

General Terms and Conditions

Base Contract for Sale and Purchase of Natural Gas

SECTION 1. PURPOSE AND PROCEDURES

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

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

Oral Transaction Procedure:

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

Written Transaction Procedure:

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

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

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

SECTION 2. DEFINITIONS

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

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

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

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

SECTION 3. PERFORMANCE OBLIGATION

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

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

Cover Standard:

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

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

Spot Price Standard:

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

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

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

SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

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

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

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

SECTION 5. QUALITY AND MEASUREMENT

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

SECTION 6. TAXES

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

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's

responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point:

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

SECTION 7. BILLING, PAYMENT, AND AUDIT

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

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

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

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

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

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

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

SECTION 8. TITLE, WARRANTY, AND INDEMNITY

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

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

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

agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury (including death) or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

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

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

SECTION 9. NOTICES

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

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

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

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

SECTION 10. FINANCIAL RESPONSIBILITY

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

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

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

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

Early Termination Damages Apply:

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

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

Early Termination Damages Do Not Apply:

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

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

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

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

Triangular Setoff Option:

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

Other Agreement Setoffs Do Not Apply:

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

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

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

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

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

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

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by

Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

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

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

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

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

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

SECTION 12. TERM

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

SECTION 13. LIMITATIONS

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

SECTION 14. MARKET DISRUPTION

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

SECTION 15. MISCELLANEOUS

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

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

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

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

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

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

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

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

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

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

confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

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

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

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

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

TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY

EXHIBIT A

Letterhead/Logo	Date: _____, ____ Transaction Confirmation #: _____
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This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated _____. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.

SELLER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	BUYER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____
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Contract Price: \$ _____/MMBtu or _____

Delivery Period: Begin: _____, ____ End: _____, ____

Performance Obligation and Contract Quantity: (Select One)

Firm (Fixed Quantity): _____ MMBtus/day <input type="checkbox"/> EFP	Firm (Variable Quantity): _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller	Interruptible: Up to _____ MMBtus/day
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Delivery Point(s): _____
(If a pooling point is used, list a specific geographic and pipeline location):

Special Conditions:

Seller: _____ By: _____ Title: _____ Date: _____	Buyer: _____ By: _____ Title: _____ Date: _____
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SPECIAL PROVISIONS TO NAESB BASE CONTRACT FOR SALE AND PURCHASE OF NATURAL GAS (“Special Provisions”) BETWEEN THE PUBLIC ENERGY AUTHORITY OF KENTUCKY (“Seller”) AND PHILADELPHIA GAS WORKS BY PHILADELPHIA FACILITIES MANAGEMENT CORPORATION, IN ITS CAPACITY AS OPERATOR AND MANAGER OF THE MUNICIPALLY OWNED PHILADELPHIA GAS WORKS PURSUANT TO AN AGREEMENT WITH THE CITY OF PHILADELPHIA DATED DECEMBER 29, 1972, AS AMENDED (“Buyer”)

These Special Provisions form an essential part of the NAESB Base Contract for Sale and Purchase of Natural Gas dated as of March 4, 2020. If the terms of these Special Provisions and the other terms of the Base Contract conflict, the terms of these Special Provisions shall govern. Any definitions used in the Base Contract, unless otherwise defined in these Special Provisions, shall have the same meaning when used in these Special Provisions.

Any references herein to “General Terms and Conditions” mean the document attached to and forming part of the Base Contract entitled “General Terms and Conditions Base Contract for Sale and Purchase of Natural Gas” and setting forth the General Terms and Conditions of the agreement between the parties.

Any reference to a Section in these Special Provisions refers to the same Section of the General Terms and Conditions to the Base Contract, including any Sections added to the General Terms and Conditions by these Special Provisions.

The General Terms and Conditions to the NAESB Base Contract for Sale and Purchase of Natural Gas are hereby amended and supplemented as follows:

A. Section 1- PURPOSE AND PROCEDURES

1. Section 1.2 (Written Transaction Procedure) is amended by deleting the following from the last sentence of the section: “or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3”.
2. Section 1.3 is deleted and replaced by the following: “1.3 Intentionally omitted.”

B. Section 2- DEFINITIONS

1. The definition of “Day” is deleted in its entirety and replaced with the following:

“Day” means a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Prevailing Time (“CPT”) on a calendar day and ending at 9:00 a.m. CPT on the next calendar day. If, through standardization of business practices in the industry or for any other reason, a Transporter or the Federal Energy Regulatory Commission with general applicability changes the definition of “Gas Day”, such change shall apply to the definition of Day in this Contract with respect to such Transporter or generally, as the case may be.

