

**COLUMBIA GAS OF PENNSYLVANIA, INC.
NATURAL GAS SUPPLIER CHOICE DISTRIBUTION AGGREGATION AGREEMENT
FOR COLUMBIA CHOICESM SERVICE**

This Agreement is made and entered into this _____ day of _____, 20____, between Columbia Gas of Pennsylvania, Inc., 121 Champion Way, Suite 100, Canonsburg, PA, 15317, hereinafter “Company,” and _____ an _____ (state) corporation _____ (address), hereinafter “Supplier.”

WHEREAS, Supplier has secured firm supplies of natural gas which it intends to supply and sell to gas customers located on Company’s system, all within the parameters

established by Company for its CHOICESM Service for residential, and small commercial service customers.¹ Supplier agrees to comply with all applicable terms and conditions specified in the Rates and Rules for Furnishing Gas Service also referred to as the Columbia Gas of Pennsylvania Tariff (“Columbia Tariff”) and the Rules Applicable to Distribution Service contained therein, as may be amended from time to time.

WHEREAS, Company is willing and able, pursuant to the terms of this Agreement, to accept gas delivered into its city gate receipt points by Supplier and to redeliver such gas supplies to Supplier’s Choice Aggregation Nomination Group of customers, which customers have elected Choice Service from Company in the manner specified in Columbia’s Tariff.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, Company agrees to permit aggregations of customers and Supplier hereby agrees to aggregate in accordance with Columbia’s Tariff and with the following terms and conditions for all aggregations served under this Agreement:

**ARTICLE I
Definitions**

For purposes of this Agreement, the terms “Choice Aggregation Nomination Group”, “Choice Primary FTS Daily Capacity Requirement”, and “Choice Daily Delivery Requirement” shall be defined as Rules Applicable to Distribution Service of the Columbia Tariff as may be amended from time to time, shall apply.

**ARTICLE II
Requirements For CHOICESM Service Participation**

The standards for Supplier participation in CHOICESM Service shall be those identified in the Rules Applicable to Distribution Service of the Columbia Tariff as amended from time to time. Failure to comply with requirements may result in suspension or termination from CHOICESM Service in accordance with applicable sections of Columbia’s Tariff, as may be amended from time to time.

¹ Customer CHOICESM is a service mark of Columbia Gas of Ohio, Inc. CHOICE[®] is a registered service mark of Columbia Gas of Ohio, Inc. Columbia Gas of Pennsylvania, Inc. is licensed to use both the Customer CHOICESM service mark and the CHOICE[®] registered service mark.

ARTICLE III

Term

The term of this Agreement shall commence on the first day of the month after execution by the Company hereof and, subject to Supplier's continued compliance with the requirements as specified in the Columbia Tariff, as may be amended from time to time, for participation in the Company's Customer CHOICESM Service and shall continue in effect thereafter for a primary term of twelve (12) months. Thereafter, this Agreement shall continue from month-to-month, unless terminated by either party. The Supplier shall provide all notices required under 66 Pa. C.S. Section 2207(i).

ARTICLE IV

Full Requirements Service

In exchange for the opportunity to participate as a Supplier in CHOICESM Service, Supplier agrees to deliver gas to Company on a firm basis, on behalf of Supplier's participating customers. If Supplier fails to deliver gas in accordance with the Rules Applicable Only to Choice Service section of Columbia's Tariff, Company shall supply natural gas temporarily to the affected aggregation customers, and shall bill Supplier in accordance with the Rules Applicable Only to Choice Service section, as may be amended from time to time.

Columbia shall operate its distribution system in a nondiscriminatory manner, without regard to the confirmed source of supply of the customer or its Supplier. The Company may issue Seasonal Flow Orders ("SFOs"), Operational Flow Orders ("OFOs"), or Operational Matching Orders ("OMOs") in accordance with the Columbia Tariff, as may be amended from time to time.

