

DRAFT MODEL TERMS AND CONDITIONS

DISCUSSION DOCUMENT

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- 1.1 The Company furnishes its various services under rates and/or special contracts ("Schedule of Rates") promulgated in accordance with the provisions of G.L.c. 164 and the regulations and billing and termination procedures of the Massachusetts Department of Telecommunications and Energy ("MDTE"), all as may be in effect from time to time. Such Schedule of Rates, which includes these Terms and Conditions, is available for public inspection during normal business hours at the offices of the Company and at the offices of the MDTE.
- 1.2 The Schedule of Rates may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in MDTE regulations. When effective, all such revisions, amendments, supplements or replacements will appropriately supersede the present Schedule of Rates. In case of conflict between these Terms and Conditions and any orders or regulations of the MDTE, said orders or regulations shall govern.
- 1.3 The provisions of these Terms and Conditions apply to all persons, partnerships, corporations or others (hereinafter "Customers" or the "Customer") who obtain service (as defined in Section 3.0 herein) from the Company pursuant to the Schedule of Rates, except as these Terms and Conditions are explicitly modified in writing by a rate or special contract. The provisions of Section 24.0 of these Terms and Conditions will specifically apply to all entities designated by the Customer as set forth in Section 24.5, to supply Gas to a Designated Receipt point for the Customer's account (hereinafter the "Supplier"). The Customer may act as its own Supplier provided it meets the requirements set forth in Section 24.0.
- 1.4 No representative of the Company has the authority to modify orally any provision or rate contained in the Schedule of Rates or to bind the Company to any promise or representation contrary thereto. Any such modification to the Schedule of Rates or any such promise contrary thereto shall be in writing, duly executed by an authorized officer of the Company, subject in all cases to applicable statutes and to the regulations of the MDTE.
- 1.5 The Company will advise any new Customers as to the least expensive rate available for services to be supplied by the Company. If the Company is notified by the Customer in writing of an elected change in the Customer's service, the Company will again advise the Customer as to the least expensive rate available for the service to be supplied by the Company. Responsibility for selecting the applicable rate is and remains the responsibility of the Customer, subject to the provisions of the Schedule of Rates. Unless specifically

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stated to the contrary, all rates are based upon the supply of service to the Customer on an annual basis. The Customer may change from one rate to another no more than once in any twelve (12) month period. In cases where the Customer requests a rate reclassification, no rebate will be granted for service rendered during the period that the Customer's account was served under the previous rate classification.

- 1.6 The Company reserves the right to impose certain fees and charges pursuant to the various provisions of these Terms and Conditions. Said fees and charges shall be set forth at Appendix A to these Terms and Conditions, as on file and in effect from time to time.
- 1.7 In the event that the Company incurs minimum bill, inventory, transition, take or pay surcharges, penalty charges, imbalance charges or any other charges associated with the provision of Transportation Service to Customers, the Company may impose an additional charge on the Suppliers serving said Customers.
- 1.8 The Company reserves the right to make a unilateral application to the MDTE for a change in rates under the laws of the Commonwealth of Massachusetts and the regulations promulgated by the MDTE.

DRAFT MODEL TERMS AND CONDITIONS*DISCUSSION DOCUMENT***2.0****DEFINITIONS**

Adjusted Target Volume ATV	The volume of Gas determined pursuant to Section 12.3.
Agent	The designated representative of the Customer, who shall be authorized to act for, and conclusively bind, the Customer regarding Transportation Service in accordance with the provisions of Section 25.0 of these Terms and Conditions.
Aggregation Pool	One or more Customer accounts whose Gas Usage is served by the same Supplier and aggregated into a Supplier's account for the purpose of nominating, scheduling and balancing gas deliveries to Designated Receipt Point(s), pursuant to Section 24.6 of these Terms and Conditions.
Authorization Number	A unique number generated by the Company and printed on the Customer's bill that the Customer must furnish to the Supplier to enable the Supplier to obtain the Customer's Gas Usage information pursuant to Section 24.4, and to initiate or terminate Supplier Service as set forth in Section 24.5 of these Terms and Conditions.
Business Day	Monday through Friday excluding holidays recognized by the Company.
Btu	One British thermal unit, i.e., the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at sixty degrees (60°) Fahrenheit. MMBtu is one million Btus.
Company	<u>[Name of LDC]</u>

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Company Gas Allowance	The difference between the sum of all amounts of Gas received into the Company's distribution system and the sum of all amounts of Gas delivered from the Company's distribution system as calculated by the Company for the most recent twelve (12) month period ending July 31. Such difference shall include, but not be limited to, Gas consumed by the Company for its own purposes, line losses and Gas vented and lost as a result of an event of Force Majeure.
Consumption Algorithm	A mathematical formula used to estimate a Customer's daily consumption.
Critical Day	A Day declared at any time by the Company in its reasonable discretion when unusual operating conditions may jeopardize operation of the Company's distribution system in accordance with Section 19.0 of these Terms and Conditions.
Customer	The recipient of Default Service or Transportation Service whose Gas Usage is recorded by a meter or group of meters at a specific location and who is a Customer of record of the Company.
Daily Index	<p>The mid-point of the range of prices for New England Citygates as published by <u>Gas Daily</u> under the heading "Daily Price Survey, Citygate/Pooling Point Prices" for the relevant Gas Day.</p> <p>For Days on which <u>Gas Daily</u> is not published, the Daily Index will be the midpoint of the range of prices for New England Citygates on the nearest publication Day following the Gas Day for which the Index is to be applied. If the Gas Daily Index becomes unavailable, or if a more suitable Massachusetts index becomes available, the Company may change the index as the basis for this calculation.</p>

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Day or Gas Day	A period of twenty-four (24) consecutive hours beginning at 10:00 a.m., E.T., and ending at 10:00 a.m., E.T., the next calendar day, or other such hours used by the Delivering Pipeline.
Default Service	Service provided by the Company to a Customer who is not receiving Supplier Service, in accordance with the provisions set forth in the Company's Default Service tariff on file with the MDTE.
Delivering Pipeline	The interstate pipeline company that transports and delivers Gas to the Designated Receipt Point.
Delivery Point	The interconnection between the Company's facilities and the Customer's facilities.
Designated Receipt Point	For each Customer, the Company designated interconnection between a Delivering Pipeline and the Company's distribution facilities at which point, or such other point as the Company may designate from time to time, the Supplier will make deliveries of Gas for the Customer's account.
Gas	Natural gas that is received by the Company from a Delivering Pipeline at the Designated Receipt Point and delivered by the Company to the Delivery Point for the Customer's account. In addition, the term shall include amounts of vaporized liquefied natural gas and/or propane-air vapor that are introduced by the Company into its system and made available to the Customer as the equivalent of natural gas that the Customer is otherwise entitled to have delivered by the Company.
Gas Service Area	An area within the Company's distribution system defined for purposes of administering capacity assignments, nominations, balancing, imbalance trading, and Aggregation Pools pursuant to these Terms and Conditions.

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Gas Usage	The actual quantity of Gas used by the Customer as measured by the Company's metering equipment at the Delivery Point.
Interruptible Transportation Service	Transportation Service provided to the Customer by the Company for less than 365 days per year, or as local distribution operating conditions permit.
MDTE	The Massachusetts Department of Telecommunications and Energy.
Month	A calendar month of Gas Days.
Monthly Index	The average of the Daily Index numbers for all Days in a Month.
Nomination	The notice given by the Supplier to the Company that specifies an intent to deliver a quantity of Gas to the Designated Receipt Point(s) on behalf of a Customer, including the volume to be received, the Designated Receipt Point(s), the Delivering Pipeline, the delivering contract(s), the shipper, and any other non-confidential information reasonably required by the Company to identify such deliveries.
Off-Peak Season	The consecutive months May to October, inclusive.
Operational Flow Order	The Company's instructions to the Supplier to take such action as conditions require, including, but not limited to, diverting Gas to or from the Company's distribution system pursuant to Section 19.0 of these Terms and Conditions.
Peak Day	The Gas Day with the highest aggregate forecasted Gas Usage of all Customers taking any service from the Company.
Peak Season	The consecutive months November to April, inclusive.

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Supplier	Any entity licensed by the MDTE to sell Gas to retail Customers in Massachusetts, that has met the Company's requirements set forth in these Terms and Conditions, and that has been designated by the Customer to supply Gas to a Designated Receipt Point for the Customer's account.
Supplier Service	The sale of Gas to a Customer by a Supplier.
Therm	An amount of Gas having a thermal content of 100,000 Btus. <i>[Note: Some Companies may replace this definition with a definition for CCF.]</i>
Transportation Service	The delivery by the Company of Customer purchased Gas on any Gas Day from the Designated Receipt Point to the Customer's Delivery Point pursuant to these Terms and Conditions.

DRAFT MODEL TERMS AND CONDITIONS*DISCUSSION DOCUMENT***3.0 CHARACTER OF SERVICE**

- 3.1 The service that the Company will supply to any Customer shall be limited to the character of service which is available at the location to which such service is proposed to be furnished.
- 3.2 The furnishing of service by the Company under the Schedule of Rates and in accordance with these Terms and Conditions and the rules and regulations of the MDTE, and acceptance by the Customer constitutes a contract under these provisions.
- 3.3 The benefits and obligations of accepting service shall inure to and be binding upon the successors and assigns, survivors and executors or administrators, as applicable, of the Customer.
- 3.4 All rates within the Schedule of Rates are predicated upon service to a Customer at a single Delivery Point and metering installation, except as otherwise specifically provided by a given rate. Where service is supplied to a Customer at more than one Delivery Point or metering installation, each single Delivery Point or metering installation shall be considered to be a separate Customer for purposes of applying the Schedule of Rates, except when a Customer is served through multiple points of delivery or metering installations for the Company's own convenience.
- 3.5 The Company may refuse to supply service to loads of unusual characteristics which, in its sole judgment, might adversely affect the quality of service supplied to other Customers, the public safety or the safety of the Company's personnel. In lieu of such refusal, the Company may require a Customer to install any necessary regulating and protective equipment in accordance with the requirements and specifications of the Company.
- 3.6 Gas furnished under the Schedule of Rates shall not be resold, redistributed or otherwise resupplied by any Customer under any circumstances without the prior written consent of the Company and proper authorization by the MDTE.