2. The definition of "Affiliate" is amended by adding in the first sentence "any entity which is a direct or indirect parent or subsidiary of such person or" immediately prior to the phrase "any entity controlled".
3. The following new definitions are incorporated in Section 2:
 - (a) "Annual Refund" means the annual refund, if any, provided to Buyer and calculated pursuant to the procedures specified in these Special Provisions.
 - (b) "Available Discount" means (i) for the Initial Discount Period, the sum of the Monthly Discount as set forth in Addendum 2 and any projected Annual Refund; and (ii) for each Reset Period, the amount expressed in cents per MMBtu (rounded down to the nearest one-half cent) determined pursuant to the Re-Pricing Agreement for each month of such Reset Period, which amount shall equal the sum per MMBtu of the Monthly Discount and any projected Annual Refund for the applicable Reset Period.
 - (c) "BPEC" means BP Energy Company, a Delaware corporation.
 - (d) "Bond Indenture" means the trust indenture for the Bonds, dated as of March 1, 2020, between Seller and the Trustee, providing for the issuance of and security for the Bonds, together with any other trust indenture providing for the issuance of and security for any refunding Bonds, in each case as the same may be amended from time to time.
 - (e) "Bonds" means one or more series (including any refunding bonds) issued under the Bond Indenture.
 - (f) "Gas Project" has the meaning specified in the Bond Indenture.
 - (g) "Initial Discount Period" means the period from and including the date on which the Delivery Period begins to and including April 30, 2026.
 - (h) "Index Price" means, with respect to any Day, the price published and in effect for the Month in which such Day occurs as specified in the Transaction Confirmation.
 - (i) "Minimum Discount" means \$0.20 per MMBtu.
 - (j) "Monthly Discount" means (1) for the Initial Discount Period an amount specified in Addendum 2, and (2) for each subsequent Reset Period, a portion of the Available Discount for such Reset Period pursuant to the Re-Pricing Agreement and set forth in an updated Addendum 2 provided by Seller after such determination.
 - (k) "Net Remarketing Proceeds" means (1) the actual amounts, if any, received by Seller from the sale of Gas that Seller remarkets or causes to

be remarketed pursuant to the terms of these Special Provisions, less (2) all directly incurred costs or expenses, including but not limited to remarketing and administrative fees paid to BPEC under the Prepaid Agreement, provided that in no event shall the Net Remarketing Proceeds for any Gas exceed the quantity of such Gas multiplied by the Contract Price for such Gas.

- (l) "Person" means any individual, public or private corporation, partnership, limited liability company, state, county, district, authority, municipality, political subdivision, instrumentality, association, firm, trust, estate or any other entity or organization whatsoever.
- (m) "Prepaid Agreement" means that certain Prepaid Natural Gas Purchase and Sale Agreement, dated as of February 19, 2020, by and between BPEC and Seller, as amended or supplemented from time to time in accordance with its terms.
- (n) "Project Management Committee" has the meaning set forth in Section 15.20.
- (o) "Project Participants" means any Person, other than Seller, who has executed and delivered (or who is a permitted transferee pursuant to) a sales contract with Seller under the Gas Project.
- (p) "Receivables Purchase Agreement" means the Receivables Purchase Agreement, dated as of March 4, 2020 between Seller, BPEC, and the Trustee, as amended or supplemented from time to time in accordance with its terms.
- (q) "Remarketing Notice" shall have the meaning specified in Section 15.19.
- (r) "Re-Pricing Agreement" means the Re-Pricing Agreement, dated as of March 4, 2020, by and between BPEC and Seller, as amended or supplemented from time to time in accordance with its terms.
- (s) "Reset Period" means each five-year period (or such longer or shorter period as may be agreed to by Seller and BPEC pursuant to the Re-Pricing Agreement) commencing on the last day of the Initial Discount Period or prior Reset Period, as the case may be, and ending on the fifth anniversary (or such later or earlier anniversary, as the case may be) of such last day; provided that the final Reset Period shall be the period from the last day of the prior Reset Period to the end of the Delivery Period.
- (t) "Reset Period Remarketing" shall have the meaning set forth in 15.18(a).
- (u) "Trustee" means the Trustee, which initially shall be The Bank of New York Mellon Trust Company, N.A., acting its capacity as Trustee under the Bond Indenture and its successors in such capacity.

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4. The following provision is added as a new Section 10.8:

10.8. Reinstatement of Deliveries Following Failure to Pay. If Seller exercises its right to suspend Gas deliveries to Buyer under Section 10.2 due to Buyer's failure to pay under Section 10.2(viii), such Gas deliveries may only be reinstated, at a time to be determined by Seller, upon payment in full by Buyer of all amounts then due and payable under this Contract, including any interest.

E. Section 11 – FORCE MAJEURE

The following sentence is added at the end of Section 11.2: "Any invocation of Force Majeure by BPEC under the Prepaid Gas Agreement shall be a Force Majeure event under this Contract."

F. Section 14 – MARKET DISRUPTION

The text of Section 14 is deleted in its entirety and replaced with the following:

Pursuant to the Prepaid Agreement, Seller and BPEC shall undertake a process to agree on a replacement index price (or on a method for determining a replacement index price) for the affected Day(s) should any of the following events occur: (a) the failure of the price source to announce or publish information necessary for determining the Index Price; (b) the failure of trading to commence or the permanent discontinuation or material suspension of trading on the exchange or market acting as the price source; (c) the temporary or permanent discontinuance or unavailability of the price source; (d) the temporary or permanent closing of any exchange acting as the price source; or (e) Buyer, Seller, and BPEC agree that a material change in the formula for or the method of determining the Index Price has occurred. Seller shall involve Buyer in this process.

G. Section 15 – MISCELLANEOUS

1. Section 15.7 is deleted in its entirety and replaced with the following:

15.7. Third-Party Beneficiaries. Except as provided in this Section 15.7, it is specifically agreed that there are no third-party beneficiaries of this Contract and that this Contract shall not impart any rights enforceable by any person not a party to this Contract. Buyer acknowledges and agrees that (i) Seller will pledge and assign its rights, title and interest in this Contract and the amounts payable by Buyer hereunder to secure its obligations as Issuer under the Prepaid Agreement, (ii) the Trustee shall be a third party beneficiary of this Contract with the right to enforce Buyer's obligations under this Contract but shall have no greater rights than Seller, (iii) the Trustee or any receiver appointed under the Bond Indenture shall have the right to perform all obligations of Seller under this Contract, and (iv) in the event of a default in payments by Buyer under this Contract, (a) BPEC may, to the extent provided for in, and in accordance with, the Receivables Purchase Agreement, take

assignment from Seller of receivables owed by Buyer to Seller under this Contract, and shall thereafter have all rights of collection with respect to such receivables and interest accrued thereon, and (b) if such receivables are not so assigned, the Commodity Swap Counterparty (as defined in the Bond Indenture) shall have the right to pursue collection of such receivables to the extent of any non-payment by Issuer under the Commodity Swap (as defined in the Bond Indenture) that was caused by Buyer's payment default. Buyer agrees to comply with any irrevocable payment instruction delivered to Buyer in connection with Seller's pledge of its right, title and interest hereunder, which may include an obligation to make payments due from Buyer under this Contract into an account controlled by the Trustee.

