of the parties hereto shall cease and terminate, other than those expressly stated herein to survive termination or expiration, and further provided that any remaining or outstanding amounts required to be reimbursed by Producer to the Operator under this Agreement shall be due and payable within ten (10) days of the date of said written notice of termination.

ARTICLE 8 **DISCONNECTION OF THE FACILITY AND SHUTDOWN RIGHTS**

8.1 **No Liability**





Consistent with, and as provided in, the Operator's filed tariff, in the event that the connection between the Facility and the Operator System is disconnected, interrupted, abandoned, or defective or fails from causes beyond the control of Operator or because of the ordinary negligence of the Operator, its officers, directors, agents, or employees, the Operator shall not be liable therefore.

8.2 Disconnecting the Facility

In the event of, or for reasons of, repair, connection of other customers or suppliers of gas, Operator System emergency, physical constraints of the Operator System, safety, outage of facilities, the Operator may direct that the Facility be disconnected from the Operator System. The Operator may also direct that the Facility be disconnected from the Operator System in the event Producer fails to maintain the insurance policies and coverage's required by this Agreement or otherwise materially breaches this Agreement.

8.3 Notice of Disconnection

The Operator shall give Producer advance notice, as circumstances permit, of the need for such disconnection. Upon receipt of notice directing disconnection, Producer shall carry out the required action without undue delay. Where circumstances do not permit such advance notice to Producer, the Operator may disconnect the Facility from the Operator System. During any period of disconnection, the Operator and Producer shall endeavor to reconnect the Facility and resume the operation of the Facility as promptly as is reasonably practicable in accordance with Good Utility Practice.

8.4 Cost of Disconnection

Producer shall bear any extraordinary cost reasonably incurred by the Operator as a result of any such disconnection or re-connection of the Facility. An extraordinary cost is a cost that would not be incurred by the Operator absent the existence of the Facility.

8.5 Shut-Down Rights and Procedures

Producer acknowledges and agrees that the Operator shall have the right, in its sole and absolute discretion, to shut down the Facility and the supply of Producer Gas (both manually and remotely) into the Operator System if Producer Gas does not meet the gas specifications set forth in Exhibit "H", attached hereto and made part hereof. Subject to the Operator's right to modify, suspend, and/or avoid compliance in the event of a bona fide emergency, or when, in the Operator's sole judgment, the safety, integrity, and/or security of the Operator System is at risk, the Operator shall comply with the following procedures in shutting down the Facility:

- (i) The Operator shall notify Producer and/or Producer's superintendent or designated operations personnel that Producer Gas is out of specification;
- (ii) An authorized representative of the Operator shall remain at the Facility to determine if the superintendent of Producer Well/RNG Source can rectify the problem, or if the superintendent of Producer Well is unavailable or if the problem cannot be expeditiously corrected to bring Producer





Gas into compliance with this Agreement, then Producer shall be informed by the Operator that the Facility is to be shut down until the problem is rectified to the Operator's satisfaction.

- (iii) An authorized representative of the Operator shall be called out and shall shut down the Facility as soon as possible under the circumstances;
- (iv) The Facility shall remain shut down until Producer Gas is determined by the Operator to comply with the specifications set forth in "Exhibit G;"
- (v) Producer shall notify the Operator when Producer has corrected the problem, which it believes resulted in Producer Gas being out of specification. An authorized representative of the Operator shall schedule a test of Producer Well/RNG Source at the Operator's earliest convenience and at Producer's cost and expense. Producer Wells/RNG Source shall be tested using the Operator-approved testing methods and procedures. The Operator will authorize bringing the Facility back on line when the test results demonstrate, in Operator's sole judgment, that Producer Gas complies with the specifications set forth in "Exhibit H;"
- (vi) Producer shall be solely responsible for insuring that Producer Gas meets the requirements of this Agreement and for notifying Producer customers in the event of a shut-down.

ARTICLE 9 INDEMNIFICATION AND LIABILITY

9.1 Producer Indemnification

Producer shall, to the fullest extent permitted by law, indemnify, save harmless and defend the Operator, its affiliates, directors, officers, agents and employees against all direct claims, indirect claims, demands, liabilities, judgments, costs, and expenses (including reasonable attorneys' fees) related to property damage, bodily injuries or death suffered by Producer, its employees, agents, and contractors, or by third parties resulting from any act or failure to act by Producer and its employees, agents, contractors in the performance of this Agreement, including Producer's construction, installation, ownership, operation or maintenance of the Facility or the Interconnection Facilities. This Article shall survive any termination of this Agreement.

9.2 Operator Indemnification

Except as, and to the extent, limited by Section 8.1 of this Agreement and the terms of the Operator's filed tariff, the Operator shall indemnify, save harmless and defend Producer, its directors, officers, agents and employees against all direct claims, indirect claims, demands, liabilities, judgments, costs, and expenses (including reasonable attorneys' fees) related to property damage, bodily injuries or death suffered by the Operator, its employees, agents, and contractors, third parties resulting from any act or failure to act by the Operator and its employees, agents, contractors in the performance of this Agreement. This Article shall survive any termination of this Agreement.

9.3 Liability Restrictions

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IN NO EVENT SHALL THE OPERATOR BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL OR





CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS OF ANY KIND, EVEN IF OPERATOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, NOR SHALL OPERATOR BE LIABLE FOR EXEMPLARY OR PUNITIVE DAMAGES.

ARTICLE 10 INSURANCE

10.1 Producer Insurance

Producer, at its cost and expense, shall maintain and keep in full force and effect, during the Term, the following insurance in such form and with such insurance companies as are acceptable to the Operator:

- (a) Worker's Compensation Insurance, including occupational illness or disease coverage, or other similar social insurance in accordance with the laws of the country, state, or territory exercising jurisdiction over the employee and Employer's Liability Insurance with a minimum limit of \$1,000,000 per occurrence;
- (b) Comprehensive General Liability Insurance, including Contractual Liability, and Broad Form Property Damage Liability coverage for damages to any property with a minimum combined single limit of \$5,000,000 per occurrence. This policy shall be endorsed to name the Operator as "additional insured";
- (c) Automotive Liability Insurance covering use of all owned, non-owned, and hired automobiles with a minimum combined single limit of \$1,000,000 per occurrence for bodily injury and property damage liability. This policy shall be endorsed to name the Operator as "additional insured";
- (d) Property Damage Insurance equal to the replacement value of any and all Producer Facilities and Operator Facilities. This policy shall be endorsed to name the Operator as "additional insured";
- (e) Umbrella Liability Insurance with a minimum limit of \$5,000,000 in excess of the policies indicated in the above subsections. This policy shall be endorsed to name the Operator as "additional insured."

10.2 Additional Insured

For all insurance required hereunder, other than Workers' Compensation, Operator, its affiliates, directors, officers and employees, shall be named as additional insured's.

10.3 Non-Contributory

All of the insurance required hereunder shall be primary to any and all other insurance coverage and shall not contribute with similar insurance in effect for the Operator.

10.4 Insurance Terms

All insurance where the Operator is an additional insured must contain provisions stating that the policy will respond to claims or suits by the Operator against Producer or any other insured there under.

10.5 Insurers





All insurance required here shall be issued by an insurer authorized to do business in the State of New York and shall have a Best's Rating of not less than "A" and a net surplus of not less than \$50,000,000.

10.6 Change

Producer's insurance carrier shall notify the Operator of any material change in, or cancellation of, any of the insurance required hereunder at least thirty (30) days prior to the effective date of any such change or cancellation.