ARTICLE V

Supply Co-Management Defined

Company's aggregation service requires that Supplier, as a participant in CHOICESM Service, shall supply its Choice Aggregation Nomination Groups' Choice Daily Delivery Requirement for natural gas on both a daily and monthly basis. Supplier accepts supply co-management responsibility as defined hereinafter.

Supplier agrees to deliver firm gas supplies in an amount equal to the Choice Daily Delivery Requirement of each of the Supplier's Choice Aggregation Nomination Groups. Supplier must agree to the Company's estimate of takes and to pay all charges assessed by the Company as provided in the Columbia Tariff.

In the event Supplier discovers or determines that it may not be able to deliver gas supplies into Company's designated city gate receipt points, as required by this Agreement, it

shall immediately provide notice by telephone and by facsimile to Company of such potential failure.

ARTICLE VI

Annual Reconciliation

According to the Columbia Tariff, there shall be an annual reconciliation of the difference between the Company billed consumption of each customer in the Supplier's Choice Aggregation Nomination Group and the Supplier's deliveries on behalf of each Choice Aggregation Nomination Group. The reconciliation shall be calculated annually following each July billing cycle. Upon completion of the annual reconciliation the Company shall pay or bill the Supplier for any volumetric differences ("Cash Out").

If the actual consumption of the Choice Aggregation Nomination Group is more than the Supplier's deliveries for that group, the Supplier must purchase the deficient volume from the Company at the weighted average commodity cost of gas, defined as the quotient of: (1) the total commodity cost of gas purchases, including transmission pipeline transportation and fuel retention, as recorded on the Company's financial statements for the twelve months ending the preceding July 31, divided by (2) tariff sales for the same twelve month period. Likewise, if the actual consumption of the Choice Aggregation Nomination Group is less than the Supplier's deliveries for that group, the Company shall purchase the excess volume at the same price described above.

ARTICLE VII

Capacity Assignment

Supplier shall accept assignment or release of the Company's Primary FTS Capacity, subject to the "Capacity Assignment" provisions of the Rules Applicable to Distribution Service in the Columbia Tariff, as may be amended from time to time. Supplier shall accept assignment or release of Columbia Gas Transmission FTS capacity for all applicable Nomination Groups, and Eastern Gas Transmission & Storage FT for a portion of the Nomination Group serving Pipeline Scheduling Point 36.

Supplier may have the option to provide some or all Primary FTS Capacity from some other source for a period of one year, subject to the "Other Primary FTS Option" provisions of the Rules Applicable to Distribution Service in the Columbia Tariff, as may be amended from time to time. To establish eligibility under this capacity option, a Supplier must make a timely annual service election. No later than April 1 of each year, the Company will notify all NGSs of the Additional Capacity Resource Requirement ("ACRR"). Thereafter, a Supplier interested in providing firm capacity must notify the Company by June 1, in writing of its desire to provide capacity, but not to exceed the Choice Primary FTS Daily Capacity Requirement for the Suppliers Choice Aggregation Nomination Group.

The Company will notify the Supplier within 45 business days of receiving the timely submitted annual election of its eligibility status and the amount of Other Primary FTS to be provided by the Supplier. Elections will be accepted on a first come, first served basis, up to the ACRR, and will be based upon the status of the Supplier's aggregation agreement and its compliance thereto.

This annual election shall remain effective for the following one-year period, November 1 through October 31. This capacity option constitutes a limited exception to the otherwise applicable rules under the Columbia Tariff. A Supplier providing capacity under this option shall not be required to take assignment or release of the Company's Primary FTS as otherwise required.