2. The following sub-sections are added to Section 15:

15.13. Annual Refund. Seller agrees that it shall pay (or cause to be paid) to Buyer an amount equal to the Annual Refund, as described below. As of the date of this Contract, the projected Annual Refund for the Initial Discount Period is \$0.00 per MMBtu. At the end of each fiscal year following completion of the annual audit of Seller's financial statements, Seller shall compare its revenues (as determined in accordance with the Bond Indenture) and expenses under the Gas Project for that fiscal year. For purposes of such annual comparison, Seller's expenses shall include: (a) its expenses incurred in obtaining Gas supply under the Gas Project; (b) its administrative, legal, and accounting expenses directly incurred in connection with or properly allocable to the Gas Project, including the administration of this Contract and all other contracts for the sale of Gas obtained under the Gas Project; (c) debt service on the Bonds, including payments under any hedge agreement; (d) any replenishment of draws made upon any working capital fund associated with the Gas Project; (e) any deposits required to be made by Seller into any debt service reserve or other reserve or contingency fund or funds established with respect to the Bonds; (f) any fees or other amounts due to any provider of credit support for the Bonds; (g) payments under any commodity price swap or hedge agreement entered into in connection with the Gas Project; and (h) any other similar costs and expenses. If this annual comparison demonstrates that such revenues exceeded such expenses during the applicable fiscal year and there are amounts on deposit in the fund established by the Bond Indenture available for such purpose, then Seller shall make refunds to Buyer and the other Project Participants in the amount available after making allowances for any necessary and appropriate reserves and contingencies to fund any working capital reserve and to reserve or account for unfunded liabilities, including future sinking fund or other principal amortization of the Bonds. The amount available for refund shall be allocated among and paid to Buyer and the other Project Participants in proportion to their respective purchases for such fiscal year.

15.14. Remarketing Upon Load Loss. If Buyer has experienced or reasonably expects to experience a permanent loss of requirements for Gas due to changes in demand of its retail Gas customers, then Buyer may direct Seller to

remarket permanently that corresponding portion of its Contract Quantities by providing an irrevocable written notice. Such notice shall (i) include an explanation of such permanent loss; (ii) indicate the quantity; and (iii) indicate the effective date of such permanent change, which effective date must be on the first day of a Month commencing not earlier than 30 days after such notice is given. Notwithstanding any other provision of this Contract but subject to the satisfaction of the requirements of this Section, Buyer's Contract Quantities will be permanently reduced by, and Buyer shall have no obligation to make any payments in respect of, Gas for which permanent remarketing has been directed.

15.15. Representations and Warranties; Deliverables.

- (a) Each party represents to the other party that: (i) it is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing; (ii) it has the power to execute this Contract and any other documentation relating to this Contract to which it is a party, to deliver this Contract and any other documentation relating to this Contract that it is required by this Contract to deliver and to perform its obligations under this Contract, and has taken all necessary action to authorize such execution, delivery and performance; (iii) such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its organic documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets; (iv) its obligations under this Contract constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law); and (v) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Contract.
- (b) Buyer shall deliver to Seller a qualifying use certificate in substantially the form set forth in Addendum 1 on the date hereof, which document may be relied upon by other parties.

15.16. Special Obligations of Buyer.

- (a) Tax-Exempt Status of Bonds. The Bonds will be issued with the intention that the interest thereon will be exempt from federal taxes under Section 103 of the Internal Revenue Code (as defined in the Bond Indenture). Accordingly, Buyer agrees that it will provide such information with respect to its gas supply program as may be reasonably requested by Seller in order to establish the tax-exempt status of the Bonds. Buyer further agrees

that it will use all of the Gas purchased under this Contract (i) for a “qualifying use” as defined in U.S. Treas. Reg. § 1.148-1(e)(2)(iii), (ii) in a manner that will not result in any “private business use” within the meaning of Section 141 of the Internal Revenue Code, and (iii) consistent with the qualifying use certificate attached as Addendum 1. Buyer agrees that it will provide such additional information, records and certificates as Seller may reasonably request to confirm Buyer’s compliance.

- (b) Continuing Disclosure. Buyer agrees to provide to Seller: (a) such financial and operating information as may be requested by Seller including its most recent audited financial statements; and (b) annual updates to such information and statements.
- (c) Exchange. Buyer may lock-in alternate monthly pricing for one or more future months from time to time under terms mutually agreeable among BPEC, Buyer, and Seller for all or a portion of the volumes identified in the Transaction Confirmation.

15.17. Covenants of Buyer. Buyer’s obligation to make the payments it is required to make under this Contract is a several obligation and not a joint obligation with the obligations of any other Project Participant under its contract with Seller for the purchase of Gas under the Gas Project. Buyer further covenants and agrees:

- (a) any payments required to be made by Buyer as a result of or arising out of its entering into this Base Contract shall be made solely from the revenues of Buyer’s gas system, and as a charge against such revenues, as an operating expense of its municipal system and a cost of purchased Gas; provided, however, that Buyer, in its discretion, may apply any legally available monies to the payment of amounts due under this Contract;
- (b) the amounts payable by it under this Contract constitute a cost of purchased Gas and an operating expense of its municipal utility system; and
- (c) Buyer further agrees to use Gas purchased under this Contract prior to other Gas purchased by Buyer that is not subject to any “qualifying use” restrictions.