10.7 Certificate of Insurance

No later than thirty (30) days following the Effective Date, and on or before July 1 of each year during the Term, Producer shall provide, for the Operator's review and approval, a certificate of insurance verifying the existence of insurance coverage's in compliance with the requirements of this Agreement, from insurance companies acceptable to the Operator. Unless otherwise modified by the Operator, the certificate of insurance shall be mailed to:

Rochester Gas & Electric Corporation / New York State Electric & Gas Corp.
89 East Ave.
Rochester, NY 14611
Attn: Mgr., System Planning - Gas Engineering

ARTICLE 11 BREACH AND TERMINATION

11.1 Breach

Any one or more of the following events shall constitute a breach of this Agreement. This Article does not describe all possible events that could constitute a breach of this Agreement, nor all the rights or remedies of the parties in case of a breach:

- (a) Failure of either party to observe and perform any covenant, condition or agreement on its part to be performed under this Agreement and continuance of such failure for a period of thirty (30) days after written notice to the defaulting party specifying the nature of such default and requesting that it be remedied, or if by reason of the nature of such default the same cannot be remedied within such thirty (30) day period, failure of the defaulting party to proceed promptly to institute corrective action to cure the same and thereafter prosecute the curing of such default with due diligence;
- (b) Failure of Producer to complete construction of the Facility or Interconnection Facilities, or to commence operation of the, on or before the date specified in Exhibit "D", other than any delay directly attributable to actions, failure to act, or other fault of the Operator;
- (c) Failure of Producer to maintain the insurance coverage's required by this Agreement, or Producer's failure to provide the Operator with the certificates of insurance as required by this Agreement;
- (d) Producer's assignment of this Agreement in contravention of Article 12;





- (e) The dissolution or liquidation of either party; and
- (f) The determination by a party that a material representation or warranty made by or on behalf of the other party, or such other party's assignee, was false or incorrect in any material respect at the time made and which shall have been made willfully, knowingly or with a reckless disregard for its truth or correctness.

11.2 Termination for Breach

Whenever any breach of this Agreement shall occur under Article 11 and shall be continuing, regardless of the tendency of any proceeding that has or might have the effect of preventing the parties from complying with any term of this Agreement, the non-defaulting party may, upon thirty (30) days prior written notice to the defaulting party, terminate this Agreement and, unless said breach is cured to the satisfaction of the non-defaulting party within such thirty (30) day period, this Agreement shall cease and terminate at the expiration of such thirty (30) day period; provided, however, that other than a breach involving non-payment of money, if such breach is not capable of cure within thirty (30) days, then the defaulting party shall be granted a reasonable time, not to exceed one hundred and eighty (180) days from the date of notice from the non-defaulting party, within which to cure such breach to the satisfaction of the non-defaulting party, and this Agreement will remain in effect until the expiration of such reasonable notice period provided the defaulting party commences to cure and continues to expend best efforts to cure such breach and such breach is cured during such reasonable notice period; further provided that any remaining amounts required to be reimbursed by Producer to the Operator under this Agreement shall be due and payable within ten (10) days of the defaulting party's receipt of said written notice of termination.

- 11.3** No termination of this Agreement shall relieve the defaulting party of any liability for its default hereunder, and the non-defaulting party may take whatever action at law or in equity as may be necessary or desirable to enforce performance and observance of any obligations, or covenants under this Agreement, and the rights given hereunder shall be in addition to all other remedies available to the parties, either in law, at equity or otherwise, for the breach of this Agreement

ARTICLE 12 ASSIGNMENT AND TRANSFER

Neither this Agreement nor any rights hereunder shall be assigned or transferred, by operation of law or otherwise, by Producer without the prior written consent of Operator, whose consent may be granted or withheld in the Operator's sole discretion unless said assignment or transfer is the result of a merger or sale of substantially all of the assets of Producer.

ARTICLE 13 AMENDMENT

This Agreement shall not be amended unless such amendment shall be in writing and signed by the Operator and Producer.

ARTICLE 14 MISCELLANEOUS PROVISIONS

NYSEG & RG&E LOCAL PRODUCTION PLAN

Level of confidentiality: **INTERNAL USE**



Take care of the environment.
Printed in black and white and only if necessary.



14.1 Binding Effect

This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns.

14.2 Severability

If any article, phrase, provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, phrase, provision, or portion so adjudged shall be deemed separate, distinct, and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

14.3 Counterparts

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14.4 Notices

All notices, certificates or other communications hereunder (other than routine operational communications) shall be in writing and shall be sufficiently given and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows: (or to such other and different address as may be designated by the parties):

(a) To Producer: _____

(b) To Operator: RG&E
 89 East Avenue
 Rochester, NY 14611
 Attn: Mgr., System Planning - Gas Engineering

14.5 Prior Agreements Superseded

This Agreement contains the entire understanding and agreement of Producer and the Operator relating to the subject matter hereof and this Agreement shall completely and fully supersede all other prior understandings or agreements, both written and oral, between the parties relating to the subject matter hereof.

14.6 Applicable Law

This Agreement shall be governed by and construed in accordance with the law of the State of New York, except its conflict of laws provisions.





14.7 Payment of Attorneys' Fees and Expenses

If either party defaults on or breaches its obligations, covenants and agreements under this Agreement and the other party employs attorneys or incurs other expenses for the collection of amounts payable hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the parties agree that they will, on demand therefore, pay to the other party as the case may be, the reasonable fees and disbursements of such attorneys and such other reasonable expenses so incurred.

14.8 Waiver

No delay or omission in the exercise of any right under this Agreement shall impair any such right or shall be taken, construed or considered as a waiver or relinquishment thereof, but any such right may be exercised from time to time and as often as may be deemed expedient. In the event that any agreement or covenant herein shall be breached and thereafter waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

14.9 No Further Obligations

Nothing in this Agreement shall be construed as creating either any obligation or right on the part of the Operator:

- (i) To purchase any Producer Gas.
- (ii) To transmit any Producer Gas to a purchaser of said Gas.

14.10 Financial Difficulty

Producer shall promptly provide written notice to the Operator of Producer's involvement in financial difficulties as evidenced by:

- (i) Producer's commencement of a voluntary case under the United States Bankruptcy Code.
- (ii) The filing against Producer of a petition commencing an involuntary case under said United States Bankruptcy Code.
- (iii) Producer making an assignment for the benefit of, or entering into a composition with, its creditors.

14.11 Headings

The headings contained in this Agreement are used solely for convenience and do not constitute a part of this Agreement, nor should the headings be used in any manner in the construction of this Agreement.

14.12 Third Parties

This Agreement is intended solely for the benefit of the parties hereto. Nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or any liability to, any person not a party to this Agreement.





14.13 Agency

This Agreement is not intended, and shall not be construed, to create any association, joint venture, agency relationship or partnership between the parties or to impose any such obligation or liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or otherwise bind, the other party.

14.14 Force Majeure

- (a) No party shall be liable for any default or delay in the performance of its obligations under this Agreement:
- (i) If and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; unusually severe weather; riots, civil disorders, rebellions or revolutions in any county; or any other cause beyond the reasonable control of such party.
 - (ii) Provided the non-performing Party is without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means.
- (b) In such event the non-performing party shall be excused from further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such Party continues to use its commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. Any party so delayed in its performance shall immediately notify the party to whom performance is due by telephone (to be confirmed in writing within two (2) days of the inception of such delay) and describe at a reasonable level of detail the circumstances causing such delay.

14.15 Survival

Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this Agreement, including Articles 4, 5, 6, 9, 10, and 11, and Sections 3.3, 14.7, and 14.15, shall survive any termination or expiration of this Agreement and shall continue in full force and effect.





IN WITNESS WHEREOF, Producer and the Operator have caused this Agreement to be executed by their proper officers there under duly authorized as of the date first written above.

**NEW YORK STATE ELECTRIC & GAS CORPORATION
or ROCHESTER GAS AND ELECTRIC CORPORATION**

By: _____

Name: _____

Title: Director – Gas Engineering

By: _____

Name: _____

Title: Manager – Networks Planning Investments or
Vice President Networks Control

PRODUCER

By: _____

Name: _____

Title: _____

OPERATOR

By: _____

Name: _____

Title: _____





Schedule of Exhibits

Exhibit "A"	Layout of M&R Station & Bill of Materials
Exhibit "B"	Layout of Facility
Exhibit "C"	Responsibility Matrix
Exhibit "D"	Project Plan and Schedule
Exhibit "E"	NYSEG Standards
Exhibit "F"	NYSEG Construction Charges
Exhibit "G"	NYSEG Maintenance Work & Charges
Exhibit "H"	Gas Quality Specifications
Exhibit "I"	SCADA/Telemetry





STATE OF NEW YORK)
) ss.:
COUNTY OF BROOME OR MONROE)

On the _____ day of _____ in the year 20__ before me the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF _____)
) ss.:
COUNTY OF _____)

On the _____ day of _____ in the year 20__, before me, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of Producer, and that he as such _____ being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as _____.