DRAFT MODEL TERMS AND CONDITIONS***DISCUSSION DOCUMENT*****4.0 GAS SERVICE AREAS AND DESIGNATED RECEIPT POINTS**

4.1 There shall be *[Insert #]* Gas Service Areas defined for purposes of administering capacity assignments, nominations, balancing, imbalance trading, and Aggregation Pools pursuant to these Terms and Conditions. Each such Gas Service Area shall be defined to include the municipalities listed within each such Gas Service Area, as follows:

(1) Area 1: *LDC Gas Service Area*

Names of Municipalities

(2) Area 2: *LDC Gas Service Area*

Names of Municipalities

:

:

4.2 For each Aggregation Pool as set forth by Section 24.6, the Company will designate at least one specific interconnection between a Delivering Pipeline and the Company's distribution facilities, at which point, or such other point as the Company may designate from time to time, the Supplier will make deliveries for the Aggregation Pool. The interconnections that the Company may assign as the Customer's Designated Receipt Point for the Aggregation Pool as follows:

(1) *Name Delivering Pipeline:*

Names of City Gates

(2) *Name Delivering Pipeline:*

Names of City Gates

:

:

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- 5.1 Application for Transportation Service, Default Service, or any other service offered by the Company will be received through any duly authorized representative or agent of the Company.
- 5.2 Before any service from the Company may commence, the Customer must request such service. A Customer applying for Transportation Service must also contract with a Supplier pursuant to Section 24.0. A Customer may act as its own Supplier provided it meets all of the Supplier requirements delineated in Section 24.0.
- 5.3 A non-residential Customer applying for service may be required to supply a security deposit in accordance with Section 14.0 of these Terms and Conditions. The Company reserves the right to refuse service to any non-residential applicant who has not paid a deposit as required by the Company.
- 5.4 The Company may accept oral application by a prospective Customer for residential service, except as noted below in Section 5.5. All applicants must be of legal age to contract for service with the Company, and the Company reserves the right to verify the identity of the Customer and the application information given by the proposed Customer, through commercially or publicly available means. Application for non-residential service may, at the Company's option, be in writing on forms provided by the Company, or via the Company's Website as identified in Section 23.0. When a written application for non-residential service is required by the Company, such service shall not commence until the Company has received written application, except that for an interim period not to exceed ten (10) working days pending the receipt of a duly executed written application. No agent or employee of the Company is authorized to modify or affect by oral promise, agreement or representation the provisions of such written application.
- 5.5 In the event that an oral application for service is received by the Company from an applicant who is not currently a Customer of record of the Company for service at a location where service is disconnected for non-payment, the Company may request application to be made in writing to any agent or duly authorized representative as a precondition for service, unless otherwise ordered by the MDTE. The Company reserves the right to refuse service, at any location, to an applicant who is indebted to the Company for any service furnished to such applicant. However, the Company shall commence service if the applicant has agreed to a reasonable payment plan.

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- 5.6 Upon receipt of an application from a prospective Customer setting forth the location of the premises to be served, the extent of the service to be required and any other pertinent information requested by the Company, the Company will advise the Customer of the type and character of the service it will furnish, under the applicable tariff, and if required, the location of the Company's metering and related equipment. The Company will have sole discretion on the location of meters and other related equipment. The Company will furnish detailed information describing the connections necessary between the Company's facilities and the Customer's premises and Customer and Company responsibilities for installation of facilities.
- 5.7 An application for service will not be approved until all of the information required by the request has been delivered to the Company and the Company has determined that an adequate flow of Gas can be delivered to the Customer's Delivery Point under normal operating conditions.
- 5.8 Whenever the estimated expenditures necessary to supply Gas to a Customer or to resume service to a Customer after a discontinuance of service for over twelve (12) months, for reasons other than the needs of the Company, shall be of such an amount that the income to be derived from gas service at the applicable rates will, in the opinion of the Company, be insufficient to warrant such expenditures, the Company may, in addition to the payments for Gas under the applicable rates, require the Customer to pay the whole or a part of such expenditures, or make such other reasonable payments as the Company may deem necessary.
- 5.9 The Company reserves the right to reject any application for service if the amount or nature of the service applied for, or the distance of the premises to be served from existing, suitable gas distribution facilities, or the difficulty of access thereto is such that the estimated income from the service applied for is insufficient to yield a reasonable return to the Company, unless such application is accompanied by a cash payment or an undertaking satisfactory to the Company guaranteeing a stipulated revenue for a definite period of time, or both.
- 5.10 A Customer shall be and remain the Customer of record and shall be liable for service taken until such time as the Customer requests termination of service and a final meter reading is obtained by the Company. Such final meter reading shall not be unduly delayed by the Company. The billing rendered by the Company based on such final meter reading shall be payable upon receipt. In the event that the Customer of record fails to give notice of termination of service to the Company or hinders the Company's access to the meter, the Customer of record shall continue to be liable for service taken until the Company either disconnects the meter or a new Customer assumes responsibility for taking service at

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such service location. The Customer shall be liable for all costs incurred by the Company when the Customer prevents access to the Company's equipment.

- 5.11 In the absence of a duly constituted Customer of record, receipt of service shall constitute the recipient a Customer of the Company and shall bind such Customer to the provisions of the Schedule of Rates but shall not relieve such Customer from an obligation to execute an application for service.

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- 6.1 The Customer shall furnish, maintain, and operate the facilities between the Delivery Point and the Customer's equipment.
- 6.2 The Company reserves the right to disconnect its service at any time without notice or to refuse to connect its service if, to its knowledge and in its judgment, the Customer's installation has become or is dangerous, defective or in violation of the Company's requirements.
- 6.3 The Company shall not be required to commence or continue service unless and until the Customer has complied with all requirements of any and all governmental authorities and the Company with reference to the use of Gas on the premises. All inspections, reports and approvals (where required), must be received in writing by the Company before service shall be commenced or reconnected.
- 6.4 The Customer assumes full responsibility for the proper use of Gas delivered by the Company and for the condition, suitability and safety of any and all equipment on the Customer's premises, or owned or controlled by the Customer which is not the Company's property. The Customer shall indemnify and save harmless the Company from and against any and all claims, expenses, legal fees, losses, suits, awards or judgments for injuries to or deaths of persons or damage of any kind, whether to property or otherwise, arising directly or indirectly by reason of: (i) the routine presence in or use of Gas from pipes owned or controlled by the Customer; or (ii) the failure of the Customer to perform any of its duties and obligations as set forth in the Schedule of Rates where such failure creates safety hazards; or (iii) the Customer's improper use of Gas or gas appliances. The Company shall be liable only for direct damages resulting from the Company's conduct of its business pursuant to this section to the extent set forth in Section 20.2.
- 6.5 The Customer shall notify the Company in writing before making any significant change in the Customer's gas equipment which would affect the Company's facilities required to serve the Customer. The Customer shall be liable for any damage to the Company's property caused by Customer's additional or changed installation if made without prior notification to the Company.
- 6.6 The Customer shall not install, own or maintain gas piping across or in the public way or any recorded private way without the prior written consent of the Company in each case obtained.
- 6.7 The Customer shall furnish and maintain, at no cost to the Company, the necessary space,

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housing, fencing, barriers, and foundations for the protection of the equipment to be installed upon the Customer's premises, whether such equipment is furnished by the Customer or the Company. If the Customer refuses, the Company may at its option charge the Customer for furnishing and maintaining the necessary protection of the equipment. Such space, housing, fencing, barriers and foundations shall be in conformity with applicable laws and regulations and subject to the Company's specifications and approval.

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- 7.1 The Company shall own, operate and maintain, at its expense, its gas distribution facilities to the Delivery Point.
- 7.2 Unless otherwise specified herein, the Company will furnish and install, at locations it designates, one or more meters for the purpose of measuring the Gas delivered.
- 7.3 Whenever the Company determines that an unauthorized use of Gas is being made on the premises of a Customer, the Company may make such changes in its meters, appliances or other equipment on said premises or take such other corrective action as may be appropriate to insure the safety and security of the equipment and its installation under the circumstances. Any such changes shall be made at the Customer's expense. Nothing in this paragraph shall be deemed to constitute a waiver of any other rights of redress that may be available to the Company or to limit in any way any legal recourse that may be open to the Company.
- 7.4 Any properly identified employee of the Company shall have access to the premises of the Customer at all reasonable times for the purposes of reading meters, testing the Customer's load, inspecting the Customer's premises and equipment, or of repairing, removing or exchanging any or all equipment belonging to the Company and for the purpose of removing its property on the termination of any service agreement or the discontinuance of service.
- 7.5 The Company will notify the Customer whenever it obtains information indicating that Gas is being diverted from the Customer's service or that the meter has been tampered with. Unless there is a violation of the Massachusetts Sanitary Code 105 C.M.R. 410.354, the Customer will be held responsible to the Company for any leakage or waste of Gas which may occur beyond the point of the meter installation.
- 7.6 Where service under the Schedule of Rates is to be used for temporary purposes only, the Customer may be required to pay the cost of installation and removal of equipment required to render service in addition to payments for Gas Usage. Said costs of installation and removal may be required to be paid in advance of any construction by the Company. If, in the Company's sole judgment, any such installation presents unusual difficulties as to metering the service supplied, the Company may estimate consumption for purposes of applying the Schedule of Rates. Unless otherwise approved by the Company in writing, temporary service shall be defined as installations intended for removal within a period not to exceed twelve (12) months.