15.18. Reset Period Remarketing.

- (a) A Reset Period Remarketing occurs when the Available Discount for a Reset Period is not equal to or greater than the Minimum Discount. Upon a Reset Period Remarketing, Buyer shall either (i) continue to purchase and receive its Contract Quantity for each Day during such Reset Period at a Contract Price that reflects the Available Discount, or (ii) deliver to Seller a written notice designating a Reset Period Remarketing.
- (b) **Reset Period Remarketing Notice Procedure.** No later than thirty (30) days prior to the first day of a new Reset Period, Seller shall provide Buyer a written notice setting forth the duration of the new Reset Period and the estimated Available Discount for such Reset Period. Buyer may elect conditionally to remarket its Contract Quantity by delivering to Seller a notice designating a Reset Period Remarketing, no later than 4:00 p.m. CPT on the eighth (8th) Business Day following the date of the Seller's notice. Buyer's notice designating a Reset Period Remarketing shall only be effective if the Available Discount as finally determined fails to equal or exceed the Minimum Discount and then shall suspend the Buyer's and Seller's obligations hereunder for the Reset Period only.

15.19. Notices from and Certain Other Actions by Seller and the Trustee. Pursuant to the terms of the Prepaid Agreement, Seller (and the Trustee on Seller's behalf) may issue notices and take any other actions that Seller is required or permitted to take under this Contract. Buyer may rely on notices issued or other actions taken by Seller or the Trustee.

15.20. Project Management Committee. Pursuant to the Seller's bylaws, Buyer may appoint a representative to serve on the Seller's "Project Management Committee" (the "Project Management Committee") created for this Gas Project. Seller shall share with the Project Management Committee all pertinent financial data including market conditions, repricing economics. The Project Management Committee is required to act in accordance with and is governed by the Seller's bylaws. In the event that a weighted vote is called for on any matter before the Project Management Committee, the Project Participants shall be entitled to cast the number of votes that is equal to the total daily quantities of Gas to be purchased by each for Seller.

15.21. Payments from Revenues of PGW. It is understood and agreed that any payments required to be made by PFMC and/or PGW as a result of or arising out of its entering into this Contract shall be made solely from the revenues of the Philadelphia Gas Works.

THE PARTIES DO HEREBY REPRESENT AND WARRANT THAT THE GENERAL TERMS AND CONDITIONS OF THE BASE CONTRACT HAVE NOT BEEN MODIFIED, ALTERED, OR AMENDED IN ANY RESPECT EXCEPT FOR THESE SPECIAL PROVISIONS WHICH ARE ATTACHED TO AND MADE A PART OF THE CONTRACT.

**PUBLIC ENERGY AUTHORITY OF
KENTUCKY**

**PHILADELPHIA GAS WORKS BY
PHILADELPHIA FACILITIES
MANAGEMENT CORPORATION**

By: _____

By: _____

Name: Gerald L. Ballinger

Name: John Zuk

Title: President and General Manager

Title: Senior Vice President

ADDENDUM 1

FORM OF QUALIFYING USE CERTIFICATE

This Qualifying Use Certificate is executed in connection with that certain North American Energy Standards Board Base Contract for Sale and Purchase of Natural Gas, dated as of ,March 4, 2020, and the Transaction Confirmation and Special Provisions thereto, dated as of March 4, 2020 (the "Supply Contract"), by and between the Public Energy Authority of Kentucky ("PEAK" or "Seller") and Philadelphia Gas Works by Philadelphia Facilities Management Corporation ("PFMC"), in its capacity as operator and manager of the municipally owned Philadelphia Gas Works pursuant to an Agreement with the City of Philadelphia dated December 29, 1972, as amended ("Buyer").

NOW, THEREFORE, BUYER HEREBY CERTIFIES AS FOLLOWS:

1. Buyer is a collection of all the real and personal property owned by the City of Philadelphia (the "City") and used for the acquisition, manufacture, storage, processing and distribution of natural gas within the City, and is operated and managed by PFMC pursuant to an Agreement with the City of Philadelphia dated December 29, 1972, as amended.

2. Buyer will resell all of the Gas acquired pursuant to the Supply Contract to its retail Gas customers within its Gas service area, with retail sales in all cases being made pursuant to regularly established and generally applicable tariffs or under authorized requirements contracts. For purposes of the foregoing sentence, the term "service area" means (x) the area throughout which Buyer provided Gas transmission or distribution service at all times during the 5-year period ending on December 31, 2019, and from then until the date hereof (the "Closing Date"), and (y) any area recognized as the service area of Buyer under state or federal law.

3. The annual average amount during the testing period of Gas purchased (other than for resale) by customers of Buyer who are located within the service area of Buyer is [] MMBtu. The maximum annual amount of Gas in any year being acquired pursuant to the Supply Contract is [] MMBtu. The annual average amount of Gas which Buyer holds in storage as of the Closing Date is [] MMBtu. The annual average amount of Gas which Buyer otherwise has a right to acquire as of the Closing Date is [] MMBtu. The sum of (a) the maximum amount of Gas in any year being acquired pursuant to the Supply Contract, (b) the annual average amount of Gas which Buyer holds in storage, and (c) the amount of Gas which Buyer otherwise has a right to acquire in the year described in the foregoing clause (a) is [] MMBtu. Accordingly, the amount of Gas to be acquired under the Supply Contract by Buyer, supplemented by the amount of Gas otherwise available to Buyer as of the Closing Date, during any year does not exceed the sum of (i) []% of the annual average amount during the testing period of Gas purchased (other than for resale) by customers of Buyer who are located within the service area of Buyer; and (ii) the amount of Gas to be used to transport the prepaid Gas to Buyer during such year. For purposes of this paragraph 3, the term "testing period" means the 5 calendar years ending December 31, 2018, and the term "service area" means (x) the area throughout which Buyer provided Gas

transmission or distribution service at all times during the testing period, (y) any area within a county contiguous to the area described in (x) in which retail customers of Buyer are located if such area is not also served by another utility providing Gas services, and (z) any area recognized as the service area of Buyer under state or federal law.