In Witness Whereof, I hereunto set my hand and Official Seal.

Notary Public

NYSEG & RG&E LOCAL PRODUCTION PLAN

Level of confidentiality: **INTERNAL USE**



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NATURAL GAS TAP AGREEMENT

Exhibit "A"

Layout of M&R Station & Bill of Materials





NATURAL GAS TAP AGREEMENT

Exhibit "B"

Layout of Facility





NATURAL GAS TAP AGREEMENT

Exhibit "C"

Responsibility Matrix

Please see following page





NATURAL GAS TAP AGREEMENT

Exhibit "D"

Project Plan and Schedule
(To Be Determined)

Date –Producer to begin permitting activity.

Date –Producer receives permits to construct and operate Producer Facilities

Date –Producer begins construction of Producer Facilities.

Date –Producer facility is complete.

Date – Operator facility is complete including connection to Producer's station outlet piping and makes tap on existing gas distribution main.

Date – Construction complete. Facilities placed in operation.





NATURAL GAS TAP AGREEMENT

Exhibit "E"

Operator Standards

OPERATOR TO PROVIDE





NATURAL GAS TAP AGREEMENT

Exhibit "F"

Operator Design and Construction Charges

1. Operator Facilities - The total estimated cost to design and construct the Operator's facilities including: **XX** main and all pipe & fittings up to the outlet flange of Producer's M&R Station, including the installation of the outlet relief valve is estimated to be **\$XXXXXXXX**. ("Work Cost Estimate") exclusive of any applicable taxes. The Work Cost Estimate is an estimate only and shall not limit Producer's obligation to pay Operator for all reimbursable costs actually incurred by the Operator. The Operator intends to invoice Producer for the actual costs incurred to perform this work.
2. SCADA/Telemetry - It is the Operator's intent to have Producer purchase the SCADA/telemetry equipment that is described on Exhibit "I". This equipment shall be shipped to the Operator so that we may assemble, configure and test the telemetry equipment before it is shipped to the field for installation. The estimated cost for the Operator to assemble, configure, test, install, startup and verify proper operation is estimated to be **\$XXXXXXXX** ("Work Cost Estimate") exclusive of any applicable taxes. The Work Cost Estimate is an estimate only and shall not limit Producer's obligation to pay Operator for all reimbursable costs actually incurred by the Operator. The Operator intends to invoice Producer for the actual costs incurred to perform this work. There is a significant lead-time associated with procuring these materials.
3. Inspection - It is the Operator's intent to have an inspector available during the prefabrication and/or as construction is ongoing at the job site. The estimated cost to have an Operator inspector available for up to approximately 100 hours is **\$XXXXXXXX** ("Work Cost Estimate") exclusive of any applicable taxes. The Work Cost Estimate is an estimate only and shall not limit Producer's obligation to pay Operator for all reimbursable costs actually incurred by the Operator. The Operator intends to invoice Producer for the actual costs incurred to perform this work.





NATURAL GAS TAP AGREEMENT
Exhibit "G"
Operator Maintenance Work and Charges

Scheduled Maintenance payable in the flat fee amount billed bi-annually :

Daily Inspection:

- Remote monitoring

Monthly Inspection:

- Gas Quality Analysis – Performed by the Operator’s Chem Lab, (the Operator to obtain and send sample bottle to the Operator Chem Lab) performed with Operator’s portable gas chromatograph & moisture analyzer
- Odorometer Reading – one of the four monthly tests (weekly tests)

Semi-Annual Inspections:

- Spin test turbine meter
- Station spot check / inspection

Annual Inspection (or as needed):

- Calibration of electronics and transmitters
- Gas Quality Analysis – laboratory analysis (energy, composition, sulfur, liquids ...etc.)
- Inspect cathodic protection equipment

The Operator shall invoice Producer for the total \$XXXX_____ annual cost to perform these “routine” operations and maintenance items. These invoices will be sent bi-annually at \$XXXX_____ each.

Non-Scheduled Emergency or Call-Out Maintenance billed on a Time and Materials Basis:

- Valve On – Valve Off
- Replacement of failed equipment
- Call outs for Operational/Quality/Telemetry problems
- Additional Monitoring of Gas Quality and/or moisture problems

Schedule of Hourly Rates (will be available at time of construction):

<u>Title</u>	<u>Hourly Rate (subject to change)</u>
System Protection & Control Technician	\$XXXX
Systems Engineer (SCADA)	\$XXXX
Gas Fitter 2/c	\$XXXX
Equipment Operator “B”	\$XXXX
Equipment Operator “A”	\$XXXX
Gas Fitter 1/c	\$XXXX
Welder	\$XXXX
Chief Gas Fitter	\$XXXX
 <u>Equipment</u>	
Trailer	\$XXXX/hour





Local Production Plan
April 30, 2019

Trouble Truck	\$XXXX/hour
Crew Truck/Van	\$XXXX/hour
Dump Truck	\$XXXX/hour
Backhoe	\$XXXX/hour

Note: After hours (weekdays, 4:30 p.m. to 8:00 a.m.) and Saturday, multiply above by 1.5; Sunday multiply by 2.0; holidays multiply by 2.0. Overtime may include meals and rest charges per Labor Agreement.

NYSEG & RG&E LOCAL PRODUCTION PLAN

Level of confidentiality: **INTERNAL USE**



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NATURAL GAS TAP AGREEMENT

Exhibit "H"

Gas Quality Specifications

- I. All gas delivered by Producer to the Operator shall have a total dry heating value of not less than 1000 BTU per cubic foot, and not more than 1100 BTU per cubic foot. The gas delivered shall be commercially free from objectionable odors, except as set forth in paragraph III, dust or other solid or liquid matters which might interfere with the merchantability of the gas or cause injury to or interference with proper operation of the lines, regulators, meters, or other appliances through which the gas flows.
- II. At a pressure of 14.73 psia and a temperature of Fahrenheit (60°F), gas received by the Operator shall not contain more than the following:
 - (a) Hydrogen Sulfide: One quarter (1/4) grain per one hundred (100) cubic feet.
 - (b) Total Sulfur: Twenty (20) grains per one hundred (100) cubic feet.
 - (c) Carbon Dioxide: Three percent (3%) by volume
 - (d) Ammonia: Shall not exceed 5 grains of ammonia per one hundred (100) cubic feet
 - (e) Water Content: Seven (7) pounds per one million (1,000,000) cubic feet.
 - (f) Flowing Gas Temperature: Not to be less than thirty degrees Fahrenheit (30°F) or more than one hundred and ten degrees Fahrenheit (110°F).
 - (g) Hydrocarbon Dewpoint: Shall not exceed fifteen degrees Fahrenheit (15°F) at any pressure between one hundred (100) psia and one thousand (1000) psia as calculated from gas composition or otherwise determined.
 - (h) Oxygen Content: Two tenths percent (0.02%) by volume.
 - (i) Total non-combustible gases: Five percent (5%) by volume.
 - (j) Dust, Gums, etc.: Shall be free of objectionable odors, dust, dirt, gum-forming constituents, water, and other liquid or solid mater, or water and hydrocarbons in liquid form at the temperature and pressure at which it is received by the Operator, which might interfere with its marketability or cause injury to or interference with proper operation of the lines, regulators, meters and other equipment of the Operator.
 - (k) Toxic Substances: No toxic or other substances that are not ordinarily part of a natural gas stream.
- III. All gas delivered by Producer to the Operator shall be adequately odorized in accordance with the specifications attached to this Exhibit. Producer shall use the Operator compatible odorant so as to render it readily detectable by the public and employees of Operator at all gas-in-air concentrations of one-tenth of the lower explosive limit and above, unless otherwise specified in Schedule 1, as modified. Producer shall indemnify the Operator against any claims associated with any failure to adequately odorize said gas.





- IV. This Exhibit may be modified at the Operator's discretion to meet the quality specifications needed to effectively and safely operate the Operator's System.