ARTICLE VIII **Customer Billing Options**

Supplier may choose from two billing options in rendering a bill to a participating customer in accordance with the Rules Applicable to Distribution Service section of the Columbia Tariff, as may be amended from time to time. Supplier may either choose: (1) to separately bill its natural gas supply charges to the customer while the Company continues to bill customers the non-gas cost portion of the bill; or (2) to have the Company bill the customers for the NGS's supply service charges (consolidated billing option) through which the Company issues the bill for both the Company's charges and the Supplier's natural gas supply charges. If Supplier elects the consolidated billing option, Supplier will provide all information required by the Company for preparation of bills in a form and format acceptable to the Company. Supplier must elect one of these two options, or a combination of these two options for SCD customers, with the execution of this Choice Distribution Aggregation Agreement. If Option 2 is elected, the Supplier must execute an Accounts Receivable Purchase Agreement prior to commencement of Option 2.

Supplier Selection for RDS Customers:	<input style="width: 40px; height: 20px;" type="checkbox"/> Option 1 (Separate Bills)	<input style="width: 40px; height: 20px;" type="checkbox"/> Option 2 (Consolidated Bill)
Supplier Selection for SCD Customers:	<input style="width: 40px; height: 20px;" type="checkbox"/> Option 1 (Separate Bills)	<input style="width: 40px; height: 20px;" type="checkbox"/> Option 2 (Consolidated Bill)

ARTICLE IX **Taxes**

Supplier rates shall exclude all sales taxes. The Company will calculate state and local taxes and add the amount to the gas supply charges in accordance with the Columbia Tariff, all applicable Federal and State laws and local ordinances, as may be amended from time to time.

The Company assumes no responsibility or risk for any misapplication of tax- exempt status to a customer. Supplier shall hold the Company harmless for any assessments, penalties, or risk of any kind whatsoever, related to any misapplication of tax- exempt status to any customer.

ARTICLE X

Rates

Suppliers that elect the Company's consolidated billing option agree to those terms and conditions set forth in the "Rates" and Company Billing of NGSS" provisions of the Rules Applicable to Distribution Service in the Columbia Tariff, as may be amended from time to time.

Supplier will notify the Company of its rate-ready rate(s) by Unit 20 each month, prior to the billing cycle for which the rate is to be effective. The Company shall use the last rate provided if Supplier does not provide necessary rate information by the timeline specified above. All rate information received by the Company from the Supplier is confidential. Company shall provide the Supplier an electronic pre-bill for existing rate changes and new rates prior to the commencement of the applicable billing cycle. Supplier must review the electronic pre-bills daily and must correct any errors by resubmitting an electronic correction to the Company by Unit 20 of the month prior to the billing cycle for which the rate is to be effective. Supplier's failure to notify the Company of any required changes to the rate(s) appearing on the pre-bill shall be deemed approval of the pre-bill.

Supplier is responsible for making the customer whole if Supplier submits an incorrect rate for an account or Choice Aggregation Nomination Group, or fails to provide timely rate information to the Company. The Company may, at its option, make the adjustment for the Supplier and bill the adjustment fee as specified in the Rules Applicable Only to Choice Service within the Columbia Tariff.

ARTICLE XI

Payment to Supplier

Company shall pay Supplier by the 20th day of the month following the completion of a billing cycle for all amounts billed on Supplier's behalf by Company, subject to the offset or recoupment of any amounts owed to Company, as specified in the Rules Applicable to Distribution Service of the Columbia Tariff, as may be amended from time to time, and/or the Accounts Receivable Purchase Agreement. Supplier's billed gas supply quantities shall be determined from a Company-provided monthly billing report. The monthly billing report reflects customers' billed amounts as reported to Supplier, and as generated by Company's revenue reporting system.

ARTICLE XII

Payment to Company

Company shall render to Supplier a monthly statement of the quantities delivered and amounts owed by Supplier, if any. All charges owed to Company by Supplier shall be offset against or recouped from amounts owed to Company as set forth in the Rules Applicable to Distribution Service of the Columbia Tariff, as may be amended from time to time.

ARTICLE XII Remedies

In the event of default of Supplier under this Agreement or the Columbia Tariff, the Company may suspend or terminate Supplier's participation in CHOICESM Service pursuant to those terms and conditions set forth in the Rules Applicable to Distribution Service of the Columbia Tariff, as may be amended from time to time.