4. Buyer expects to pay for Gas acquired pursuant to the Supply Contract solely from funds derived from its Gas distribution operations. Buyer expects to use current net revenues of its Gas distribution operations to pay for current Gas acquisitions. There are no funds or accounts of Buyer or any person who is a Related Person to Buyer in which monies are invested and which are reasonably expected to be used to pay for Gas acquired more than one year in the future.

Dated as of the day and year first above written.

March 4, 2020

PHILADELPHIA GAS WORKS by PHILADELPHIA FACILITIES MANAGEMENT CORPORATION, in its capacity as operator and manager of the municipally owned Philadelphia Gas Works pursuant to an Agreement with the City of Philadelphia dated December 29, 1972, as amended

By: _____


John Zuk
Senior Vice President

ADDENDUM 2
MONTHLY DISCOUNT


42 cents per MMBtu per for the period from and including
November 1, 2020 to and including April 30, 2026.

**TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY**

	<p>Date: March 4, 2020</p> <p>Transaction Confirmation #: 1</p>
<p>This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated March 4, 2020.</p>	
<p>SELLER: <u>Public Energy Authority of Kentucky</u> <u>P.O. Box 299, Carrollton, KY 41008</u> Attn: <u>Gerald L. Ballinger, President and General Manager</u> Phone: <u>(502) 732-0991</u> Fax: <u>(502) 662-0173</u> Base Contract No. _____ Transporter: <u>Texas Eastern; Transco</u> Transporter Contract Number: _____</p>	<p>BUYER: <u>Philadelphia Gas Works by Philadelphia Facilities Management Corporation, in its capacity as operator and manager of the municipally owned Philadelphia Gas Works pursuant to an Agreement with the City of Philadelphia dated December 29, 1972, as amended</u> <u>800 West Montgomery Avenue, Philadelphia, PA 19122</u> Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: <u>Texas Eastern; Transco</u> Transporter Contract Number: _____</p>
<p>Contract Price: <u>Delivery Point A (TETCO M2) - NATURAL GAS-TEXAS EASTERN (APPALACHIA)-INSIDE FERC</u>" means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Monthly Bidweek Spot Gas Prices (\$/MMBtu): Appalachia: Texas Eastern, M-2 receipts: Index" in the issue of Inside FERC that reports prices effective on that Pricing Date. <u>Delivery Point B (Transco Zone 4/Sta 85) - NATURAL GAS-TRANSCO (ZONE 4)-INSIDE FERC</u>" means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Monthly Bidweek Spot Gas Prices (\$/MMBtu): Louisiana/Southeast: Transco, zone 4 : Index" in the issue of Inside FERC that reports prices effective on that Pricing Date.</p>	
<p>Delivery Period: <u>Delivery Point A (TETCO M2)</u> - Begin: November 1, 2020 End: April 30, 2026 <u>Delivery Point B (Transco Zone 4/Sta 85)</u> – Begins May 1, 2026 End: .October 31, 2050</p>	
<p>Performance Obligation and Contract Quantity: Firm (Fixed Quantity per Day) <u>Delivery Point A (TETCO M2)</u> – 5,000 MMBtu/day <u>Delivery Point B (Transco Zone 4/Sta 85)</u> – 5,000 MMBtu/day</p> <p>The Parties recognize and agree that the Contract Quantity may be reduced in a Reset Period pursuant to the re-pricing methodology described in the Re-Pricing Agreement if necessary to achieve a successful remarketing of the Bonds. The Parties agree further that if, pursuant to the Re-Pricing Agreement, Issuer (as defined in the Special Provisions) and the Calculation Agent determine in connection with the establishment of any new Reset Period that: (i) such Reset Period will be the final Reset Period and (ii) such Reset Period will end prior to the end of the original Delivery Period, then (A) Seller will notify Buyer, (B) the Delivery Period will be deemed to be modified so that it ends at the end of such Reset Period, and (C) the Contract Quantity for the last Month in such Reset Period may be reduced as provided in the Re-Pricing Agreement.</p>	
<p>Delivery Point(s): A. - TETCO Zone M2 B. – Transco Zone 4/Sta 85</p>	

Special Conditions: (Capitalized terms used and not otherwise defined herein shall have the meaning specified in the Special Provisions attached hereto)

1. This Transaction Confirmation is entered into to supply Gas to Buyer in connection with that certain Prepaid Gas Agreement. In the event such Prepaid Gas Agreement terminates prior to the end of its 30-year term for any reason, this Transaction Confirmation shall terminate as of the effective date of the termination of deliveries under such Prepaid Gas Agreement, without either party having any payment obligations for periods occurring after such termination.
2. The parties recognize and agree that, in the event that the Prepaid Gas Agreement terminates because of a Failed Remarketing (as defined in the Bond Indenture) of the Bonds that occurs in the first Month of a Reset Period, Seller shall deliver Gas under this Transaction Confirmation for the remainder of such first Month, and, notwithstanding anything in this Contract to the contrary, the Contract Price for all Gas deliveries made by Seller during such first Month shall be the applicable index price with no Monthly Discount, and there shall be no Annual Refunds associated with such deliveries.
3. Termination Option: Each Party shall have a right to terminate this Transaction Confirmation with the effect that this Transaction Confirmation shall be of no further force or effect and the Parties shall have no rights or obligations hereunder if (a) the Bonds are not issued on or before March 31, 2020, or (b) Seller notifies Buyer that the expected Available Discount for the Initial Period is less than the Minimum Discount.