NATURAL GAS TAP AGREEMENT

Exhibit "I"

Gas SCADA/Telemetry Equipment

MODEL NUMBER	PRODUCT DESCRIPTION	QUANTITY
FSROC-827	ROC827	1
FSROC-EXP	EXPANSION RACK	1
FS8PS-2	24 VDC POWER SUPPLY	1
FS8CM-3	Dialup Modem	1
FS8PI-1	PULSE MODULE	3
FS8AI-2	ANALOG INPUT MODULE	3
FS8AO-1	ANALOG OUTPUT MODULE	1
FS8DI-1	DISCRETE INPUT MODULE	1
FS8DOR-1	RELAY OUTPUT MODULE	1
DRDC-24	Lightning Protectors	14
FSACC-1/PS241H	Battery Charger / Power Supply	1
3051TG2A2B21AB4M5E5	Rosemount Pressure Transmitter w/LCD display	2
M25VIS-44F	Anderson Greenwood Two Valve manifold	2
3144PD1A1E5M5	Rosemount Temperature transmitter w/LCD display	2
0068R21N00E060T20	RTD & thermowell	2
1001-CG-N-36-MV-OE-FLN-ST	Badger Valve	1
A36H30DLP	36"x30"x12" NEMA4 Hoffman enclosure	1
A36P30	36 x 30 Hoffman back panel	1
MTL5516C	Odorizer pulse Intrinsically safe barrier	1
MTL5546	Odorizer Analog Intrinsically safe barrier	1
A24H24BLP or A36H30BLP	24 x 24 or 30 x 30 NEMA4 Hoffman enclosure	1
UB12550 or UB1200	55 or 100 Amp-hr. battery	2
FAS-TEL-200T	Phone Surge Suppressor - Emerson	1





Attachment 3

NYSEG/RG&E
Summary of General Requirements
For Local Producers

1. All requests must be submitted in writing (email qualifies as in writing).
2. Initial information required:
 - a. Location of wells (map preferred)
 - b. Expected production volumes in Mcf/d
 - c. Maximum delivery pressure
 - d. Projected dates desired for potential tie-in to NYSEG/RG&E system
3. NYSEG/RG&E will assemble information on the nearest pipeline facilities and run the appropriate Network Analysis for a flat fee of \$1,000.
4. Technical requirements for all interconnects at producer's sole expense:*
 - a. Meter and regulator station
 - b. Pressure regulation
 - c. Metering
 - d. Odorization
 - e. Flow control
 - f. Heater
 - g. Moisture Analyzer
 - h. Dehydration and filtration
 - i. Relief valves
 - j. Check valves
 - k. Fully fenced site and building enclosures
 - l. Full electronics and communication systems (electric, telephone and remote telemetering and control devices)
 - m. Compliance with Gas Quality Standards
5. Commercial requirements:*
 - a. Construction and equipment at producer's expense
 - b. NYSEG/RG&E material and labor costs to be reimbursed
 - c. Sale and/or transportation contracts must be in place prior to construction
 - d. Ongoing NYSEG/RG&E O&M expense to be paid by producer

*See attached – "Natural Gas Tap Agreement" – for further details.





Attachment 4

CONFIDENTIAL DISCLOSURE AGREEMENT

This **CONFIDENTIAL DISCLOSURE AGREEMENT** (“Agreement”), dated as of March 21, 2019, is between [**NEW YORK STATE ELECTRIC & GAS CORPORATION or ROCHESTER GAS AND ELECTRIC CORPORATION**], a New York corporation (“NYSEG”), and **PRODUCER**, a _____ corporation (“_____”) (each a “Party” and collectively the “Parties”).

WHEREAS, [Producer] and [NYSEG or RG&E] may enter into discussions regarding the potential development of natural gas assets, systems, and facilities in New York State (the “Project(s)”); and

WHEREAS, to enable [PRODUCER] and [NYSEG or RG&E] to enter into discussions regarding the Project(s), it will be necessary for each Party to evaluate certain aspects of, and information concerning, the business and technical aspects of the Project(s); and

WHEREAS, such evaluation will necessarily involve NYSEG, on the one hand, or [PRODUCER], on the other (the “Furnishing Party”), furnishing to the other Party (the “Receiving Party”) certain information concerning the Furnishing Party’s business, finances, and technical data; and

WHEREAS, the Parties wish to protect the confidentiality of the Confidential Information (as hereinafter defined) and to limit the manner in which the Receiving Party may use such Confidential Information;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Except as provided in Paragraph 2 hereof, the term “Confidential Information” is defined as any and all information concerning the business, assets, finances, and operations of the Furnishing Party or its affiliate(s) (defined below) that has been or may in the future be disclosed to the Receiving Party, where such information is noted as “Confidential” and communicated in oral, written (including electronic) or other form. As used herein, the term “affiliate” means any person or entity controlling, controlled by, or under common control with a Party hereto through majority stock, or other ownership interest, direct or indirect.

2. Confidential Information shall not include information that (i) is or hereafter becomes (but not in violation of this Agreement) known to the general public; (ii) was already known to Receiving Party at the time it was disclosed to Receiving Party by Furnishing Party; (iii) is disclosed to





Receiving Party by an independent third party which Receiving Party has a reasonable belief has a right to make such disclosure; or (iv) is independently developed by or for Receiving Party without reliance upon the information disclosed by the Furnishing Party.

3. Subject to Paragraph 5, Receiving Party shall not disclose Confidential Information to any person without the prior written consent of Furnishing Party, except that Receiving Party shall be entitled to disclose such Confidential Information without Furnishing Party's prior consent to (i) directors, officers, and employees of itself and its affiliates, and (ii) accountants, financial, legal, and engineering advisors, agents, and representatives of the persons specified in (i) (collectively, "Project Personnel"), to the extent such Project Personnel have a need to know such Confidential Information to assist Receiving Party in the evaluation of the Confidential Information for the purposes specified in this Agreement. Receiving Party shall cause any Project Personnel described in (i) and (ii) to be bound by the conditions stated herein.

4. Receiving Party shall use at least the same degree of care that it uses to protect its own confidential information (but not less than a reasonable degree of care) to prevent access by unauthorized persons to Confidential Information and shall inform its Project Personnel of the Confidential Information and be responsible for their compliance with the terms of this Agreement. Neither Receiving Party nor any Project Personnel shall use Confidential Information other than for purposes of evaluating the Project(s) and the possibility of entering into an agreement with Furnishing Party pertaining to the Project(s).

5. In the event Receiving Party is required under compulsion of legal or regulatory process to disclose Confidential Information, Receiving Party (i) shall promptly give Furnishing Party written notice of such requirement to disclose and (ii) unless required by applicable federal, state, or local law, rule, or regulation, a court or administrative order, or other legal process, shall refrain from disclosing such Confidential Information until Furnishing Party, in the exercise of reasonable diligence, shall have had an opportunity to challenge the requirement or to seek an appropriate protective order or other appropriate remedy. Receiving Party agrees not to oppose reasonable actions by Furnishing Party to challenge disclosure of the Confidential Information. If Confidential Information is required to be disclosed, such disclosure shall be made solely for the required purpose and shall be limited to that portion of the Confidential Information that Receiving Party is legally required to disclose in the judgment of Receiving Party's counsel. In such event, Receiving Party shall use reasonable efforts to have the Confidential Information so disclosed treated confidentially by the entity to which such disclosure is made.

6. The term of this Agreement shall be one (1) year from the date first written above, provided that the confidentiality and use restrictions of this Agreement shall remain in effect as follows following the expiration or termination of this Agreement: (i) any engineering drawings, designs, specifications, facility maps, and related materials developed by or on behalf of [NYSEG or RG&E] and





noted as Confidential Information (“Facility Documentation”) until such time as the Facility Documentation, or any portion thereof, becomes a matter of public record other than through breach of this Agreement by the Receiving Party, and (ii) all other Confidential Information for a period of two (2) years.