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- 7.7 The Company shall not be required to install the equipment necessary to provide its service unless the Customer shall have obtained and provided to the Company at its request all certificates, permits (excepting street permits) and licenses from governmental authorities and such grants of rights-of-way as may be requisite to enable the Company to install and furnish the requested service. The subsequent termination of any certificate, permit, license or right-of-way requisite for such service shall terminate any contract then existing for such service without any liability on the Company for breach of such contract or failure to furnish service.
- 7.8 The Company shall make, or cause to be made, application for any necessary street permits and shall not be required to supply service until a reasonable time after such permits are granted.
- 7.9 All meters, services and other gas equipment owned by the Company shall be and will remain the property of the Company, and no one other than an employee or authorized agent of the Company shall be permitted to remove, operate, or maintain such property. The Customer shall not interfere with or alter the meter, seals or other property used in connection with the rendering of service or permit the same to be done by any person other than the authorized agents or employees of the Company. The Customer shall be responsible for all damage to, or loss of, such property unless occasioned by circumstances beyond the Customer's control. Such property shall be installed at points most convenient for the Company's access and service and in conformance with public regulations in force from time to time. The costs of relocating such property shall be borne by the Customer when done at the Customer's request, or for the Customer's convenience, or if necessary to remedy any violation of public law or regulation caused by the Customer.
- 7.10 Unless there is negligence on the part of the Company, the Company shall not be liable for damage to the person or property of the Customer or any other persons resulting from the use of Gas or the presence of the Company's appliances and equipment on the Customer's premises. In no event shall the Company be liable to any party for any indirect, consequential, or special damages, whether arising in tort, contract or otherwise, by reason of any services performed, or undertaken to be performed, or actions taken by the Company, or its agents or employees, under the Schedule of Rates or in accordance with or required by law.

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7.11 The Company shall maintain the accuracy of all metering equipment installed pursuant hereto by regular testing and calibration in comparison to recognized standards. Any meter tested and found to register less than or equal to 2% above or below the recognized comparative standard shall be considered correct and accurate. A Customer may request the Company to test the accuracy of any of its metering equipment installed upon the Customer's premises. Any such test shall be conducted according to the standards therefor as established by this paragraph.

In the event that any meter fails to register or registers incorrectly, the Company shall reasonably determine the length of the period during which such meter failed to register or registered incorrectly and the quantity of Gas delivered during such period, based upon available information, including the Customer's records of Gas Usage and operation at the Customer's facility.

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- 8.1 Gas delivered to the Company by or for the Customer shall conform, in all respects, to the gas quality standards of the Delivering Pipeline. All Gas tendered by a Supplier at a Designated Receipt Point shall be of merchantable quality and shall be interchangeable with Gas purchased by the Company from its suppliers. The Company reserves the right to refuse non-comparable Gas.
- 8.2 In no event shall the Company be obligated to accept and deliver any Gas that does not meet the quality standards of the Delivering Pipeline. [*Individual LDCs may specify a range of acceptable Btu values.*]
- 8.3 The Company reserves the right to commingle Gas tendered by a Supplier at a Designated Receipt Point with other gas supplies, including liquefied natural gas and propane-air vapor.
- 8.4 Gas tendered by a Supplier at a Designated Receipt Point will be at a pressure sufficient to enter the Company's distribution system without requiring the Company to adjust its normal operating pressures to receive the Gas. The Company has no obligation to receive Gas at a pressure that exceeds the maximum allowable operating pressure of the Company's distribution system at the Designated Receipt Point.

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- 9.1 Supplier purchased gas shall be and shall remain the property of the Supplier while being transported and delivered by the Company. Gas shall be deemed to be in the control and possession of the Company after such Gas is delivered to the Designated Receipt Point and until the Gas is delivered to the Customer at the Delivery Point. The Company shall not be responsible for the Gas when the Gas is not in the Company's control and possession.
- 9.2 The Company shall not be liable to the Supplier or the Customer for any loss arising from or out of Transportation Service, including loss of Gas in the possession of the Company or for any other cause, except for the negligence of the Company's own employees or agents.

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10.0 COMPANY GAS ALLOWANCE

The amount of Gas tendered by the Supplier to the Designated Receipt Point will be reduced, upon delivery to the Customer's Delivery Point, by the Company Gas Allowance for Company use and unaccounted for quantities. Such adjustment will be included in the Company's Peak Season Cost of Gas Adjustment filing with the MDTE.

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11.0 DAILY METERED TRANSPORTATION SERVICE

11.1 Applicability

Section 11.0 of these Terms and Conditions apply to Customers taking Transportation Service under Rate Schedules *[Insert LDC Rate Schedules for Customers who may take daily metered service.]* and their Suppliers. These Terms and Conditions also apply to Customers taking Interruptible Service pursuant to Section 17.0.

11.2 Transportation Service Provided

This service provides transportation of Customer purchased Gas from the Designated Receipt Point to the Delivery Point on any Gas Day for Customers electing to have Gas Usage recorded on a daily basis at the Delivery Point. For Customers taking Transportation Service under Rate Schedules *[Insert LDC Rate Schedules for firm service Customers who may take daily metered service.]*, this service provides firm, 365-day transportation of Customer purchased Gas from the Designated Receipt Point to the Delivery Point.

11.3 Nominations and Scheduling of Service

11.3.1 The Supplier is responsible for scheduling and delivering on every Day an amount of Gas that equals the aggregated Gas Usage of Customers in the Aggregation Pool.

11.3.2 Nominations will be communicated to the Company by electronic or other means as determined by the Company pursuant to Section 23.0. A copy of the standard nomination form is attached as Appendix B.

11.3.3 Nominations for the first Day of a Month shall be submitted to the Company no later than two (2) hours prior to the deadline for first of the Month nominations of the Delivering Pipeline or such lesser period as determined by the Company. The Company will make available, from time to time, a schedule of nomination due dates.

11.3.4 The Supplier may make intra-Month nominations relating to changes to existing nominations for a given Month no later than two (2) hours prior to the deadline for intra-Month nominations of the Delivering Pipeline for the Gas Day on which the nomination is to be effective, or such lesser period as determined by the Company. Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a best efforts basis.

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- 11.3.5 The Supplier may make intra-Day nominations relating to changes to existing nominations within a given day no later than two (2) hours prior to the intra-Day nomination deadline for the Delivering Pipeline on which the nomination is to be effective, or such lesser period as determined by the Company. Intra-Day nominations on weekends, holidays, and non-business hours will be accepted by the Company on a best efforts basis.
- 11.3.6 Nominations will be conditionally accepted by the Company pending confirmation by the Delivering Pipeline. The Company will attempt to confirm the nominated volume with the Delivering Pipeline. In the event of a discrepancy between the volume nominated to the Company by the Supplier and the volume nominated by the Supplier to the Delivering Pipeline, the lower volume will be deemed confirmed. No later than twenty-four (24) hours on the Business Day following the Gas Day of the Delivering Pipeline, the Supplier may allocate such discrepancy between the Supplier's Aggregation Pools within the same Gas Service Area based on a predetermined allocation method set forth in the Supplier Service Agreement. If no predetermined allocation method has been established prior to the event of such discrepancy, the Company will allocate the discrepancy on a pro rata basis.
- 11.3.7 Nominations may not be accepted, at the sole discretion of the Company, if they do not satisfy the conditions for Transportation Service under the transportation rates in effect from time to time and these Terms and Conditions.
- 11.4 Determination of Receipts
- 11.4.1 The quantity of Gas deemed received by the Company for the Supplier's Aggregation Pool at the Designated Receipt Point(s) will equal the volume so scheduled by the Delivering Pipeline(s).
- 11.4.2 The Company Gas Allowance will be assessed against receipts pursuant to Section 10.0 of these Terms and Conditions.
- 11.5 Metering and Determination of Deliveries
- 11.5.1 The Company shall furnish and install, at the Customer's expense, telemetering equipment and any related equipment for the purpose of measuring Gas Usage at each Customer's Delivery Point. The Company shall require each Customer to install, at the Customer's expense, dedicated telephone lines and electrical connections as necessary. The Customer shall reimburse the Company for any on-going periodic expenses occasioned by the installation, ownership, operation and maintenance of such telemetering equipment. Telemetering equipment shall remain the property of the Company at all times.

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11.5.2 Should a Customer or a Supplier request new telemetering equipment or request that a communication device be attached to the existing telemetering equipment, the Company shall provide, install, test, and maintain the requested telemetering equipment or communication device. The requested telemetering equipment or communication device must meet the Company's requirements. The Customer or Supplier shall bear the cost of providing and installing the telemetering equipment, communication device, or any other related equipment. Upon installation, the telemetering equipment or communication device shall become the property of the Company and will be maintained by the Company. The Company shall complete installation of the telemetering equipment or communication device, if reasonably possible, within thirty (30) days of receiving a written request from the Customer or Supplier. The Company shall bill the Customer or Supplier upon installation.

11.6 Balancing

11.6.1 The Supplier will maintain a balance between receipts at the Designated Receipt Point(s) and the aggregated Gas Usage of Customers in each Aggregation Pool. If the Delivering Pipeline posts notice on its electronic bulletin board that its customers will be required to adhere to a maximum hourly flow rate, the Supplier will be deemed to have notice that Maximum Hourly Flows will be in effect on the Company's distribution facilities as of the same time and for the same period as maximum hourly flows are in effect on the Delivering Pipeline. The Supplier's maximum hourly flow will be established based on an allocation of even hourly flows of daily receipts of gas scheduled in the relevant period in accordance with the applicable transportation tariff of the Delivering Pipeline. All Gas Usage in excess of the Suppliers maximum hourly flow rate will be subject to an unauthorized overrun penalty for each therm not delivered of 5 times the Daily Index. The Company will notify the Supplier of the Supplier's maximum hourly flow.