<p>Seller: Public Energy Authority of Kentucky</p> <p>By: _____</p> <p>Name: Gerald L. Ballinger</p> <p>Title: President and General Manager</p> <p>Date: March 4, 2020</p>	<p>Buyer: Philadelphia Gas Works by Philadelphia Facilities Management Corporation, in its capacity as operator and manager of the municipally owned Philadelphia Gas Works pursuant to an Agreement with the City of Philadelphia dated December 29, 1972, as amended</p> <p>By:  _____</p> <p>Name: John Zuk</p> <p>Title: Senior Vice President</p> <p>Date: March 4, 2020</p>
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RBC Transaction

Execution Version

**TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY**

Date: February 25, 2019

Transaction Confirmation #: _____

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated as of December 1, 2018. The terms of this Transaction Confirmation are binding upon execution unless otherwise specified in the Base Contract.

SELLER:

MUNICIPAL GAS AUTHORITY OF GEORGIA
104 TownPark Drive, Kennesaw, GA 30144

BUYER:

PHILADELPHIA GAS WORKS by Philadelphia
Facilities Management Corporation, in its capacity
as operator and manager of the municipally owned
Philadelphia Gas Works pursuant to an Agreement
with the City of Philadelphia dated December 29,
1972, as amended

 Attn: Tina Smith

Phone: 678-819-0908

Fax: 678-819-0948

Base Contract No.

Transporter:

Transporter Contract Number:

 Attn: *Ryan Reeves*
Phone: *(215) 787-5103*

Fax:

Base Contract No.

Transporter:

Transporter Contract Number:

Contract Price: Spot Index minus \$0.40/MMBtu Discount plus the Index Premium as defined herein under Section 14G below. The Discount is subject to change as provided in Section 14H(2) below.

Delivery Period: Begin: May 1, 2019; End: February 28, 2048, subject to Section 14A and Section 14H below.

Performance Obligation and Contract Quantity:*

Firm: Contract Quantity in MMBtu per day as set forth in Exhibit A.

Delivery Point(s):

See Exhibit A hereto for volumes and delivery points.*

*Pursuant to a certain Natural Gas Supply Agreement, dated as of February 1, 2018, between Seller and Main Street Natural Gas, Inc. ("Main Street"), the volumes to be delivered to Buyer hereunder, as reflected in Exhibit A attached hereto, shall be sourced from Main Street's hereinafter defined RBC 2018A Gas Purchase Agreement. Buyer has executed a Qualifying Use Certificate in accordance with its purchase of the Gas from Seller under this Transaction Confirmation. A copy of such Qualifying Use Certificate is attached to this Transaction Confirmation and is a part of it and this Contract.

Special Conditions:

The following Special Conditions shall apply to the transaction set forth in this Transaction Confirmation:

Definition of "Contract Year":

"Contract Year" shall mean, for purposes of this Transaction Confirmation, any year within the Delivery Period beginning on March 1 and ending on the last day of February of the next year.

Amendment to Section 3.2 of the Base Contract:

Subsection (ii) of Section 3.2 (Cover Standard) of the Base Contract is hereby amended to provide that, in the case of a breach by Buyer:

- (a) Seller shall use Commercially Reasonable Efforts to remarket the Gas that Buyer failed to take; and
- (b) Buyer's payment to Seller, if any, shall be the Contract Price less the net remarketing proceeds obtained by Seller, which proceeds shall be the amount received by Seller from the sale of such remarketed Gas less all costs or expenses directly incurred by Seller related to such remarketing plus a remarketing fee of 5 cents per MMBtu.

Amendment to Section 7.1 to the Base Contract:

Section 7.1 is hereby amended by deleting the first sentence and inserting in lieu thereof a new first sentence to read in its entirety as follows:

"Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged, on the 15th day of each Month. For the avoidance of doubt, Buyer shall have no duty to pay Seller for Gas not delivered and received, including any Gas not delivered and received due to, force majeure or default by the Supplier under the RBC 2018A Gas Purchase Agreement (as hereinafter defined in Section 14A below)."

Amendment to Section 8.3 to the Base Contract:

Section 8.3 is hereby amended by inserting the following language at the beginning of the second sentence thereof:

"To the extent permitted by law,"

Amendment to Section 10.2 to the Base Contract:

Section 10.2 is hereby amended by deleting the period at the end thereof and inserting the following language:

"provided, however, that with respect to any Event of Default described in clauses (i) through (viii) above where Buyer is the Defaulting Party, Seller shall notify Buyer on the 22nd Day of the Month that Seller shall, on the tenth Business Day following such Notice, withhold and/or suspend deliveries or payments and terminate or liquidate the transactions under this Contract in the manner provided in Section 10.3 of this Contract."

Amendment to Section 10.6 of the Base Contract:

Section 10.6 of the Base Contract is deleted in its entirety and replaced with a new Section 10.6 to read in its entirety as follows:

"The Non-Defaulting Party's remedies under this Section 10, those remedies expressly provided for in this Transaction Confirmation and any derivative rights of Buyer under the RBC2018A Gas Purchase Agreement (as hereinafter defined in Section 14A below) are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date."