7. Upon the written request of Furnishing Party, Receiving Party shall, within thirty (30) days thereof, return any originals or original copies of Confidential Information and shall destroy or return to Furnishing Party any copies, extracts, summaries, or other reproductions, in whole or in part, of such Confidential Information in its possession and in the possession of the Project Personnel to whom it was disclosed by Receiving Party (excluding computer archival and backup tapes or files). Within thirty (30) days after written request of Furnishing Party, an officer of Receiving Party shall certify in writing that all Confidential Information in the possession of Receiving Party and the Project Personnel, including all copies, extracts, summaries, and reproductions thereof (but excluding computer archival and backup tapes or files), in whole or in part, were either returned to Furnishing Party or destroyed by Receiving Party. Notwithstanding the foregoing, if any Confidential Information is incorporated into presentation information provided to the management of the Receiving Party or its affiliates, such presentation material may be retained by the Receiving Party or such affiliates subject to the terms of this Agreement. Notwithstanding the return or destruction of the Confidential Information, the Receiving Party and its Project Personnel will continue to be bound by their obligations of confidentiality and other obligations under this Agreement, subject to the terms of Section 6 hereof.

8. Furnishing Party hereby represents and warrants that it has the right and authority to disclose the Confidential Information to Receiving Party in accordance with the limitations set forth in this Agreement. However, Furnishing Party makes no representation or warranty as to the accuracy or completeness of any Confidential Information provided under this Agreement.

9. Receiving Party agrees that in the event of a breach or anticipated breach of this Agreement by Receiving Party, Furnishing Party’s remedy at law will not be adequate and in addition to any other remedies available to it, Furnishing Party shall be entitled to injunctive or similar relief. **Notwithstanding anything else in this Agreement, Receiving Party’s liability to Furnishing Party in contract shall be limited to direct damages, but shall exclude any other liability for special, indirect, incidental, punitive, or consequential damages (whether in contract, tort, warranty, strict liability, or otherwise), including, without limitation, lost profits or lost investment opportunity, even if Receiving Party has been advised in advance that such damages could occur.**

10. Disclosure of Confidential Information shall not be deemed to constitute a grant of a right or license to the Confidential Information or to any patents, patent applications, copyrighted material or trademarks of Furnishing Party.





11. Execution of this Agreement shall not obligate either Parties to enter into any further agreements or to proceed with any possible relationship or transaction.

12. THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

13. This Agreement may not be assigned by either Party unless prior written consent is obtained from the other Party.

14. Each Party is entitled, at any time, and without notice to the others, to negotiate, disclose, and to otherwise deal in any manner and for any purpose with third parties regarding its own Confidential Information.

15. No failure or delay on the part of either Party hereto in the exercise of any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right.

16. All notices or other communications required to be sent to either Party pursuant to this Agreement shall be in writing and delivered personally, or mailed by certified mail, return receipt requested and postage prepaid, or sent by overnight delivery, or sent by facsimile transmission to such Party at its last known address.

17. In the event that any provision of this Agreement is declared by any court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining provisions of this Agreement, which shall be enforced to the maximum extent permitted by law. The Parties agree to renegotiate in good faith any term held invalid and to be bound by the mutually agreed substitute provision.

18. This Agreement may be executed in counterparts, without the necessity that both Parties execute the same counterpart, each of which shall be deemed an original but which together will constitute one and the same agreement. The exchange of executed copies of this Agreement, including the signature page hereto, by facsimile or electronic mail transmission shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes. Signatures of representatives of the Parties transmitted by facsimile or electronic mail transmission shall be deemed to be their original signatures for all purposes.

19. This Agreement does not create or constitute any partnership, joint venture, or agency relationship between the Parties and no Party shall represent that such a relationship exists. Except as





required to comply with applicable federal, state, or local law, rule, or regulation, a court or administrative order, or other legal process, or to comply with disclosure requirements under securities laws applicable to the Receiving Party or its affiliated parent, Receiving Party will not hereafter disclose, and will not permit its Project Personnel to disclose, to any person other than those permitted hereunder to have access to Confidential Information, without the prior written consent of Furnishing Party (i) the fact that Confidential Information has been made available to Receiving Party or that Receiving Party has inspected any Confidential Information, (ii) the fact that discussions or negotiations have taken place, are taking place or are proposed to take place concerning a possible transaction relating to the Project(s), or (iii) any of the terms, conditions or other facts with respect to any such possible transaction.

20. This Agreement constitutes the entire Agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior written or oral communications, negotiations, understandings, or agreements with respect to the subject matter hereof. This Agreement may be amended only by an agreement in writing duly executed by the Parties hereto.

21. Receiving Party and Receiving Party's Project Personnel shall bear all costs of the evaluation of the Confidential Information provided by the Furnishing Party, including the fees and disbursements of counsel and advisors engaged by Receiving Party.

[Signature page follows]





IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first written above.

**[NEW YORK STATE ELECTRIC & GAS CORPORATION
or ROCHESTER GAS AND ELECTRIC CORPORATION]**

By: _____

Title: _____

Date: _____

[PRODUCER]

By: _____

Title: _____

Date: _____





Attachment 5



Base Contract for Sale and Purchase of Natural Gas

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

The parties to this Base Contract are the following:

PARTY A <i>[NEW YORK STATE ELECTRIC & GAS CORPORATION or ROCHESTER GAS AND ELECTRIC CORPORATION]</i>	PARTY NAME	PARTY B
	ADDRESS	
	BUSINESS WEBSITE	WWW. _____ _____
	CONTRACT NUMBER	
	D-U-N-S® NUMBER	
X US FEDERAL: <input type="checkbox"/> OTHER:	TAX ID NUMBERS	<input type="checkbox"/> US FEDERAL: <input type="checkbox"/> OTHER:
New York	JURISDICTION OF ORGANIZATION	
X Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> Other: _____	COMPANY TYPE	<input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> Other: _____
	GUARANTOR (IF APPLICABLE)	
CONTACT INFORMATION		
<p><u>18 Link Drive, PO Box 5224, Binghamton, New York 13902-5224</u> ATTN: <u>Steve Armstrong - Energy Buyer</u> TEL#: <u>607-762-8855</u> FAX#: <u>607-762-7890</u> EMAIL: SArmstrong@nyseg.com</p>	<p>▪ COMMERCIAL</p>	<p>_____ ATTN: _____ _____ TEL#: _____ FAX#: _____ _____ EMAIL: _____ _____</p>
<p><u>18 Link Drive, PO Box 5224, Binghamton, New York 13902-5224</u> ATTN: <u>Lisa Stento - Analyst</u> TEL#: <u>607-762-4130</u> FAX#: <u>607-762-7890</u> EMAIL: LStento@nyseg.com</p>	<p>▪ SCHEDULING</p>	<p>_____ ATTN: _____ _____ TEL#: _____ FAX#: _____ _____ EMAIL: _____ _____</p>
<p><u>18 Link Drive, PO Box 5224, Binghamton, New York 13902-5224</u> ATTN: <u>Jackie Casciani - Manager - Energy Supply</u> TEL#: <u>585-484-6620</u> FAX#: <u>607-762-7890</u> EMAIL: JICasciani@nyseg.com</p>	<p>▪ CONTRACT AND LEGAL NOTICES</p>	<p>_____ ATTN: _____ _____ TEL#: _____</p>

