

WASHINGTON GAS LIGHT COMPANY

Interruptible Delivery Service Gas Supplier Agreement

Rate Schedule No. 11

AVAILABILITY

For qualified third party gas Suppliers and/or Designated Agents where:

- A. The Supplier executes a Consent Form or the Supplier receives agreement through the Internet or through a recorded telephone call initiated by the customer, with a customer, or customers, served under Interruptible Delivery Service Rate Schedule No. 7 to transport gas to the Company's city-gate for the account of such customer or customers.
- B. The Supplier executes a Gas Supplier Application Agreement with the Company to provide service to customers under this Schedule and agrees to abide by the terms of this Rate Schedule. Such application Agreement shall include, but not be limited to data on the Daily Operating Procedures as they apply to Suppliers, and the Implementation Procedures appended to this Agreement.
- C. The Supplier satisfies the Company's credit requirements as defined in this Rate Schedule.
- D. The Supplier shall provide, for internet enrollment, renewal, renegotiations and cancellation information transfer between the customer and the Supplier, a secure environment to ensure privacy of customer information.
- E. A failure to either provide a customer with at least fifty percent of its Daily Requirement Volume (DRV) for fifteen consecutive days or to reconcile a FAILURE TO DELIVER THE DRV, as described below will be considered a breach of contract and the Agreement will be considered terminated. Under such circumstances the customer will remain as an Interruptible Delivery Service customer charged the applicable firm rates during that period (up to 3 months) for the volume provided by the Company. However, if the customer wishes to be provided service by another Supplier, and that Supplier complies with the requirements of this rate schedule, the customer can initiate service with that Supplier on the day of the subsequent meter read of the customer. Under the above circumstances, the defaulting Supplier shall be responsible for, in addition to any other charge pursuant to the Company's Interruptible Delivery Service Rate Schedule(s), any penalty, fine or cost incurred by the Company as a result of such breach and termination.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

AVAILABILITY (Continued)

- F. If a customer decides to terminate service with its Supplier and that Supplier provides confirmation of its agreement to terminate its contract, such customer may remain under the Interruptible Delivery Service Schedule for a period up to 3 months and will be charged the applicable firm rates for the volume provided by the Company. Customers will have a period of 3 months to choose another Supplier or, depending on Company infrastructure capabilities and/or availability, may be switched to Rate Schedule 2 or Rate Schedule 3 until such time as the customer chooses another Supplier. If such customer wishes to be provided service by another Supplier, and that Supplier complies with the requirements of this Rate Schedule, said customer can initiate service effective with the subsequent meter read of the customer.
- G. The Company will, upon the written request of interested Suppliers, distribute in writing and/or electronic form, to Suppliers a listing of the historic weather-normalized average usage for a two-year period for customers they are currently serving.
- H. The Supplier agrees to notify the Company in writing of any significant known and/or anticipated changes in its customer's daily requirements. Such notification should include, but not be limited to, changes in the Company's rate classes. The Company in conjunction with the Supplier may, due to operational considerations, modify or eliminate a Supplier's DRV on any day with twenty-four hours notice.

DEFINITIONS

- A. (Daily Required Volumes (DRV) – Aggregate Balancing): The amount of Supplier gas to be delivered to the Company's city-gate as adjusted daily as determined by the Company's and within the minimum/maximum volume requirements as provided by the Company in accordance with this Rate Schedule to be delivered by the interstate gas pipeline(s) to the Company's city-gate each day of the month.
- B. (Daily Required Volumes – Self-Balancing): The amount of Supplier gas to be delivered to the Company city-gate daily as determined by the Supplier. This DRV shall be within the minimum/maximum volume requirements as provided by the Company in accordance with this Rate Schedule and shall be delivered by the interstate gas pipeline(s) to the Company's city-gate each day of the month.
- C. Operational Flow Order: A communication from the Company indicating that a Supplier's deliveries of gas may adversely impact the safe and reliable operation of the Company's distribution system. The Company has the right to require the Supplier and/or Designated Agent to take action which, in the sole judgement of the Company, will positively impact the operations of the system and may include, but is not limited to, the following : 1) discontinuing delivery of the Supplier's gas, or 2) requiring the Supplier and/or Designated Agent to provide the delivery to a different receipt point on its system.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