Amendment to Section 14.2 to the Base Contract:

Section 14.2 is hereby amended by deleting the period at the end thereof and inserting the following language:

"; provided, however, that if such severability materially changes the economic benefits or risks of this Contract to either Party, the Parties shall negotiate in good faith and attempt to agree to an equitable adjustment to the provisions of this Contract to replicate to the best of their ability the economic benefits and risks of this Contract to both Parties."

A new Section 14A is added to the Base Contract:

"Source of Supply. This Transaction Confirmation is entered into for the sale of gas by Seller to Buyer that Seller has purchased from Main Street, which Main Street has purchased from Royal Bank of Canada ("RBC" or "Supplier") under a certain Prepaid Natural Gas Purchase and Sale Agreement, between Main Street and RBC, dated January 26, 2018 (the "RBC 2018A Gas Purchase Agreement"). Main Street has paid the purchase price of the gas under the RBC 2018A Gas Purchase Agreement from the proceeds of its Gas Supply Revenue Bonds, Series 2018 (the "Bonds") issued pursuant to a Trust Indenture, dated as of February 1, 2018, between Main Street and U.S. Bank National Association, as trustee (the "Trustee"). The Seller's duty to deliver, and Buyer's duty to purchase, Gas to be delivered by Main Street from the Supplier pursuant to this Contract shall be terminated by Seller or Buyer, in whole or in part, upon the occurrence of an early termination of the RBC 2018A Gas Purchase Agreement, in whole or in part, notwithstanding any other provision herein to the contrary, and any such termination by Seller or Buyer shall not constitute a breach of this Contract or a default under this Contract, such that in any such event, no early termination damages shall be owed by either Seller or Buyer under Section 10.3.1. In addition, any invocation of force majeure by the Supplier under the RBC 2018A Gas Purchase Agreement shall automatically support an invocation of force majeure by Seller under this Contract and shall constitute an event of Seller force majeure."

A new Section 14B is added to the Base Contract:

"Pricing. The Contract Price under this Transaction Confirmation shall be the Index-based price as stated in this Transaction Confirmation. 'Spot Index' means, for a Delivery Point for any Month, the index price per MMBtu, stated in U.S. dollars, as published in the first issue for the Month (including corrections thereto in later issues) in which the event occurred that required calculation of the index price, of *Inside FERC's Gas Market Report*, a publication of S&P Global Platts, a division of S&P Global, in the section "Monthly Bidweek Spot Gas Prices (\$/MMBtu)", under the heading for such Delivery Point as is specified on Exhibit A hereto. Buyer may lock-in alternate monthly pricing for one or more future months, from time to time, under terms mutually agreeable between the parties for all or a portion of the volumes identified in Exhibit A to this Transaction Confirmation. If *Inside FERC's Gas Market Report* should cease to publish such first-of-the-month index prices or should cease to be published entirely, the Spot Index Price for a Delivery Point shall be the price per MMBtu, stated in U.S. dollars, for Gas to be delivered at such Delivery Point during the applicable Month as set forth in an alternative index as determined by Seller related to the RBC 2018A Gas Purchase Agreement."

A new Section 14C is added to the Base Contract:

"Annual Returns. For the Initial Reset Period, as defined in new Section 14H(2), there will be no Annual Returns paid by Seller to Buyer. For future Reset Periods under the RBC 2018A Gas Purchase Agreement, Seller shall provide Buyer an estimate of the Annual Returns expected during the Reset Period as part of the process set forth in new Section 14H(2) below. Buyer's Annual Return for such future Reset Periods shall be the per MMBtu Annual Return Seller receives from Main Street multiplied by the total quantities of natural gas, measured in MMBtu, purchased by Buyer from Seller under this Transaction Confirmation in such Contract Year. Notwithstanding anything else herein to the contrary, Annual Returns provided for in this Section shall only be due to Buyer to the extent a corresponding Annual Return is received by Seller from Main Street under the RBC 2018A Gas Purchase Agreement."

A new Section 14D is added to the Base Contract:

"Information Provisions: Buyer shall furnish to the Seller annual audited financial statements within 180 days after the end of the Buyer's fiscal year (together with a certification of Buyer that it is not aware of any default or Event of Default under this Contract).

A new Section 14E is added to the Base Contract:

"Payments. Payments to Seller pursuant to this Contract shall be made to Seller's Account maintained at Well Fargo Bank, N.A., as follows:

Wire Transfer or ACH Number:
BANK: Wells Fargo Bank, N.A.
ABA: 121000248
ACCT: 2000132133254"

A new Section 14F is added to the Base Contract:

"Sale of Buyer's Natural Gas Distribution System. If the governing body of Buyer sells Buyer's natural gas distribution system to an entity other than a governmental person within the meaning of Section 1.141-1(b) of the Treasury Regulations, as amended, for qualifying tax-exempt uses, Seller's duty to sell and deliver, and Buyer's duty to purchase and receive, Gas to be delivered pursuant to this Contract shall be terminated. Buyer shall notify Seller no later than 60 days prior to the effective date of such sale, or such earlier date as designated by Seller in a written notice to Buyer, and any such termination shall not constitute a breach of this Contract or a default under this Contract."

A new Section 14G is added to the Base Contract:

"Index Premium. The Index Premium for each Delivery Point, which shall be established under the RBC 2018A Gas Purchase Agreement and flowed through from Main Street to Seller and from Seller to Buyer, is set forth in Exhibit B and shall remain in effect through the date corresponding to each such Delivery Point. Thereafter, as to each Delivery Point, the Index Premium shall be subject to adjustment no more often than quarterly upon mutual agreement of Main Street and RBC under the RBC 2018A Gas Purchase Agreement, and such Index Premium shall be for a minimum period of at least three months. Seller shall notify Buyer at least 15 Days before the end of each Index Premium period to enable Buyer to participate in the process of establishing the new Index Premium, if any, prior to the beginning of the next Index Premium period. Upon adjustment of the Index Premium as to any Delivery Point, Seller and Buyer shall execute a revised Exhibit B reflecting the new Index Premium, if any."