		FAX#: _____ EMAIL: _____ _____ _____
18 Link Drive, PO Box 5224, Binghamton, New York 13902-5224 ATTN: <u>Todd Foster - Manager Billing & Risk Management</u> TEL#: <u>585-484-6883</u> FAX#: <u>607-771-0798</u> EMAIL: tfoster@nyseq.com	▪ CREDIT	_____ _____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____ _____
18 Link Drive, PO Box 5224, Binghamton, New York 13902-5224 ATTN: <u>Kim Kowalski - Analyst</u> TEL#: <u>585-484-6871</u> FAX#: <u>607-771-0798</u> EMAIL: energysupplybilling@nyseq.com	▪ TRANSACTION CONFIRMATIONS	_____ _____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____ _____
ACCOUNTING INFORMATION		
18 Link Drive, PO Box 5224, Binghamton, New York 13902-5224 ATTN: <u>Todd Foster - Manager Billing & Risk Management</u> TEL#: <u>585-484-6883</u> FAX#: <u>607-771-0798</u> EMAIL: energysupplybilling@nyseq.com	▪ INVOICES ▪ PAYMENTS ▪ SETTLEMENTS	_____ _____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____ _____
BANK: <u>Citibank, N.A.</u> ABA: <u>021000089</u> ACCT: <u>00040387</u> OTHER DETAILS: <u>Jared D Schwartz – 207-688-6321</u>	WIRE TRANSFER NUMBERS (IF APPLICABLE)	BANK: _____ _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____
BANK: <u>Citibank, N.A.</u> ABA: <u>021000089</u> ACCT: <u>00040387</u> OTHER DETAILS: <u>Jared D Schwartz – 207-688-6321</u>	ACH NUMBERS (IF APPLICABLE)	BANK: _____ _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____
ATTN: <u>Manager Billing & Risk Management</u> ADDRESS: <u>18 Link Drive, PO Box 5224, Binghamton, New York 13902-5224</u> _____ _____	CHECKS (IF APPLICABLE)	ATTN: _____ _____ ADDRESS: _____ _____ _____

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

New York State Electric & Gas Corporation	<i>PARTY NAME</i>	
By: _____	<i>SIGNATURE</i>	By: _____
Carl A. Taylor	<i>PRINTED NAME</i>	[Insert Name]
President and CEO	<i>TITLE</i>	[Insert Title]

New York State Electric & Gas Corporation	<i>PARTY NAME</i>	
By: _____	<i>SIGNATURE</i>	By: _____
Joseph J. Syta	<i>PRINTED NAME</i>	[Insert Name]
Vice President, Controller and Treasurer	<i>TITLE</i>	[Insert Title]

General Terms and Conditions

Base Contract for Sale and Purchase of Natural Gas

PURPOSE AND PROCEDURES

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

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

Oral Transaction Procedure:

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

Written Transaction Procedure:

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

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

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

DEFINITIONS

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

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

- 1.6. "Affiliate" shall mean, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of at least 50 percent of the voting power of the entity or person.
- 1.7. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.
- 1.8. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.
- 1.9. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).
- 1.10. "Business Day(s)" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S.
- 1.11. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 1.12. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 1.13. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation, all of which shall form a single integrated agreement between the parties.
- 1.14. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 1.15. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 1.16. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 1.17. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as cash, an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, guaranty, or other good and sufficient security of a continuing nature.
- 1.18. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 1.19. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 1.20. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 1.21. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 1.22. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 1.23. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 1.24. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.

- 1.25. "Guarantor" shall mean any entity that has provided a guaranty of the obligations of a party hereunder.
- 1.26. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 1.27. "Indebtedness Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it or its Guarantor, if any, experiences a default, or similar condition or event however therein defined, under one or more agreements or instruments, individually or collectively, relating to indebtedness (such indebtedness to include any obligation whether present or future, contingent or otherwise, as principal or surety or otherwise) for the payment or repayment of borrowed money in an aggregate amount greater than the threshold specified in the Base Contract with respect to such party or its Guarantor, if any, which results in such indebtedness becoming immediately due and payable.
- 1.28. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.
- 1.29. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.
- 1.30. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 1.31. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.
- 1.32. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.
- 1.33. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.
- 1.34. "Specified Transaction(s)" shall mean any other transaction or agreement between the parties for the purchase, sale or exchange of physical Gas, and any other transaction or agreement identified as a Specified Transaction under the Base Contract.
- 1.35. "Spot Price " as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.
- 1.36. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.
- 1.37. "Transactional Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it shall be in default, however therein defined, under any Specified Transaction.
- 1.38. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.
- 1.39. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

PERFORMANCE OBLIGATION

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

The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.

Cover Standard:

1.41. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s) excluding any quantity for which no replacement is available; or (ii) in the event of a breach by Buyer on any Day(s), payment

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

Spot Price Standard:

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

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

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

TRANSPORTATION, NOMINATIONS, AND IMBALANCES

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

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

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

QUALITY AND MEASUREMENT

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

TAXES

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

Buyer Pays At and After Delivery Point:

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

Seller Pays Before and At Delivery Point:

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

BILLING, PAYMENT, AND AUDIT

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

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

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

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

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

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

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

TITLE, WARRANTY, AND INDEMNITY

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

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

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

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

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

NOTICES

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

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

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

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

FINANCIAL RESPONSIBILITY

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

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

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

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

Early Termination Damages Apply:

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

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

Early Termination Damages Do Not Apply:

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

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

Other Agreement Setoffs Apply:**Bilateral Setoff Option:**

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

Triangular Setoff Option:

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

Other Agreement Setoffs Do Not Apply:

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

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

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

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

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

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

FORCE MAJEURE

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

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

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

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

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

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

TERM

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

LIMITATIONS

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

MARKET DISRUPTION

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

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

seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

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

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

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

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

TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY

Letterhead/Logo	Date: _____, ____ Transaction Confirmation #: _____			
This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated _____. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.				
SELLER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	BUYER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____			
Contract Price: \$_____/MMBtu or _____				
Delivery Period: Begin: _____, ____ End: _____, ____				
Performance Obligation and Contract Quantity: (Select One) <table style="width:100%; border:none;"> <tr> <td style="width:33%; vertical-align:top;"> Firm (Fixed Quantity): _____ MMBtus/day <input type="checkbox"/> EFP </td> <td style="width:33%; vertical-align:top;"> Firm (Variable Quantity): _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller </td> <td style="width:33%; vertical-align:top;"> Interruptible: Up to _____ MMBtus/day </td> </tr> </table>		Firm (Fixed Quantity): _____ MMBtus/day <input type="checkbox"/> EFP	Firm (Variable Quantity): _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller	Interruptible: Up to _____ MMBtus/day
Firm (Fixed Quantity): _____ MMBtus/day <input type="checkbox"/> EFP	Firm (Variable Quantity): _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller	Interruptible: Up to _____ MMBtus/day		
Delivery Point(s): _____ (If a pooling point is used, list a specific geographic and pipeline location):				
Special Conditions: _____ _____				
Seller: _____ By: _____ Title: _____ Date: _____	Buyer: _____ By: _____ Title: _____ Date: _____			

Attachment 6

Special Provisions
to the
Base Contract for Sale and Purchase of Natural Gas
(NAESB Standard 6.3.1 dated September 5, 2006)
between
New York State Electric & Gas Corporation (“Party A”)
and
_____ **(“Party B”)**

Dated _____

In the absence of a written agreement to the contrary, all outstanding transactions between the parties, including those entered into prior to the effective date of this Contract will be subject to and governed by the terms of the Base Contract between the parties and these Special Provisions.

SECTION 1. PURPOSES AND PROCEDURES

Section 1.2 Oral Transaction Procedure is amended by adding “Electronically Exchanged Communication,” and deleting “EDI transmission” in the second sentence.

Section 1.2 is further amended by adding the following to the end of the Section:

“The parties acknowledge and agree that either party may tape or make electronic recordings of conversations between the parties (“Recordings”). Such Recordings will be the best evidence for all transactions not exceeding a single day or for transactions that are to occur entirely on a week-end and, in the absence of a written Transaction Confirmation, shall be the best evidence for all other Transactions. Each party shall be entitled to receive from the other party, upon reasonable request made to the other party and at the requesting party’s expense, an accurate duplicate of the Recording(s) made by such other party (if any) associated with a disputed transaction.”

Section 1.3 is amended as follows:

- (i) by deleting “EDI” in the second line and replacing it with “Electronically Exchanged Communication”; and
- (ii) by deleting the words “which may be” from the last sentence of Section 1.3 and inserting “as” in its place.

Section 1.4 is deleted and replaced with the following:

“The parties agree that each party may electronically record all telephone conversations or any Electronically Exchanged Communications with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recordings. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings or Electronically Exchanged Communications entered into in accordance with the requirements of this Base Contract. Any properly authenticated recordings relevant to a transaction may be used as evidence in any legal procedure to establish the terms of that transaction and the parties hereby expressly waive all rights to, and expressly agree not to, contest or otherwise argue against such use of any properly authenticated recordings relevant to the disputed transaction.”