DEFINITIONS (Continued)

- D. Daily Balancing Curtailment "Long": A system condition communicated by the Company, when the system has confirmed deliveries of gas that exceed system load, and the Company is utilizing its firm resources to dispose of this excess gas associated with firm customer requirements. All Interruptible Delivery Service Customers Suppliers and/or Designated Agents must deliver gas to the system equal to or less than their usage. All Interruptible Delivery Service deliveries in excess of metered usage will be subject to penalty pursuant to the Interruptible tariff.
- E. Daily Balancing Curtailment "Short": A system condition communicated by the Company, when the system is utilizing its firm resources to meet the load requirements of its firm customers and interruptible resources are inadequate or unavailable, the Company has insufficient quantities of gas to meet the load of Interruptible customers. All Interruptible Delivery Service Customers Suppliers and/or Designated Agents must deliver gas to the system equal to or exceeding their usage. All Interruptible Delivery Service usage in excess of confirmed deliveries will be subject to penalty pursuant to the Interruptible tariff.
- F. System Alert: An announcement of actual or pending events that, if unchecked, may result in an OFO being issued. The System Alert advises Suppliers or Customers what actions are requested and what actions may be mandated if the voluntary response is not adequate. The Company is not obligated to issue a System Alert before an OFO, but will endeavor to do so.
- G. Gas Daily Index: Pricing mechanism in place for under/over deliveries, per Dth, at TRANSCO's Zone 6, Non-New York commodity rate.
- H. Monthly Imbalance: The cumulative calendar month difference between volumes delivered for the account of the customer by the Supplier and/or Designated Agent and actual metered usage as adjusted for cash out volumes.
- I. Daily Imbalance: The daily difference between volumes delivered for the account of the customer by the Supplier and/or Designated Agent and the actual metered usage or forecasted volumes depending on the balancing service.
- J. Banked Volumes: The positive or negative Monthly Imbalance volume held for the account of the customer within the Monthly Imbalance tolerance.
- K. Designated Agent/Supplier: Person(s) responsible for the nomination and delivery of gas to the Company city-gate on behalf of their customer(s).
- L. Gas Day: Consistent with the North American Energy Standards Board definition, the twenty-four hour period from 10:00 AM to 10:00 AM, Eastern time.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

BALANCING DELIVERED GAS WITH CUSTOMER USAGE

The Company will provide Suppliers and/or Designated Agents with the option to select one of four balancing services to provide for daily balancing deliveries with customer usage during a month.

A. Aggregate Balancing Service With Daily Tolerance

Daily Balancing: The Company will calculate a DRV for each interruptible customer, and provide a single aggregated DRV to the Supplier. The Supplier's Daily Imbalance must be within (+/-) 15% of this DRV each day, unless otherwise specified by the Company, or incur penalties as herein described under FAILURE TO DELIVER THE DRV.

Monthly Balancing: In the event that the Supplier's Monthly Imbalance plus Banked Volumes exceeds 15% of the higher of the cumulative daily DRV or the cumulative daily customers actual usage at the end of a calendar month, at the discretion of the Company, (1) the gas in excess of the requirement will be sold by the Company to the Supplier and will be billed at the Company's weighted average commodity of flowing gas for that particular month, plus 10% and (2) over-deliveries will be credited to the Supplier's bill at the Company's weighted average commodity of flowing gas for that particular month, less 10%. Monthly Imbalances below the 15% tolerance shall be added to or subtracted from the Supplier's Banked Volumes. Monthly Imbalance trading will be allowed up to 2 business days after the month.

B. Aggregate Balancing service Without Daily Tolerance

Daily Balancing: The Company will calculate a DRV for each interruptible customers, and provide a single aggregated DRV to the Supplier. The Supplier agrees to deliver the DRV each day, unless otherwise specified by the Company pursuant to the provisions stated below in "Changes to the DRV", or incur penalties as herein described under FAILURE TO DELIVER THE DRV. Failing to deliver the DRV will move the Supplier to the Aggregate Balancing Service With Daily Tolerance for the remainder of the month.