11.6.2 The Supplier must maintain a balance between daily receipts and daily usage, such that the difference between the Supplier's aggregate actual receipts on the Delivering Pipeline to each Gas Service Area and the aggregated Gas Usage of Customers in the Aggregation Pool shall be within 10% of said receipts.

Off-Peak Season: The Supplier shall be charged a penalty of 0.1 times the Daily Index for all differences not within the 10% tolerance.

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Peak Season: The Supplier shall be charged a penalty of 0.5 times the Daily Index for all differences not within the 10% tolerance.

Critical Day(s): The Company will determine if the Critical Day will be aggravated by an underdelivery or an overdelivery, and so notify the Supplier when a Critical Day is declared pursuant to Section 19.0.

Critical Day Aggravated by Underdelivery. The Supplier will be charged a penalty of 5 times the Daily Index for the aggregated Gas Usage of Customers in the Aggregation Pool that exceeds 102% of the Supplier's aggregate actual receipts on the Delivering Pipeline to the Gas Service Area. The Supplier will be charged a penalty of 0.1 times the Daily Index for the differences between said receipts and said usage that exceed 20% of said receipts.

Critical Day Aggravated by Overdelivery. The Supplier will be charged a penalty of 0.1 times the Daily Index for the aggregated Gas Usage of Customers in the Aggregation Pool that exceeds 120% of the Supplier's aggregate actual receipts on the Delivering Pipeline to the Gas Service Area. The Supplier will be charged a penalty of 5 times the Daily Index for differences between said receipts and said usage that exceed 2% of said receipts.

In the event that the Delivering Pipeline requires its customers to balance on a point-specific basis, the Supplier must balance pursuant to this section at each Designated Receipt Point.

11.6.3 For each Aggregation Pool, the Supplier must maintain total Monthly receipts within a reasonable tolerance of total Monthly Gas Usage. Any differences between total Monthly receipts for an Aggregation Pool and the aggregated Gas Usage of Customers in the Aggregation Pool, expressed as a percentage of total Monthly receipts will be cashed out according to the following schedule:

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<u>Imbalance Tier</u>	<u>Overdeliveries</u>	<u>Underdeliveries</u>
0% ≤ 5%	The average of the Daily Indices for the relevant Month.	The highest average of seven consecutive Daily Indices for the relevant Month.
> 5%	0.25 times the above stated rate.	1.75 times the above stated rate.

For purposes of determining the tier at which an imbalance will be cashed out, the price will apply only to volumes within a tier. For example, if there is a 7% Underdelivery on a Delivering Pipeline, volumes that make up the first 5% of the imbalance are priced at the highest average of the seven consecutive Daily Indices. Volumes making up the remaining 2% of the imbalance are priced at 1.75 times the average of the seven consecutive Daily Indices.

- 11.6.4 In addition to the charges set forth in Section 11.6.2, the Company shall flow through to the Supplier any pipeline imbalance penalty charges attributable to the Supplier.
- 11.6.5 If, by the fifteenth (15th) Day in any Month and prior to any trades of monthly imbalances between Suppliers, the Supplier delivers an amount less than 80% of the sum of the aggregated Gas Usage of Customers in the Aggregation Pool in that Month, the Supplier may be deemed by the Company ineligible to nominate Gas for the remainder of the Month. The Supplier may be reinstated on the first Day of the following Month, provided it posts security equal to the product of: (1) the maximum aggregate daily Gas Usage of Customers in the Aggregation Pool expressed in MMBtu and (2) \$300. If, within twelve (12) Months of the first offense, such Supplier is declared ineligible to nominate Gas pursuant to this section, the Supplier will be disqualified from service under these Terms and Conditions for one (1) full year from the time of the second disqualification. If the Supplier defaults on its obligations under these Terms and Conditions, the Company shall have the right to use such security to satisfy the Supplier's obligations. Such security may be used by the Company to secure Gas, transportation, storage, gathering and to cover other related costs incurred as a result of the Supplier's default. The security may also be used to satisfy any outstanding claims that the Company may have against the Supplier, including imbalance charges, cash-out charges, pipeline penalty charges, and other charges.

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- 11.6.6 If, as a result of the Company interrupting or curtailing service pursuant to Section 17.0 of these Terms and Conditions, the Supplier incurs a daily imbalance penalty, the Company will waive such penalty for that Day. If the Company has issued notice of an interruption or curtailment in service and the Supplier is unable to change its nomination, or if the Supplier's Gas has been delivered to the Designated Receipt Point, then the Company will credit such Gas against the Supplier's imbalance.

DRAFT MODEL TERMS AND CONDITIONS*DISCUSSION DOCUMENT***12.0 NON-DAILY METERED TRANSPORTATION SERVICE****12.1 Applicability**

Section 12.0 of these Terms and Conditions applies to Customers taking Transportation Service under Rate Schedules *[Insert LDC Rate Schedules for Customers who may take non-daily metered service.]* and their Suppliers.

12.2 Transportation Service Provided

This service provides firm, 365-day transportation of Customer purchased Gas from the Designated Receipt Point to the Delivery Point on any Gas Day for Customers, without the requirement for recording Gas Usage at the Delivery Point on a daily basis. Daily nominations are calculated by the Company on the basis of a consumption algorithm, and the Supplier is obligated to deliver to the Designated Receipt Point(s) such quantities.

12.3 Nominations and Scheduling of Service

12.3.1 The Supplier is obligated to schedule and deliver the Adjusted Target Volume (“ATV”), as determined in Section 12.3.2, to the Designated Receipt Points on every Day for each Aggregation Pool.

12.3.2 The Company shall determine the ATV for each Aggregation Pool of Customers taking Non-Daily Metered Transportation Service for each Day using a consumption algorithm based on the degree day forecast for that Day. On each Business Day, the Company will communicate the ATV to the Supplier for the subsequent four (4) Days. The ATV for a Day immediately following a Business Day will be communicated to the Supplier two (2) hours prior to the Company’s deadline set forth in Sections 12.3.4 and 12.3.5.

12.3.3 Nominations shall be communicated to the Company by electronic or other means as determined by the Company pursuant to Section 23.0.

12.3.4 Nominations for the first Day of a Month shall be submitted to the Company no later than two (2) hours prior to the deadline for first of the Month nominations of the Delivering Pipeline or such lesser period as determined by the Company. The Company will make available, from time to time, a schedule of nomination due dates.

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- 12.3.5 The Supplier shall provide a intra-Month nomination no later than two (2) hours prior to the deadline of the Delivering Pipeline for the next Gas Day, or such lesser period as determined by the Company. Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a best efforts basis.
- 12.3.6 Nominations will be conditionally accepted by the Company pending confirmation by the Delivering Pipeline. The Company will attempt to confirm the nominated volume with the Delivering Pipeline. In the event of a discrepancy between the volume nominated to the Company by the Supplier and the volume nominated by the Supplier to the Delivering Pipeline, the lower volume will be deemed confirmed. No later than twenty-four (24) hours on the Business Day following the Gas Day of the Delivering Pipeline, the Supplier may allocate such discrepancy between the Supplier's Aggregation Pools within the same Gas Service Area based on a predetermined allocation method set forth in the Supplier Service Agreement. If no predetermined allocation method has been established prior to the event of such discrepancy, the Company will allocate the discrepancy on a pro rata basis. The Company will not confirm any volume nominated by the Supplier in excess of the ATV.
- 12.3.7 Nominations may not be accepted, at the sole discretion of the Company, if they do not satisfy the conditions for Transportation Service under the transportation rates in effect from time to time and these Terms and Conditions.
- 12.3.8 All quantities of Gas overdelivered or underdelivered to the Company's system in violation of an OFO pursuant to Section 19.0 will be subject to the Critical Day provisions of Section 12.6.1 of these Terms and Conditions, and the delivered quantity specified in the OFO will replace the ATV.
- 12.4 Determination of Receipts
- 12.4.1 The quantity of Gas deemed received by the Company for the Supplier's Aggregation Pool at the Designated Receipt Point(s) will equal the volume so scheduled by the Delivering Pipeline(s).
- 12.4.2 The Company Gas Allowance will be assessed against receipts pursuant to Section 10.0 of these Terms and Conditions.
- 12.5 Metering and the Determination of Deliveries
- The Company shall record the Customer's Gas Usage at the Delivery Point by making actual meter reads on a monthly or bi-monthly basis pursuant to Section 14.0 of these

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12.6 Balancing

12.6.1 Any difference between the Supplier's ATV for an Aggregation Pool and the receipts on the Delivering Pipeline to the appropriate Designated Receipt Point(s) will be cashed out by the Company according to the following:

Off-Peak Season: For receipts less than the ATV, the difference will be cashed out at 1.1 times the Daily Index. For receipts greater than the ATV, the difference will be cashed out at 0.8 times the Daily Index.

Peak Season: For receipts less than the ATV but greater than or equal to 95% of the ATV, the difference will be cashed out at 1.1 times the Daily Index. For receipts less than 95% of the ATV, the first 5% difference will be cashed out at 1.1 times the Daily Index, and the remaining difference will be cashed out at 2 times the Daily Index. For receipts greater than the ATV, the difference will be cashed out at 0.8 times the Daily Index.

Critical Day: The Company will determine if the Critical Day will be aggravated by an underdelivery or an overdelivery, and so notify the Supplier when a Critical Day is declared pursuant to Section 19.0.