SECTION 2. DEFINITIONS

Section 2.9 “Contract” is amended by replacing “EDI transmission” with “Electronically Exchanged Communication”.

Section 2.21 “Guarantor” is amended by adding the following to the end:

“and which entity has submitted a guaranty in a form reasonably acceptable to the guaranteed party.”

Section 2.34 “Termination Option” is deleted and replaced with the following:

“**Termination Option**” shall mean the option of either party to terminate a transaction in the manner provided in Section 10.3 in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of a Seller for any three (3) consecutive days or five (5) cumulative days in a month or to receive Gas in the case of the Buyer for three (3) consecutive days or five (5) cumulative days in a month.”

The following new definitions are added to Section 2:

Section 2.36.

“**Credit Rating**” means, with respect to any entity on any date of determination, the respective rating then assigned to such entity's unsecured, senior long-term indebtedness (not supported by third party credit enhancements) by S&P or Moody's. If no rating is assigned on any date of determination with respect to such party's or entity's unsecured and senior, long-term indebtedness, “Credit Rating” shall mean the issuer rating by S&P or Moody's. In the event such a party or entity is rated by only one of S&P or Moody's, eligibility will be based on the available rating. In the event of a split rating, the lower rating shall prevail.

Section 2.37.

“**Electronically Exchanged Communication**” means electronically conveyed message and shall include instant messages, text messages and email messages.

Section 2.38. “Moody's” means Moody's Investors Services, Inc.

Section 2.39. “S&P” means Standard and Poor's Ratings Group, a division of the McGraw-Hill Companies, Inc.

SECTION 3. PERFORMANCE OBLIGATION

Section 3.4 is deleted in its entirety and replaced with the following:

“Unless otherwise specified in writing by both parties in a Transaction Confirmation, all transactions under this Base Contract will allow for a “Termination Option” as defined in Section 2.34.”

Section 3.5 is added as a new Section as follows:

“An event which triggers a Termination Option shall entitle the terminating Party, in addition to any remedies available under Section 3.2 and any and all other remedies hereunder, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to exercise its Termination Option and liquidate the affected or all Transactions under the Contract, in the manner provided in Section 10.3.”

SECTION 10. FINANCIAL RESPONSIBILITY

Section 10.1 is amended by adding the following at the end of the Section.

“The parties agree that any Credit Rating downgrade below investment grade of a party or the parent company of such party (whether or not such parent company is a Guarantor), shall be reasonable grounds

for insecurity such that the other party may demand Adequate Assurance of Performance pursuant to this Section 10.1.”

Section 10.2 shall be amended by deleting 10.2(vii) in its entirety and replacing with the following:

“(vii) fail to give Adequate Assurance of Performance under Section 10.1 within two (2) Business Days of a written request by the other party;”

Delete the word “or” before subsection (ix) and adding the following after the word, “Default;” in the tenth line:

“(x) fails to perform a Firm obligation to deliver Gas in the case of a Seller for any three (3) consecutive days or five (5) cumulative days in a month or to receive Gas in the case of the Buyer for three (3) consecutive days or five (5) cumulative days in a month; (xi) defaults under a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, such default is not remedied in accordance within such grace period; or (xii) fails to perform any other material obligation under this Contract (other than a failure to deliver or receive Gas and other than a failure specifically identified as a separate Event of Default hereunder) if such failure is not remedied within five (5) Business Days after receiving written notice thereof.”

Section 10.3.2 “Bilateral Setoff Option” is amended by inserting after the last sentence thereof before the period:

“;and/or (iii) any Net Settlement Amount payable to the Defaulting Party against any reasonable costs and expenses incurred by the Non-Defaulting Party as a result of the termination, acceleration and liquidation of the Terminated Transactions.”

SECTION 15. MISCELLANEOUS

Section 15.1 (ii) is replaced in its entirety by the following:

“(ii) transfer its interest to any parent or Affiliate of the party or any other entity succeeding to all or substantially all of the assets of the party by assignment, merger or otherwise without the prior approval of the other party, provided, however, the transfer must be to an entity whose creditworthiness is equal to or higher than that of the transferring or assigning party; and further provided, however, that in each such case, any such assignee, transferee, including any surviving entity to a consolidation, amalgamation or merger, shall agree in writing to be bound by the terms and conditions hereof, assume the obligations hereunder, and so long as the transferring party delivers such tax and enforceability assurance as the non-transferring party may reasonably request.”

Section 15 is further amended by inserting the following new Sections:

“15.13. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING RELATING TO THE CONTRACT OR ANY TRANSACTION CONFIRMATION.

“15.14. The parties agree that all expenses and costs incurred or paid by the prevailing party in any litigation or other enforcement proceeding arising out of this Contract, including reasonable attorney fees and court costs, shall be paid by the non-prevailing party.”

IN WITNESS WHEREOF, the parties hereto have executed these Special Provisions to the Contract in duplicate, as of the date of said Contract.

New York State Electric & Gas Corporation

By: _____
Print Name: Carl A. Taylor

Title: President & CEO

Counterparty Name

By: _____
Print Name:

Title:

New York State Electric & Gas Corporation

By: _____

Print Name: Joseph J. Syta

Title: Vice-President, Controller & Treasurer

Natural Gas Capacity Contracts New York State Electric & Gas Corporation Gas Business				
PIPELINE COMPANY NAME	CONTRACT NUMBER	RATE SCHEDULE	DAILY QUANTITY (DT)	EXPIRATION DATE ⁽¹⁾
FLOWING GAS TO CITY GATE				
Algonquin Gas Transmission Company	9225	AFT-1	16,779	10/31/2020 (E)
Dominion Energy Transmission, Inc.	100036	FTNN	80,140	03/31/2022 (E)
Dominion Energy Transmission, Inc.	100120	FTNN	20,000	03/31/2020 (E)
Dominion Energy Transmission, Inc.	200058	FT	8,000	03/31/2022 (E)
Dominion Energy Transmission, Inc.	200392	FT	700	03/31/2025 (E)
Dominion Energy Transmission, Inc.	5B7282	FTNN	2,300	10/31/2025
Empire Pipeline, Inc.	F12132	FTNN	34,816	03/31/2021 (E)
Iroquois Gas Transmission System, L.P.	R-520-01	RTS-FT	2,446	11/01/2022 (E)
North Country Gas Pipeline Corporation ⁽²⁾	734	FT	12,000	12/21/2022 (E)
Columbia Gas Transmission, LLC	80348	FTS	36,794	10/31/2024
Tennessee Gas Pipeline Company, LLC	46732	FTATGP	2,490	10/31/2021
Tennessee Gas Pipeline Company, LLC	62405	FT-A	4,000	10/31/2024
UPSTREAM PIPELINE SUPPORT ⁽³⁾				
Columbia Gulf Transmission Company	80242	FTS1	24,146	10/31/2019
Iroquois Gas Transmission System, LP	R-520-01	RTS	14,753	11/01/2022 (E)
TransCanada PipeLines Limited	51369	FT	8,132	10/31/2022
TransCanada PipeLines Limited	58623	FT	6,568	10/31/2033
TransCanada PipeLines Limited	58624	FT	5,132	10/31/2033
DELIVERIES FROM STORAGE				
Dominion Energy Transmission, Inc.	700014	FTNN	110,302	03/31/2022 (E)
Columbia Gas Transmission, LLC	80350	SST	68,514	3/31/2020
Tennessee Gas Pipeline Company, LLC	203	FTATGP	9,744	10/31/2021
WINTER PEAKING SERVICE				
Xpress Natural Gas LLC		CNG Distribution	1,050	3/31/2020
STORAGE COMPANY NAME	CONTRACT NUMBER	RATE SCHEDULE	Max. Daily W/D Quantity (DT)	EXPIRATION DATE ⁽¹⁾
Arlington Storage	SL00001S	FSS	51,000	3/31/2021
Columbia Gas Transmission, LLC	80349	FSS	68,514	3/31/2020
Dominion Energy Transmission, Inc.	300063	GSS	110,302	03/31/2022 (E)
Tennessee Gas Pipeline Company, LLC	536	FS-MA	9,744	10/31/2021

¹ An "E" designates an Evergreen agreement.

