

Columbia Gas Transmission, LLC
FERC NGA Gas Tariff
Original Volume No. 1.1

Section 4.6
Non Conf Neg Rate Svc Agmt
Version 0.0.0

Non-Conforming Service Agreement
No. 6797

Easton Utilities Commission

Agreement Effective Date: April 1, 2009

Issued: February 15, 2013

Effective: March 18, 2013

SST SERVICE AGREEMENT

THIS AGREEMENT, made and entered into this 15 day of February, 2008, by and between:

COLUMBIA GAS TRANSMISSION CORPORATION
("Transporter")
AND
EASTON UTILITIES COMMISSION
("Shipper")

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Service to be Rendered. Transporter shall perform and Shipper shall receive service in accordance with the provisions of the effective Rate Schedule and applicable General Terms and Conditions of Transporter's FERC Gas Tariff, Second Revised Volume No. 1 (Tariff), on file with the Federal Energy Regulatory Commission (Commission), as the same may be amended or superseded in accordance with the rules and regulations of the Commission. The maximum obligation of Transporter to deliver gas hereunder to or for Shipper, the designation of the points of delivery at which Transporter shall deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which Shipper shall deliver or cause gas to be delivered, are specified in Appendix A, as the same may be amended from time to time by agreement between Shipper and Transporter, or in accordance with the rules and regulations of the Commission. Service hereunder shall be provided subject to the provisions of Part 284.223 of Subpart G of the Commission's regulations. Shipper warrants that service hereunder is being provided on behalf of Shipper.

Section 2. Term. Service under this Agreement shall commence as of the Eastern Market Expansion SST In-Service Date and shall continue in full force and effect until fifteen (15) years after such SST In-Service Date. Notwithstanding the forgoing, regardless of the actual SST In-Service Date, this SST Service Agreement will reflect a primary term that ends on the March 31 falling closest to the end of the primary term set forth above so as to coincide with the end of the storage withdrawal season. Pre-granted abandonment shall apply upon termination of this Agreement, subject to any right of first refusal Shipper may have under the Commission's regulations and Transporter's Tariff.

Section 3. Rates. Shipper shall pay Transporter the charges and furnish Retainage as described in the amendment attached hereto as Attachment A. The provisions of said Attachment A are incorporated herein by reference with full force and effect and are made a part of this Service Agreement as though restated herein verbatim.

Section 4. Notices. Notices to Transporter under this Agreement shall be addressed to it at Post Office Box 1273, Charleston, West Virginia 25325-1273, Attention: Manager - Customer Services and notices to Shipper shall be addressed to it at:

Easton Utilities Commission
201 N. Washington St.
Easton, MD 21601
Attn: James P. Crowley


until changed by either party by written notice.


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Section 5. Superseded Agreements. This Service Agreement supersedes and cancels, as of the effective date hereof, the following Service Agreements: N/A.

Section 6. Credit Annex. The provisions of the Credit Annex, as amended, between Transporter and Shipper, which Credit Annex, as amended, is attached hereto as Attachment B, are incorporated herein by reference with full force and effect and are made a part of this Service Agreement as though restated herein verbatim.

Section 7. Termination Right. If the service contemplated by the Precedent Agreement between the two parties dated December 1, 2005, as such Precedent Agreement was amended on December 6, 2005, September 18, 2006, and April 23, 2007, does not commence on or before April 1, 2010, Shipper in its sole reasonable discretion may terminate the Precedent Agreement, as amended, and any associated FSS and SST Service Agreements without any liability or expense to Shipper; provided, however, that such termination right must be exercised in writing with delivery by certified mail to Transporter postmarked no later than May 1, 2010, absent which, such termination right shall be void and of no further effect whatsoever.

Easton Utilities Commission
By: 
Name: Hugh E. Grunden
Title: President & CEO
Date: 2/14/08

Columbia Gas Transmission Corporation
By: 
Name: Brian K. Adams
Title: Vice President - Marketing
Date: 2/15/08

Revision No. 0
Control No.

Appendix A to Service Agreement No.
Under Rate Schedule SST
Between (Transporter) Columbia Gas Transmission Corporation
and (Shipper) Easton Utilities Commission

October through March Transportation Demand 1,700 Dth/day
April through September Transportation Demand 850 Dth/day

Primary Receipt Points

<u>Scheduling Point No.</u>	<u>Scheduling Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>
STOW	Storage Withdrawals	1,700

Revision No.
Control No.

Appendix A to Service Agreement No.

Under Rate Schedule SST
Between (Transporter) Columbia Gas Transmission Corporation
and (Shipper) Easton Utilities Commission

Primary Delivery Points

<u>Scheduling Point No.</u>	<u>Scheduling Point Name</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Delivery Obligation (Dth/day) 1/</u>	<u>Design Daily Quantity (Dth/day) 1/</u>	<u>Aggregate Daily Quantity 1/</u>	<u>Minimum Delivery Pressure Obligation (psig) 1/</u>	<u>Hourly Flowrate (Dth/hour) 1/</u>
88	Eastern Shore	621333	ESG Cochranville	1,700				

Revision No.
Control No.

Appendix A to Service Agreement No.
Under Rate Schedule SST
Between (Transporter) Columbia Gas Transmission Corporation
and (Shipper) Easton Utilities Commission

1/ Application of MDDOs, DDQs, and ADQs and/or minimum pressure and/or hourly flowrate shall be as follows:

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**Appendix A to Service Agreement No.
Under Rate Schedule SST
Between (Transporter) Columbia Gas Transmission Corporation
and (Shipper) Easton Utilities Commission**

The Master List of Interconnects (MLI) as defined in Section 1 of the General Terms and Conditions of Transporter's Tariff is incorporated herein by reference for the purposes of listing valid secondary receipt points and delivery points.

