

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

Section 2.35
Non-Conforming Svc Agmts
Version 0.0.0

Non-Conforming Service Agreement
No. 6801

City of Charlottesville

Agreement Effective Date: April 1, 2009

Issued: March 7, 2013

Effective: March 18, 2013

SST SERVICE AGREEMENT

THIS AGREEMENT, made and entered into this 21st day of February, 2008, by and between:

COLUMBIA GAS TRANSMISSION CORPORATION
("Transporter")
AND
CITY OF CHARLOTTESVILLE
("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No. 1 (Tariff), on file with the Federal Energy Regulatory Commission (Commission), as the same may be amended or superseded in accordance with the rules and regulations of the Commission.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 above-referenced Rate Schedule, unless otherwise agreed to by the parties in writing and specified as an amendment to this Service Agreement. Transporter may agree to discount its rate to Shipper below Transporter's maximum rate, but not less than Transporter's minimum rate. Such discounted rate may apply to: a) specified quantities (contract demand or commodity quantities); b) specified quantities above or below a certain level or all quantities if quantities exceed a certain level; c) quantities during specified time periods; d) quantities at specified points, locations, or other defined geographical areas; and e) that a specified discounted rate will apply in a specified relationship to the quantities actually transported (i.e., that the reservation charge will be adjusted in a specified relationship to quantities actually transported). In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable maximum rate at the time the discount agreement was executed subsequently exceeds the applicable maximum rate due to a change in Transporter's maximum rate so that such rate component must be adjusted downward to equal the new applicable maximum rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the maximum rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation

SERVICE AGREEMENT NO.
CONTROL NO.

SST SERVICE AGREEMENT

under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable.

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:

City of Charlottesville
305 4th Street, N.W.
Charlottesville, VA 22903
Attn: Phillip Garber, P.E.

until changed by either party by written notice.

SST SERVICE AGREEMENT

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 between Transporter and Shipper, which Credit Annex is attached hereto as 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.

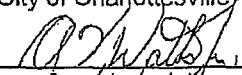
Section 7. Termination Right. If the service contemplated by the Precedent Agreement between the two parties dated December 1, 2005, as such Precedent Agreement was amended on December 5, 2005, and April 19, 2007, does not commence on or before April 1, 2010, Shipper in its sole reasonable discretion 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.

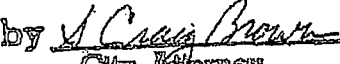
Section 8. Service Responsibility. Shipper will be solely responsible for acquiring any necessary services for Shipper to transport natural gas into and from Transporter's pipeline system as set forth in General Terms and Conditions Section 9.4 of Transporter's FERC Gas Tariff.

Section 9. Rate Amendment. Transporter shall have the right to adjust the initial maximum rates for this service established by the Commission in its "Order Issuing Certificates and Approving Abandonment," dated January 14, 2008 in FERC Docket Nos. CP07-367-000, CP07-367-001, and CP08-19-000, to reflect the actual Facilities cost of the Eastern Market Expansion Project, 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 5, 2005, and April 19, 2007. Although these initial rates for service will be subject to the limitations set forth in Section 2(b)(4) of the Precedent Agreement, as amended, these initial rates themselves 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 shall have the right to ensure that each of the rates and charges to be charged to Shipper authorized or approved by the FERC meets the applicable legal standards of the Natural Gas Act, 15 U.S.C. §717, et seq.

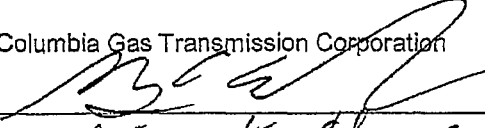
Section 10. Amendment Addressing Replacement and Reliability/Eastern Market Expansion Combined Project. Transporter and Shipper will comply with the provisions of Section 4(c) reflected in the Amendment to Precedent Agreement and Attached Credit Annex dated April 12, 2007 (and effective April 19, 2007), 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.

City of Charlottesville

By: 
Name: A.V. Watts, Jr.
Title: COO / CFO
Date: 2/12/08

Approved as to form:
by 
City Attorney

Columbia Gas Transmission Corporation

By: 
Name: Brian K. Adams
Title: Vice President - Marketing
Date: 2/21/08

Revision No. 0
Control No.

Appendix A to Service Agreement No.

Under Rate Schedule SST

Between (Transporter) Columbia Gas Transmission Corporation

and (Shipper) City of Charlottesville

October through March Transportation Demand 5,350 Dth/day

April through September Transportation Demand 2,675 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	5,350

Revision No.
Control No.

Appendix A to Service Agreement No.

Under Rate Schedule SST
Between (Transporter) Columbia Gas Transmission Corporation
and (Shipper) City of Charlottesville

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>
12	City of Charlottesville	802698	Charlottesville	5,350				

Revision No.
Control No.

Appendix A to Service Agreement No.
Under Rate Schedule SST
Between (Transporter) Columbia Gas Transmission Corporation
and (Shipper) City of Charlottesville

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

Revision No.
Control No.

Appendix A to Service Agreement No.
Under Rate Schedule SST
Between (Transporter) Columbia Gas Transmission Corporation
and (Shipper) City of Charlottesville

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 foregoing, 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.

City of Charlottesville
By: [Signature]
Name: AV Watts, Jr.
Title: LOP/CFO
Date: 2/12/08

Approved as to form:
by [Signature]
City Attorney

Columbia Gas Transmission Corporation
By: [Signature]
Name: Mirna K Adams
Title: Vice President - Marketing
Date: 2/21/08

Charlottesville SST Service Agreement 6801 - Sections 9 and 10

Section 9. Rate Amendment. Transporter shall have the right to adjust the initial maximum rates for this service established by the Commission in its "Order Issuing Certificates and Approving Abandonment," dated January 14, 2008 in FERC Docket Nos. CP07-367-000, CP07-367-001, and CP08-19-000, or in any subsequent order in the certificate proceeding to reflect the actual cost of facilities of the Eastern Market Expansion Project, 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 5, 2005, and April 19, 2007 ("Amended Precedent Agreement"), and subject further to the limitations set forth in the Resolution of EME Project Cost Increases between the two parties dated February 6, 2009 ("Cost Allocation Resolution"). After the in-service date for this SST service, Transporter shall adjust the 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 demand rates for Eastern Market Expansion FSS and SST service 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. Although the initial demand rates for service will be subject to the limitations set forth in Section 2(b)(4) of the Amended Precedent Agreement and be subject further to the limitations set forth in the Cost Allocation Resolution so that the annual delivered cost (as defined in Section 2(b)(4) of the Amended Precedent Agreement) may not exceed \$270 per Dth, these initial rates themselves 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); provided, however, that during the term of this Service Agreement, Transporter is precluded from recovering from Shipper any construction cost overruns allocable to the Eastern Market Expansion shippers that Transporter incurs above the \$270 per Dth cap. Shipper shall have the right to ensure that each of the rates and charges to be charged to Shipper authorized or approved by the FERC meets the applicable legal standards of the Natural Gas Act, 15 U.S.C. §§ 717, *et seq.*

Section 10. Amendment Addressing Replacement and Reliability/Eastern Market Expansion Combined Project. Transporter and Shipper will comply with (1) the surviving provisions of Amended Precedent Agreement and (2) the Cost Allocation Resolution, which are incorporated herein by reference with full force and effect and are made a part of this Service Agreement as though restated herein verbatim.