Critical Day Aggravated by Underdelivery. For receipts less than the ATV, the difference will be cashed out at 5 times the Daily Index. For receipts greater than the ATV but less than or equal to 125% of the ATV, the difference will be cashed out at the Daily Index. For receipts in excess of 125% of the ATV, the first 25% difference will be cashed out at the Daily Index, and the remaining difference will be cashed out at 0.8 times the Daily Index.

Critical Day Aggravated by Overdelivery. For receipts greater than the ATV, the difference will be cashed out at 0.4 times the Daily Index. For receipts less than the ATV but greater than or equal to 75% of the ATV, the first 25% difference will be cashed out at the Daily Index and the remaining difference will be cashed out at 1.1 times the Daily Index.

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In the event that the Delivering Pipeline requires its customers to balance on a point-specific basis, the Supplier must balance pursuant to this section at each Designated Receipt Point.

- 12.6.2 In addition to the charges set forth in Section 12.6.1, the Company shall flow through to the Supplier any pipeline imbalance penalty charges attributable to the Supplier.
- 12.6.3 If, by the fifteenth (15th) Day in any Month and prior to any trades of monthly imbalances between Suppliers, the Supplier delivers an amount less than 80% of the sum of the ATVs of the Aggregation Pool in that Month, the Supplier may be deemed by the Company ineligible to nominate Gas for the remainder of the Month. The Supplier may be reinstated on the first Day of the following Month, provided it posts security equal to the product of: (1) the Supplier's estimated maximum aggregate daily Gas Usage of Customers in the Aggregation Pool expressed in MMBtu and (2) \$300. If, within twelve (12) Months of the first offense, such Supplier is declared ineligible to nominate Gas pursuant to this section, the Supplier will be disqualified from service under these Terms and Conditions for one (1) full year from the time of the second disqualification. If the Supplier defaults on its obligations under these Terms and Conditions, the Company shall have the right to use such security to satisfy the Supplier's obligations. Such security may be used by the Company to secure Gas, transportation, storage, gathering and to cover other related costs incurred as a result of the Supplier's default. The security may also be used to satisfy any outstanding claims that the Company may have against the Supplier, including imbalance charges, cash-out charges, pipeline penalty charges, and other charges.
- 12.6.4 The Company shall use a daily cash out calculation to account for Company balancing requirements due to differences in forecast versus actual degree days. Using the consumption algorithm described in Section 12.3.2, the Company will recalculate the ATV for each Aggregation Pool for each day of the Month, substituting actual degree days for forecast degree days. Daily recalculations shall be compared to the Aggregation Pool's daily ATV, and the difference shall be cashed out at 100% of the Daily Index.
- 12.6.5 The Company shall use an annual cash out calculation to account for differences in forecast usage versus actual usage. Using the recalculated ATV values described in Section 12.6.4, the Company will compare the sum of the recalculated ATV values for each Aggregation Pool for a twelve (12) Month period to the sum of actual sales volumes used by each Aggregation Pool for that same period. The differences shall be cashed out at 100% of the average of the 12 Monthly Indices.

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The Company shall allow Suppliers to trade annual differences. Prior to the annual cash out, the Company shall make available a list of Suppliers. Aggregation Pools affected by the transaction must be located within the same Gas Service Area as defined in Section 4.0, unless waived by the Company. All trades must be communicated to the Company within three (3) Business Days following receipt of the list.

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13.0 CAPACITY ASSIGNMENT

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14.1 The Customer shall be responsible for all charges for service furnished by the Company under the Company's applicable rates as filed from time to time with MDTE, from the time service is commenced until it is terminated. The Company shall provide a single bill, reflecting unbundled charges, to Customers for Default Service.

14.2 The Company shall offer two billing service options to Customers taking Transportation Service: Standard Complete Billing Service and Standard Passthrough Billing Service. The Supplier shall inform the Company of the selected billing option in accordance with the provisions set forth in Section 24.4.

14.2.1 Standard Complete Billing Service

The Customer shall receive a single bill from the Company for both Transportation Service and Supplier Service. The Company shall use the rates supplied by the Supplier to calculate the Supplier's portion of the single bill, and integrate this billing within a single mailing to the Customer.

The Supplier shall adhere to the customer classes and rate pricing structure as specified in the Company's current Schedule of Rates on file with and approved by the MDTE.

The Company shall provide an electronic file for the Supplier that will, in addition to the usage being billed, contain the calculated Supplier billing amounts for the current bill cycle. Customer revenue due the Supplier shall be transferred to the Supplier in accordance with the Supplier Service Agreement. Upon receipt of Customer payments, the Company shall provide a file for the Supplier summarizing all revenue from Supplier sales which have been received and recorded that day.

If a Customer pays the Company less than the full amount billed, the Company shall apply the payment first to Transportation Service, and if any payment remains, it shall be applied to Supplier Service.

14.2.2 Standard Passthrough Billing Service

The Customer taking Transportation Service shall receive two (2) bills: the Company shall issue one bill for Transportation Service; and the Supplier shall issue a second bill for Supplier Service.

The Supplier shall be responsible for the collection of amounts due to the Supplier from

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the Customer. Customer payment responsibility with Competitive Suppliers shall be governed by the particular Customer/Competitive Supplier Contract.

Within three (3) Business Days following the end of the Customer's billing cycle, the Company shall provide an electronic file for the Supplier that will contain the Customer's usage being billed including the current and previous meter readings.

- 14.2.3 The Company shall print twelve (12) months' of historic usage data on the bill it issues to the Customer, in addition to the usage data for the current billing period.
- 14.2.4 Existing Company service fees, such as interest charges for unpaid balances and returned check charges, shall remain in effect and shall be assessed, as applicable, according to these Terms and Conditions.
- 14.2.5 The Company may charge fees to Competitive Suppliers for providing the services described in this section of the Terms and Conditions, as approved by the MDTE. These fees are included in Appendix A.
- 14.3 The first bill upon a switch in Supplier Service as set forth in Section 24.5 shall include an acknowledgment of the switch to be completed by the Customer. The first bill shall include information on Supplier Service pursuant to MDTE regulations.
- 14.4 For Customers taking Default and Non-Daily Metered Transportation Service in accordance with Section 12.0 of these Terms and Conditions, the Company shall schedule meter reads on a monthly or bimonthly cycle for billing purposes.
- 14.5 If the Customer receives Default Service or Non-Daily Metered Transportation Service pursuant to these Terms and Conditions and the applicable tariffs, the term billing month as used in the Schedule of Rates shall refer to the time period between two (2) consecutive regular monthly meter readings (or estimates of such monthly meter readings), the later of which occurs in the month to which reference is made, unless otherwise specifically stated within the Schedule of Rates. In the event that such time period is five (5) days greater or five (5) days less than thirty (30) days, billings will be appropriately adjusted by the Company.
- 14.6 The Company may, at its option, read meters and render bills on a bi-monthly basis to Customers in part or all of its service territory. When bills are rendered bi-monthly, the Company's Schedule of Rates will be applied in the following manner to compensate for such change:

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- (1) The charge for the initial consumption block and the quantity of use in each block shall be multiplied by two.
 - (2) Monthly minimum charges, special equipment charges, demand charges and other additive charges contained in Schedule of Rates shall be multiplied by two.
 - (3) Where consumption blocks are increased based on equipment rating or capacity, such increases shall be multiplied by two.
- 14.7 The Company may render an estimated bill in the event that the regular monthly or bi-monthly meter reading cannot be obtained as normally scheduled. At the Company's option, Customers whose meters are scheduled to be read bi-monthly may be billed in each intervening billing month on an estimated basis. Estimated bills shall be payable when rendered.
- 14.8 Any Customer who would otherwise receive an estimated bill as provided above may elect to receive a bill based on actual meter readings by reading its meter at the time prescribed by the Company, recording the meter reading accurately on an appropriate form (which will be furnished by the Company upon request of the Customer) and immediately submitting the meter reading to the Company, or by such other means as arranged by the Company.
- 14.9 The Customer shall be liable for all rates, charges and surcharges allowed for in the Schedule of Rates related to services provided to each Customer individually.
- 14.10 If the Company is unable to gain access to the Customer's premises to obtain actual meter reads for more than three (3) billing months, the Company may install automatic meter reading devices, or relocate the meter to an outside location, at the Customer's expense.
- 14.11 If the Customer receives Daily Metered Transportation Service pursuant to Section 11.0 of these Terms and Conditions and the applicable tariffs, the term billing month as used in the Schedule of Rates shall refer to the calendar month. The Customer shall be liable for all rates, charges and surcharges allowed for in the Schedule of Rates related to services provided to each Customer individually.
- 14.12 A Customer acting as its own Supplier will be subject to the billing and payment requirements in Section 24.8 of these Terms and Conditions.
- 14.13 Readings taken by an automated meter reading device will be considered actual readings for billing purposes.

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- 14.14 Unless otherwise specified, bills of the Company are payable when rendered (received) and may be paid at the office of the Company or at any authorized collector or agency. Bills shall be deemed rendered and other notices duly given, when delivered to the Customer personally or three (3) days following the date of mailing to the premises supplied or to the last known address of the Customer, or when left at either of such places.
- 14.15 Bills rendered to residential Customers on a billing month basis for which payment has not been received within 45 days from the date rendered or a period of time greater than has elapsed between the rendering of such bill and the rendering of the most recent previous bill, whichever period is greater, shall be considered past due.
- 14.16 Bills rendered to non-residential customers on a billing month basis for which payment has not been received by the Company within 25 days from the date thereof -- 55 days for bills rendered to the Commonwealth of Massachusetts, or any agency, city, town, county or political subdivision thereof-- shall be considered past due and bear interest as specified in Appendix A hereof on any unpaid balance from the date of the bill until the date of payment. The rate of interest shall be determined annually in accordance with the MDTE regulations at 220 C.M.R. 26.00 and shall become effective each year with February bills.
- 14.17 The Company may assess a Returned Check Fee as specified in Appendix A to any Customer whose check made payable to the Company is dishonored by any bank when presented for payment by the Company.
- 14.18 In the event that the Company obtains inaccurate meter readings for any reason or in case any meter shall for any reason fail to register the full amount of Gas supplied or the maximum demand of any Customer for any period of time, the amount of the bill of such Customer shall be estimated by the Company from available data. Such estimates shall be binding upon both the Company and the Customer of record, unless a Customer of record disputes such estimate by following the billing and termination procedures of the MDTE. Such billing and termination procedures appear on the reverse side of each bill rendered by the Company for gas service.