Yes No (Check applicable blank) Transporter and Shipper have mutually agreed to a Regulatory Restructuring Reduction Option pursuant to Section 42 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Yes No (Check applicable blank) Shipper has a contractual right of first refusal equivalent to the right of first refusal set forth from time to time in Section 4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Service pursuant to this Appendix A, Revision No. 0 shall be effective from the Eastern Market Expansion Project SST In-Service Date through fifteen years after such SST In-Service Date. Notwithstanding the forgoing, regardless of the actual SST In-Service Date, this SST Appendix A will reflect a primary term that ends on the March 31 falling closest to the end of the primary term set forth above so as to coincide with the end of the storage withdrawal season.

Yes No (Check applicable blank) This Appendix A, Revision No. 0 shall cancel and supersede the previous Appendix A, Revision No. _____, effective as of _____, 20____, to the Service Agreement referenced above.

Yes No (Check applicable blank) All gas shall be delivered at existing points of interconnection within the MDDOs, and/or ADQs, and/or DDQs, as applicable, set forth in Transporter's currently effective Rate Schedule _____ Appendix A, with Shipper, which for such points set forth are incorporated herein by reference.

Yes No (Check applicable blank) This Service Agreement covers interim capacity sold pursuant to the provisions of General Terms and Conditions Section 4.2 (j). Right of first refusal rights, if any, applicable to this interim capacity are limited as provided for in General Terms and Conditions Section 4.2(j).

With the exception of this Appendix A, Revision No. 0, all other terms and conditions of said Service Agreement shall remain in full force and effect.

Easton Utilities Commission

By: _____
Name: Hugh E. Grunden
Title: President & CEO
Date: 2/14/08

Columbia Gas Transmission Corporation

By: _____
Name: Brian K Adams
Title: Vice President - Marketing
Date: 2/15/08

ATTACHMENT A TO SST SERVICE AGREEMENT NO. 6797

The demand rates for Eastern Market Expansion SST service shall be fixed for the primary term of Shipper's Service Agreement and shall equal the "Ultimate Demand Rates" calculated as set forth below, established by the Commission for Rate Schedule SST services to be rendered hereunder, less five percent (5%). The "Ultimate Demand Rates" are (1) the initial maximum demand rates for Rate Schedule SST services established by the Commission in the NGA Section 7 certificate proceeding, and (2) the initial maximum demand rates for Rate Schedule SST services established by the Commission in the NGA Section 7 certificate proceeding as adjusted in a limited NGA Section 4 proceeding to reflect actual costs; provided, however, the "Ultimate Demand Rates" for Eastern Market Expansion SST and FSS service shall be capped at an annual delivered cost of \$270 per Dth, as established in the Resolution of EME Project Cost Increases dated February 6, 2009 ("Cost Allocation Resolution").

After the in-service date for this SST service, Transporter shall adjust the Ultimate Demand Rates for this SST service in a limited NGA Section 4 filing to reflect the actual costs of the Eastern Market Expansion project resulting in this SST Service ("Actual Cost Filing"), consistent with paragraph 3 of the Cost Allocation Resolution; provided, however, that Transporter will not submit an Actual Cost Filing if the Ultimate Demand Rate would exceed the \$270 per Dth cap. The Actual Cost Filing shall be subject to the cost sharing provision set forth in Section 2(b)(4) of the Precedent Agreement dated December 1, 2005, as amended on December 6, 2005, September 18, 2006 and April 23, 2007 ("Amended Precedent Agreement").

In addition to the five percent (5%) reduction to the Ultimate Demand Rate referenced above, Shipper will receive an additional \$.0025 per Dth per day (\$.076 Dth per month) off the Rate Schedule SST negotiated demand rate. Shipper shall also be responsible for all maximum demand surcharges, maximum commodity rates, and maximum commodity surcharges applicable to Rate Schedule SST, as such rates and surcharges may thereafter change from time to time, and in whatever form those rates and surcharges may take. Shipper shall also provide to Transporter the maximum then existing Commission-approved Transportation Retainage percentage applicable to Rate Schedule SST as set forth in Transporter's FERC Gas Tariff from time to time.

Shipper will be solely responsible for acquiring any necessary services for Shipper to transport natural gas into and from Transporter's pipeline system as set forth in General Terms and Conditions Section 9.4 of Transporter's FERC Gas Tariff.

Although the negotiated demand rates applicable to Rate Schedule SST service as set forth above will be fixed for the primary term of service hereunder, the demand rates applicable to non-negotiated rate Eastern Market Expansion shippers will be subject to change from time to time pursuant to Sections 4 and 5 of the Natural Gas Act, 15 U.S.C. §§717c-d (2005). Shipper reserves all rights to protest or take any position in any Section 4 rate increase filed by Transporter applicable to non-negotiated rate shippers. During the term of this Service Agreement, Transporter is precluded from seeking to recover

ATTACHMENT A TO SST SERVICE AGREEMENT NO. 6797

(continued)

from Shipper any construction cost overruns allocable to the Eastern Market Expansion shippers that Transporter incurs above the \$270 per Dth cap.

Transporter and Shipper will comply with (1) the surviving provisions of the Amended Precedent Agreement and (2) the Cost Allocation Resolution, which are incorporated herein by reference with full force and effect and made a part of this Service Agreement as though restated herein verbatim.

ATTACHMENT B TO SST SERVICE AGREEMENT

**[ATTACH COPY OF EXECUTED VERSION OF CREDIT ANNEX AND COPY
OF EXECUTED VERSION OF AMENDMENT THERETO HERE]**