Bankruptcy of the Supplier is deemed to be an incident of default. In the event of an uncured breach, the Company may offset any and all amounts owed to it by the Supplier against any and all amounts owed by the Company to the Supplier, including without limitation, charges for imbalance gas sold by the Company, out of period adjustments to the Supplier's account, amounts owed to the Supplier for bank balances, and amounts owed to the Company including, but not limited, SFO, OFO, or OMO charges.

In the event that Supplier files a petition for relief under federal bankruptcy laws, or Supplier's creditors file an involuntary bankruptcy petition, during the term of this Agreement, and this Agreement has not been terminated for non-delivery of gas supplies, then Supplier shall cause a notice to be filed with the federal bankruptcy court having jurisdiction, and within ten (10) days of bankruptcy court's issuance of an order for relief shall take all actions necessary to declare its intentions with regard to assuming or rejecting this Agreement. Failure to file and take the required action within said ten (10) day period will constitute notice that Supplier intends to reject this Agreement.

If this Agreement is terminated due to non-delivery of supplies by Supplier, or if Company is notified of Supplier's intention to reject this Agreement in accordance with federal bankruptcy laws, then Company shall notify Supplier's customers of such termination and shall return all of Supplier's customers to Company's system supply. Company shall also immediately determine whether or not any capacity previously assigned to Supplier must be recalled by Company, based upon a determination of its necessity for service to such customers.

ARTICLE XIV Force Majeure

Neither of the parties hereto shall be liable in damages to the other, except for those conditions identified in the Columbia Tariff, as may be amended from time to time.

ARTICLE XV Title to Gas

Supplier warrants that it will have good title to all natural gas delivered to Company hereunder, and that such gas will be free and clear of all liens, encumbrances, and claims whatsoever, and that it will indemnify Company, and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of a breach of such warranty.

ARTICLE XVI
Limitation of Third Party Rights

This Agreement is entered into solely for the benefit of Company and Supplier and is not intended and should not be deemed to vest any rights, privileges or interests of any kind or nature to any third party, including, but not limited to the Choice Aggregation Nomination Groups that Supplier establishes under this Agreement.

ARTICLE XVII
Succession and Assignment

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. However, no assignment of this Agreement, in whole or in part, will be made without the prior written approval of the non-assignee party. Such written consent to assignment shall not be unreasonably withheld.

ARTICLE XVIII
Applicable Law and Regulations

This Agreement shall be construed under the laws of the Commonwealth of Pennsylvania and shall be subject to all valid applicable State, Federal and local laws, rules, orders, and regulations. Nothing herein shall be construed as divesting or attempting to divest any regulatory body of any of its rights, jurisdiction, powers or authority conferred by law. In the event that any court or regulatory agency shall determine that any portion of this Agreement is invalid or unenforceable, or interprets any provision of this Agreement in a manner that is unacceptable to Company, then this Agreement shall be null and void and shall have no effect.

ARTICLE XIX
Notices and Correspondence

Written notice and correspondence to Company shall be addressed as follows:

Columbia Gas of Pennsylvania, Inc.
Attn: Choice Program Management
290 W. Nationwide Blvd.
Columbus, Ohio 43215
Email: Choice@nisource.com

Telephone notices to Company shall be directed to (614) 398 – 8622. Electronic notices to Company shall be directed to Choice@nisource.com.

Written notices and correspondence to Supplier shall be addressed as follows:

Company: _____
Attention/Title: _____
Mailing Address: _____
Telephone number: _____
Email: _____

Either party may change its address for receiving notices effective upon receipt, by written notice to the other party.

IN WITNESS WHEREOF, the parties hereto executed this Agreement on the day and year first above written.

Witness
Signature: _____
Name: _____

Columbia Gas of Pennsylvania, Inc
Signature: _____
Printed name: _____
Title: _____
Date: _____

Witness
Signature: _____
Name: _____

Supplier Name: _____
Signature: _____
Printed name: _____
Title: _____
Date: _____