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14.19 Subject to law and the applicable regulations of the MDTE, security deposits may be required from new non-residential accounts; or from non-residential accounts for service of a similar character at any location under any name if this service has been properly terminated during the last eighteen (18) months due to non-payment; or if a non-residential account has failed to pay at least two bills, not reasonably in dispute within forty-five (45) days from the date of receipt of each such bill during the same 18-month period.

The maximum amount of any security deposit required shall not exceed the equivalent of either: 1) two billing months' average Gas Usage; or 2) the Gas Usage for any one billing month, whichever is greater. The security deposit, plus any accrued interest not previously credited to the account shall be refunded without request if the Customer has paid all bills for Gas Usage for any twenty-four (24) month period from the date of deposit and without leaving such bills unpaid within forty-five (45) days of receipt.

Interest will be paid on all cash deposits held over six months at a rate equivalent to the rate paid on two-year United States Treasury notes for the preceding twelve (12) months ending December 31 of any year, or as otherwise determined by the MDTE. The Company may terminate a Customer's supply if the deposit is not made between ten (10) and fourteen (14) days time after it has been requested in writing.

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- 15.1 Default Service shall be provided by the Company in accordance with tariffs approved by the MDTE. Each Customer receiving Default Service shall receive one bill from the Company reflecting unbundled charges for services.
- 15.2 In the event that a Customer does not have a MDTE-registered Supplier for any reason, the Company will provide Default Service to the Customer.
- 15.3 If the Customer's Supplier becomes ineligible to serve Customers on the Company's system pursuant to Sections 11.6.5, 12.6.3, or 24.3 of these Terms and Conditions, or if the Supplier terminates service to a Customer, the Customer will be responsible to designate another supplier. The Company will provide the Customer with Default Service until such time that the Customer changes its Supplier Service pursuant to Section 24.5 of these Terms and Conditions.

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16.0 PEAKING SERVICE

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17.0 INTERRUPTIBLE TRANSPORTATION SERVICE

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- 18.1 The Company may discontinue the supply of service and/or remove its equipment from the Customer's premises if the Customer fails to comply with the provisions of the Schedule of Rates or any supplementary or special agreement entered into with the Company, subject to any applicable billing and termination procedures of the MDTE. The Company may assess an Account Restoration Charge pursuant to Appendix A of these Terms and Conditions upon such discontinuance of supply. Any such charge must be paid as a precondition to restoration of service.
- 18.2 Whenever the Company shall have proof that any Customer is diverting and/or stealing service, the Company may discontinue its service to such Customer and remove the meter.
- 18.3 In the event that the Company discontinues Transportation Service to a Customer in accordance with the provisions set forth above, the Company shall provide electronic notification to the Customer's Supplier of record upon disconnection of service. The Company shall not be liable for any revenue loss to the Supplier as a result of any such disconnection.

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- 19.1 In the event of a material and significant threat to the operational integrity of the Company's system, or if the Company faces significant gas cost exposure for any underdeliveries or overdeliveries, the Company may declare a Critical Day.
- 19.2 In the event that the Company has declared a Critical Day, the Company will have the right to issue an operational flow order ("OFO") in which the Company may instruct Suppliers to take such action as conditions require, including, but not limited to, diverting Gas to or from the Company's distribution system, within the contract entitlements, if any, assigned to the Supplier under Section 13.0 hereof. An OFO may be issued on a pipeline or point-specific basis. An OFO may be issued by the Company as a blanket order to all Suppliers, or to an individual Supplier whose action are determined by the Company to jeopardize system integrity.
- 19.3 Circumstances constituting a threat to the operational integrity of the system that may cause the Company to declare a Critical Day shall include, but not be limited to: (1) a failure of the Company's distribution, storage or production facilities; (2) near-maximum utilization of the Company's distribution, storage, production, and supply resources; (3) inability to fulfill firm service obligations; and (4) issuance of an OFO or similar notice by upstream transporters.
- 19.4 The Company will provide the Supplier with as much notice as is reasonably practicable of the issuance of an OFO; under most circumstances, the Company intends to provide at least twenty-two (22) hours notice prior to the start of the Gas Day. Notification of the issuance and removal of an OFO will be made on the Company's Website or by other means. The Supplier will be responsible for coordinating with its Customers regarding any necessary change to the Customer's quantity of Gas Usage.
- 19.5 An OFO or Critical Day will remain effective until further notice given by the Company.
- 19.6 All quantities of Gas overdelivered or underdelivered to the Company's system in violation of an OFO will be subject to the Critical Day provisions of Sections 11.6 and 12.6 of these Terms and Conditions.

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- 20.1 Neither the Company nor the Supplier will be liable in damages for any act, omission, or circumstance occasioned by or in consequence of any event constituting Force Majeure, and unless it is otherwise expressly provided herein, the obligations of the Company and the Supplier then existing hereunder will be excused during the period thereof to the extent affected by such event of Force Majeure, provided that reasonable diligence is exercised to overcome such event. As used herein, Force Majeure will mean compliance by the Company with any statute or regulation or by action of any court or public authority having or purporting to have jurisdiction in the premises; or by loss, diminution or impairment of gas supply from the Company's suppliers or the systems of others with which is interconnected; or by a break or fault in its distribution system, failure or improper operation of equipment necessary for gas distribution; or by reason of storm, flood, fire, earthquake, explosion, civil disturbance, labor dispute, act of God or public enemy, failure of any of the Company's suppliers to perform, or any other intervening cause, whether or not similar thereto; by any declaration of Force Majeure by upstream transporting pipelines; or any other cause, whether the kind enumerated herein or otherwise, not within the control of the party claiming Force majeure and which by the exercise of reasonable diligence such party is unable to prevent or overcome. Notwithstanding the foregoing, the Customers and the Supplier's obligation to make any payments required under the applicable tariff or by these Terms and Conditions will in no case be excused by an event of Force Majeure. Nor will a failure to settle or prevent any labor dispute or other controversy with employees or with anyone purporting or seeking to represent employees be considered to be a matter within the control of the party claiming excuse. The party claiming Force Majeure will, on request, provide the other party with a written explanation thereof, and of the remedy being undertaken. An event of Force Majeure shall not alter the Company's liability under applicable legal standards for damages in the case of its gross negligence or intentionally wrongful conduct with respect to any act or failure to act by the Company.
- 20.2 The Company shall be liable only for direct damages resulting from the Company's conduct of business when the Company, its employees or agents have acted in a negligent or intentionally wrongful manner. In no event shall the Company be liable to any party for any indirect, consequential, or special damages, whether arising in tort, contract or otherwise, by reason of any services performed, or undertaken to be performed, or actions taken by the Company, or its agents or employees, under the Schedule of Rates or in accordance with or required by law, including, without limitation, termination of the Customer's service.

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- 20.3 If the Company is unable to render firm Transportation Service to the Customer taking such service as contemplated by these Terms and Conditions as a result of Force Majeure, and such inability continues for a period of thirty (30) days, the Customer may provide written notice to the Company of its desire to terminate Transportation Service at the expiration of thirty (30) days from the Company's receipt of such notice, but no sooner than sixty (60) days following the outset of the Force Majeure. If the Company has not restored Transportation Service to the Customer at the end of such notice period, the Customer's Transportation Service will terminate and both parties will be released from further performance hereunder, except for obligations to pay sums due and owing as of the date of termination.
- 20.4 The Company and the Competitive Supplier shall indemnify and hold the other and their respective affiliates, and the directors, officers, employees, and agents of each of them (collectively, "Affiliates") harmless from and against any and all damages, costs (including attorney's fees), fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "Liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts or omissions of such party in connection with the performance of its obligations under these Terms and Conditions. The Company and the Supplier shall waive recourse against the other party and its Affiliates for or arising from the non-negligent performance by such other party in connection with the performance of its obligations under these Terms and Conditions.

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- 21.1 Whenever the integrity of the Company's system or the Company's gas supply is believed to be threatened by conditions on its system or upon the systems with which it is directly or indirectly interconnected, the Company may, in its sole judgment, curtail or interrupt gas service or reduce pressure and such action shall not be construed to constitute a default nor shall the Company be liable therefor in any respect. The Company will use efforts reasonable under the circumstances to overcome the cause of such curtailment, interruption or reduction and to resume full performance.
- 21.2 The Company shall take reasonable care in providing regular and uninterrupted service to its firm customers, but whenever the Company deems that the situation warrants any interruption or limitation in the service to be rendered, such interruption or limitation shall not constitute a breach of the contract, and shall not render the Company liable for any damages suffered thereby by any person, or excuse the Customer from further fulfillment of the contract.
- 21.3 If the Company is required to curtail or interrupt service due to capacity constraints, the Company's interruptible services shall have a priority subordinate to the Company's firm Transportation Service and Default Service Customers.
- 21.4 In any case where the Company determines in its judgment that a curtailment or interruption of firm services is necessary, the Company will curtail and/or interrupt Default Service and firm Transportation Service Customers on a nondiscriminatory basis consistent with the Company's curtailment policy or emergency plan, as is in effect and on file with the MDTE.
- 21.5 In the event service to a Customer is terminated or curtailed due to a failure to have Gas delivered to the Designated Receipt Point, the affected Customer will take all reasonable action to return to the taking of Transportation Service as rapidly as practicable.