Monthly Balancing: The Company will work in cooperation with the Supplier to minimize Banked Volumes by adjusting the daily DRV. Imbalances remaining at the end of the month will be added or subtracted from the Supplier's Banked Volumes and carried forward to the following month.

Changes to the DRV: In recognition of possible changes to customer usage trends, whether they be seasonal or otherwise, the Company and Supplier agree to maintain a frequent and open dialogue so that the DRV can be adjusted in a timely manner, avoiding adverse impacts to this balancing service. Changes to the DRV during a gas day shall be in accordance the applicable provisions in the Implementation Procedures appended to the Application Agreement. Should a material discrepancy arise in the aggregated DRV provided by the Company to the Supplier and the Supplier's estimate of its aggregated DRV for the gas day, the Company will provide the Supplier with supporting

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

documentation for the establishment of its DRV and the Supplier will provide the Company the supporting information for its estimate of the DRV. The Company and Supplier will attempt to resolve the discrepancy within twenty-four (24) hours of the communication establishing the discrepancy. Should the discrepancy be resolved, the disputed volumes will be reconciled over the ensuing Gas Day(s). Should the discrepancy not be resolved, the Supplier shall deliver the Company's aggregated DRV for the day. If the Company's weather adjusted (for actual temperatures), aggregated DRV for the day exceeds actual usage by the Supplier's customers in excess of 7.5%, the amount of deliveries in excess of actual usage, up to and including 7.5% shall be credited to the Supplier's inventory for the month. The amount of deliveries greater than 7.5% of actual usage shall be purchased by the Company at the Company's weighted average cost of gas at the city-gate for the day, unless requested not to do so by the Supplier, in which case such volumes shall be added to the Supplier's inventory. If the Company's weather adjusted (for actual temperatures), aggregate DRV for the day is less than actual usage by the Supplier's customers by more than 7.5%, the amount of deliveries less than actual usage, up to and including 7.5% shall be debited from the Supplier's inventory for the month. The amount of deliveries less than actual usage, in excess of 7.5% shall be purchased by the Supplier at the Company's weighted average cost of gas at the city-gate for the day.

C. Self Balancing Service (Individual)

Daily Balancing: The Supplier will determine the DRV of its customers, and must maintain its Daily Imbalance within (+/-) 15% of its customers' actual usage each day, unless otherwise specified by the Company, or incur penalties as herein described under FAILURE TO DELIVER THE DRV.

Monthly Balancing: In the event that the Supplier's Monthly Imbalance plus Banked Volumes exceeds 15% of the higher of the cumulative daily DRV or the cumulative daily customers actual usage at the end of a calendar month, at the discretion of the Company, (1) the gas in excess of the requirement will be sold by the Company to the Supplier will be billed at the Company's weighted average commodity of flowing gas for that particular month, plus 10% and (2) over-deliveries will be credited to the Supplier's bill at the Company's weighted average commodity of flowing gas for that particular month, less 10%. Monthly Imbalances below the 15% tolerance shall be added to the Supplier's Banked Volumes. Monthly Imbalance trading will be allowed up to 2 business days after the month.

D. Self Balancing Service (Aggregate)

Daily Balancing: The Supplier will determine the DRV of its customers in aggregate, and must maintain its Daily Imbalance within (+/-) 15% of its customers' aggregate actual usage each day, unless otherwise specified by the Company, or incur penalties as herein described under FAILURE TO DELIVER THE DRV.

Monthly Balancing: In the event that the Supplier's Monthly Imbalance plus Banked Volumes exceeds 15% of the higher of the cumulative daily DRV or the cumulative daily customers aggregate actual usage at the end of a calendar month, at the discretion of the Company, (1) the gas in excess of the requirement will be sold by the Company to the Supplier will be billed at the Company's weighted average commodity of flowing gas for that particular month, plus 10% and (2) over-deliveries will be credited to the Supplier's bill at the Company's weighted average commodity of flowing gas for that particular month, less 10%. Monthly Imbalances below the 15% tolerance shall be added to or subtracted from the Supplier's Banked Volumes. Monthly Imbalance trading will be allowed up to 2 business days after the month.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

BALANCING CHARGE

A balancing charge shall be billed to Suppliers applicable to all customer usage during the billing month. The rate shall be established annually based on the allocated cost applicable to this service for the twelve months ended August each year.

