

Columbia Gas Transmission, LLC
FERC NGA Gas Tariff
Baseline Tariffs
Proposed Effective Date: April 1, 2019
Service Agreement No. 6799 – Easton Utilities Commission
Option Code A

FSS 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 FSS 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No. 1 (Tariff), on file with the Federal Energy Regulatory Commission (Commission), as the same may be amended or superseded in accordance with the rules and regulations of the Commission. Transporter shall store quantities of gas for Shipper up to but not exceeding Shipper's Storage Contract Quantity as 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 FSS In-Service Date and shall continue in full force and effect until fifteen (15) years after such FSS In-Service Date. Notwithstanding the forgoing, regardless of the actual FSS In-Service Date, this FSS 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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CONTROL NO.

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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

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

Storage Contract Quantity 102,561 Dth

Maximum Daily Storage Quantity 1,700 Dth per day

CANCELLATION OF PREVIOUS APPENDIX A

☐ 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 FSS In-Service Date through fifteen years after such FSS In-Service Date. Notwithstanding the forgoing, regardless of the actual FSS In-Service Date, this FSS 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. 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) 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: 

Its: President & CEO

Date: 2/14/08

Columbia Gas Transmission Corporation

By: 

Its: Vice President - Marketing

Date: 2/15/08

ATTACHMENT A TO FSS SERVICE AGREEMENT

The demand rates for Eastern Market Expansion FSS 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 the Rate Schedule FSS services to be rendered hereunder, less five percent (5%). The "Ultimate Demand Rates" are (1) the initial maximum demand rates for Rate Schedule FSS services established by the Commission in the NGA Section 7 certificate proceeding, and (2) the initial maximum demand rates for Rate Schedule FSS 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.¹ Customer shall also be responsible for all maximum demand surcharges, maximum commodity rates, and maximum commodity surcharges, 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 applicable then existing Commission-approved Storage Gas Loss Retainage percentage as set forth in Transporter's FERC Gas Tariff from time to time.

Although the negotiated demand rates applicable to Rate Schedule FSS 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).

Transporter and Shipper will comply with the provisions of Section 4(c) reflected in the Amendment to Precedent Agreement and Attached Credit Annex dated April 12, 2007 (and effective April 23, 2007), and said Section 4(c) is incorporated herein by reference with full force and effect and is made a part of this Service Agreement as though restated herein verbatim.

¹ Transporter shall have the right, after the In-Service date for this FSS service, to adjust the Ultimate Demand Rates for this FSS service in a limited NGA Section 4 filing to reflect the actual Facilities costs of the Eastern Market Expansion project resulting in this FSS Service, subject to the limitations set forth in Section 2(b)(4) of 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.

Columbia Gas
TransmissionSM

A NiSource Company

1700 MacCorkle Ave SE
PO Box 1273
Charleston, WV 25325-1273

February 19, 2009

Mr. James P. Crowley
Easton Utilities Commission
201 N. Washington Street
Easton, MD 21601

Re: FSS Service Agreement No. 6799

Dear Mr. Crowley:

Attached for review is a revised Attachment A to the referenced agreement that supersedes and replaces in its entirety the existing Attachment A. All other provisions of the service agreement will remain unchanged.

If the attached document accurately reflects our agreement, please scan a copy and email it to me at jsydnor@nisource.com or fax a copy to me at 304-357-3527. Originals will follow by mail.

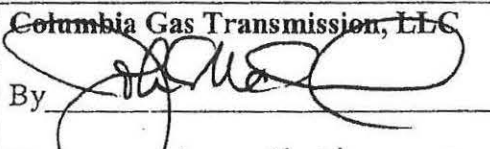
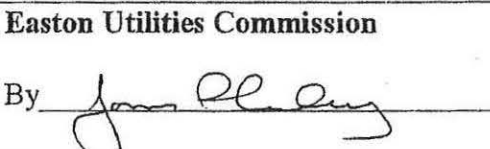
Very truly yours,



Jackie Sydnor
Team Leader, Customer Services

Enclosures

Signed and agreed to this ^{MAR} 2 day of ~~February~~, 2009.

Columbia Gas Transmission, LLC	Easton Utilities Commission
By 	By 
Name <u>John McNamara</u>	Name <u>James Crowley</u>
Its <u>VP, MARKETING</u>	Its <u>Manager, Gas Department</u>



ATTACHMENT A TO FSS SERVICE AGREEMENT NO. 6799

The demand rates for Eastern Market Expansion FSS 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 FSS services to be rendered hereunder, less five percent (5%). The "Ultimate Demand Rates" are (1) the initial maximum demand rates for Rate Schedule FSS services established by the Commission in the NGA Section 7 certificate proceeding, and (2) the initial maximum demand rates for Rate Schedule FSS 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 FSS and SST 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 FSS service, Transporter shall adjust the Ultimate Demand Rates for this FSS service in a limited NGA Section 4 filing to reflect the actual costs of the Eastern Market Expansion project resulting in this FSS 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").

Shipper shall also be responsible for all maximum demand surcharges, maximum commodity rates, and maximum commodity surcharges applicable to Rate Schedule FSS, 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 applicable then existing Commission-approved Storage Gas Loss Retainage percentage as set forth in Transporter's FERC Gas Tariff from time to time.

Although the negotiated demand rates applicable to Rate Schedule FSS 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 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.