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- 22.1 In the event a tax of any kind is imposed or removed by any governmental authority on the transportation of Gas or on the gross revenues derived from the transportation of Gas at retail (exclusive, however, of taxes based on the Company's net income), the rate for service herein stated will be adjusted to reflect said tax. Similarly, the effective rate for service hereunder will be adjusted to reflect any refund of imposition of any surcharges or penalties applicable to service hereunder which are imposed or authorized by any governmental or regulatory authorities.
- 22.2 The Customer will be responsible for all taxes or assessments that may now or hereafter be levied with respect to the Gas or the handling or subsequent disposition thereof after its delivery to the Delivery Point. However, if the Company is required by law to collect and/or remit such taxes, the Customer will reimburse the Company for all amounts so paid. If the Customer claims exemption from any such taxes, the Customer will provide the Company in writing its tax exemption number and other appropriate documentation. If the Company collected any taxes or assessments from the Customer and is later informed by the Customer that the Customer is exempt from such taxes, it shall be the Customer's responsibility to obtain any refund from the appropriate governmental taxing agency.
- 22.3 The Supplier will be responsible for all production, severance, ad valorem or similar taxes levied on the production or transportation of the Gas before its delivery to the Designated Receipt Point. The Supplier will also be responsible for sales taxes imposed on Gas delivered for the Customer's account. However, if the Company is required by law to remit such taxes to the collecting authority, it will do so and invoice the Supplier for such taxes paid on the Supplier's behalf.

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All communications called for between a Supplier and the Company shall be made through the Company's Internet Website ("Website") at <http://www.LDCWEBSITE.com>, or by other alternative means as determined by the Company. If the Website is not operational, the Supplier shall communicate to the Company per alternative means as specified in the Supplier Service Agreement. Communications using the Website or the alternative mode shall be binding.

The Company has the right to change its Website address and the alternative mode of communication and will notify the Supplier of such change. Such a change shall not require filing of these Terms and Conditions with the MDTE.

DRAFT MODEL TERMS AND CONDITIONS*DISCUSSION DOCUMENT***24.0 SUPPLIER TERMS AND CONDITIONS****24.1 Applicability**

The following Terms and Conditions shall apply to every registered Supplier authorized to do business within the Commonwealth of Massachusetts, and to every Customer doing business with said Suppliers.

24.2 Obligations of Parties**24.2.1 Customer**

Unless otherwise agreed to by the Company and the Customer, a Customer shall select one Supplier for each account at any given time. The Customer must provide the selected Supplier with its applicable Authorization Number. A Customer may choose only a Supplier who meets the terms described in Sections 24.2.3 and 24.3 below and is licensed by the MDTE.

24.2.2 Company

The Company shall provide transportation of Customer purchased Gas from the Designated Receipt Point to the Delivery Point in accordance with the service selected by the Customer pursuant to Sections 11.0 or 12.0 of these Terms and Conditions and the applicable tariffs for firm and interruptible Transportation Service.

Pursuant to these Terms and Conditions and the Supplier Service Agreement, the Company shall offer Transportation Service, metering, billing, and information services for a Customer to purchase Supply Service from a Supplier, provided that the Supplier is registered with the MDTE. The Company is prohibited from providing these services to a Supplier that is not registered with the MDTE. In addition, the Company is prohibited from providing these services to a Supplier for a new Customer if the Supplier is prohibited by the MDTE from contracting with new Customers.

The Company will also:

- (1) Provide customer service and support for transportation service;
- (2) Respond to service interruptions, reported gas leaks, and to other customer safety calls;

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- (3) Handle connections, curtailments, and terminations;
- (4) Read meters;
- (5) Submit bills to Customers for Transportation Service, and if contracted by the Supplier, for Supplier Service in accordance with Section 14.2.1;
- (6) Address billing inquiries for Transportation Service;
- (7) Answer general questions about Transportation Service;
- (8) Provide to Suppliers, on request, the data format and procedures for electronic information transfers and funds transfers;
- (9) Provide to Customers, on request, a list of Suppliers that are qualified to operate on its system;
- (10) Provide Default Service to the Customer at the request of the Customer in accordance with the Company's tariff; and,
- (11) Provide information regarding, at minimum, rate tariffs, billing cycles, capacity assignment methods, and illustrative consumption algorithms, on its Website or by alternate electronic means.

24.2.3 Supplier

Each Supplier must meet the registration and licensing requirements established by law or regulation.

The Supplier shall act on behalf of the Customer to acquire supplies and to deliver them to the Designated Receipt Point pursuant to the service selected by the Customer and the requirements of the applicable tariff for Transportation Service.

The Supplier is responsible for enrolling customers pursuant to Section 24.5 of these Terms and Conditions.

The Supplier must request, complete and sign a Supplier Service Agreement to act as a Supplier on the Company's system, satisfy the Supplier requirements and practices as set forth in Section 24.3 of these Terms and Conditions, be and remain an approved bidder on the upstream pipelines and underground storage facilities on which the Company will

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assign capacity, if any, under Section 13.0, and be and remain registered with the MDTE as a Supplier eligible to provide service to Customers in Massachusetts.

The Supplier is responsible for completing all transactions with the Company electronically pursuant to Section 23.0, and for all applicable charges associated with Customer enrollment and changes in the Customer's service as set forth in Section 24.5 and Appendix A.

24.3 **Supplier Requirements and Practices**

24.3.1 The Company shall have the right to establish reasonable financial and credit standards for qualifying Suppliers, provided it does so on a non-discriminatory basis. Accordingly, in order to serve Customers on the Company's system, the Supplier shall provide the Company, on a confidential basis, with audited balance sheet and other financial statements, such as annual reports to shareholders and 10-K reports, for the previous three (3) years, as well as two (2) trade and two (2) banking references. The Supplier shall provide the Company with a list of all corporate affiliates, parent companies and subsidiaries; and most recent reports from credit reporting and bond rating agencies. The Supplier shall also be subject to a credit investigation by the Company. The Company will, at its sole discretion, review the Supplier's financial position periodically.

24.3.2 The Supplier shall also confirm in the Supplier Service Agreement that:

- (1) The Supplier is not operating under any chapter of bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any information creditors' committee agreement.
- (2) The Supplier is not aware of any change in business conditions which would cause a substantial deterioration in its financial conditions, a condition of insolvency, or the inability to exist as an ongoing business entity.
- (3) The Supplier has no delinquent balances outstanding for services previously provided by the Company, and that the Supplier must have paid its account according to the established terms and not made deductions or withheld payment for claims not authorized by contract.
- (4) No significant collection lawsuits or judgments are outstanding which would materially affect the Supplier's ability to remain solvent as a business entity.

24.3.3 In the event the Supplier has not demonstrated to the Company's satisfaction that it has

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met the Company's credit evaluation standards, the Company in its sole discretion may require the Supplier to provide one of the following at the Maximum Financial Liability as calculated below:

- (a) Advance deposit;
- (b) Letter of credit;
- (c) Surety bond;
- (d) Financial guaranty from a parent company that meets the creditworthiness criteria.

The Company shall base the Supplier's Maximum Financial Liability as two (2) times the highest Month's aggregated Gas Usage of all Customers currently served by the Supplier at the highest Monthly Index in preceding the twenty-four (24) Months. This amount may be updated continuously, and at minimum, whenever the aggregated Gas Usage of all Customers served by the Supplier changes by more than 25%. The Supplier agrees that the Company has the right to access and apply the deposit, letter of credit or bond to any payment of any outstanding claims that the Company may have against the Supplier, including imbalance charges, cash-out charges, pipeline penalty charges, and other amounts owed to the Company, or to secure additional gas supplies, including payment of the costs of the gas supplies themselves, the cost of transportation storage, gathering and other related costs incurred in bringing those gas supplies into the Company's system. The Supplier shall continue its obligation to maintain its financial security instrument until it has satisfied all of its outstanding claims of the Company. The Supplier's financial security as established above must be in place no later than five (5) Business Days prior to the first day of each calendar month in order for the Supplier to maintain its eligibility to provide service to Customers.

24.3.4 The Supplier shall warrant that it has entered into the necessary arrangements for the purchase of gas supplies which it desires the Company to transport to its Customers, and that it has entered into the necessary upstream transportation arrangements for the delivery of these gas supplies to the Designated Receipt Point.

24.3.5 Up to the time of delivery of its gas supplies to the Designated Receipt Point, the Supplier shall have good title to such Gas, free of all liens, encumbrances and claims whatsoever. The Supplier shall indemnify the Company and save it harmless from all suits, actions, debts, accounts, damage, costs, losses, taxes, and expenses arising from or out of any adverse legal claims of third parties to or against said gas supply.