DAILY SUPPLY SCHEDULING – Aggregate Balancing Service

The Daily Required Volumes shall be calculated by the Company by a) multiplying the Suppliers weather gas factor, as estimated by the Company, times the forecasted HDD's, b) adding the base gas and c) adjusting the results to produce, in the aggregate of all Suppliers and the Company, the Company's total estimated sendout for that day. The Suppliers base and weather use factors will be based on such factors for each of their customers as estimated by the Company. The result of this calculation shall be adjusted for lost and unaccounted-for gas and Company Use and a wet to dry measurement basis. The Supplier is required to deliver within (+/-) 15% of its DRV, unless otherwise specified by the Company, except when the Company declares a Daily Balancing Curtailment. In the event of a Daily Balancing Curtailment "Long", the Supplier may deliver no more than its DRV, and under a Daily Balancing Curtailment "Short", no less than its DRV. Failure to deliver the DRV occurs whenever a Supplier's DRV is more or less than actual deliveries to the city-gate. Such over-or under-deliveries will be reconciled as herein described under FAILURE TO DELIVER THE DRV.

DAILY SUPPLY SCHEDULING – Self Balancing Service

The Daily Required Volumes shall be determined by the Supplier on a daily basis. The Supplier is required to deliver within (+/-) 15% of its DRV, unless otherwise specified by the Company, except when the Company declares a balancing curtailment. In the event of a Daily Balancing Curtailment "Long", the Supplier may deliver no more than its DRV, and under a Daily Balancing Curtailment "Short", no less than its DRV. Failure to deliver the DRV occurs whenever a Supplier's DRV is more or less than actual deliveries to the city-gate. Such over-or under-deliveries will be reconciled as herein described under FAILURE TO DELIVER THE DRV.

RESPONSIBILITY FOR GAS TRANSPORTATION DELIVERY

The Supplier shall have delivered the DRV to the Company's city gate each day unless failure to deliver is due to force majeure as defined in this Rate Schedule and subject to the Company's operational ability to accept the DRV at the delivery point mutually specified by the Supplier and the Company. The Supplier will be deemed to have met its delivery obligations under this Rate Schedule if the Supplier has nominated and the upstream transporter has confirmed receipts equal to its DRV for re-delivery to the Company's city-gate.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

FAILURE TO DELIVER THE DRV

Failure to deliver the DRV occurs whenever deliveries are more or less than the aforementioned allowable daily tolerances. The Supplier shall be charged a penalty of \$10 per Dth of under-delivery during normal operating conditions and \$25 per Dth of under-delivery during periods of OFO or Daily Balancing curtailment in addition to any penalty, fine or cost incurred by the Company as a result of the under-delivery, plus the cost of gas at the Gas Daily Index price for that day. In the event the Supplier has delivered more than 15% over its DRV, the Supplier shall be charged a penalty of \$10 per Dth of over-delivery during normal operating conditions and \$25 per Dth of over-delivery during periods of OFO or Daily Balancing Curtailment in addition to any penalty, fine or cost incurred by the Company as a result of the over-delivery. Over-deliveries during a period when the Company has initiated a Balancing Curtailment "Short" shall not be subject to penalty. The penalty will be assessed on only the volumes over/under the 15% tolerance.

Until March 31, 2005, when the Supplier has delivered more than 15% over its DRV, the Supplier shall be charged a penalty of \$5 per Dth of over-delivery during normal operating conditions and \$12.50 per Dth of over-delivery during periods of OFO or Daily Balancing Curtailment in addition to any penalty, fine or cost incurred by the Company as a result of the over-delivery. Over-deliveries during a period when the Company has initiated a Balancing Curtailment "Short" shall not be subject to penalty. As of April 1, 2005, penalty charges increase to \$10 per Dth and \$25 per Dth of over-delivery, respectively. The penalty will be assessed on only the volumes over/under the 15% tolerance.