² NYSEG has the right to increase this Daily Quantity up to 14,700 Dth upon at least 90 days prior to November 1; Summer Daily Quantity is 8,000 Dth and can be increased up to 10,000 Dth at least 90 days prior to April 1.

³ Capacity used to deliver gas to pipelines that deliver to the citygate.

Natural Gas Capacity Contracts Rochester Gas and Electric Corporation Gas Business				
PIPELINE COMPANY NAME	CONTRACT NUMBER	RATE SCHEDULE	DAILY QUANTITY (DT)	EXPIRATION DATE ⁽¹⁾
FLOWING GAS TO CITY GATE				
Dominion Energy Transmission, Inc.	100021	FTNN	108,600	03/31/2020 (E)
Empire Pipeline, Inc.	F12131	FTNN	117,500	3/31/2026
UPSTREAM PIPELINE SUPPORT ⁽²⁾				
TransCanada PipeLines Limited	2939	FT	46,929	10/31/2021
DELIVERIES FROM STORAGE				
Dominion Energy Transmission, Inc.	700018	FTNN-GSS	124,000	03/31/2020 (E)
Empire Pipeline, Inc.	12131	FTNN	55,000	3/31/2026
STORAGE COMPANY NAME	CONTRACT NUMBER	RATE SCHEDULE	Max. Daily W/D Quantity (DT)	EXPIRATION DATE ⁽¹⁾
Dominion Energy Transmission, Inc.	300084	GSS	124,000	03/31/2020 (E)
Empire Pipeline, Inc.	G12130	FSNN	55,000	03/31/2026 (E)

¹ An "E" designates an Evergreen agreement.

² Capacity used to deliver gas to pipelines that deliver to the citygate.

Gas Expense Forecast
New York State Electric & Gas Corporation
Gas Business

	<u>RY1</u>	<u>RY2</u>	<u>RY3</u>
City Gate Requirement (000 dth)	26,263	25,978	25,773
Commodity costs (\$000)			
Total Pipeline Charges (\$000)			
Total Gas Cost at City Gate (\$000)			
Average Gas Cost at City gate (\$/Dth)			

Gas Expense Forecast
Rochester Gas & Electric Corporation
Gas Business

	RY1	RY2	RY3
City Gate Requirement (000 dth)	27,866	27,477	27,318
Commodity costs (\$000)			
Total Pipeline Charges (\$000)			
Total Gas Cost at City Gate (\$000)			
Average Gas Cost at City gate (\$/Dth)			

INDEX OF WORKPAPERS SUPPORTING DIRECT TESTIMONY OF THE ELECTIC AND GAS SUPPLY PANEL						
Exhibit Reference	Description of Exhibit	No. of Workpapers	Workpaper File Name	Content of Workpaper	WP Format	Trade Secret
EGSP-2 (cont'd)	NYSEG and RG&E Generators and NYSEG/RG&E Power Purchase Agreements		<ul style="list-style-type: none"> NYSEG - Generate Buffalo Digester LLC PPA (PDF Page 4 of 24) NYSEG - NYPA PPA (PDF Page 1 of 5) NYSEG - Zotos Interconnection Agreement (PDF Page 33 of 54) RG&E - NYPA PPA (PDF Page 1 of 5) RG&E - RED Rochester PPA (Joint Proposal with Kodak - predecessor to RED) (PDF Page 6 of 381) 	<ul style="list-style-type: none"> NYSEG MW from PPA NYSEG MW from PPA NYSEG MW from IA RG&E MW from PPA RG&E MW from PPA 	pdf pdf pdf pdf	No No No No
EGSP-6	NYSEG Gas Expense Forecast RY1, RY2 and RY3	5	<ul style="list-style-type: none"> RY2 NYSEG Gas Cost Forecast Rate Case Workpaper RY2 NYSEG Gas Cost Forecast Rate Case Workpaper 	<ul style="list-style-type: none"> NYSEG Gas Cost Forecast for RY2; includes sales forecast, hedging, cash forecasts by area, storage WACOG, storage plan, and market/tariff prices NYSEG Gas Cost Forecast for RY2; includes sales forecast, hedging, cash forecasts by area, storage WACOG, storage plan, and market/tariff prices 	xls xls	Yes Yes

INDEX OF WORKPAPERS SUPPORTING DIRECT TESTIMONY OF THE ELECTIC AND GAS SUPPLY PANEL						
Exhibit Reference	Description of Exhibit	No. of Workpapers	Workpaper File Name	Content of Workpaper	WP Format	Trade Secret
EGSP-6 (cont'd)			<ul style="list-style-type: none"> RY3 NYSEG Gas Cost Forecast Rate Case Workpaper 	<ul style="list-style-type: none"> NYSEG Gas Cost Forecast for RY3; includes sales forecast, hedging, cash forecasts by area, storage WACOG, storage plan, and market/tariff prices 	xls	Yes
			<ul style="list-style-type: none"> RY1 RY2 RY3 NYSEG Capacity Cost Rate Case Workpaper 	<ul style="list-style-type: none"> NYSEG Capacity Cost Forecast for RY1, RY2 and RY3; includes contracted quantities, tariff/contract rates, and associated contract terms 	xls	Yes
			<ul style="list-style-type: none"> To Supply NYSEG Gas Rate Case Apr2020 - Mar2023 Dth Forecast 3-7-19 Workpaper 	<ul style="list-style-type: none"> NYSEG Sales Forecast 	xls	Yes
EGSP-7	RG&E Gas Expense Forecast RY1, RY2 and RY3	7	<ul style="list-style-type: none"> RY1 RGE Gas Cost Forecast Rate Case Workpaper 	<ul style="list-style-type: none"> RG&E Gas Cost Forecast for RY1; includes sales forecast, hedging, cash forecasts by area, storage WACOG, storage plan, and market/tariff prices 	xls	Yes
			<ul style="list-style-type: none"> RY2 RGE Gas Cost Forecast Rate Case Workpaper 	<ul style="list-style-type: none"> RG&E Gas Cost Forecast for RY2; includes sales forecast, hedging, cash forecasts by area, storage WACOG, storage plan, and market/tariff prices 	xls	Yes
			<ul style="list-style-type: none"> RY3 RGE Gas Cost Forecast Rate Case Workpaper 	<ul style="list-style-type: none"> RG&E Gas Cost Forecast for RY3; includes sales forecast, hedging, cash forecasts by area, storage WACOG, storage plan, and market/tariff prices 	xls	Yes

INDEX OF WORKPAPERS SUPPORTING DIRECT TESTIMONY OF THE ELECTIC AND GAS SUPPLY PANEL						
Exhibit Reference	Description of Exhibit	No. of Workpapers	Workpaper File Name	Content of Workpaper	WP Format	Trade Secret
EGSP-7 (cont'd)			<ul style="list-style-type: none"> • RY1 RY2 RY3 RGE Capacity Cost Rate Case Workpaper • 2020 RGE Plan Supply and Sales Summary Workpaper • 2021 RGE Plan Supply and Sales Summary Workpaper • 2022 RGE Plan Supply and Sales Summary Workpaper 	<ul style="list-style-type: none"> • RG&E Capacity Cost Forecast for RY1, RY2 and RY3; includes contracted quantities, tariff/contract rates, and associated contract terms • Supply & Sales Summary – Non-Daily Metered; Daily Metered; Unbilled Sales Accrual Data; Usage Per Data; Unbilled Accruals • Supply & Sales Summary – Non-Daily Metered; Daily Metered; Unbilled Sales Accrual Data; Usage Per Data; Unbilled Accruals • Supply & Sales Summary – Non-Daily Metered; Daily Metered; Unbilled Sales Accrual Data; Usage Per Data; Unbilled Accruals 	<p>xls</p> <p>xls</p> <p>xls</p> <p>xls</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
EGSP-8	Natural Gas Market Price Forecast for NYSEG and RG&E	1	<ul style="list-style-type: none"> • NYMEX and Basis Rate Case Workpaper 	<ul style="list-style-type: none"> • NYMEX and basis market prices used to calculate monthly supply costs at various trading points 	xls	Yes