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- 24.3.6 The Supplier shall be responsible for making all necessary arrangements and securing all required regulatory or governmental approvals, certificates or permits to enable Gas to be delivered to the Company's system.
- 24.3.7 By agreeing to provide service under these Terms and Conditions, the Supplier acknowledges that adherence to any applicable truth in advertising law is required. Any Supplier found by a court of competent jurisdiction to have violated the Truth in Advertising Regulations, 940 C.M.R. 3.00 et seq.; 940 C.M.R. 6.00 et seq.; Federal Trade Commission Telemarketing Sales Rules, 16 C.F.R. Part 310; or the regulations promulgated pursuant to the Federal Trade Commission Act, 15 U.S.C. 45 (a) (1), will be permanently disqualified from acting as a Supplier on the Company's system.
- 24.3.8 If the Supplier fails to comply with or perform any of the obligations on its part established in these Terms and Conditions or in the Supplier Service Agreement (e.g., but not limited to, failure to deliver Gas or late payment of bills rendered or failure to execute a capacity assignment), the Company maintains the right to terminate the Supplier's eligibility to act as a Supplier on the Company's system. Written notice of such an intent to terminate the Supplier's eligibility shall be given to both the Supplier and its Customers. Notification of the Supplier shall be via Registered U.S. Mail - Return Receipt Requested or other means of documented delivery. Upon issuance of such written notice, the Company shall have the right to terminate the Supplier's eligibility to act as a Supplier on the Company's system at the expiration of ten (10) days after the giving of such notice, unless within such ten (10) day period the Supplier shall remedy to the full satisfaction of the Company such failure. Termination of such Supplier eligibility for any such cause shall be a cumulative remedy as to the Company, and shall not release the Supplier from its obligation to make payment of any amount or amounts due or to become due from the Supplier to the Company under the Company's applicable tariffs. Customers whose Supplier's deliveries have been terminated will be placed on Default Service pursuant Section 15.0 of these Terms and Conditions.
- 24.4 Access to Usage History and Current Billing Information
- The Supplier shall be responsible for obtaining the necessary authorization from each Customer prior to requesting the Company to release the Company's historic usage information specific to that Customer to such Supplier. Such authorization shall consist of (i) letter of authorization; (ii) third-party verification; or (iii) a customer-initiated call to an independent third-party, consistent with 220 C.M.R. § 11.05.
- The Company shall be required to provide twelve (12) months' of a Customer's historic usage data to a Supplier, provided that the Supplier has received the appropriate

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authorization as set forth above. This information shall be provided in electronic form.

24.5 Enrollment, Cancellation, and Termination of Supplier Service

24.5.1 The Supplier shall be responsible for obtaining the necessary authorization from each Customer prior to initiating Supplier Service to the Customer. Such authorization shall be in accordance with regulations established by the MDTE.

24.5.2 The Supplier must provide the Company with the following minimum information electronically in the Company's predetermined format at least ten (10) Business Days prior to the commencement or termination of service by the Supplier pursuant to Section 24.5 of these Terms and Conditions:

- (a) The Customer's name and current Authorization Number;
- (b) The name of the Supplier;
- (c) The Customer's billing option;
- (d) The type of change in Supplier Service (e.g., commencement of service, termination of service, or cancellation of service due to the rescission of an agreement with the Supplier by the Customer);
- (e) Type of Customer authorization for the change in service;
- (f) Any additional information reasonably required by the Company.

The Company shall determine whether each Customer's electronic enrollment request as provided by a Supplier is complete and accurate, and matches the Customer's account record. In the event that the enrollment request is incomplete, inaccurate, or does not match the Customer's account record, then the Company will electronically notify the Supplier so that the Supplier can resolve any discrepancies. The Supplier shall not submit an electronic enrollment request until any applicable right of rescission has lapsed.

24.5.3 A change in Supplier Service will normally be made on a monthly metering and billing cycle basis, with changes taking effect on the date of the Customer's next scheduled meter read. Enrollment forms must be transmitted no less than ten (10) Business Days prior to the Customer's next scheduled meter read. If more than one Supplier submits a Supplier Service transaction for a given Customer during the monthly billing cycle, the first transaction that is received during the cycle shall be accepted. All other transactions shall

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be rejected. Rejected transactions may be resubmitted after the Customer's next scheduled meter read.

- 24.5.4 If the Supplier submits information to the Company to terminate Supplier Service to a customer less than ten (10) days before the next scheduled meter read, Supplier Service shall be terminated on the date of the Customer's subsequent scheduled meter read. The Company shall electronically confirm the termination date for Supplier Service.
- 24.5.5 To terminate Supplier Service with a Supplier, a Customer shall so inform the Company and the Supplier. Supplier Service shall be terminated on the date of the Customer's next scheduled meter read. The Company shall send the Customer's termination date for Supplier Service to the Supplier.
- 24.5.6 In those instances when a Customer who is receiving Supplier Service from an existing Supplier initiates such service with a new Supplier, the Company shall send the date for Customer's change in Supplier Service to the existing Supplier.
- 24.5.7 A Customer who moves within the Company's service territory shall have the opportunity to notify the Company that the Customer seeks to continue Supplier Service with the existing Supplier. Upon such notification, the Company shall make the necessary adjustments to the Supplier's affected Aggregation Pools, including but not limited to, changes to Designated Receipt Points, and quantities of capacity for release, if any, pursuant to these Terms and Conditions and the Supplier's Service Agreement with the Company.
- 24.5.8 In those instances when a Customer moves to a Company's service territory, the Customer's existing Supplier must enroll the Customer pursuant to the provisions set forth in this section in order to initiate Supplier Service for the Customer. Otherwise, the Customer shall receive Default Service in accordance with Section 15.0.
- 24.5.9 The Company may charge fees to the Supplier for processing the transactions described in this section, as approved by the MDTE. These fees are included in Appendix A.

DRAFT MODEL TERMS AND CONDITIONS*DISCUSSION DOCUMENT*24.6 Aggregation Pools

24.6.1 The aggregation of Customer accounts into an Aggregation Pool is limited by the Transportation Service of the respective Customers. Non-daily metered customers subscribing to Transportation Service under Rate Schedules *[Insert applicable LDC rate schedules for non-daily metered transportation service]* must be aggregated in a separate pool from Customers subscribing to daily metered service under Rate Schedules *[Insert applicable LDC rate schedules for daily metered service including interruptible transportation]*.

24.6.2 Within each of the Company's designated Service Areas, all non-daily metered Customers served by a Supplier shall be aggregated by the Company into a single Aggregation Pool pursuant to Section 12.0 of these Terms and Conditions and the applicable tariffs. Each Supplier Aggregation Pool of said Customers must satisfy a minimum pool size of 100 MMBtu of estimated Peak Day Gas Usage.

24.6.3 Daily metered Customers taking Transportation Service pursuant to Section 11.0 of these Terms and Conditions and the applicable tariffs can be combined by a Supplier into a single Aggregation Pool within each of the Company's designated Service Areas. Each Supplier Aggregation Pool of said Customers must meet an annual threshold volume of 100 MMBtu of estimated Peak Day Gas Usage.

24.6.4 A separate Supplier Account will be established for each Supplier Aggregation Pool.

24.6.5 The election of any service from the Company by the Supplier shall apply to the entire Aggregation Pool and not just an individual customer in the Aggregation Pool.

24.6.6 The Company may charge a monthly fee to the Supplier for each Aggregation Pool pursuant to Appendix A.

24.7 Imbalance Trading

24.7.1 Prior to the imposition of imbalance charges, the Supplier may engage in trading daily and monthly imbalances for the previous Month, provided that Daily imbalance trades are communicated to the Company within three (3) Business Days following the end of the Month.

24.7.2 The Company will make available a list of Suppliers by Gas Service Area making deliveries during the previous Month.

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24.7.3 Aggregation Pools affected by the transaction must be located within the same Gas Service Area as defined in Section 4.0, unless waived by the Company.

24.7.4 Daily imbalance trades must be point-specific on those days when the Delivering Pipeline required the Company to balance on a point-specific basis.

24.8 Billing and Payment

By the tenth (10th) Business Day of the calendar month, the Company shall render to the Supplier a statement of the quantities delivered and amounts owed by the Supplier for the prior Month. The Company will provide Suppliers with their Customers' consumption data based on estimated or actual meter readings at the appropriate cycle read dates for each Customer in the Aggregation Pool pursuant to Section 14.0 of these Terms and Conditions. This data will be provided electronically on a rolling basis as readings or estimates are made.

Calculation of the charges applicable to the Aggregation Pool will be based on aggregated Gas Usage and other such indicators of all Customers in the Aggregation Pool. Billing for charges applicable to an Aggregation Pool, including but not limited to imbalance charges, credits or penalties, shall be billed to the Supplier on a calendar month basis.

The Supplier shall have ten (10) Business Days from the date of such statement to render payment to the Company. The Supplier shall render payment by means of electronic funds transfer to the Company. The late payment rate, as calculated pursuant to 220 C.M.R. 26.10, will apply to all amounts outstanding after ten days.

24.9 Supplier Service Agreement Form

[Under construction.]

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- 25.1 The Customer may designate a Supplier as an Agent to satisfy or undertake the Customer's duties and obligations regarding Transportation Service, with the exception of payment for such Transportation Service. Without limiting the foregoing, an Agent may: submit and/or receive notices on behalf of a Customer; make nominations on behalf of a Customer; arrange for trades of Imbalances on behalf of a Customer as permitted under these Terms and Conditions, and; perform administrative tasks on behalf of a Customer. Under no circumstances will the appointment of an Agent relieve a Customer of the responsibility to make full and timely payment to the Company for all Transportation Service provided under these Terms and Conditions.
- 25.2 A request by the Supplier to the Company that contains the Customer's account number and the type of Customer authorization obtained in accordance with MDTE regulations pursuant to Section 24.5 of these Terms and Conditions will be deemed to be confirmation that the Customer has designated the Supplier as an Agent. A Customer may appoint only one (1) Agent per account.
- 25.3 Under any agency established hereunder, the Company shall rely upon information concerning the applicable Customer's Transportation Service which is provided by the Agent. All such information shall be deemed to have been provided by the Customer. Similarly, any notice or other information provided by the Company to the Agent concerning the provision of Transportation Service to such Customer shall be deemed to have been provided to the Customer. The Customer shall rely upon any information concerning Transportation Service that is provided to the Agent as if that information had been provided directly to the Customer.
- 25.4 The Customer shall agree to indemnify the Company and hold it harmless from any liability (including reasonable legal fees and expenses) that the Company incurs as a result of the Agent's negligence or willful misconduct in its performance of agency functions on the Customer's behalf.

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APPENDIX A
Schedule of Administrative Fees and Charges

[To be developed.]

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APPENDIX B
Standard Nomination Form

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