If, in the Company's opinion, a Supplier's deliveries of gas may adversely impact the operation of the Company's distribution system, the Company has the right to: 1) refuse delivery of the Supplier's gas, or 2) require the Supplier to provide the delivery to a different receipt point on its system. The Company agrees to issue the Operational Flow Order no later than 10 a.m. for next day deliveries. A penalty of \$25 per Dth will apply for Suppliers not in compliance with Operational Flow Orders.

Gas that is delivered to the Company for the account of Customer(s) at the city-gate net of an adjustment for lost and unaccounted-for gas and a dry to wet conversion during a delivery service interruption will be credited to the Supplier's bill at the current month's spot market price (for the final weekly posting in a month in Natural Gas Week under the heading "Spot Prices" on interstate pipeline systems - part 2, delivered to pipeline, for Transco Pipeline Station 65 as adjusted for fuel, ACA, GRI plus Firm Transportation variable commodity cost charges for gas delivered to Washington Gas' Transco city-gate), to be no greater than the Company's Weighted Average Commodity Cost of Gas for that particular month.

The above penalties shall be in addition to any penalty, fine, charges or cost incurred by the Company as a result of any under and/or over delivery of gas by the Supplier plus the Supplier shall be charged for all under/over deliveries at the Gas Daily Index.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

SUPPLIER'S RESPONSIBILITY TO COOPERATE WITH THE COMPANY

The provisions of this Rate Schedule are predicated upon the Supplier's cooperation not to adversely affect the Company's operations. Continued failure to cooperate following a written warning by the Company shall, in the opinion of the Company, result in disqualification of the Supplier as a Delivery Service Supplier Under Rate Schedule No. 11 participation. To be reinstated as a qualified Delivery Service Supplier, in addition to meeting all other applicable qualification criteria, the Supplier shall deposit with the Company for a period of one year, a security deposit in the amount of the product of (1) the Supplier's maximum DRV during the immediately prior twelve month period (2) 30 days and (3) the Purchased Gas Charge (General Service Provision No. 16), all determined at the time the Supplier applies for re-qualification. At the conclusion of one year and upon the Supplier's request, the Supplier's security deposit shall be returned to the Supplier if there has not been another occurrence of non-compliance with the delivery requirements by the Supplier. If there is an additional occurrence of non-compliance with delivery requirements during the one-year period, the security deposit shall be forfeited and the Supplier shall be ineligible for re-qualification for an additional consecutive year.

EXCHANGE OF REQUIRED INFORMATION

The following procedures shall be followed by the Company and the Supplier to exchange the information required to serve customers:

1. By the 2<sup>nd</sup> business day prior to the end of the month, each Supplier shall provide to the Company a list of customers to be supplied by that Supplier during the following month and the balancing option selected for each customer. Once a supplier selects a particular balancing option, subsequent month, balancing option elections are assumed to be consistent unless otherwise notified by the Supplier or at the discretion of the Company for good cause, if the Supplier fails to deliver the DRV consistently over the course of any consecutive, two month period.
2. Service to added customers shall commence with the first calendar day of the month following the notification requirements as described above and the notification requirements as described under the Availability section of this Rate Schedule.
3. Notice to Suppliers, including OFO, provided for and/or required under the Company's Interruptible Delivery Service Rate Schedule 7 shall be made by postings to its GAS MANAGEMENT SYSTEM (GMS). It shall be the responsibility of the Supplier to monitor the GMS and comply with its postings. The Company may supplement such notification through the use of, for example, telephone, facsimile or electronic mail.
4. It is the responsibility of the Supplier to notify the Company of the unavailability or inaccessibility of the GMS to the Supplier. Such notification must be made within twelve hours of the time of failure to access the GMS. Absent such notification the Supplier is deemed to have received all communications and is responsible for complying with all postings.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

EXCHANGE OF REQUIRED INFORMATION (Continued)

5. Questions concerning data posted to the GMS, and related billing transactions, must be brought to the attention of the Company within sixty days of its posting. It is the responsibility of the Supplier to bring such questions to the attention of the Company. Any billing complaints or requests for adjustments arising from GMS posted data beyond this time frame will not be recognized by the Company.
6. By 10 a.m. Eastern time each day, the Company shall provide to each Supplier their minimum and maximum gas deliveries and the required allocation of such deliveries by the Company's gate station(s) for the following gas day beginning at 10:00 a.m. In addition, the Company will be providing Suppliers a five-day forecast of their DRV for the aggregate balancing service and an estimate of deliveries for the self-balancing services.
7. For the self balancing services, the Company shall provide to each Supplier customer usage information no less often than every 4 hours on a daily basis. This information will be made available through the Internet via the GMS or the BBS.
8. In the event that there is a metering equipment failure, which results in incomplete customer usage information for a given day, the customers usage shall be considered equal to the Supplier's deliveries for the purpose of calculating imbalances.