A new Section 14H is added to the Base Contract:

"(1) Early Termination Upon Termination of the RBC 2018A Gas Purchase Agreement. Notwithstanding the Delivery Period of this Transaction Confirmation, Buyer acknowledges and agrees that, in the event the RBC 2018A Gas Purchase Agreement terminates prior to the end of the Delivery Period, (i) this Transaction Confirmation shall terminate on the date of early termination of the RBC 2018A Gas Purchase Agreement, and (ii) Seller's obligation to deliver Gas under this Transaction Confirmation shall terminate on the same date on which the Supplier's obligation to deliver Gas to Main Street under the RBC 2018A Gas Purchase Agreement terminates; provided, however, that in the event of such early termination, Seller agrees to continue to deliver to Buyer and Buyer agrees to purchase from Seller the Contract Quantity at the applicable Delivery Point for the remainder of the Month during which such early termination has occurred and for the remainder of the Index Premium period currently in effect, at a price equal to the Spot Index Price plus any Index Premium. Seller shall provide notice to Buyer of any early termination of this Transaction Confirmation pursuant to this Section 14H, the date of such termination, and the date on which the obligation to purchase Gas at the Spot Index Price plus any Index Premium shall end.

(2) Early Termination Upon a Remarketing Election at a Reset Period under the RBC 2018A Gas Purchase Agreement.

(i) **Reset Protocol.** The Discount provided in the Contract Price together with the Annual Returns is dependent on the pricing achieved under the RBC 2018A Gas Purchase Agreement. Such pricing is subject to change at the end of a Reset Period. The Initial Reset Period ends on February 28, 2023. For each Reset Period following the Initial Reset Period under the RBC 2018A Gas Purchase Agreement, Seller shall provide to Buyer, at least nine (9) days prior to the applicable deadlines under the RBC 2018A Gas Purchase Agreement, written notice

setting forth the duration of such Reset Period and the estimated Discount available and Annual Returns, if any, for such Reset Period.

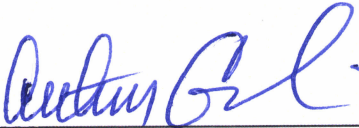
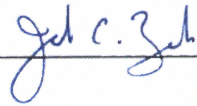
(ii) **Remarketing Event.** In the event the estimated Discount available ("Estimated Available Discount") for a Reset Period is less than 20 cents per MMBtu (a "Remarketing Event"), the notice provided pursuant to Section 14H(2)(i) above shall state (i) that a Remarketing Event has occurred and (ii) that Buyer may (A) continue to purchase and receive its Contract Quantity for each Gas Day of each Delivery Month during such Reset Period at a Contract Price that reflects the Discount available for the Reset Period (as finally determined as hereinafter described in Section 14H(2)(iv)), or (B) elect that such Contract Quantity be remarketed for the remainder of the Delivery Period (a "Remarketing Election") by providing a Remarketing Election Notice (as defined below in Section 14H(2)(iii)) prior to the Remarketing Election Deadline, which shall be set forth in the notice.

(iii) **Remarketing Election; Early Termination.** If Buyer makes a Remarketing Election and thereby elects to have its Contract Quantity remarketed for the remainder of the Delivery Period following the occurrence of a Remarketing Event, Buyer shall provide written notice of such Remarketing Election to Seller (its "Remarketing Election Notice") not later than the applicable Remarketing Election Deadline. In the event Buyer provides a Remarketing Election Notice on or prior to the applicable Remarketing Election Deadline, the Delivery Period shall terminate as of the end of the last Gas Day of the last Delivery Month of the Reset Period then in effect, and this Transaction Confirmation shall terminate as of the last day of such Reset Period.

(iv) **Final Determination of Available Discount.** Buyer acknowledges and agrees that the final Discount available for any Reset Period following the Initial Reset Period shall be determined under the RBC 2018A Gas Purchase Agreement, and that such Discount may differ from the estimate or estimates of such Discount provided to Buyer prior to the applicable Remarketing Election Deadline, provided that the final Discount shall not be less than 20 cents per MMBtu unless Buyer affirmatively agrees to such a Discount or fails to provide a Remarketing Election Notice prior to the Remarketing Election Deadline."

A new Section 14I is added to the Base Contract:

"Permanent Load Loss. In the event of permanent load loss on Buyer's system, Buyer may request the permanent reduction of its Contract Quantity for the remaining term of this Transaction Confirmation. If Buyer makes such request, Seller will remarket Contract Quantities associated with its loss of demand to other Municipal Utilities under the provisions of its agreement with Main Street, and will reduce Buyer's Contract Quantities through the remaining term of this Contract to reflect such loss of demand."

<p>Seller: MUNICIPAL GAS AUTHORITY OF GEORGIA</p> <p>By: <u></u></p> <p>Title: <u>President & CEO</u></p> <p>Date: <u>March 22, 2019</u></p>	<p>Buyer: PHILADELPHIA GAS WORKS by Philadelphia Facilities Management Corporation, in its capacity as operator and manager of the municipally owned Philadelphia Gas Works pursuant to an Agreement with the City of Philadelphia dated December 29, 1972, as amended</p> <p>By: <u></u> ^{by}</p> <p>Title: <u>V.P Gas Supply</u></p> <p>Date: <u>3-22-19</u></p>
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