FORCE MAJEURE FOR FAILURE TO DELIVER THE DRV

Force Majeure, for purposes of this Schedule, shall be any sudden, unforeseeable event which causes a physical inability to transport gas to or receive gas at the designated point of delivery and which could not have been prevented or overcome by the reasonable efforts of the party claiming Force Majeure. Any acts or omissions in control by the Supplier does not constitute Force Majeure. Force Majeure shall not include: (i) inability of Supplier to schedule gas due to technical or administrative reasons, (ii) any unanticipated increase in cost of providing services, (iii) the curtailment or interruption of interruptible or secondary firm capacity by upstream pipeline suppliers, (iv) any acts in kind that are manageable by the Supplier to prevent or overcome such an event, or (v) failure or loss of market(s) or supply, unless caused by an event of Force Majeure affecting a geographic region. In the event of Force Majeure, the Supplier shall give as soon as possible after the occurrence of Force Majeure written notice and full particulars of such Force Majeure including the extent, if any, to which the Supplier remains able to carry out its obligations and a good faith estimate of when the Supplier expects to recover its ability to fully perform.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

LIABILITY LIMITS

The Company shall not be liable for any loss, cost, damage or expense occasioned by the calculation of the DRV. The Supplier shall warrant that, at the time of delivery of gas to the customer, it will have good title to deliver all gas volumes. The Company shall have no liability with respect to all gas transported prior to its physical delivery to the Company or after its re-delivery to the customer.

CREDIT WORTHINESS

Prior to the Company approving an Application to provide service to customers and during the provision of service, the Supplier must demonstrate to the Company's satisfaction that it has met and continues to meet the credit worthiness criteria as set forth in the Application Agreement.

Upon notification by the Company that the Supplier no longer satisfies the credit criteria or has failed to timely pay any bill rendered under this Rate Schedule, the Supplier is disqualified as a Delivery Service Supplier until such time as satisfactory evidence is provided by the Supplier that the Supplier's overall financial condition again meets the Company's credit criteria or an acceptable credit enhancement, including but not limited to a cash deposit, letters of credit or surety bonds, is furnished to the Company.

GAS QUALITY STANDARDS

The Supplier warrants that gas transported to the Company conforms to the quality standards stated in the transporting interstate gas pipeline's FERC approved Tariff.

PAYMENT TERMS

Bills are due and payable upon presentation. The final date for payment of the net amount shown on the bill is 15 days or the 25<sup>th</sup> of the month, whichever is later, from the date of rendition of the bill. Failure to receive the bill does not excuse the Supplier from payment obligations and payments shall be made without regard to any counterclaim whatever. Bills remaining unpaid at the expiration of the net payment period shall be subject to a Late Payment Charge of 1.5% per month applied to any unpaid amount.

REVENUE ACCOUNTING

Revenues received from penalty charges, balancing charges and other charges imposed through this Rate Schedule shall be credited in the calculation of the Purchased Gas Charge set forth in the General Service Provision No. 16.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition

Interruptible Delivery Service Gas Supplier Agreement - Rate Schedule No. 11 (Continued)

COST RESPONSIBILITY

The Supplier shall be responsible for the payment of any tax or assessment levied by any jurisdiction related to the acquisition, delivery or use of delivered gas included but not limited to Gross Receipts Tax.

GENERAL SERVICE PROVISIONS

Except as otherwise specifically provided herein, the application of this Rate Schedule is subject to the General Service Provisions of the Company as they may be in effect from time to time and as filed with the Commission.

ISSUED: September 29, 2004

For service rendered on and after October 1, 2004

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition