



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 0

Black Hills Gas Distribution, LLC Wyo. P.S.C. Tariff No. 2
Cancels in its entirety
Black Hills Gas Distribution, LLC Wyo. P.S.C. Tariff No. 1

Schedule of Rates

For Natural Gas Service

Available in the Entire Territory Served By

Black Hills Gas Distribution, LLC

d/b/a Black Hills Energy



Communications Concerning Tariffs Should Be Addressed to:

Regulatory
Black Hills Gas Distribution, LLC
1515 Wynkoop Street, Suite 500
Denver, Colorado 80202
(720) 210-1300

Black Hills Gas Distribution, LLC
1301 W 24th St
Cheyenne, WY 82001
(888) 890-5554



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SERVICE AREA APPLICABILITY FOR ALL RATE SCHEDULES

For Casper Division Rate Schedules RCG, TC, FS-1 and MCS:

1. Within the communities of Riverton, Shoshoni, Arapahoe, Hudson, Lander, Ethete, Wind River and Fort Washakie and in adjacent areas served through the Riverton-Shoshoni-Lander system;
2. In rural areas along the transmission lines between the Beaver Creek Field and Arapahoe Junction;
3. In rural areas along the transmission lines designated as "Arapahoe Junction-Winkelman Dome Line" and as "Pilot Butte Field to Winkelman Dome Line";
4. In and about the communities of Lost Cabin and Pavillion;
5. In rural areas along the transmission lines between the Sand Draw Compressor Station in Fremont County and the Casper Service Area in Natrona County;
6. In the Powder River area in Natrona County;
7. In the Casper service area consisting of Casper, Mills, Evansville, Mountain View, Midwest Heights, Allendale, Dempsey Acres, Pineview, Red Buttes Village, Paradise Valley, Bar Nunn, Natrona County Airport and the surrounding areas;
8. Midwest - Edgerton;
9. In rural areas along the transmission lines between the Casper service area in Natrona County and the Billy Creek field in Johnson County;
10. Within the communities of Jeffrey City, Rawlins, Sinclair, Saratoga, Medicine Bow, Hanna, Laramie and surrounding areas;
11. In rural areas along the distribution lateral from Wolcott Junction to Saratoga;
12. In rural areas along the transmission lines:
 - a. from the Sand Draw Compressor Station in Fremont County to Rawlins in Carbon County;
 - b. from the Sand Draw Compressor Station in Fremont County to the compressor station near Sinclair in Carbon County;
 - c. from Rawlins in Carbon County to Medicine Bow in Carbon County;
 - d. from Medicine Bow in Carbon County to Oil Springs in Carbon County;
 - e. from Oil Springs in Carbon County to Laramie in Albany County.



SERVICE AREA APPLICABILITY FOR ALL RATE SCHEDULES - CONTINUED

For Casper Division Rate Schedules RCG, TC, FS-1 and MCS: - Continued

13. In rural areas along the transmission lines of Colorado Interstate Gas Company within Carbon and Albany Counties;
14. In and about the community of Evansville along the Company's mainline transmission line.

For Special Provision Customer Group Rate Schedules RCG-3:

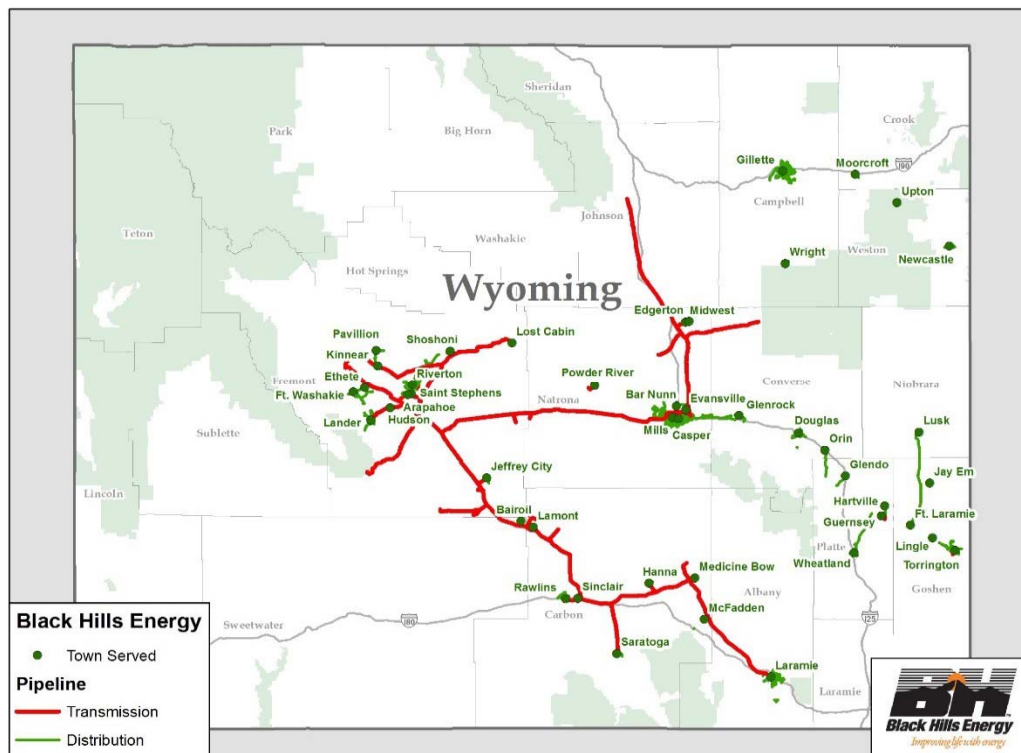
1. In and about the communities of Lost Cabin and Powder River;
2. Served directly from taps off of Colorado Interstate Gas Company's interstate pipeline.

For Gillette Division Rate Schedules RCG-1 and TG:

In and about the communities of Gillette, Newcastle, Moorcroft, Upton and Wright.

For Torrington Division Rate Schedules CGS and TT:

1. In and about the communities of Torrington, Glenrock, Douglas, Glendo, Guernsey, Wheatland, Fort Laramie, Lingle, and Lusk;
2. In and about the community of Evansville along Tallgrass Interstate Gas Transmission LLC's transmission line.





GENERAL STATEMENT

The following Rules and Regulations, filed with the Public Service Commission of Wyoming ("Commission") as part of the natural gas tariff of the Company, set forth the terms and conditions under which natural gas service is supplied and govern all classes of service in all territory served by the Company. They are subject to termination, change, or modification, in whole or in part, at any time as provided by the Rules of said Commission.

Service furnished by the Company is also subject to the Rules of the Public Service Commission of Wyoming. This tariff shall be available for inspection on the Company website or may be obtained by contacting the Company's toll-free customer service number. Copies of the Company's rules on the Company website or may be obtained by contacting the Company's toll-free customer service number.

Any waiver at any time of the Company's rights or privileges under these Rules and Regulations will not be deemed a waiver as to any breach or other matter subsequently occurring.



STATEMENT OF CHOICE GAS SERVICE RATES
RATE SCHEDULE RCG and RCG-3
Casper Division and Special Provision Customer Group 1/

Billing Group	Type of Charge	Billing Units	Base	Rate Adjustments 2/						Projected Gas Cost	Gas Cost Surcharge	Total Adjustment	Total Maximum	Total Minimum
				GDCA 9/	WGSA 8/	DUPCA 12/	RAM 13/							
Small General Service – SGS	Customer Charge 10/	Per Month	\$15.00										\$15.00	
	Customer Charge 5/	Per Month	\$0.23										\$0.23	
	Distribution Charge 6/, 11/	Per Therm	\$0.1274	\$0.0000		(\$0.0019)	(\$0.0040)			(\$0.0059)	\$0.1215	\$0.0020		
	Distribution Charge 7/	Per Therm	\$0.1274	\$0.0000	\$0.0016	(\$0.0019)	(\$0.0040)	\$0.2475	\$0.0580	\$0.3012	\$0.4286	\$0.0020		
	Transmission Charge 11/	Per Therm	\$0.0834								\$0.0834	\$0.0020		
Medium General Service - MGS	Customer Charge 10/	Per Month	\$70.00									\$70.00		
	Customer Charge 5/	Per Month	\$0.23									\$0.23		
	Distribution Charge 6/, 11/	Per Therm	\$0.0888	\$0.0000		(\$0.0009)	(\$0.0040)			(\$0.0049)	\$0.0839	\$0.0020		
	Distribution Charge 7/	Per Therm	\$0.0888	\$0.0000	\$0.0016	(\$0.0009)	(\$0.0040)	\$0.2475	\$0.0580	\$0.3022	\$0.3910	\$0.0020		
	Transmission Charge 11/	Per Therm	\$0.0842								\$0.0842	\$0.0020		
Large General Service – LGS	Customer Charge 10/	Per Month	\$225.00									\$225.00		
	Customer Charge 5/	Per Month	\$0.23									\$0.23		
	Distribution Charge 6/, 11/	Per Therm	\$0.0910	\$0.0000			(\$0.0040)			(\$0.0040)	\$0.0870	\$0.0020		
	Distribution Charge 7/	Per Therm	\$0.0910	\$0.0000	\$0.0016		(\$0.0040)	\$0.2475	\$0.0580	\$0.3031	\$0.3941	\$0.0020		
	Transmission Charge 11/	Per Therm	\$0.0793								\$0.0793	\$0.0020		
Choice Gas Program RCG Suppliers	Off-System Transportation Charge 14/	Per Dth	\$0.0650									\$0.0650	\$0.0100	

Mainline Fuel and Lost and Unaccounted For Gas percentage = 0.351% 4A/
Storage Injection Fuel and Lost and Unaccounted For Gas percentage = 3.763% 4A/
Distribution Fuel and Lost and Unaccounted For Gas percentage = 1.488% 4B/
Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For Gas percentage = 1.392% 4C/

FOOTNOTES FOR THESE RATES ARE LOCATED ON SHEET NOS. 5A & 5B OF THIS TARIFF.



STATEMENT OF CHOICE GAS SERVICE RATES
RATE SCHEDULE RCG and RCG-3
Casper Division and Special Provision Customer Group 1/

- 1/ Casper Division and Special Provision Customer Group service areas are defined on Sheet Nos. 2 and 3 of this Tariff.
- 2/ SGS, MGS and LGS are subject to rate adjustments.
- 3/ In addition to the Pass-On Rate [Regulated Rate], Pass-On Rate [Regulated Rate] Option Customers shall also pay the Customer Charge and the Distribution Charge as applicable and as set forth on the tariff sheet.
- 4A/ The Storage Injection and Mainline Fuel and Lost and Unaccounted For Gas percentages shall be assessed to all Choice Gas Program Suppliers and the Pass-On Rate [Regulated Rate] Option as described on Sheet No. 55.
- 4B/ The Distribution Fuel and Lost and Unaccounted For Gas percentage shall only be used for the annual reconciliation of the Distribution Fuel and Lost and Unaccounted For Gas percentage performed pursuant to Section 14A.3 of the Choice Gas Service provisions of this Tariff listed on Sheet No. 56.
- 4C/ The Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For Gas percentage shall be used for the determination of the Projected Gas Cost of the Pass-On Rate [Regulated Rate]. The Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For gas percentage is calculated pursuant to Section 14A.3 of the Choice Gas Service provisions of this Tariff and is not subject to the Choice Gas Program reconciliation process.
- 5/ Customer Charge for administration of the Choice Gas Program is charged only to Customers not receiving service under the Pass-On Rate [Regulated Rate] Option.



STATEMENT OF CHOICE GAS SERVICE RATES
RATE SCHEDULE RCG and RCG-3
Casper Division and Special Provision Customer Group 1/

- 6/ Distribution Charge for Customers not receiving service under the Pass-On Rate [Regulated Rate].
- 7/ Distribution Charge for Customers receiving service under the Pass-On Rate [Regulated Rate].
- 8/ Customers receiving service under the Pass-On Rate [Regulated Rate] are subject to the Working Gas Storage Adjustment (WGS) provisions of this Tariff as defined on Sheet No. 18 of this Tariff.
- 9/ SGS, MGS and LGS are subject to the Gas Delivery Cost Adjustment (GDCA) provisions of this Tariff as defined on Sheet No. 16 of this Tariff.
- 10/ In addition to the Customer Charge, an Extra Incentive Allowance Charge of \$20, \$30, \$40, or \$50 per month will be added to a Customer's bill for premises that avail themselves of the Extra Incentive Allowance for the duration of the repayment period and will appear as a separate line item on the Customer's bill. These provisions have been defined on Sheet No. 95 of this Tariff.
- 11/ Special Provision Customers do not receive service under the Pass-On Rate [Regulated Rate]. Special Provision Customers also do not pay a Transmission Charge as described on Sheet No. 30 of this Tariff.
- 12/ SGS and MGS Customers are subject to the Distribution Use Per Customer Adjustment (DUPCA) provisions of this Tariff as defined on Sheet No. 19 of this Tariff.
- 13/ Revenue Adjustment Mechanism applies to all Casper Division Customers taking service under Rate Schedule RCG and excludes any Special Provision Customers in the Casper Division as described on Sheet No. 20 of this Tariff.
- 14/ Off-System Transportation Charge will be billed directly to Suppliers for the volumes delivered from the storage withdrawal point of receipt to the off-system delivery interconnections with Colorado Interstate Gas and/or Wyoming Interstate Company as described in Section 14.1E of the Choice Gas Service provisions and the Rate Schedule FS-1 provisions of this Tariff. The Company will not bill this charge to RCG Customers.



STATEMENT OF CHOICE GAS SERVICE RATES

RATE SCHEDULE RCG-1

Gillette Division 1/

Billing Group	Type of Charge	Billing Units	Base	Rate Adjustments 2/			Gas Cost Surcharge	Total Adjustment	Total Maximum	Total Minimum
				GDCA 2/	DUPCA 7/	Projected Gas Cost				
Small General Service - SGS	Customer Charge 6/	Per Month	\$15.00						\$15.00	
	Customer Charge 5/	Per Month	\$0.23						\$0.23	
	Distribution Charge 8/	Per Therm	\$0.1274	\$0.0000	(\$0.0019)			(\$0.0019)	\$0.1255	\$0.0010
	Distribution Charge 3/	Per Therm	\$0.1274	\$0.0000	(\$0.0019)	\$0.3522	\$0.0578	\$0.4081	\$0.5355	\$0.0010
Medium General Service - MGS	Customer Charge 6/	Per Month	\$70.00						\$70.00	
	Customer Charge 5/	Per Month	\$0.23						\$0.23	
	Distribution Charge 8/	Per Therm	\$0.0888	\$0.0000	(\$0.0009)			(\$0.0009)	\$0.0879	\$0.0010
	Distribution Charge 3/	Per Therm	\$0.0888	\$0.0000	(\$0.0009)	\$0.3522	\$0.0578	\$0.4091	\$0.4979	\$0.0010
Large General Service - LGS	Customer Charge 6/	Per Month	\$225.00						\$225.00	
	Customer Charge 5/	Per Month	\$0.23						\$0.23	
	Distribution Charge 8/	Per Therm	\$0.0910	\$0.0000				\$0.0000	\$0.0910	\$0.0010
	Distribution Charge 3/	Per Therm	\$0.0910	\$0.0000		\$0.3522	\$0.0578	\$0.4100	\$0.5010	\$0.0010

Distribution Fuel and Lost and Unaccounted for Gas percentage = 4.543% 4/

Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted for Gas percentage = 2.979% 9/

- 1/ Gillette Division service area is defined on Sheet No. 3 of this Tariff. 2/ SGS, MGS and LGS are subject to the Gas Delivery Cost Adjustment (GDCA) provisions of this Tariff defined on Sheet No. 16 of this Tariff.
- 3/ In addition to the Pass-On Rate [Regulated Rate], Pass-On Rate [Regulated Rate] Option Customers shall also pay the Customer Charge and the Distribution Charge as applicable and as set forth on this tariff sheet.
- 4/ The Fuel and Lost and Unaccounted For Gas percentage shall only be used for the annual reconciliation of the Fuel and Lost and Unaccounted For Gas percentage performed pursuant to Section 14A.4 of the Choice Gas Service provisions of this Tariff listed on Sheet No. 55.
- 5/ Customer Charge for administration of the Choice Gas Program, charged only to Customers not receiving service under the Pass-On Rate [Regulated Rate] Option.
- 6/ In addition to the Customer Charge, an Extra Incentive Allowance Charge of \$20, \$30, \$40, or \$50 per month will be added to a Customer's bill for premises that avail themselves of the Extra Incentive Allowance for the duration of the repayment period and will appear as a separate line item on the Customer's bill.
- 7/ SGS and MGS Customers are subject to the Distribution Use Per Customer Adjustment (DUPCA) provisions of this Tariff is defined on Sheet No. 19 of this Tariff.
- 8/ Distribution Charge for Customers not receiving service under the Pass-On Rate [Regulated Rate].
- 9/ The Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For Gas percentage shall be used for the determination of the Projected Gas Cost of the Pass-On Rate [Regulated Rate]. The Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For gas percentage is calculated pursuant to Section 14A.4 of the Choice Gas Service provisions of this Tariff and is not subject to the Choice Gas Program reconciliation process.



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Tenth Revised Sheet No. 7
Cancels Ninth Revised Sheet No. 7

STATEMENT OF CHOICE GAS SERVICE
RATES RATE SCHEDULE CGS
Torrington Division 1/

Billing Group	Type of Charge	Billing Units	Base	Rate Adjustments 2/						Total Adjustment	Total Maximum	Total Minimum
				GDCA12/	TRA 9/	WGSA 8/	DUPCA 11/	Projected Gas Cost	Gas Cost Surcharge			
Small General												
Service - SGS	Customer Charge 10/	Per Month	\$15.00								\$15.00	
	Customer Charge 5/	Per Month	\$0.23								\$0.23	
	Distribution Charge 6/	Per Therm	\$0.1274	\$0.0000	\$0.0402		(\$0.0019)			\$0.0383	\$0.1657	\$0.0010
	Distribution Charge 7/	Per Therm	\$0.1274	\$0.0000	\$0.0402	\$0.0019	(\$0.0019)	\$0.3873	\$0.0384	\$0.4659	\$0.5933	\$0.0010
Medium General												
Service - MGS	Customer Charge 10/	Per Month	\$70.00								\$70.00	
	Customer Charge 5/	Per Month	\$0.23								\$0.23	
	Distribution Charge 6/	Per Therm	\$0.0888	\$0.0000	\$0.0402		(\$0.0009)			\$0.0393	\$0.1281	\$0.0010
	Distribution Charge 7/	Per Therm	\$0.0888	\$0.0000	\$0.0402	\$0.0019	(\$0.0009)	\$0.3873	\$0.0384	\$0.4669	\$0.5557	\$0.0010
Large General												
Service - LGS	Customer Charge 10/	Per Month	\$225.00								\$225.00	
	Customer Charge 5/	Per Month	\$0.23								\$0.23	
	Distribution Charge 6/	Per Therm	\$0.0910	\$0.0000	\$0.0402					\$0.0402	\$0.1312	\$0.0010
	Distribution Charge 7/	Per Therm	\$0.0910	\$0.0000	\$0.0402	\$0.0019		\$0.3873	\$0.0384	\$0.4678	\$0.5588	\$0.0010

Distribution Fuel and Lost and Unaccounted For Gas percentage = 1.512% 4/

Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For Gas percentage = 0.414% 13/

FOOTNOTES FOR THESE RATES ARE LOCATED ON SHEET NO. 7A OF THIS TARIFF.



STATEMENT OF CHOICE GAS SERVICE RATES
RATE SCHEDULE CGS
Torrington Division 1/

- 1/ Torrington Division service area is defined on Sheet No. 3 of this Tariff.
- 2/ SGS, MGS and LGS are subject to rate adjustments.
- 3/ In addition to the Pass-On Rate [Regulated Rate], Pass-On Rate [Regulated Rate] Option Customers shall also pay the applicable Customer Charge and the Distribution Charge as applicable and as set forth on the tariff sheet.
- 4/ The Distribution Fuel and Lost and Unaccounted For Gas percentage shall only be used for the annual reconciliation of the Fuel and Lost and Unaccounted For Gas percentage performed pursuant to Section 14A.5 of the Choice Gas Service provisions of this Tariff on Sheet No. 55.
- 5/ Customer Charge for administration of the Choice Gas Program is charged only to Customers not receiving service under the Pass-On Rate [Regulated Rate] Option.
- 6/ Distribution Charge for Customers not receiving service under the Pass-On Rate [Regulated Rate].
- 7/ Distribution Charge for Customers receiving service under the Pass-On Rate [Regulated Rate].
- 8/ Customers receiving service under the Pass-On Rate [Regulated Rate] are subject to the Working Gas Storage Adjustment (WGS) provisions of this Tariff on Sheet No. 18.
- 9/ SGS, MGS and LGS are subject to the Transportation Rate Adjustment (TRA) and the Gas Delivery Cost Adjustment (GDCA) provisions of this Tariff is defined on Sheet No. 16 of this Tariff.
- 10/ In addition to the Customer Charge, an Extra Incentive Allowance Charge will be added to a Customer's bill for premises that avail themselves of the Extra Incentive Allowance as described on sheet No. 95.
- 11/ SGS and MGS Customers are subject to the Distribution Use Per Customer Adjustment (DUPCA) provisions of this Tariff is defined on Sheet No. 19 of this Tariff.
- 12/ SGS, MGS and LGS are subject to the Gas Delivery Cost Adjustment (GDCA) provisions of this Tariff is defined on Sheet No. 16 of this Tariff.
- 13/ The Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For Gas percentage shall be used for the determination of the Projected Gas Cost of the Pass-On Rate [Regulated Rate]. The Pass-On Rate [Regulated Rate] Fuel and Lost and Unaccounted For gas percentage is calculated pursuant to Section 14A.5 of the Choice Gas Service provisions of this Tariff and is not subject to the Choice Gas Program reconciliation process.



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 8

RESERVED FOR FUTURE USE



Statement of Firm and Interruptible Transportation Service Rates
Applicable to Shippers Not Receiving
Choice Gas Service
Rate Schedule TC 1/
Casper Division

<u>Division</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Monthly Customer Charge</u>	<u>Maximum Demand Charge 6/</u>	<u>Minimum Demand Charge 6/</u>	<u>Maximum Transportation Charge 2/</u>	<u>Minimum Transportation Charge 2/</u>	<u>Fuel Reimbursement Quantity Percentage 3/</u>
TC (Casper)								
Firm Transportation	MLI	MLI	\$0.00	\$9.50	\$0.00	\$0.1040	\$0.0010	0.351%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.1040	\$0.0010	0.351%
	MLI	DSE	\$225.00	\$0.00	\$0.00	\$0.1703	\$0.0020	1.743%
Interruptible Transportation 4/	MLI	MLI	\$0.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.351%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.351%
Administrative Fee 5/			\$325.00					

- 1/ Casper Division service area is defined on Sheet Nos. 2 and 3 of this Tariff.
- 2/ All charges are per therm.
- 3/ For fuel, lost and unaccounted for gas, the Company shall be entitled to retain the stated percentage of all therms received for transportation, unless otherwise agreed in writing. Further details are given on Sheet No. 56 section 14A.
- 4/ Interruptible Transportation Service is not available to Distribution System End-user Customers. The Customer Charge will be charged only for those months gas actually flows.
- 5/ In addition to the transportation charges stated above, Shippers are responsible for the monthly administrative fee as stated, applicable to each meter located at the Customer location. For Interruptible Transportation Shippers, the Administrative Fee will be charged only for those months gas actually flows. Firm Transportation Shippers will be charged each month, regardless of gas flow.
- 6/ Per Dth of MDTQ per month.

Abbreviations (as defined in the General Terms and Conditions of this Tariff):

MLI Mainline System Interconnect
MLE Mainline System End-user
DSE Distribution System End-user
MDTQ Maximum Daily Transportation Quantity



Statement of Firm Transportation Service Rates
Applicable to Shippers Not Receiving
Choice Gas Service
Rate Schedule TG 1/
Gillette Division

<u>Division</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Monthly Customer Charge</u>	<u>Maximum Transportation Charge 2/</u>	<u>Minimum Transportation Charge 2/</u>	<u>Fuel Reimbursement Quantity Percentage 3/</u>
TG (Gillette)						
Firm Transportation	MLI	DSE	\$225.00	\$0.0910	\$0.0010	2.979%
Administrative Fee 4/			\$325.00			

- 1/ Gillette Division service area is defined on Sheet No. 3 of this Tariff.
- 2/ All charges are per therm.
- 3/ For fuel, lost and unaccounted for gas, the Company shall be entitled to retain the stated percentage of all therms received for transportation, unless otherwise agreed in writing. Further details are given on Sheet No. 58 section 14A.
- 4/ In addition to the transportation charges stated above, Shippers are responsible for a monthly administrative fee as stated, applicable to each meter located at the customer location.

Abbreviations (as defined in the General Terms and Conditions of this Tariff):

MLI Mainline System Interconnect
DSE Distribution System End-user



Statement of Firm Transportation Service Rates
Applicable to Shippers Not Receiving
Choice Gas Service
Rate Schedule TT 1/
Torrington Division

<u>Division</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Monthly Customer Charge</u>	<u>Transportation Charge</u>	<u>Rate Adjustment 2/</u>	<u>Maximum Transportation Charge 3/</u>	<u>Minimum Transportation Charge 3/</u>	<u>Fuel Reimbursement Quantity Percentage 4/</u>
TT (Torrington)								
Firm Transportation	MLI	DSE	\$225.00	\$0.0910	\$0.0402	\$0.1245	\$0.0010	0.414%
Administrative Fee 5/			\$325.00					

- 1/ Torrington Division service area is defined on Sheet No. 3 of this Tariff.
- 2/ Rate Schedule TT is subject to the TRA surcharge pursuant to this Tariff. As referenced on Sheet No. 17.
- 3/ All charges are per therm.
- 4/ For fuel, lost and unaccounted for gas, the Company shall be entitled to retain the stated percentage of all therms received for transportation, unless otherwise agreed in writing. Further details are given on Sheet No. 60 section 14A.
- 5/ In addition to the transportation charges stated above, Shippers are responsible for a monthly administrative fee as stated, applicable to each meter located at the customer location.

Abbreviations (as defined in the General Terms and Conditions of this Tariff):

MLI Mainline System Interconnect
DSE Distribution System End-user



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 12

RESERVED FOR FUTURE USE



Statement of Firm Storage and Market Center Rates for
Rate Schedules FS-1 and MCS 1/
Casper Division

<u>Rate Schedule</u>	<u>Type of Service</u>	<u>Type of Charge</u>	<u>Maximum Rate</u>	<u>Minimum Rate</u>
FS-1	Firm Storage Service	<u>Reservation Charge</u> (Per Dth of MDWQ per Monthly Billing Period)	\$8.3848	\$8.3848
		<u>Injection Charge</u> (Per Dth injected per Monthly Billing Period)	\$0.00	\$0.00
		<u>Withdrawal Charge</u> (Per Dth withdrawn per Monthly Billing Period)	\$0.00	\$0.00
		<u>Daily Unauthorized Inventory Charge</u> (Per Dth of Unauthorized Inventory)	\$0.5516	\$0.5516
		<u>Daily Authorized Overrun Charge</u> (Per Dth of Unauthorized Inventory)	\$0.2758	\$0.0100

Storage Injection Fuel and Lost and Unaccounted For Gas percentage = 3.763% 2/

MCS	Interruptible Market Center Services	<u>MCS Charge</u> (Per Dth of Parked or Loan Quantity)	\$0.2758	\$0.0000 <u>3/</u>
		<u>MCS Charge</u> (Per Dth of UnParked or Loan Payback Quantity)	\$0.2758	\$0.0000 <u>3/</u>
		<u>MCS Charge</u> (Per Dth Per Day of Accumulated Daily Park or Loan Quantity)	\$0.2758	\$0.0000 <u>3/</u>
		<u>MCS Charge</u> (Per Dth of Title Tracking Transfer and/or Wheeling Quantity)	\$0.2758	\$0.0000 <u>3/</u>

1/ Casper Division service area is defined on Sheet Nos. 2 and 3 of this Tariff.

2/ For storage fuel, lost and unaccounted for gas, the Company shall be entitled to retain the stated percentage of all therms received for storage injection, unless otherwise agreed to in writing. Further details are given on Sheet No. 56.

3/ The total MCS Transaction will be at or above \$0.0100 per Dth.



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 14

RESERVED FOR FUTURE USE



SCHEDULE OF SPECIAL CHARGES AND FEES

This schedule lists the Special Charges and Fees referred to in this Tariff. These Special Charges and Fees apply to all Customers utilizing the services of the Company as defined and described in this Tariff.

Sheet No.	Type	Unit	Cost
16D	Commissions Authorized Interest Rate	Pursuant to WY P.S.C Chapter 1, Section 2(a)(xv)	
15	Standard Hourly Rate	1 st Hour	\$55.00
	Standard Hourly Rate	Each Additional Hour	\$40.00
73	Late Payment Charge	First \$20.00 of Delinquent Amount	5%
73	Late Payment Charge	Delinquent Amounts Anything over \$20.00	2%
63	2 nd Billing Group Review	Standard Hourly Rate	100%
83	Reconnection Charge	Standard Hourly Rate	100%
83	Bill Collection Charge	Standard Hourly Rate	50%
83	Returned Check Charge		\$30.00
83	Customer Process Charge		\$10.00
83	Missed Appointments Charge	Standard Hourly Rate	50%
83	After Hours Call-out Charge	Standard Hourly Rate	150%
83	Weekend & Holiday Call-out Charge	Standard Hourly Rate	200%
85	Disconnection Charge	Standard Hourly Rate	50%
86	Continuing Service Charge	Total of Customer Charges & Extra Incentive Allowance Charges accrued during Service Disconnection	
87	Meter Test Fee	Standard Hourly Rate	200%
89	Service Line Survey Charge	Standard Hourly Rate	100%
95	Regular Incentive Allowance		\$985.00
95	Extra Incentive Allowance Charges		
95	-For \$2,000 over the Regular incentive Allowance Cost		\$20.00
95	-For \$3,000 over the Regular incentive Allowance Cost		\$30.00
95	-For \$4,000 over the Regular incentive Allowance Cost		\$40.00
95	-For \$5,000 over the Regular incentive Allowance Cost		\$50.00
99	Relocation of Facilities Charge	Standard Hourly Rate	100%
212	Customer Deposits	Unless otherwise ordered by the Commission, the required deposit shall not exceed the total amount of the Customer's estimated bill for three months of highest use based on the premises' monthly bills during the immediate previous 12-month period.	

The "Standard Hourly Charge" as referenced in the various Special Charges listed above shall be \$55.00 for the first hour and \$40.00 for each additional hour.

Normal Working Hours 9:00 AM – 5:00 PM
These hours are subject to change without notice

List of Legal Holidays

New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday Following Thanksgiving
Christmas Day	December 25

If a holiday falls on a weekend, the day of observance will be the closest work day to the holiday
Upon declaration of the governor of this state, any date appointed or declared by the President of the United States as an occasion of national mourning, rejoicing or observance of national emergency



NATURAL GAS RATES
GAS DELIVERY COST ADJUSTMENT APPLICABLE TO
CHOICE GAS SERVICE
RATE SCHEDULES AND AREAS

1. APPLICABILITY

The Gas Delivery Cost Adjustment (GDCA) clause applies to all rate schedules unless otherwise specifically stated.

2. DETERMINATION OF GAS DELIVERY COST

2.1 The Gas Delivery Cost for the period shall be the cost of backup, emergency, or replacement gas supplies or other services directly attributable to the Company's Wyoming jurisdiction during the period. In the event that the Company, at its sole discretion, needs to purchase: i) backup or emergency gas supplies or other services in order to ensure system integrity; or ii) replacement gas supplies or other services due to the failure of qualified supplier(s) to deliver sufficient gas volumes, and the Company does not recover sufficient dollars from the non-performing supplier(s) to fully reimburse the Company for any costs related to such purchases, then the actual unrecovered cost to the Company for such purchasing, including but not limited to gathering, transporting, storing, treating, and processing of any backup, emergency or replacement gas supply, or any other services, fees and taxes related to such gas, shall be included in the Gas Delivery Cost for the period.

2.2 If circumstances arise whereby the Company is required to implement its emergency backup service, the Company will immediately provide notice of such emergency to the Commission. For any costs not recovered from suppliers related to service described in Section 2.1 above, the Company shall request approval from the Commission to be reimbursed through the GDCA mechanism.

3. PROJECTED DELIVERY COST RATE DETERMINATION

The Company, at its sole discretion, but at least on an annual basis if Gas Delivery Costs are expected to be incurred, will file an application pursuant to the Commission's Rules to establish a projected Gas Delivery Cost rate to be included in rates. This filing will be made only when costs defined in Section 2.1 above are projected to be incurred. The planned method, supporting basis and time period for projecting the Gas Delivery Cost rate shall include the use of forecasted economic indicators that provide information relative to a NYMEX data point, or other data point, as appropriate, and information relative to a basis difference for Wyoming, if appropriate, for the forecasted period of months remaining until the start of the next Choice Gas Program Year. This purchase gas cost methodology utilizing the most current relevant industry information incorporates the most reasonable methodology available to the Company for determining projected cost. The projected Gas Delivery Cost rate will be determined by dividing projected gas delivery costs as defined in Section 2.1, above, by the projected Choice Gas Service transport volumes.



NATURAL GAS RATES
GAS DELIVERY COST ADJUSTMENT APPLICABLE TO
CHOICE GAS SERVICE
RATE SCHEDULES AND AREAS - CONTINUED

4. ACTUAL GAS DELIVERY COST DETERMINATION

Actual unit gas delivery cost for the period will be determined by dividing the actual Gas Delivery Costs for the period as defined in Section 2.1 above by actual Choice Gas Service transport volumes for the month.

5. GAS DELIVERY COST ADJUSTMENT AND ACCRUAL

5.1 The GDCA for each month will be determined by multiplying the difference between the actual unit Gas Delivery Cost as determined in Section 4, and the unit Gas Delivery Cost as determined in Section 3, by the jurisdictional Choice Gas Service transport volume as determined from actual billings to jurisdictional customers.

5.2 The monthly difference between actual costs and revenues calculated in accordance with the preceding paragraph shall be recorded in Account 191 - Unrecovered Purchased Gas Costs of the Uniform System of Accounts. A positive amount (defined as actual gas delivery cost exceeding projected gas delivery cost) represents an under-recovery of costs and will be debited to Account 191. A negative amount (defined as projected delivery cost exceeding actual gas delivery cost) represents an over-recovery of costs and will be credited to Account 191.

5.3 If the Company's projected gas delivery costs during the remaining months of the projection period change significantly from the filed projected gas delivery cost, the Company may file a pass-on application before its next scheduled pass-on to revise its projected gas delivery costs, provided that the Company's rate change equates to at least 0.5% of the gas cost delivery rate for the period.

6. SURCHARGE DETERMINATION

6.1 Interest will be calculated on any over-recovered balance recorded in Account 191 at the end of each month. The interest rate used for this calculation will be the Commission's Authorized Interest Rate calculated as a daily rate, as defined in the Commission's Rules. Interest on all over-recovered monthly balances during the annual accumulation period will be credited to Account 191 as carrying costs and recorded in addition to the recovered monthly amounts described in Section 5.2, above. All interest will be compounded on a monthly basis.

6.2 Annually, the Company will calculate a surcharge (positive or negative) to amortize the accumulated over- or under-collected gas delivery costs by dividing the balance in Account 191 at the end of the accumulation period by projected jurisdictional Choice Gas Service transport volumes for the next twelve months. Total gas delivery cost rates will be determined by adding this unit surcharge to the projected gas delivery cost rate established in Section 2 above.



NATURAL GAS RATES
GAS DELIVERY COST ADJUSTMENT APPLICABLE TO
CHOICE GAS SERVICE
RATE SCHEDULES AND AREAS - CONTINUED

7. TIMING OF FILING AND DETERMINATION OF ACCUMULATION PERIOD

If Gas Delivery Costs are incurred, the Company may file, at least annually, to adjust its rates to be effective each June 1; provided the Company may make out of period filings as it deems necessary. The accumulation period of future gas delivery costs incurred shall be the twelve-month period ending each March 31.



NATURAL GAS RATES
GAS DELIVERY COST ADJUSTMENT APPLICABLE TO
CHOICE GAS SERVICE
RATE SCHEDULES AND AREAS - CONTINUED

8. PASS-ON RATE [REGULATED RATE]

- 8.1 Applicability. This Pass-On Rate [Regulated Rate] Cost Adjustment clause applies to only those customers who receive service under the Pass-On Rate [Regulated Rate] Option included in the Choice Gas Program.
- 8.2 Determination of Pass-On Rate [Regulated Rate]. The Pass-On Rate [Regulated Rate] shall be determined by compiling the unit gas commodity costs and prudent gas delivery costs for purchasing, gathering, storing, transporting, treating, and processing of gas or any other services, fees and taxes assessed, under contract or otherwise, multiplied by quantities of gas received or to be received as applicable to Pass-On Rate [Regulated Rate] Option Customers, during the period. The Pass-On Rate [Regulated Rate] shall include prudent costs related to the hedging of prices paid by the Company for gas supply, including payments made or received by the Company to or from financial counter-parties pursuant to swap or derivative agreements and also shall include prudent costs associated with gas acquired from participating suppliers, including the Company as supplier, for purposes of implementing the Pass-On Rate [Regulated Rate] Option for customers.
- 8.3 Projection of Pass-On Rate [Regulated Rate]. On a quarterly basis, the Company will file an application to establish a projected Pass-On Rate [Regulated Rate] Base Charge to be included in its Tariff to be effective June 1, September 1, December 1, and March 1 of each Choice Gas Program Year. The planned method, supporting basis and time period for projecting the Pass-On Rate [Regulated Rate] Base Charge shall include the use of forecasted economic indicators that provide information relative to a NYMEX data point, or other data point, as appropriate, and information relative to a basis difference for Wyoming, if appropriate, for a forecast period of twelve months. This purchase gas cost methodology utilizing the most current relevant industry information incorporates the most reasonable methodology available to the Company for determining projected cost. The projected Pass-On Rate [Regulated Rate] Base Charge will be determined by dividing projected costs as defined in Section 8.2 above by the projected normalized sales attributable to Pass-On Rate [Regulated Rate] Option Customers for the twelve-month forecast period.
- 8.4 Actual Cost Determination. The actual unit cost for each month will be determined by dividing the actual total gas supply costs for each month, as defined in Section 8.2 above, by actual sales volumes for the month, as applicable to the Pass-On Rate [Regulated Rate] Option.
- 8.5 Pass-On Rate [Regulated Rate] Cost Adjustment and Accrual.
- A. The Pass-On Rate [Regulated Rate] Cost Adjustment for each month will be determined by multiplying the difference between the actual unit cost as determined in Section 8.4 and the unit cost as determined in Section 8.3 by the applicable sales volume as determined from actual billings to Pass-On Rate [Regulated Rate] Option Customers.



NATURAL GAS RATES
GAS DELIVERY COST ADJUSTMENT APPLICABLE TO
CHOICE GAS SERVICE
RATE SCHEDULES AND AREAS - CONTINUED

8. PASS-ON RATE [REGULATED RATE] - CONTINUED

8.5 Pass-On Rate [Regulated Rate] Cost Adjustment and Accrual - Continued

- B. The monthly difference between actual costs and costs recovered, as calculated in accordance with the preceding paragraph, shall be recorded in Account 191 - Unrecovered Purchase Gas Costs of the Uniform System of Accounts. A positive amount (defined as actual cost exceeding projected cost) represents an under-recovery of costs and will be debited to Account 191. A negative amount (defined as projected cost exceeding actual cost) represents an over-recovery of costs and will be credited to Account 191. The costs in Account 191 shall be accumulated for each month.
- C. If the Company's normalized projected costs during the projection period change from the amounts used in calculating the Pass-On Rate [Regulated Rate] Base Charge, the Company may file an application to revise its Pass-On Rate [Regulated Rate] Base Charge, provided that the Company's rate change equates to at least 0.5% of the gas cost rate for the period.

8.6 Pass-On Rate [Regulated Rate] Cost Adjustment Surcharge Determination.

- A. Interest will be calculated on any over-recovered balance recorded in Account 191 at the end of each month. The interest rate used for this calculation will be the Commission's Authorized Interest Rate, calculated as a daily rate, as defined in the Commission's Rules. Interest on all over-recovered balances during the annual Choice Gas Program Year accumulation period will be credited to Account 191 as carrying costs and recorded in addition to the recovered monthly amounts described in Section 8.5B, above. All interest will be compounded on a monthly basis.
- B. On a quarterly basis, to be effective on the dates set forth in Section 8.3 above, or as necessary, the Company will calculate a surcharge (positive or negative) to amortize the accumulated balance of gas costs and interest contained in Account 191 by dividing such balance (at the time an adjustment is deemed necessary) by projected Pass-On Rate [Regulated Rate] Option sales volumes for the twelve month forecast period.

8.7 The Pass-On Rate [Regulated Rate] Charge shall be set forth on the applicable rate sheet of this Tariff and shall be the sum of the Pass-On Rate [Regulated Rate] Base Charge and the Surcharge, as defined in this Section 8.



NATURAL GAS RATES
GAS DELIVERY COST ADJUSTMENT APPLICABLE TO
CHOICE GAS SERVICE
RATE SCHEDULES AND AREAS - CONTINUED

8. PASS-ON RATE [REGULATED RATE] - CONTINUED

- 8.8 Determination of Accumulation Period. The accumulation period of over- or under-recoveries of costs associated with the Pass-On Rate [Regulated Rate] Option shall be limited to the twelve-month period of the previous Choice Gas Program Year.
- 8.9 Disposition of Accrual. At the end of the current Choice Gas Program Year, any under- or over-recovered amount in Account 191 attributable to the Pass-On Rate [Regulated Rate] Option will be reflected in the calculation of the first Pass-On Rate [Regulated Rate] Cost Adjustment Surcharge developed for the subsequent Choice Gas Program Year as defined in Section 8.6 above. To the extent that the Pass-On Rate [Regulated Rate] Option is discontinued, any remaining costs not collected from Pass-On Rate [Regulated Rate] Option Customers shall be transferred to the Gas Delivery Cost Adjustment (GDCA) Account 191, which is applicable to all customers and collected via that rate mechanism.



NATURAL GAS RATES TRANSPORTATION RATE ADJUSTMENT

1. APPLICABILITY

The Transportation Rate Adjustment (TRA) clause applies to all rate schedules for the Torrington Division contained in unless otherwise specifically stated.

2. TRADETERMINATION

On an annual basis, the Company will file an application to establish a TRA rate to be included in rates. The TRA will be determined as follows.

- 2.1 Base TRA - The Base TRA will be equal to the monthly amortization of Wyoming's portion of costs associated with the buyout of the P-0802 Contract as authorized by the Commission in Docket No. 30022-260-GA-15 (Record No. 14302). The Base TRA applicable to the Torrington Division will be determined by dividing these costs by the projected volumes to be delivered to the Torrington Division during the twelve-month projection period. Any discount from the maximum rates stated on the applicable rate sheets of this Tariff shall be applied first to reduce the TRA and then, to the extent necessary, to reduce the Distribution Charge.
- 2.2 Surcharge TRA - The Surcharge TRA shall be calculated each year by adding all actual P-0802 Contract costs or monthly amortization amounts incurred during the current accumulation period less the TRA surcharge amounts collected during the same period to the adjusted actual balance of P-0802 Contract costs applicable to the Torrington Division at the end of the previous accumulation period. The resulting over-or-under collection shall be divided by projected Wyoming volumes subject to the TRA for the next twelve-month period and shall become the Surcharge TRA.
- 2.3 The TRA shall be the sum of the Base TRA and Surcharge TRA. All TRA amounts collected shall be retained by the Company, subject to balancing account adjustments to true-up the projected costs, revenues, and quantities to those actually incurred.



NATURAL GAS RATES TRANSPORTATION RATE ADJUSTMENT - CONTINUED

3. EXIT FEE

If a Transportation or CGS customer discontinues receiving delivery service through facilities owned by the Company, and arranges for the delivery of its natural gas through facilities owned by a party other than the Company, the customer will be charged a one-time exit fee related to the recovery of certain gas supply costs incurred for the benefit of the customer. This exit fee will represent a contribution toward the customer's fair share of certain costs associated with the P-802 contract which are recovered under the TRA. The exit fee for any customer shall equal that customer's average annual consumption in therms for the most recent three years multiplied by the current TRA multiplied by the remaining amortization period for the collection of the costs associated with the buyout of the P-0802 Contract as authorized by the Commission in Docket No. 30022-260-GA-15 (Record No. 14302).

4. TIMING OF FILING AND DETERMINATION OF ACCUMULATION PERIOD

The Company will file annually to calculate the projected TRA based upon a twelve-month projection of gas supply costs, sales volumes and transportation volumes and adjust its rate sheets accordingly effective each June 1. The accumulation period of over-or-under recoveries of TRA costs shall be the twelve-month period ending May 31.



WORKING GAS STORAGE ADJUSTMENT

1. APPLICABILITY

The Working Gas Storage Adjustment applies to all Customers receiving service under the Pass-On Rate [Regulated Rate] as contained in this Wyo. P.S.C. Tariff No. 2.

2. DETERMINATION OF WORKING GAS STORAGE ADJUSTMENT

The Working Gas Storage Adjustment will be determined by using the dollar value of a thirteen-month average balance of working gas multiplied by the authorized rate of return, with the equity portion adjusted for income taxes. The derived amount is then divided by projected annual Pass-On Rate [Regulated Rate] sales volumes to determine the distribution rate adjustment. The proposed Working Gas Storage Adjustment rate will be requested from the Commission in conjunction with the quarterly Pass-On Rate [Regulated Rate] applications.



DISTRIBUTION USE PER CUSTOMER ADJUSTMENT RIDER

APPLICABILITY

This rider is applicable to all service provided under Billing Groups SGS and MGS for Small and Medium General Service. Service is subject to the NOTES AND DEFINITION OF TERMS section below.

NET ANNUAL CHARGE

A Distribution Use Per Customer Adjustment (DUPCA) Factor shall be applied to each monthly bill on a per-therm basis to refund revenue excesses or collect revenue deficiencies that occur as a result of deviations from the weather normalized use per customer that formed the basis for the current base rates. The DUPCA Factor shall be calculated by the formulas:

Formula (1):

$$\text{DUPCAF}_{ni} = \frac{(\text{DUPCA}_{(n-1)i} + \text{ADJ})}{(\text{CC}_{(n-1)i} \times \text{WNUPC}_{(n-1)i})}$$

Formula (2):

$$\text{DUPCA}_{(n-1)i} = (\text{WNUPC}_{bi} - \text{WNUPC}_{(n-1)i}) \times \text{CC}_{(n-1)i} \times R_i$$

Formula (3):

$$\text{CC}_{(n-1)i} = \text{ABillsTot}_{(n-1)i} / 12$$

Formula (4):

$$\text{ADJ} = \text{Prior Period Calculated DUPCA Revenues} - \text{Actual DUPCA Revenues} + \text{Calculated Interest}$$

Where:

DUPCAF_{ni} = DUPCA Factor, calculated in accordance with Formula (1).

$\text{DUPCA}_{(n-1)i}$ = Margin revenue shortfall or excess due to changes in use per customer during the DUPCA Calculation Period.

$\text{ABillsTot}_{(n-1)i}$ = The sum of actual number of monthly bills over the DUPCA Calculation Period applicable to Rate Schedule i.

WNUPC_{bi} = Base weather normalized use per customer, applicable to Rate Schedule i, as approved in Docket No. 30022-148-GR-10 (Record No. 12450).

$\text{WNUPC}_{(n-1)i}$ = Weather normalized use per customer, applicable to Rate Schedule i, during the DUPCA Calculation Period.



DISTRIBUTION USE PER CUSTOMER ADJUSTMENT RIDER (CONTINUED)

- $CC_{(n-1)i}$ = Average annual number of customers, applicable to Rate Schedule i, during the DUPCA Calculation Period.
- R_i = Applicable distribution charge for Rate Schedule i as approved in Docket No. 30022-148-GR-10 (Record No. 12540).

Notes and Definition of Terms:

1. All terms and calculations are applicable to each Rate Schedule. Formulas (1), (2), (3), and (4) are calculated on an annual basis.
2. The DUPCA Calculation Period shall consist of the twelve-month period ending December 31st. The first DUPCA Calculation Period will be the twelve-month period ending December 31, 2011.
3. The Company shall file a report with the Commission on or before March 1, 2012 and 2013 and on or before each April 15th thereafter showing the calculation of the DUPCA Factor for the DUPCA Calculation Period.
4. The DUPCA Collection Period shall consist of the twelve-month period ending May 31st. Therefore, the DUPCA Factor will appear over the DUPCA Collection Period for usage on or after June 1st. The first DUPCA Collection Period will be the twelve-month period beginning on June 1, 2012.
5. The Prior Period Calculated DUPCA Revenues are the total revenues excess/deficiency for the prior DUPCA Calculation Period as approved by the Wyoming Public Service Commission.
6. The *Actual DUPCA Revenues* are the total revenues actually collected/refunded during the prior DUPCA Collection Period.
7. The *Calculated Interest* is calculated using the number of days in the month / number of days in the year x the Commission's Authorized Interest Rate as defined in the Commission's Rules for the applicable period.
8. The DUPCA Factor may be revised by the Commission if it appears at any time on review that the DUPCA Factor at the end of the DUPCA Collection Period will be substantial.
9. The DUPCA Factor shall be calculated to the nearest \$0.0001/therm.

Deferred Account

Effective May 31, 2013, the Company will establish two Deferred Accounts (Account 182.3), one account being for the SGS Customer Class and the other account being for the MGS Customer Class, to track the over- or under-recoveries related to the DUPCA Factors charged or refunded to customers compared to the Commission authorized DUPCA refund or surcharge amounts, including calculated interest as set forth below. The Company will track the monthly refunds or surcharges to customers in the respective accounts. On June 1, 2013, for the 2012 DUPCA Calculation Period, and every December thereafter, the Company will record the annual DUPCA Calculation Period revenue deficiency or excess into the respective accounts. Any variance between the annual DUPCA Calculation Period amounts recorded in the accounts in December and the DUPCA amounts for that period approved by the Commission to be effective June 1st of the following year will be entered into the respective accounts the month following Commission approval.

The December revenue excess in the respective accounts, including any such variance, will not be included in the monthly interest calculation until June 1st of the following year, which corresponds to the effective date of the new rates reflecting this revenue deficiency or excess.

Interest will be calculated on any under-refunded balance at the end of each month. Interest will be compounded on a monthly basis and calculated in accordance with the *Calculated Interest* definition.



REVENUE ADJUSTMENT MECHANISM

1. APPLICABILITY

The Revenue Adjustment Mechanism ("RAM") applies to all customers in the Casper Division taking service under Rate Schedule RCG as described on Docket 30022-291-GA-17 Record No. 14709.

2. TYPES OF REVENUES INCLUDED IN RAM CREDIT

The following types of revenues and costs shall be included in the RAM Credit:

A. REVENUES FROM RATE SCHEDULE MCS SERVICE.

1. For the purpose of this RAM, the term "MCS Investment" shall mean the investment for the construction and operation of the Chokecherry Compressor Station and related facilities used to provide transportation and Market Center Services ("MCS").
2. The Company shall retain 100% of net monthly revenues actually received by the Company for the Off-System Transportation Charge in Rate Schedule RCG and for services rendered under Rate Schedule MCS until the date that the MCS Investment is included in Casper Division customers' base rates as a result of the Company's first rate case after the date this RAM first becomes effective. The MCS Investment to be included in Casper Division customers' base rates shall be the net investment at the time the Company files that rate case and not the gross amount of the MCS Investment. The revenues that the Company shall retain until that date shall not be credited or returned to Casper Division customers.
3. Upon the date that the MCS Investment is included in Casper Division customers' base rates as a result of the Company's first general rate case after the Effective Date of this Tariff Sheet, the annual MCS revenues generated on and after that date that are up to the then-current cumulative revenue requirement of the MCS Investment shall be credited to Casper Division customers through the RAM. There shall be no sharing of annual MCS revenues unless and until the cumulative amount of MCS revenues returned to Casper Division customers exceeds the then-current cumulative revenue requirement of the MCS Investment. Annual MCS revenues generated on and after the date that the MCS Investment is included in Casper Division customers' base rates that are in excess of the then-current cumulative revenue requirement of the MCS Investment shall be shared, with 50% being returned to Casper Division customers through the RAM and the other 50% being retained by the Company. The 50% of annual MCS revenues returned to Casper Division customers shall not be included in the calculation of the cumulative amount of MCS revenues returned to Casper Division customers.
4. The Company may exclude from the applicable net revenues any revenues that, pursuant to an express written contract, compensate the Company for the cost of service of new facilities, including new facilities approved by the Commission in a request for a certificate of public convenience and necessity filed by the Company.



REVENUE ADJUSTMENT MECHANISM - CONTINUED

B. OPERATIONAL PURCHASES AND SALES.

The Company shall track the costs and revenues associated in any month with operational purchases and sales. The Company shall include one hundred percent (100%) of the net amount of such costs and revenues in the RAM Credit. Such costs and revenues associated in any month with operational purchases and sales shall exclude any amounts capitalized, included in the Company's Fuel and Lost and Unaccounted For Gas (FL&U) reimbursement percentage or otherwise recovered through the Company's established base rates. Operational purchases and sales may also include Mainline FL&U (as described in Section 14.A.1) and/or Storage Injection FL&U (as described in Section 14.A.2) as part of the true-up process between the computed FL&U rates and the actual FL&U experienced on the Company's system(s).

C. CASH OUT COSTS AND REVENUES AND SUPPLY SCHEDULING CHARGES AND PENALTIES.

The Company shall track the costs and revenues associated in any month with cash out costs and revenues and supply scheduling charges and penalties. The Company shall include one hundred percent (100%) of the net amount of such costs and revenues in the RAM Credit.

3. SEMI-ANNUAL FILINGS

The Company shall make semi-annual filings to adjust the RAM Credit: a filing each May 1, to be effective each immediately following June 1, and a filing each November 1, to be effective each immediately following December 1.

4. DETERMINATION OF RAM CREDIT RATE

The RAM Credit rate for each semi-annual filing shall be determined by netting all of the actual net revenues and all of the actual net costs included in the RAM Credit for each month applicable to the filing and dividing that total net amount by projected annual sales volumes. The Company shall adjust the calculated RAM Credit rate to true-up the total net amount to be returned to customers to the total net amount actually returned to customers. The RAM Credit rate will be computed to the nearest \$0.0001 per therm.

5. INTEREST

Interest shall be calculated on any under-returned balance at the end of each month. The interest rate used for this calculation shall be the Commission's Authorized Interest Rate calculated as a daily rate, as defined in the Commission's Rules. All interest will be compounded on a monthly basis.

6. SEPARATE LINE ITEM ON BILLS

The RAM Credit shall appear as a separate line item on the bills of customers receiving the RAM Credit.



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 21

RESERVED FOR FUTURE USE



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE

1. AVAILABILITY

This Rate Schedule is available to all Customers within the Company's service territory.

2. APPLICABILITY

Applicable to Residential, Commercial and Industrial Service, and to all Customers desiring natural gas for pumping water for farmland irrigation purposes.

3. DESCRIPTION OF SERVICE

3.1 Choice Gas Service provides Customers the opportunity to select their own gas Suppliers from a pool of competing Suppliers with the Company managing the associated distribution delivery and administrative services. Suppliers as referenced in this Tariff include third-party Suppliers and include the Company as Supplier under the Pass-On Rate [Regulated Rate] Option. The resulting benefits to the Customer are threefold in that Choice Gas: 1) provides access to competitively priced market-based gas supplies, 2) facilitates participation as the Company will manage the provision of Choice Gas transportation service on its distribution system and will make available sufficient scheduling opportunities such that the Suppliers can manage the provision of the Choice Gas transportation and storage service on the Casper Division Mainline system and 3) allows the Customer to retain the reliability of service associated with traditional sales services. The Customer selects a gas Supplier from a pool of qualified gas Suppliers and notifies the Company of its choice. The Company may be selected or designated as a Supplier through the Pass-On Rate [Regulated Rate] Option.

3.2 For the Casper Division, the Company agrees to provide to the Supplier the Choice Gas firm Mainline transportation service between the primary point(s) of receipt and the primary point(s) of Mainline delivery at Mainline Town Border Stations ("TBS") and/or at Upstream Delivery Point(s). The Delivery Point(s) will include a pool of individual meters. The phrase Delivery Point(s) and Delivery Pool(s) have the same meaning and can be used interchangeably. The Company agrees to allow the Supplier to schedule on an interruptible basis transportation service from secondary point(s) of receipt in accordance with the scheduling provisions of the General Terms and Conditions of this Tariff. Secondary points of delivery are available on a limited basis as is provided for in Section 14.1(E) of this Rate Schedule. The Supplier agrees to tender Gas for transportation, and the Company agrees to accept nominated, confirmed and scheduled receipt quantities, provide transportation service and to deliver the nominated, confirmed and scheduled gas quantities to Suppliers at the Upstream Delivery Point(s) and/or Mainline TBS Delivery Point(s). Minimum and maximum contract pressures, if any, at the Receipt Point(s) and Mainline Delivery Point(s) are listed in the Supplier Participation Agreement and/or made available to the Supplier by notice via EBB posting or via e-mail.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

3. DESCRIPTION OF SERVICE

- 3.3 Based on the requirements of the Special Provision Customer Group, the Gillette and Torrington Division(s) service area(s), the Company will hold a pre-determined amount of firm transportation and/or no-notice capacity on the upstream pipeline system, as applicable, which capacity entitlements will be temporarily released to and used by the Customer's Supplier for the purposes of providing delivery of the Customer's gas supply to the Company's distribution system. The Company may retain an amount of firm transportation and/or no-notice service on the upstream pipeline for backup or emergency use.
- 3.4 Based on the requirements of the Casper Division service area, the Company will assign and allocate Receipt Point(s) entitlements, Mainline Town Border Station Delivery Point(s) entitlements, Mainline Upstream Delivery Points entitlements, and path(s) entitlements on the Company's Mainline system to each Supplier and will also assign and allocate firm storage entitlements on the system under Rate Schedule FS-1 of this Tariff to the applicable Choice Gas Supplier, including to the Company as the Supplier through the Pass-On Rate [Regulated Rate] Option. For the Casper Division, the Company will allocate firm storage capacity to the Suppliers for the upcoming Choice Gas Program twelve-month period program year according to the applicable delivery locations using the ratios described in the annual notice entitled "Casper Division Storage Gas Parameters" and following the requirements of Section 6.8 of this Rate Schedule and as made available under Rate Schedule FS-1 of this Tariff following such allocation.
- 3.5 For the Casper Division, the Company will provide notice by telephone, e-mail, fax, electronic text or by EBB posting to the Suppliers when the Supplier, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, will be required to source the gas supply from certain locations on certain Gas Days under certain operating conditions as described in the "Operational Requirements" section of this Rate Schedule in section 6.7 (F) on Sheet No. 27.
- 3.6 The Company may retain an amount of Casper Division firm Mainline capacity and/or firm storage capacity for backup, balancing or emergency use.

4. REQUEST FOR SERVICE

Requests for service shall be made in accordance with the Choice Gas Service Provisions of this Tariff. By requesting service, the Customer agrees to abide by, and shall be obligated to comply with the Company's Rate Schedules, General Terms and Conditions, rules, Tariffs and regulations, as amended from time to time, as a condition of service.

5. ADDITIONAL FACILITIES

The Customer is responsible for payment of any costs if additional facilities are necessary to provide service. The Company reserves the right to limit new Customers served under this service as described on Sheet No. 74.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

6. SUPPLY SELECTION

- 6.1 All Customers under this rate schedule have the option to choose a gas Supplier from a pool of qualified Suppliers or to choose the Company as Supplier under the Pass-On Rate [Regulated Rate] Option. The conditions for Supplier participation are governed by the Supplier Participation Agreement. The Company as Supplier under the Pass-On Rate [Regulated Rate] Option will execute the Exhibit B of the Supplier Participation Agreement to make clear its capacity entitlements and related obligations. The form of the Supplier Participation Agreement is a part of this Tariff. The list of qualified Suppliers will be provided to Customers by the Company. The Customer shall pick a gas Supplier from the list and notify the Company of its choice. Except for Customers that have subscribed to multi-year gas supply arrangements as permitted under paragraph 6.9 of these rate schedules, customers may change their Supplier selection once every twelve months effective at the beginning of the twelve-month program year commencing with the June bill cycle. Customers that do not select a Supplier during their initial selection period will be designated to the Company as Supplier under the Pass-On Rate [Regulated Rate] Option.
- 6.2 Choice Gas Services and the Pass-On Rate [Regulated Rate] Option will be provided in one-year periods commencing on June 1 of each year and ending twelve months later on the Customer's normally scheduled meter read date, excluding those Customers moving on or off the system during a term, or as provided in paragraph 6.9. Changes in gas Suppliers will not be made effective prior to the end of the twelve-month term except as noted below. However, the Customer, with Supplier consent, may switch between rate offerings of its current Supplier within the Choice Gas Program Year. Nothing herein shall prevent a Supplier from offering and a Customer from accepting a multi-year supply offering.
- 6.3 Except for Customers purchasing gas supply under multi-year gas supply arrangements, customers will be provided an opportunity to select a Supplier annually. The Company will provide a selection medium(s) to Customers or to such other party as is properly designated by a Customer, listing Suppliers from which the Customer may choose. Selection forms submitted by the Supplier must be accompanied by a delegation agreement or other form as the Company may use from time to time, signed by the Customer. If a Customer does not make a selection during the selection period, or if the Company receives an improperly completed selection which reasonably cannot be interpreted as to the selection made, the Customer's current Supplier and price option shall continue for the next twelve-month term so long as the Supplier continues to provide Choice Gas service. If the Customer wishes to change its selected or designated option to be effective on June 1 of the next twelve-month term, the Customer must notify the Company on an appropriate selection form or via any other available selection medium, postmarked on or before the designated response deadline of the selection period. If a third-party Supplier is no longer available (for example, a Supplier has exited the Program) and the Customer has not made another selection, then the Customer will be designated as having selected the Company as Supplier under the Pass-On Rate [Regulated Rate] Option.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

6. SUPPLY SELECTION – CONTINUED

6.4 Change from Choice Gas Rate Schedules to Transportation Rate Schedules

- A. If the Customer desires to switch to firm distribution transportation service under the Rate Schedule (TT, TG, TC) included in this Tariff effective June 1 of the next twelve-month term, the Customer must notify the Company on a transportation service request form, and provide its upstream capacity requirements, if any, to the Company by February 15 each year. If the Customer is purchasing gas supply under a multi-year gas supply arrangement and desires to switch prior to the fulfillment of the arrangement, the Supplier and Customer must mutually agree on the early termination of the multi-year gas supply arrangement. Customers are not allowed to switch to distribution transportation service within the Choice Gas Program Year.
- B. For the Special Provision Customer Group, the Gillette and Torrington Divisions, Customers that elect to switch to distribution transportation will be required to hold firm upstream pipeline and/or storage capacity, as applicable. The Customer may choose to hold firm upstream capacity either through capacity release or a Capacity Realignment Charge from the Company, or by purchasing its own firm upstream capacity.

6.5 Unless otherwise agreed to by the Customer and the affected Suppliers, in case more than one selection is received from the Customer, the Supplier on the first valid selection processed will be the Supplier for that customer.

6.6 Special Provision Customer Group – (Rate Schedule RCG-3)

- A. Customers in the towns of Powder River and Lost Cabin, and those Customers served off of taps off Colorado Interstate Gas Company's interstate pipeline shall be considered as the "Customer Group" for purposes of Supplier selection. All qualified third-party Suppliers in the Choice Gas Program will be required to provide the Company a single, fixed-rate commodity price closed bid for this Customer Group on or before May 1 of the current term. The Company will determine the winning bidder (third-party Supplier) based on the lowest fixed-rate price provided on or before the 3rd business day of May of the current term. Upstream pipeline and/or storage capacity, if any as applicable, needed to serve any Customers within the Customer Group will be released to the winning bidder. The winning bidder will supply gas to the Customer Group at the winning bid price for the entire Choice Gas Program Year. This bidding process will be repeated each Choice Gas Program Year.
- B. Supplier(s) serving the Special Provision Customer Group will not be allocated any Casper Division Mainline capacity or any Casper Division storage capacity.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CG S CHOICE GAS SERVICE – CONTINUED

6. SUPPLY SELECTION – CONTINUED

6.7 Procedures for the Management of the Required Choice Gas Firm Mainline Transportation Service Entitlements for the Casper Division:

- A. The allocation methodology and the quantification of the capacity at the Receipt Point(s) and the Mainline Upstream or Town Border Station Delivery Point(s) and the path(s) entitlements associated with this Choice Gas firm Mainline transportation service will be communicated to the current or potential Suppliers once annually by notice which will be made available by email and/or posting on the Company's EBB. Such notice will be made on or before March 15 of each year.
- B. After the Selection period but prior to June 1 of each year, for each Supplier serving a Casper Division Customer selecting Choice Gas Service, the Supplier, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, will be allocated a Mainline firm transportation Primary Receipt Point(s) entitlement, a firm primary path(s) entitlement and a Mainline firm transportation Primary Delivery Point(s) entitlement at specified Upstream and/or Town Border Station Delivery Point(s). For Suppliers, such information on the Mainline capacity right(s) will be contained on Appendix B of the Supplier Participation Agreement and such information will be reflected in an administrative identifying contract number to be used for back office business computer system processes including nominations, scheduling, reporting, invoicing and accounting.
- C. Mainline firm transportation Primary Receipt Point(s) entitlements (Maximum Daily Receipt Quantity or MDRQ) will be made available from the following receipt pools: Fremont Receipt Pool, South Segment Receipt Pool, Casper Area Receipt Pool, Storage Receipt Pool to Riverton delivery area, Storage Receipt Pool to Casper delivery area, and Storage Receipt Pool to Delivery Points south of Sand Draw Compressor Station. Day-to-day scheduling nominations will generally be made by Suppliers using individual meter identifying numbers from within the Receipt Pool(s).
- D. Mainline firm transportation Primary Delivery Point(s) entitlements (Maximum Daily Delivery Quantity, or MDDQ) will be made available at the Upstream Delivery Pool and at the Town Border Station Delivery Point(s) including the South System Mainline Delivery Pool, the Riverton Mainline Delivery Pool, the Casper Mainline Delivery Pool, and the Storage Injection Delivery Pool.
- E. The Company will post on the EBB a Point Catalog wherein the individual meter identifying numbers included in each Mainline Receipt and/or Delivery Pool will be made available for ease of reference. For the Town Border Station Delivery Pool(s) or for the Upstream Delivery Pool, certain single customer upstream meter locations may be deemed to be included in the pool as is indicated on the Point Catalog listing.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

6. SUPPLY SELECTION – CONTINUED

6.7 Procedures for the Management of the Required Choice Gas Firm Mainline Transportation Service Entitlements for the Casper Division: - Continued

F. OPERATIONAL REQUIREMENTS:

1. For each Mainline Town Border Station Delivery Point, a specified Receipt Point(s) entitlement must be pair-matched with a delivery location entitlement. Because of physical system capacity limitations, the Company must be able to pair-match receipts and deliveries both in contracting practices and in daily scheduling processes.
2. ANNUAL STORAGE CAPACITY ALLOCATION AND RELATED INJECTION OR WITHDRAWAL TRANSPORTATION CAPACITY ENTITLEMENTS - Suppliers servicing Mainline Town Border Stations north of the Sand Draw Compressor Station will be allocated a different percentage of its total requirements to be met by Maximum Storage capacity and related rights, including Maximum Available Storage Capacity Quantity (MAC), Maximum Daily Injection Quantity (MDIQ), and Maximum Daily Withdrawal Quantity (MDWQ), than will Suppliers servicing Town Border Stations south of the Sand Draw Compressor Station due to system north-to-south and south-to-north operational constraints. No storage will be allocated to Suppliers in association with the Upstream Delivery Point(s). Suppliers will be required to nominate to and from the point(s) of injection and withdrawal from specified Receipt Points and to Specified Delivery Point(s) on a matched-pair basis.
3. On any Gas Day, the Supplier may be required to source supplies from certain Primary Receipt Point locations in order to allow the Company to provide firm service at required pressures. By e-mail, fax, electronic text message, telephone and/or by EBB posting, the Transporter will issue a notice of Supplier-specific operational alert and/or operational flow order (OFO) and/or a segment-specific OFO detailing the required receipts.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

6. SUPPLY SELECTION – CONTINUED

6.8 Procedures for the Management of the Required Firm Storage Service Under Rate Schedule FS-1 in the Casper Division

- A. For each Supplier serving a Customer(s) in the Casper Division where the Customer has elected Choice Gas service, the Supplier, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, will be allocated firm storage capacity and firm injection and withdrawal entitlements pursuant to Rate Schedule FS-1 of this Tariff. The allocated firm storage entitlements will be listed on Appendix B of the Supplier Participation Agreement.
- B. By executing the form of Supplier Participation Agreement, each Supplier, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, serving Casper Division Customers will be deemed to have executed the equivalent of a Firm Storage Service Agreement for the program year. The Suppliers, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, will be required to hold an administrative Rate Schedule FS-1 identifying contract number for purposes of back office business computer system processes including nominations, scheduling, reporting, invoicing and accounting.
- C. The Suppliers, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, will be required to follow the storage operational requirements of the Rate Schedule FS-1, including requirements associated with nominations of injection and/or withdrawal quantities, associated with the cycling of the working gas storage inventory and associated with the requirement to meet certain inventory levels at specified time periods.
- D. Prior to Selection Period (on or before March 15 of each year): The allocation methodology and the quantification of the aggregate firm storage capacity and related firm injection and withdrawal rights will be made available once annually by e-mail or by EBB posting.
- E. After the Selection Period but before June 1 of each year: The total firm storage capacity and associated firm injection and withdrawal rights will be allocated to the selected Suppliers, including to the Company as Supplier under the Pass-On Rate [Regulated Rate] Option.
- F. The Casper Division Choice Gas Suppliers, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, and not the Customer, will be subject to and directly invoiced for the Rate Schedule FS-1 charges as is provided for under that Rate Schedule in this Tariff.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

6. SUPPLY SELECTION – CONTINUED

6.9 Multi-Year Gas Supply Arrangements

Notwithstanding any other provision of this rate schedule to the contrary, a Supplier may negotiate a multi-year gas supply arrangement with any Customer taking service under this rate schedule. By offering multi-year gas supply arrangements, the Supplier represents to the Company that it will continue to act as a Supplier in the Choice Gas Program throughout the term of the gas supply arrangement, meeting the attendant Supplier eligibility requirements in effect from time-to-time during the term thereof, and agrees that, if it ceases to be a Supplier during the term of a multi-year arrangement, the Supplier will reimburse the Company for any costs incurred by the Company in meeting the gas supply requirements of Customers purchasing gas from the Supplier during the remainder of the program year(s) in which the default occurs. If a Supplier defaults during the term of a multi-year gas supply arrangement, the Company will provide gas supply to the Customer during the remainder of the then-current program year under the Pass-On Rate [Regulated Rate] Option, and the Customer will be provided with a selection medium for choosing a new Supplier commencing for the succeeding program year. Any Customer being supplied under a multi-year gas supply arrangement that does not complete a valid selection for the program year immediately following the program year in which the multi-year arrangement ends will default to the Customer's current Supplier and pricing option, at a term to be equal to one program year. If the account holder at a premises changes during the term of a multi-year gas supply arrangement, the Supplier will continue to provide service to the new account holder for the remainder of the then-current program year; provided, however, that the multi-year gas supply arrangement thereafter will be considered void, and the new account holder will be provided a selection medium during the selection period for the forthcoming program year.

- 6.10 The Company will provide Customer lists to Suppliers containing Customer names, mailing addresses, telephone numbers, and usage history, by month, for the preceding calendar year along with other Customer contact information that may become available from time to time; provided, that Suppliers treat the information as confidential, and only use such information for purposes directly related to the Choice Gas Program. Suppliers are expressly prohibited from selling such lists, or otherwise disclosing information from the Customer list to any other person or business entity for any purpose other than marketing of the Choice Gas Program. The Company shall require Suppliers to sign an agreement protecting the confidentiality of Customer information disclosed under the Choice Gas Program. Information regarding new Customers during the program year will be provided to all Suppliers within five (5) business days of the new Customer information being input into the Company's computer system.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

7. RATES

7.1 Maximum and Minimum Rates. The applicable maximum and minimum unit rates for this service are set forth on the applicable Rate Sheet of this Tariff. The applicable unit rate under this Rate Schedule shall be a rate not in excess of the maximum unit rate, nor less than the minimum unit rate. Charges under this Rate Schedule may apply to either the Customer as described in Section 7.2, or the Supplier as described in Section 7.4, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option.

7.2 Monthly Bill to Customers. Commencing for the month in which service begins under this Rate Schedule and each month thereafter, Company shall charge, and Customer shall pay Company, the following amounts:

A. Customer Charge.

This charge is assessed to recover some of the fixed costs of providing service regardless of whether or not a customer uses any gas in a particular month. Fixed costs include items such as metering, billing, accounting, collections, and facilities in place ready to serve. This charge is billed to each Customer as a flat fee per month. This charge does not vary with gas usage, which assures that each Customer is paying its fair share of fixed costs. Changes in the Customer Charge occur from time to time and are subject to the approval of the Wyoming Public Service Commission.

B. Distribution Charge.

This charge is for the recovery of the costs to deliver natural gas through the Company's distribution facilities including any Gas Delivery Cost Adjustments. This charge equals the distribution rate multiplied by Billed Usage which includes an adjustment for thermal content. Changes in distribution rates occur from time to time and are subject to the approval of the Wyoming Public Service Commission.

C. Transmission Charge.

This charge is applicable only to Customers in the Casper Division. This charge is for the recovery of the costs to deliver natural gas through the Company's Mainline transmission facilities in the Casper Division. This charge equals the transmission rate multiplied by Billed Usage which includes an adjustment for thermal content. Changes in transmission rates occur from time to time and are subject to the approval of the Wyoming Public Service Commission.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

7. RATES – CONTINUED

7.2 Monthly Bill to Customers - Continued

D. Commodity Charge. A Customer will be charged one of the following based on that Customer's selection of a Choice Gas Supplier rate or selection of or default to the Pass-On Rate [Regulated Rate] Option:

1. Supplier Rates. If a customer selects a particular third-party gas Supplier under the Choice Gas Program, such Customer will be charged a commodity charge which represents the cost of natural gas and, if applicable, the cost of upstream transmission pipeline services to transport the natural gas to the Company's distribution facilities. The Supplier commodity charge is set by the participating Suppliers on an annual basis effective June 1 of each year and is not regulated by the Wyoming Public Service Commission. The amount due Represents the Supplier's charge for natural gas multiplied by Billed Usage which includes an adjustment for thermal content. Changes in upstream transmission pipeline service rates occur from time to time and are regulated by the Federal Energy Regulatory Commission or the Wyoming Public Service Commission.
2. Pass-On Rate [Regulated Rate]. If a Customer selects the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, or defaults to the Pass-On Rate [Regulated Rate] Option, such Customer will be charged the Pass-On Rate [Regulated Rate] multiplied by the Billed Usage, which includes an adjustment for thermal content, as such rate is set forth on the applicable rate sheet of this Tariff. Such Pass-On Rate [Regulated Rate] is subject to quarterly or more frequent adjustment, pursuant to Section 8.3 of the Gas Delivery Cost Adjustment section of this Tariff.

E. Special Charges and Fees. In addition to the above charges and fees, the Special Charges and Fees as set forth in this Tariff may be applied to the Customer's bill, as applicable.

7.3 Monthly Invoice or Payment to Suppliers. As provided for in this Tariff in Section 19.7 of this Rate Schedule, the Supplier may receive a monthly invoice for net Supplier charges under the Tariff and/or a monthly payment for net revenues under the Choice Gas Program.

7.4 Notwithstanding any provision of this Section 7, a Supplier may offer a fixed bill pricing option to Customers under which the Customer is billed a fixed monthly amount by the Company and the Supplier pays the Company for all applicable charges that otherwise would have been billed directly to the Customer under this section.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

8. RATE ADJUSTMENTS – The Statement of Rates sheets will display any additional rate adjustments provided for in this Tariff.
9. This section is reserved for future use.
10. FRANCHISE FEE

If required, franchise fees or charges imposed by any municipality will be charged to customers receiving service under this rate schedule in such municipality. The appropriate franchise amount shall be set forth as a separate item on that customer's bill.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING

11.1 Casper Division – Balancing

- A. The Supplier will make best commercial efforts to daily balance the sum of its receipts, including any nominated, scheduled and confirmed storage withdrawals, with the sum of its deliveries, including nominated, scheduled and confirmed injection quantities plus its Upstream and Mainline Town Border Station Delivery quantities. The Supplier will keep daily and accumulated monthly imbalances to a minimum and will take corrective curing action when imbalances occur.
- B. The Supplier's monthly volume statements will reflect allocated receipt volumes, Fuel Reimbursement Quantity volumes, volumes injected into or withdrawn from storage under Rate Schedule FS-1, allocated Mainline Town Border Station Delivery Point(s) or Delivery Pool(s) volumes, and allocated Upstream Delivery Point volumes.
 - 1. Where the physical characteristics of the meters so allow including by use of electronic flow meters, allocation of daily physical flow quantities on the Casper Division mainline are generally expected to occur in three (3) Business Days following physical flow and will be made available to the Suppliers in the back office computer system as soon as possible following such allocation. Where meter readings are made available only once monthly, including at the Upstream pool and the Customer premises, the allocated quantities will be made available to the Supplier's on the monthly volume statement.
- C. For each day of physical gas flow and as made available following the allocation of daily Mainline volumes, the difference between the allocated receipt volumes, including any nominated, confirmed and scheduled storage withdrawals, and the Town Border Station allocated quantities, plus any nominated, confirmed and scheduled storage injections, will be deemed the total Imbalance Quantity.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

- D. Daily receipt volumes, including withdrawal quantities, separated by each Choice Gas Supplier will be confirmed and allocated by the Company and/or the interconnecting pipeline or Receipt Point operator according to the provisions of this Tariff. Daily allocations will be made by the Company for each Supplier at the Receipt Points for further transportation into the Casper Division mainline Town Border Station Delivery Points. The allocations will be based upon a Pre-Determined Allocation (PDA) formula established by the Receipt Point operators as agreed to by the Company, or if no PDA is provided, based on the default allocation method as described in the Scheduling Principles section of the General Terms and Conditions of this Tariff. The daily delivery quantity transported to the point of injection or to the Mainline TBS Delivery Point(s) will be determined by the Company for each Supplier's account using a TBS pre-determined allocation method ("TBS PDA") at each Mainline Town Border Delivery Point(s) based upon expected market share as summed for all Customer premises for each Supplier. Such TBS PDA will be determined by the Company and may be updated as often as once daily but, in any event, the TBS PDA must be updated at least once each Choice Gas Program Year.

- E. Actual daily usage, or if not available, daily usage as estimated by the Company, will be used by the Company for purposes of the Mainline TBS PDA for allocating deliveries among Suppliers in association with the estimated deliveries to the premises from the Company's distribution system. If the difference between the forecasted Supplier market share and the actual Supplier market share varies by 5% or more for a month, a Supplier may request that the Company review the forecasted market share percentages. This forecasted market share review by the Company will consider any Supplier recommendations. The review will be finalized and provided to Suppliers within thirty (30) days of the request.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

- F. The total Imbalance Quantity will be deemed to be composed of two sub-part component Imbalance Quantities.
 - 1. Stage One-Mainline Imbalance Quantities for TBS Delivery Point(s) will be determined daily (generally available in three (3) Business Days) and accumulated monthly and will equal the difference between the allocated daily receipt volumes, including nominated, confirmed and scheduled storage withdrawals, and the allocated daily delivery quantities at the Mainline Town Border Station Delivery Point(s) or pool(s), including any nominated, confirmed and scheduled storage injections. As required unless such requirement is alleviated by notice of the Company, Stage One-Mainline Imbalance Quantities must be separated by the related Delivery Point(s) of Riverton Delivery Pool, Casper Delivery Pool, Upstream and South System Mainline Delivery Pool. The Stage One-Mainline Imbalance Quantities for Upstream Delivery Point(s) will be determined daily, at the end of month, and will equal the difference between the allocated daily receipt volumes and the allocated actual quantities at the Upstream Delivery Point(s) based on billed volumes for customer premises behind the Upstream Delivery Point(s).
 - 2. Stage Two-Distribution Imbalance Quantities related to TBS Deliveries will equal the difference between the allocated estimated quantities at the Mainline TBS Delivery Point(s) based on the TBS PDA and the allocated actual quantities at the Mainline TBS delivery point(s) as corrected for actual market share (after the allocation has been made for the corrected actual market share based on billed measurement data at the customer premises).
- G. The daily and monthly Stage One-Mainline and the once monthly Stage Two-Distribution Imbalance Quantities will be made electronically available to Suppliers whenever possible throughout the month on the Company's back office computer system (currently known as QPTM) but, in any event, such quantities will be computed and made available using the best available data after the routine daily and/or monthly accounting and allocation processes have been completed. Each sub-part Stage One and Stage Two component Imbalance Quantity will be resolved with each Supplier through separate imbalance management component procedures.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

- H. A Supplier may nominate in any scheduling cycle the make-up or payback of a Stage One-Mainline Imbalance Quantity related to a specific Delivery Point, including nominating a payback by storage withdrawal of a negative imbalance or make-up by storage injection of a positive imbalance. Transporter will confirm the nomination, if operational and scheduling conditions so allow.
 - 1. No more than once a month, a Supplier may nominate in any scheduling cycle the transfer of a Stage One-Mainline Imbalance Quantity related to a specific Delivery Pool to a Rate Schedule MCS agreement under the terms of a specified and agreed-to MCS Transaction Request. The terms of the MCS Transaction Request, including rate, term and parking or loaning points, will have been negotiated and agreed to by the parties before the transfer is granted or the transfer will not be approved and will not be scheduled. The Company will schedule such nominated transfer quantities if the MCS capacity is available. As is addressed in the scheduling principles section of this Tariff, Rate Schedule MCS services are scheduled by price. Such nominated transfer will not be included in the total allocated delivery volumes used in computing whether Imbalance Quantities are below the Imbalance Quantity thresholds as described herein.
- I. The Stage One-Mainline Imbalance Quantities, remaining after transfer, make-up or payback, will be cured, resolved and charged for as follows:
 - 1. Stage One-Mainline Imbalance Quantities, as required unless such requirement is lifted by notice of the Company, will be required to be grouped separately between Upstream Delivery Pool, Riverton Delivery Pool, Casper Delivery and South System Delivery Pool imbalances to measure performance within such geographic tolerances and to assess charges. Because the Suppliers must pair-match the deliveries with specified receipt point(s) quantities as described in the Nominations and Scheduling Section 14 of this Rate Schedule, geographic accounting volume data will be available to group the imbalance amounts on a geographic separated basis.
 - 2. For all Upstream Delivery Point(s) related imbalances, the same processes, thresholds, charges and cash-out of Section 11.1(l)(3) and (3) below shall apply but will apply monthly and not daily.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

- I. The Stage One-Mainline Imbalance Quantities, remaining after transfer, make-up or payback, will be cured, resolved and charged for as follows: - Continued
 3. For all non-Critical Operating Conditions except during non-Critical Operating Conditions during December, January and February: So long as the Stage One-Mainline Imbalance Quantities as related to each Delivery Pool for the day remains below 25% of the daily allocated Mainline Town Border Station Delivery volumes at such pools and so long as the Stage One-Mainline Imbalance Quantities for the month to date as determined at each Delivery Pool remains below 25% of the accumulated allocated daily Mainline Town Border Station Delivery volumes at such pools for the accumulation of days for the month (both conditions equate to the Imbalance Threshold), the Stage One Imbalance Quantities will not be assessed any Supply scheduling charge pursuant to Section 14.1F of this Rate Schedule and will not be cashed out as provided for in the pricing provisions of the Imbalance Management Section of this Rate Schedule. Instead such daily and cumulative Imbalance Quantities will continue to roll forward into the next day or next month for resolution through on-going daily balancing activities including nominated injections or withdrawals from storage and/or nominated Imbalance Quantity make-up or payback.
 - i. The Supplier agrees to make best commercial efforts to take corrective action through its nominations to cure any Stage One-Mainline Imbalance Quantities equal to or below the daily and monthly non-critical 25% threshold.
 - ii. For any day in which the daily Stage One-Mainline Imbalance Quantity and/or the cumulative month-to-date Stage One-Mainline Imbalance Quantity exceeds the 25% threshold described above, the Imbalance Quantity greater than 25% will be subject to a Supply Scheduling charge. If the end of month Stage One-Mainline Imbalance Quantity is greater than the 25% threshold, the remaining Stage One Imbalance Quantities amount equal to or above the 25% threshold will be cashed out using the cash-out pricing provisions as provided for in the Imbalance Management Section of this Rate Schedule.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

- I. The Stage One-Mainline Imbalance Quantities, remaining after transfer, make-up or payback, will be cured, resolved and charged for as follows: - Continued
 4. For non-Critical Operating Conditions during December, January and February: So long as the Stage One-Mainline Imbalance Quantities as related to each Delivery Pool for the day remains below 15% of the daily allocated Mainline Town Border Station Delivery volumes at such pools and/or so long as the Stage One-Mainline Imbalance Quantities for the month to date as determined at each Delivery Pool remains below 15% of the accumulated allocated daily Mainline Town Border Station Delivery volumes at such pools for the accumulation of days for the month, the Stage One-Mainline Imbalance Quantities will not be assessed any Supply Scheduling charge pursuant to Section 14.1F of this Rate Schedule and will not be cashed out using the pricing provisions as provided for in the Imbalance Management Section of this Rate Schedule. Instead such daily and cumulative Imbalance Quantities will continue to roll forward into the next day or next month for resolution through on-going daily balancing activities including nominated injections or withdrawals from storage and/or nominated Imbalance Quantity make-up or payback.
 - i. The Supplier agrees to make best commercial efforts to take corrective action through its nominations to cure any Stage One-Mainline Imbalance Quantities equal to or below the daily and monthly 15% non-critical winter condition threshold.
 - ii. For any day in which the daily Stage One-Mainline Imbalance Quantity or the cumulative month-to-date Stage One-Mainline Imbalance Quantity exceeds the 15% threshold described above, the Imbalance Quantity greater than 15% will be subject to a Supply Scheduling charge. If the end of month Stage One-Mainline Imbalance Quantity is greater than the 15% threshold, the remaining Stage One-Mainline Imbalance Quantities amount equal to or above the 15% threshold will be cashed out using the cash out pricing provisions as provided for in the Imbalance Management Section of this rate schedule.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

5. For Critical Operating Conditions during any month of the year: So long as the Stage One-Mainline Imbalance Quantities as determined at each related Delivery Pool for the day remains below a Critical Operating Condition Imbalance Quantity threshold percentage between 5% and 14.99% (as the threshold will be posted on the EBB) of the daily allocated Mainline Town Border Station Delivery volumes at such pools, the Stage One Imbalance Quantities will not be assessed any Supply Scheduling charge pursuant to Section 14.1F of this Rate Schedule and will not be cashed out using the pricing provisions as provided for in the Imbalance Management Section of this Rate Schedule. Instead such daily Imbalance Quantities will continue to roll forward into the next day or next month for resolution through on-going daily balancing activities including nominated injections or withdrawals from storage and/or nominated Imbalance Quantity make-up or payback.
 - i. The Supplier agrees to make best commercial efforts to take corrective action through its nominations to cure any Stage One-Mainline Imbalance Quantities equal to or below the critical condition threshold.
 - ii. For any Critical Operating Condition day in which the daily Stage One-Mainline Imbalance Quantity exceeds the posted Critical Operating Condition Imbalance Quantity threshold described above, the daily Imbalance Quantity greater than the posted limited between 5% and 14.99% will be subject to a Supply Scheduling penalty. Additionally, if the Critical Operating Condition so requires, as will be communicated to the Suppliers by notice, the Company may require that the cumulative month-to-date Stage One-Mainline Imbalance Quantity, greater than the posted Critical Operating Condition Imbalance Quantity threshold, will be cashed out on a given day in the critical period with the cash-out pricing provisions determined by the Imbalance Management Section of this Rate Schedule. In the event the Company does not require the Stage One-Mainline Imbalance Quantity to be cashed out, such daily Imbalance Quantities will continue to roll forward into the next day or next month for resolution through on-going daily balancing activities including, but not limited to, nominated injections or withdrawals from storage and/or nominated Imbalance Quantity make-up or payback.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

J. The Stage Two-Distribution Imbalance Quantities will be cured and resolved as follows. Any Stage Two-Distribution Imbalance Quantities will be resolved under one or more of the following options:

1. Option One: For purposes of the Stage Two-Distribution Imbalance Quantities, a negative imbalance occurs when a Supplier's allocated TBS PDA estimated Mainline Town Border Station delivery quantities are less than its allocated actual TBS deliveries quantities (after the actual allocation has been made for the corrected actual market share based on billed measurement data). A positive imbalance occurs when a Supplier's allocated estimated Mainline TBS delivery quantities are more than its allocated actual TBS delivery quantities (after the actual allocation has been made for the corrected actual market share based on billed cycle measurement data). The Company will provide Suppliers a balancing statement and a Storage Transfer Request form which identifies the transfer counter party by the fourteenth (14th) business day for the prior month's imbalances. A Supplier with a negative imbalance shall transfer its imbalance from its Rate Schedule FS-1 storage Gas In Place inventory account to the Rate Schedule FS-1 storage Gas In Place inventory account of the Supplier(s) with a positive imbalance. The total imbalance volumes that will be transferred will be equal to the total of each Supplier's negative imbalance volume plus any applicable Mainline pipeline fuel, lost and unaccounted for gas (FL&U). Each Supplier is required to return an executed Storage Transfer Request form by the sixteenth (16th) business day via e-mail or fax to confirm agreement among Suppliers of the transfer of the Stage Two-Distribution imbalance volumes. Once the storage transfers are confirmed with the Company, the affected Suppliers' Stage Two Imbalance Quantities will be adjusted. These volume adjustments will be reflected on the balancing statements made available in the back office business computer system (currently known as the QPTM system) and will be reflected in the balancing statements generated the second month after the flowing day imbalance occurred.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

J. The Stage Two-Distribution Imbalance Quantities will be cured and resolved as follows. Any Stage Two-Distribution Imbalance Quantities will be resolved under one or more of the following options:

2. Option Two: In the event a Supplier is unwilling or unable to cure its negative or positive Stage Two–Distribution imbalance by transfer of the Rate Schedule FS-1 storage volumes as stated in Option 1 above, that Supplier, with mutual consent of other affected Suppliers, may attempt to cure the imbalance through an alternative method including trading. All Suppliers are required to notify the Company that its imbalance has been partially or fully cured under this option. This notification must be received by the Company via fax or e-mail by the end of the month following the month the imbalance was incurred. After the notices are received, the affected Supplier's imbalances will be adjusted. These volume adjustments will be reflected on the balancing statements generated the second month after the imbalance occurred.
3. Option Three: In the event Suppliers do not utilize Options (1) or (2) above to cure Stage Two-Distribution imbalances, then the Suppliers will be subject to this Section for imbalance curing. If a Supplier is unwilling or unable to cure its full Stage Two-Distribution Imbalance Quantity pursuant to Option 1 or 2 above by the end of the month following the month the imbalance was incurred, that Supplier will be deemed to be a Non-Performing Supplier. The Supplier that is willing and able to cure its imbalance pursuant to Option 1 or Option 2 above by the end of the month following the month the imbalance was incurred will be deemed to be a Performing Supplier.
 - i. The Performing Supplier's positive Stage Two–Distribution imbalance will be cured through a credit adjustment to the Performing Supplier's monthly commodity payment. The credit will be based on the product of the highest of the daily "Gas Daily" CIG Midpoint Price or "Gas Daily" Cheyenne Hub Midpoint Price during the period of time starting with the first day of the month that the imbalance was incurred and ending with the fourteenth (14th) business day of the second month following the month the imbalance was incurred multiplied by the imbalance volume plus all applicable Mainline FL&U and Storage FL&U volumes. The Non-Performing Supplier's offsetting negative imbalance will be cured through a reduction to the Non-Performing Supplier's monthly gas supply payment in an amount equal to the credit applied to the Performing Supplier's monthly gas supply payment.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING - CONTINUED

11.1 Casper Division – Balancing – Continued

- J. The Stage Two-Distribution Imbalance Quantities will be cured and resolved as follows. Any Stage Two-Distribution Imbalance Quantities will be resolved under one or more of the following options:
 - ii. The Performing Supplier's negative Stage Two-Distribution imbalance will be cured through a reduction to the Performing Supplier's monthly commodity payment. The reduction will be based on the product of the lowest of the daily "Gas Daily" CIG Midpoint Price or "Gas Daily" Cheyenne Hub Midpoint Price during the period of time starting with the first day of the month that the imbalance was incurred and ending with the fourteenth (14th) business day of the second month following the month the imbalance was incurred multiplied by the imbalance volume. The Non-Performing Supplier's offsetting positive imbalance will be cured through a credit to the Non-Performing Supplier's monthly gas supply payment in an amount equal to the reduction applied to the Performing Supplier's monthly gas supply payment.
 - iii. All adjustments to the Suppliers' monthly gas supply commodity payments will be made during the second month following the month the imbalance was incurred and the volume adjustments will be reflected on the balancing statements generated the second month after the imbalance occurred.
- K. Stage One-Mainline Imbalance Quantities and Stage Two-Distribution Imbalance Quantities resulting from prior period adjustments related to a production month where the normal monthly closing cycle has been completed for a Supplier will be netted and the resulting imbalance will be transferred to a zero rate Rate Schedule MCS transaction request. The Supplier must resolve any Parked or Loaned quantities on the zero rate Rate Schedule MCS transaction request within 60 days from the first day in the month the prior period adjustment is recorded. In the event the Supplier has not resolved the prior period adjustment-related Rate Schedule MCS transaction request quantities by a transfer into or out of the Shipper's Rate Schedule FS-1 account or to a separate mutually agreed-to MCS Transaction Request, the quantities will be cashed-out as provided for in the pricing provisions of the Imbalance Management Section of this Rate Schedule.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING – CONTINUED

11.1 Casper Division – Balancing – Continued

- L. Any end-of-the-Program Year Stage One-Mainline Imbalance Quantities remaining will be rolled to the next year's Choice Gas Program unless the Supplier elects not to participate in the next Choice Gas Program. If the Supplier does not participate in the next Choice Gas Program, any remaining imbalance in its account will be cashed out using the first of month Colorado Interstate Gas Company (CIG)-Rocky Mountain index price as published in "Inside FERC's Gas Market Report" as of June 1st of that year. The Company's applicable Mainline FL&U Reimbursement Quantity will be applied to the receipt point nomination of the Supplier. Because the Stage Two Imbalance Quantities are the result of a difference in estimated market share and actual market share of Suppliers, any end-of-the-Program Year Stage Two Imbalance Quantities remaining will be first traded with a Supplier with an offsetting position to the extent such a trade can be identified, facilitated and accepted by both parties and, if no fully offsetting trade can be accomplished, the remainder end-of-the-Program Year Stage Two-Distribution Imbalance Quantities will be cashed out using the CIG-Rockies midpoint index in "Natural Gas Intelligence" as of June 1st of that year.

11.2 Casper Division – Imbalance Management Including Cash-out Pricing Provisions.

- A. CASH OUT PRICING: The Imbalance Quantities will be cashed out as governed by Section 11.1 of this Rate Schedule.

1. CASHOUT OF OVER-RECEIPT IMBALANCES - Casper Division

When required as governed by Section 11.1 of this Rate Schedule, for specified over-receipt imbalances, Shipper's invoice will also be credited the amount of the imbalance Dth multiplied by the Cashout Credit Rate.

Over-Receipt Cashout Credit Rate
Percentage of Index*
70%

* Index is the lowest of the "Spot Gas Prices" for Colorado Interstate Gas Company (CIG) or the Cheyenne Hub under the "avg." column for each week applicable to the Rocky Mountain region as published in Natural Gas Intelligence Weekly Gas Price Index for the month which most closely corresponds to the month in which the imbalance occurred (or a superseding index if the publication is revised).



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING – CONTINUED

11.2 Casper Division – Imbalance Management Including Cash-out Pricing Provisions. – Continued

A. CASH OUT PRICING

2. CASHOUT OF UNDER-RECEIPT IMBALANCES- Casper Division. When required as governed by Section 11.1 of this Rate Schedule, for any specified under-receipt imbalances, Shipper's invoice will also be charged the amount of the imbalance Dth multiplied by the Cashout Charge Rate.

Under-Receipt Cashout Charge Rate
Percentage of Index*
130%

* Index is the highest of the "Spot Gas Prices" for Colorado Interstate Gas Company (CIG) or the Cheyenne Hub under the "avg." column for each week applicable to the Rocky Mountain region as published in Natural Gas Intelligence Weekly Gas Price Index for the month which most closely corresponds to the month in which the imbalance occurred (or a superseding index if the publication is revised).

11.3 Special Provision Customer Group

For purposes of balancing on the Company's distribution system, volumes delivered by the upstream pipeline into the distribution system for the Customer shall be deemed to be equal to the Customer's actual usage plus the Fuel Reimbursement Quantity. The Fuel Reimbursement Quantity will be based upon actual end-use metered volumes.

11.4 Gillette Division

The Suppliers' monthly statements will reflect allocated receipt and delivery volumes, Fuel Reimbursement Quantity and billed customer volumes. Receipt volumes received into the Gillette Division distribution systems will be allocated to Firm Shippers based on actual deliveries, and to Suppliers based on a forecasted Supplier market share for that month. Delivered volumes off the Gillette distribution systems will be allocated to each Supplier based on that Supplier's current month's actual market share multiplied by total actual Suppliers receipts into the distribution system, less the actual receipt volumes for Firm Shippers. Any Supplier imbalances will be cashed out daily using the price as contained in Gas Daily CIG (North System) Midpoint plus the cost of the upstream pipeline's FL&U and the upstream pipeline's commodity transportation rate. The Fuel Reimbursement Quantity will be allocated pro-rata among Shippers based upon actual end-use metered volumes. If the difference between the forecasted Supplier market share and the actual Supplier market share varies by 5% or more, a Supplier may request that the Company review the forecasted market share percentages. This forecasted market share review will be conducted by the Company and will consider any Supplier recommendations. The review will be finalized and provided to Suppliers within thirty (30) days of the request.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING – CONTINUED

11.5 Torrington Division

- A. For Company Distribution Systems that do not utilize Pre-Determined Allocations:

For purposes of balancing on the Company's distribution system, volumes delivered by the upstream pipeline into the distribution system for the Customer shall be deemed to be equal to the Customer's actual usage plus the Fuel Reimbursement Quantity. The Fuel Reimbursement Quantity will be allocated pro-rata among shippers based upon actual end-use metered volumes. Actual daily usage, or if not available, daily usage as estimated by the Company, will be provided by the Company to the upstream pipeline for purposes of allocating deliveries into the Company's distribution system among the various upstream pipeline shippers delivering quantities for Customers, including the Company as default shipper and applying upstream pipeline terms and conditions of service.

- B. For the Company Distribution Systems that do utilize Pre-Determined Allocations:

For purposes of balancing on the Company's distribution system, volumes delivered by the upstream pipeline into the distribution system for the Customer shall be deemed to be equal to the Customer's forecasted usage plus the forecasted Fuel Reimbursement Quantity. The actual Fuel Reimbursement Quantity will be allocated pro-rata among shippers based upon actual end-use metered volumes. Actual daily usage, or if not available, daily usage as estimated by the Company, will be used by the Company for purposes of allocating deliveries from the Company's distribution system. If the difference between the forecasted Supplier market share and the actual Supplier market share varies by 5% or more, a Supplier may request that the Company review the forecasted market share percentages. This forecasted market share review by the Company will consider any Supplier recommendations. The review will be finalized and provided to Suppliers within thirty (30) days of the request. The Supplier has the following options to cure imbalances:



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING – CONTINUED

11.5 Torrington Division – Continued

B. For Company Distribution Systems that do utilize Pre-Determined Allocations: – Continued

1. For purposes of balancing, a negative imbalance occurs when a Supplier's allocated receipts are less than its allocated deliveries, and a positive imbalance occurs when a Supplier's allocated receipts are more than its allocated deliveries. The Company will provide Suppliers a balancing statement and a Storage Transfer Request form by the tenth (10th) business day for the prior month's imbalances. A Supplier with a negative imbalance shall transfer its imbalance from its upstream no-notice storage account to the upstream no-notice storage account of the Supplier(s) with a positive imbalance. The total imbalance volumes that will be transferred will be equal to the total of each Supplier's negative imbalance volume plus applicable upstream pipeline fuel, lost and unaccounted for gas (FL&U). Each Supplier is required to return an executed Storage Transfer Request form by the twelfth (12th) business day via facsimile to confirm agreement among Suppliers of the transfer of imbalance volumes. Once the storage transfers are confirmed with the upstream pipeline, the affected Supplier's imbalances will be adjusted. These volume adjustments will be reflected on the balancing statements generated the second month after the imbalance occurred.
2. An adjustment to each Supplier's monthly gas supply payment will be made to allow for the recovery of the cost of the upstream pipeline firm transportation commodity charges (including upstream pipeline-Annual Charge Adjustment - ACA and Gas Research Institute - GRI charges) applicable to the imbalance volumes transferred in accordance with the procedures in Section 11.4B(1) above. The monthly gas supply payment to each Supplier that has a negative imbalance will be reduced by an amount equal to its negative imbalance volume multiplied by the currently approved upstream Firm transportation commodity rate. The monthly gas supply payment to each Supplier that has a positive imbalance will be increased by an amount equal to its positive imbalance volume multiplied by the currently approved upstream Firm transportation commodity rate.
3. In the event a Supplier is unwilling or unable to cure its negative or positive imbalance by transfer of no-notice storage volumes as stated in Section 11.4B(1) above, that Supplier, with mutual consent of other affected Suppliers, may attempt to cure the imbalance through an alternative method. All Suppliers are required to notify the Company that its imbalance has been partially or fully cured under this option. This notification must be received by the Company via fax or e-mail by the end of the month following the month the imbalance was incurred. After the notices are received, the affected Supplier's imbalances will be adjusted. These volume adjustments will be reflected on the balancing statements generated the second month after the imbalance occurred.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

11. BALANCING – CONTINUED

11.5 Torrington Division – Continued

B. For Company's Distribution Systems that do utilize Pre-Determined Allocations:
– Continued

4. In the event Suppliers do not utilize Sections 11.5B(1) or 11.5B(2) above to cure imbalances, then the Suppliers will be subject to this Section 11.5B(3) for imbalance curing. If a Supplier is unwilling or unable to cure its full imbalance pursuant to Section 11.5B(1) above by the end of the month following the month the imbalance was incurred, that Supplier will be deemed to be a Non-Performing Supplier. The Supplier that is willing and able to cure its imbalance pursuant to Section 11.5B(1) above by the end of the month following the month the imbalance was incurred will be deemed to be a Performing Supplier. The Performing Supplier's positive imbalance will be cured through a credit adjustment to the Performing Supplier's monthly gas supply payment. The credit will be based on the product of the highest of the daily "Gas Daily" CIG Midpoint Price or "Gas Daily" PEPL Midpoint Price during the period of time starting with the first day of the month that the imbalance was incurred and ending with the tenth (10th) business day of the second month following the month the imbalance was incurred multiplied by the imbalance volume plus all applicable pipeline FL&U and Storage Reimbursement Fuel volumes. The cost of the upstream pipeline firm transportation commodity charges applicable to the imbalance volumes will also be credited to the Performing Supplier's monthly gas supply payment. The Non-Performing Supplier's offsetting negative imbalance will be cured through a reduction to the Non-Performing Supplier's monthly gas supply payment in an amount equal to the credit applied to the Performing Supplier's monthly commodity payment. The Performing Supplier's negative imbalance will be cured through a reduction to the Performing Supplier's monthly gas supply payment. The reduction will be based on the product of the lowest of the Gas Daily CIG Midpoint Price or Gas Daily PEPL Midpoint Price during the period of time starting with the first day of the month that the imbalance was incurred and ending with the tenth (10th) business day of the second month following the month the imbalance was incurred multiplied by the imbalance volume. The cost of the upstream pipeline firm transportation commodity charges applicable to the imbalance volumes will also be a reduction to the Performing Supplier's monthly commodity payment. The Non-Performing Supplier's offsetting positive imbalance will be cured through a credit to the Non-Performing Supplier's monthly gas supply payment in an amount equal to the reduction applied to the Performing Supplier's monthly supply payment. All adjustments to the Suppliers' monthly gas supply payments will be made during the second month following the month the imbalance was incurred and the volume adjustments will be reflected on the balancing statements generated the second month after the imbalance occurred.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

12. SCHEDULING OF RECEIPTS AND DELIVERIES

12.1 Casper Division

The Company will require nominations of the daily volumes to be transported across its Mainline system as described in Section 14.1, below. Suppliers will be responsible for all nominations on upstream pipelines to ensure that the Supplier's Customers' aggregate daily receipt nominations are delivered from the upstream system to the Company's Receipt Point(s). The Company's Fuel Reimbursement Quantity will be provided by the qualified Suppliers at the nominated receipt locations and/or at the point of Storage injection. The Company will require, unless otherwise noticed, nominations of the daily volumes to be pair-matched between specified receipt locations to specified delivery locations so that the Company may, in its own judgment, reasonably ascertain the direction of flow on key bidirectional segments of the system. The Company will administer the transportation of gas on its own distribution facilities.

12.2 Special Provision Customer Group, Gillette and Torrington Divisions

The Company will administer the scheduling and nomination process necessary to transport gas on its own distribution facilities. The Company may require nominations of the daily volumes to be transported across its distribution system under circumstances necessary to preserve the operational integrity of its distribution system. If nominations are required, the Company will notify Suppliers as soon as practical via the Company's interactive web site, if available, otherwise by phone. Suppliers will be responsible for all nominations on upstream pipelines to ensure that the Suppliers' Customers' aggregate daily estimates of usage are delivered. The Company's Fuel Reimbursement Quantity will be provided by the qualified Suppliers as stated in Sections 11.3, 11.4 or 11.5, above, as applicable.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

13. RELEASE OF UPSTREAM CAPACITY

13.1 Casper Division

This Section 13 does not apply to the Casper Division.

13.2 Special Provision Customer Group, Gillette and Torrington Divisions

- A. The Company will hold a predetermined amount of firm and/or no-notice transportation service on the upstream pipeline and temporarily release the upstream capacity to Customers' Suppliers during each supplier selection term. The Company will notify Suppliers of the levels of firm and/or no-notice transportation service for purposes of serving the Customers' usage. The Company may retain an amount of firm transportation and/or no-notice capacity on the upstream pipeline for backup or emergency service.
- B. The Company will allocate among all Customers' Suppliers, including itself, a pro-rata share of the firm and/or no-notice transportation services held on the upstream pipeline, as available for the Town Border Stations at which each Customer is located, based on the results of the customer/supplier selection process. The allocated capacity shall be temporarily released to the Supplier for the program year at the regulatory-approved upstream pipeline rate applicable for each month on the path released to the Supplier. Suppliers will be responsible for upstream pipeline fuel reimbursement.
- C. The Company will file with the Commission at the end of the program year an annual report detailing how the upstream capacity was allocated, including any supply problems encountered and how they were solved.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14. NOMINATIONS AND SCHEDULING

14.1 Casper Division

- A. Nomination and scheduling procedures for the Mainline system between the Receipt Point(s) and the Mainline Upstream and/or Town Border Station Delivery Point(s) shall be based on Section 7 of the General Terms and Conditions of this Tariff. By issuance of an OFO, the Company may require Intra-day nomination changes for system integrity purposes.
- B. The Company will require, unless such requirement is not necessary from time to time as communicated by notice, nominations of the daily volumes to be pair-matched between specified receipt locations to specified delivery locations so that the Company may, in its own judgment, reasonably ascertain the direction of flow on key bi-directional segments of the system.
- C. The Company will establish an administrative transportation contract number for each Supplier, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, on the Company's computer system for back office business computer system process purposes including receiving nominations. Additionally, the Company will establish an administrative storage contract number for each Supplier, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, in its Casper Division to support the same listed business processes.
- D. Secondary receipt points may be scheduled by Suppliers if the scheduling priorities so allow. However, the Company retains the right to deny secondary receipt point nominations due to segment capacity limitations and/or for system integrity purposes.
- E. In the Casper Division, Suppliers will not be allowed to schedule secondary deliveries to secondary Town Border Station Mainline Delivery Point(s). Suppliers will not be allowed to schedule secondary deliveries to off system points unless the Receipt Point is from the Storage Withdrawal Pool. Suppliers may pair-match a withdrawal from the Storage Withdrawal Pool (Receipt Point nomination) with a secondary off-system delivery to the new interconnection at Colorado Interstate Gas Company-Chokecherry or at Wyoming Interstate Company-Chokecherry. Suppliers may schedule deliveries to storage injections on a primary and/or secondary basis.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14. NOMINATIONS AND SCHEDULING - CONTINUED

14.1 Casper Division – Continued

1. If the Supplier schedules delivery from storage withdrawal to the above referenced off-system delivery interconnections with CIG and/or WIC, the Supplier, not the Customer, will be invoiced for a charge determined by multiplying all such Supplier deliveries at those locations with the maximum Choice Gas Supplier Off-System Transportation Charge as listed on the Statement of Rates for Rate Schedule RCG in this Tariff, unless a discount rate has been agreed-to in writing. Such invoiced amount may be netted against other payments due to the Supplier as provided in Section 19.7 of this Rate Schedule.

F. Supply Scheduling Charges/Penalties

1. Unless waived in a not-unduly discriminatory fashion, a Supplier, including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option, will be subject to a daily Supply Scheduling Charge or Penalty, as applicable, when that Supplier's allocated daily or cumulative monthly gas receipts are not equal to the daily or cumulative monthly Mainline Town Border Station Point(s) or Pool(s) allocated delivery volumes for that Supplier, provided however a tolerance threshold quantity will apply before any daily Supply Scheduling charge or Penalty will apply as is described in Section 11.1 of this Rate Schedule. The Company will notice all generally applicable waivers of the Supply Scheduling Charge or Penalty by EBB posting or e-mail notification to all Suppliers.
2. Any Supply Scheduling Charge and/or Penalty amounts collected by the Company shall be recorded separately net of related costs and credited to the Revenue Adjustment Mechanism (RAM) as set forth in this Tariff. A net adjustment to each Supplier's monthly gas supply payment will be made to allow for the recovery of the Supply Scheduling Charge and/or Penalty.
3. The Supply Scheduling Charge or the Supply Scheduling Penalty will be computed for daily Stage One-Mainline Imbalance Quantities and for the accumulated monthly Stage One-Mainline Imbalance Quantities and the higher charge or penalty will apply as appropriate. The daily Supply Scheduling Charge and/or Penalty shall be assessed, as follows:



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14. NOMINATIONS AND SCHEDULING - CONTINUED

14.1 Casper Division – Continued

F. Supply Scheduling Charges/Penalties - Continued

- i. During non-Critical Operating Conditions, excluding non-Critical Operating Conditions in December, January and February only a Supply Scheduling Charge may apply. No penalty will be deemed to be a part of such non-critical charges:

For non-Critical Operating Conditions other than December, January and February: For Aggregate Daily and/or cumulative monthly Stage One Supplier Imbalance Quantity less than or equal to 25% of the allocated daily and/or cumulative monthly, as applicable, Mainline Town Border Station delivery volumes: No Charge

For non-Critical Operating Conditions other than December, January and February: For Aggregate Daily and/or cumulative monthly Stage One Supplier Imbalance Quantity greater than 25% of the allocated daily and/or cumulative monthly, as applicable, Mainline Town Border Station delivery volumes: \$0.04/Dth

- ii. During non-Critical Operating Conditions in December, January and February: a Supply Scheduling Charge may apply. No penalty will be deemed to be a part of such non-critical charges:

For non-Critical Operating Conditions in December, January and February: For Aggregate Daily and/or cumulative monthly Stage One Supplier Imbalance Quantity less than or equal to 15% of the allocated daily and/or cumulative monthly, as applicable, Mainline Town Border Station delivery volumes: No Charge

For non-Critical Operating Conditions in December, January and February: For Aggregate Daily and/or cumulative monthly Stage One Supplier Imbalance Quantity greater than 15% of the allocated daily and/or cumulative monthly, as applicable, Mainline Town Border Station delivery volumes: \$0.06/Dth



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14. NOMINATIONS AND SCHEDULING - CONTINUED

14.1 Casper Division – Continued

F. Supply Scheduling Charges/Penalties – Continued

- iii. During Critical Operating Conditions – This charge will be deemed a Penalty only. No charge component will be deemed to be included:

For Critical Operating Conditions: For Aggregate Daily Stage One-Mainline Supplier Imbalance Quantity less than or equal to the posted Critical Operating Condition threshold percentage multiplied by the allocated daily Mainline Town Border Station delivery volume: No Penalty

For Critical Operating Conditions: For Aggregate Daily Stage One-Mainline Supplier Imbalance Quantity greater than the posted Critical Operating Condition threshold percentage multiplied by the allocated daily Mainline Town Border Station delivery volume the amount will be posted on the EBB along with the Critical Operating Condition Imbalance Quantity threshold, but will be equal to or between: \$2.00 and \$4.00/Dth.

- iv. A Critical Operating Condition shall be when the Company reasonably determines that its projected system deliverability or operational integrity, including the ability to provide any Party its firm service entitlement including on any specified segment, is threatened or compromised. The Company may call a Critical Operating Condition for the system, for particular system segments and/or for an individual Supplier. For purposes of the Supply Scheduling Penalty, the Company will notify Parties of a Critical Operating Condition by the informational postings portion of Transporter's interactive web site, by e-mail, by fax, by instant message text and/or by telephone at least twenty-four (24) hours prior to the implementation of a Critical Operating Condition; provided, however, that a shorter notice period may be given where action must be taken to protect the integrity of the system. Parties must notify the Transporter of the name, telephone number and e-mail address of a person who will be available on a 24-hour basis to receive notice of the Critical Operating Condition.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14. NOMINATIONS AND SCHEDULING - CONTINUED

14.1 Casper Division – Continued

F. Supply Scheduling Charges/Penalties – Continued

- v. As may be provided in a noticed OFO, the Company may require the immediate cash-out of a daily Stage One-Mainline Imbalance Quantity in Critical Operating Conditions, as will be communicated to the Supplier by notice. Generally such cash-out will be governed by the cash-out pricing provisions of Section 11.2 of this Rate Schedule. However, if the Company has issued a Supplier Specific Operational Flow order or Supplier specific critical condition notice and has provided in the OFO for alternative cash-out pricing, the Company may charge for the cash-out as follows. If the Company is required to buy gas to ensure system integrity due to Supplier being short of its nominated and confirmed scheduled Receipt Point(s) volumes, the Company may subtract the actual cost of gas for such purchased gas from the Supplier's gas supply payment at the end of the month and Supplier will be credited for delivery of those gas volumes in its balancing account. If the Company is required to sell excess gas to ensure system integrity due to the Supplier packing the system by having system receipts that exceed Mainline deliveries, the Company may credit the actual proceeds from such sale of gas on the Supplier's gas supply commodity payment at the end of the month and Supplier will not be credited for delivery of such excess gas volume. For purposes of the Company's requirement to buy or sell gas under this Tariff section, the Company will notify Parties by the informational postings portion of Transporter's interactive EBB, email, fax, instant text message and/or telephone as soon as practicable of such requirement when such action has been or must be taken to protect the integrity of the system.

- H. The applicable Mainline FL&U Reimbursement Quantity percentage will be applied to the receipt point nomination of the Supplier as stated on the applicable rate sheet of this Tariff. The applicable Storage Injection FL&U Reimbursement quantity will be applied to the Casper Division Storage Injection quantities. The applicable Distribution FL&U Reimbursement Quantity Gas percentage will be applied to the allocated Customer delivery quantities at the Customer premises.

14.2 Special Provision Customer Group, Gillette and Torrington Divisions

See Section 12.2 of these Choice Gas Service Provisions.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14A. ANNUAL CALCULATION AND RECONCILIATION OF FUEL AND LOST AND UNACCOUNTED FOR GAS PERCENTAGES

14A.1 Casper Division – Mainline Fuel and Lost and Unaccounted For Gas Reimbursement Percentage

Once annually on or before March 1 the Company shall compute and file with the Commission an application to establish a proposed Mainline FL&U Gas Reimbursement Percentage to be effective June 1 of that year for the next twelve months ending May 31 of the next year. The computation shall use not less than twelve consecutive months of actual mainline fuel and L&U quantities as adjusted for estimated changes and use not less than twelve months of actual mainline throughput experience as adjusted for estimated changes. The rate will be tracked and may be trued up to actual experience at least once annually, at the Company's election, either through a volumetric adjustment to the next annual calculated percentage or by making an operational purchase or sale where the cost or revenue of the operational purchase or sale shall be tracked in the Revenue Adjustment Mechanism (RAM) of the General Terms and Conditions in this Tariff.

14A.2 Casper Division – Storage Injection Fuel and Lost and Unaccounted For Gas Reimbursement Percentage

Once annually on or before March 1 the Company shall compute and file with the Commission an application to establish a proposed Storage FL&U Gas Reimbursement Percentage to be effective June 1 of that year for the next twelve months ending May 31 of the next year. The computation shall use not less than twelve consecutive months of actual storage fuel and L&U quantities as adjusted for estimated changes and use not less than twelve months of the actual storage injection experience as adjusted for estimated changes. The estimated rate will be tracked and may be trued up to actual experience at least once annually, at the Company's election, either through a volumetric adjustment to the next annual calculated percentage or by making an operational purchase or sale where the cost or revenue of the operational purchase or sale shall be tracked in the Revenue Adjustment Mechanism (RAM) of the General Terms and Conditions in this Tariff.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14A. ANNUAL CALCULATION AND RECONCILIATION OF FUEL AND LOST AND UNACCOUNTED FOR GAS PERCENTAGES – CONTINUED

14A.3 Casper Division – Distribution Fuel and Lost and Unaccounted For Gas Reimbursement Percentage

- A. On or before March 1 of each year, the Company shall file with the Commission an application to revise the Fuel and Lost and Unaccounted For Gas percentage to be effective June 1 of that year through May 31 of the following year. The Company shall calculate the Fuel and Lost and Unaccounted For Gas percentage using not less than twelve (12) consecutive months of actual data and may adjust up or down the calculated percentage to offset dollar amounts being owed to or owed by the Company, respectively, as a result of the reconciliation process from prior Choice Gas Program Years.
- B. After the end of each Choice Gas Program Year, the Company shall reconcile the difference in the Casper Division between the Fuel and Lost and Unaccounted For Gas percentage in effect in the Casper Division for the most recently ended Choice Gas Program Year and the actual Fuel and Lost and Unaccounted for Gas percentage realized during that Choice Gas Program year by each Supplier.
 1. For each Supplier, the Company shall calculate the Fuel and Lost and Unaccounted For Gas volume that the Company should have retained during the most recently ended Choice Gas Program Year by applying the Fuel and Lost and Unaccounted For Gas percentage in effect for the Casper Division for that Choice Gas Program year to the summation of the allocated delivery volumes set forth in the monthly statements.
 2. For each Supplier, the Company shall calculate the actual Fuel and Lost and Unaccounted For Gas volume delivered in the Casper Division but not billed by calculating:
 - i. The summation of the allocated delivery volumes of the Supplier as set forth in the monthly statements, minus
 - ii. The summation of the billed customer volumes for the applicable months of the Supplier. The billed customer volumes for the applicable months shall be set forth in the Supplier's monthly payment files.
 3. The Company shall subtract the Fuel and Lost and Unaccounted For Gas volume that it should have retained from the actual Fuel and Lost and Unaccounted For Gas volume that each Supplier delivered in the Casper Division during the most recently ended Choice Gas Program Year but that was not billed to customers.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14A. ANNUAL CALCULATION AND RECONCILIATION OF FUEL AND LOST AND UNACCOUNTED FOR GAS PERCENTAGES – CONTINUED

14A.3 Casper Division – Distribution Fuel and Lost and Unaccounted For Gas Reimbursement Percentage - Continued

4. The Company shall multiply the weighted average price of the Colorado Interstate Company (CIG) – Rocky Mountains first of month index prices, as published in the Inside FERC's "Gas Market Report" monthly publication, to the difference, either positive or negative, between the Fuel and Lost and Unaccounted For Gas volume that the Company should have retained and the actual Fuel and Lost and Unaccounted For Gas volume that each Supplier delivered in the Casper Division during the most recently ended Choice Gas Program Year but that was not billed to customers. The weighted average price shall be based on the total allocated delivery volumes in the Casper Division for all of the Suppliers. The same weighted average price shall be used for all of the Suppliers.
 5. The Company's calculation shall produce a dollar amount, either positive or negative, for each Supplier. If the dollar amount is positive, the Company shall owe that dollar amount to the Supplier. If the dollar amount is negative, the Supplier shall owe that dollar amount to the Company.
- C. On or before August 1 of each year, the Company shall communicate to each Supplier the dollar amount owed to or owed by the Supplier.
- D. The dollar amount owed to or owed by each Supplier, respectively, shall be added to or netted against the payment that the Company shall remit to the Supplier by electronic transfer in August of each year.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14A. ANNUAL CALCULATION AND RECONCILIATION OF FUEL AND LOST AND UNACCOUNTED FOR GAS PERCENTAGES – CONTINUED

14A.4 Gillette Division - Distribution Fuel and Lost and Unaccounted For Gas Retention Percentage

- A. On or before March 1 of each year, the Company shall file with the Commission an application to revise the Fuel and Lost and Unaccounted For Gas percentage to be effective June 1 of that year through May 31 of the following year. The Company shall calculate the Fuel and Lost and Unaccounted For Gas percentage using not less than twelve (12) consecutive months of actual data and may adjust up or down the calculated percentage to offset dollar amounts being owed to or owed by the Company, respectively, as a result of the reconciliation process from prior Choice Gas Program Years.
- B. After the end of each Choice Gas Program Year, the Company shall reconcile the difference in the Gillette Division between the Fuel and Lost and Unaccounted For Gas percentage in effect in the Gillette Division for the most recently ended Choice Gas Program Year and the actual Fuel and Lost and Unaccounted for Gas percentage realized during that Choice Gas Program Year by each Supplier.
 1. For each Supplier, the Company shall calculate the Fuel and Lost and Unaccounted For Gas volume that the Company should have retained during the most recently ended Choice Gas Program Year by applying the Fuel and Lost and Unaccounted For Gas percentage in effect for the Gillette Division for that Choice Gas Program Year to the summation of the allocated delivery volumes set forth in the monthly statements.
 2. For each Supplier, the Company shall calculate the actual Fuel and Lost and Unaccounted For Gas volume delivered in the Gillette Division but not billed by calculating:
 - i. The summation of the allocated delivery volumes of the Supplier as set forth in the monthly statements, minus
 - ii. The summation of the billed customer volumes for the applicable months of the Supplier. The billed customer volumes for the applicable months shall be set forth in the Supplier's monthly payment files.
 3. The Company shall subtract the Fuel and Lost and Unaccounted For Gas volume that it should have retained from the actual Fuel and Lost and Unaccounted For Gas volume that each Supplier delivered in the Gillette Division during the most recently ended Choice Gas Program Year but that was not billed to customers.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14A. ANNUAL CALCULATION AND RECONCILIATION OF FUEL AND LOST AND UNACCOUNTED FOR GAS PERCENTAGES – CONTINUED

14A.4 Gillette Division - Distribution Fuel and Lost and Unaccounted For Gas Retention Percentage - Continued

4. The Company shall multiply the weighted average price of the Colorado Interstate Company (CIG) – Rocky Mountains first of month index prices, as published in the Inside FERC's "Gas Market Report" monthly publication, to the difference, either positive or negative, between the Fuel and Lost and Unaccounted For Gas volume that the Company should have retained and the actual Fuel and Lost and Unaccounted For Gas volume that each Supplier delivered in the Gillette Division during the most recently ended Choice Gas Program Year but that was not billed to customers. The weighted average price shall be based on the total allocated delivery volumes in the Gillette Division for all of the Suppliers. The same weighted average price shall be used for all of the Suppliers.
 5. The Company's calculation shall produce a dollar amount, either positive or negative, for each Supplier. If the dollar amount is positive, the Company shall owe that dollar amount to the Supplier. If the dollar amount is negative, the Supplier shall owe that dollar amount to the Company.
- C. On or before August 1 of each year, the Company shall communicate to each Supplier the dollar amount owed to or owed by the Supplier.
- D. The dollar amount owed to or owed by each Supplier, respectively, shall be added to or netted against the payment that the Company shall remit to the Supplier by electronic transfer in August of each year.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14A. ANNUAL CALCULATION AND RECONCILIATION OF FUEL AND LOST AND UNACCOUNTED FOR GAS PERCENTAGES – CONTINUED

14A.5 Torrington Division - Distribution Fuel and Lost and Unaccounted For Gas Retention Percentage

- A. On or before March 1 of each year, the Company shall file with the Commission an application to revise the Fuel and Lost and Unaccounted For Gas percentage to be effective June 1 of that year through May 31 of the following year. The Company shall calculate the Fuel and Lost and Unaccounted For Gas percentage using not less than twelve (12) consecutive months of actual data and may adjust up or down the calculated percentage to offset dollar amounts being owed to or owed by the Company, respectively, as a result of the reconciliation process from prior Choice Gas Program Years.
- B. After the end of each Choice Gas Program Year, the Company shall reconcile the difference in the Torrington Division between the Fuel and Lost and Unaccounted For Gas percentage in effect in the Torrington Division for the most recently ended Choice Gas Program Year and the actual Fuel and Lost and Unaccounted for Gas percentage realized that Choice Gas Program Year by each Supplier.
 1. For each Supplier, the Company shall calculate the Fuel and Lost and Unaccounted For Gas volume that the Company should have retained during the most recently ended Choice Gas Program Year by applying the Fuel and Lost and Unaccounted For Gas percentage in effect for the Torrington Division for that Choice Gas Program Year to the summation of the allocated delivery volumes set forth in the monthly statements.
 2. For each Supplier, the Company shall calculate the actual Fuel and Lost and Unaccounted For Gas volume delivered in the Torrington Division but not billed by calculating:
 - i. The summation of the allocated delivery volumes of the Supplier as set forth in the monthly statements, minus
 - ii. The summation of the billed customer volumes for the applicable months of the Supplier. The billed customer volumes for the applicable months shall be set forth in the Supplier's monthly payment files.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

14A. ANNUAL CALCULATION AND RECONCILIATION OF FUEL AND LOST AND UNACCOUNTED FOR GAS PERCENTAGES – CONTINUED

14A.5 Torrington Division – Distribution Fuel and Lost and Unaccounted For Gas Retention Percentage - Continued

3. The Company shall subtract the Fuel and Lost and Unaccounted For Gas volume that it should have retained from the actual Fuel and Lost and Unaccounted For Gas volume that each Supplier delivered in the Torrington Division during the most recently ended Choice Gas Program Year but that was not billed to customers.
 4. The Company shall multiply the weighted average price of the Colorado Interstate Company (CIG) – Rocky Mountains first of month index prices, as published in the Inside FERC's "Gas Market Report" monthly publication, to the difference, either positive or negative, between the Fuel and Lost and Unaccounted For Gas volume that the Company should have retained and the actual Fuel and Lost and Unaccounted for Gas volume that each Supplier delivered in the Torrington Division during the most recently ended Choice Gas Program Year but that was not billed to customers. The weighted average price shall be based on the total allocated delivery volumes in the Torrington Division for all of the Suppliers. The same weighted average price shall be used for all of the Suppliers.
 5. The Company's calculation shall produce a dollar amount, either positive or negative, for each Supplier. If the dollar amount is positive, the Company shall owe that dollar amount to the Supplier. If the dollar amount is negative, the Supplier shall owe that dollar amount to the Company.
- C. On or before August 1 of each year, the Company shall communicate to each Supplier the dollar amount owed to or owed by the Supplier.
- D. The dollar amount owed to or owed by each Supplier, respectively, shall be added to or netted against the payment that the Company shall remit to the Supplier by electronic transfer in August of each year.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

15. BILLING GROUPS AND CUSTOMER CLASSES

15.1 A. Billing Groups. The Company will provide service to Customers utilizing natural gas for Residential, Commercial and Industrial purposes, and to all Customers desiring natural gas for pumping water for farmland irrigation purposes under the following billing classifications:

1. Small General Service (SGS) is defined as service provided to those Customers whose annual gas consumption is five thousand (5,000) therms or less.
2. Medium General Service (MGS) is defined as service provided to those Customers whose annual gas consumption is greater than five thousand (5,000) therms, but less than or equal to thirty thousand (30,000) therms.
3. Large General Service (LGS) is defined as service provided to those Customers whose annual gas consumption is greater than thirty thousand (30,000) therms.

B. Billing Group Assignments.

1. Company Annual Review

To ensure that each non-transportation Customer is in the correct Billing Group, the Company will review each non-transportation Customer's average annual usage level after each calendar year using a three calendar year rolling usage history. The Company will notify a Customer of any change by March 1 each year, and re-assign the Customer to the appropriate Billing Group effective April 1 of that year. For Customers without three years of usage history, the review will be done using the best available data.

2. Customer Re-assignment Requests

Subject to Section 15.1.B.2.iv. of this Rate Schedule, below, at any time a Customer may request that the Company review whether or not that Customer is assigned to the appropriate Billing Group.

- i. Changes in consumption due to changes in economic conditions or changes in equipment usage are not, in and of themselves, grounds for change to a different Billing Group.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

15. BILLING GROUPS AND CUSTOMER CLASSES – CONTINUED

15.1 B. Billing Group Assignments – Continued

2. Customer Re-assignment Requests - Continued

- ii. If a Customer can demonstrate that it has installed more efficient gas consuming equipment that would warrant re-assignment to a different Billing Group, or if the Company has incorrectly estimated a new Customer's expected usage or mistakenly assigned the Customer to the wrong Billing Group (e.g., the Company determines that a Customer should be in the SGS Billing Group, but mistakenly places the Customer in the MGS Billing Group), the Company will re-evaluate the appropriate Billing Group. The Company has thirty (30) days from the date of the Customer's review request in which to perform the review and notify the Customer of the result.
- iii. If the Company determines that a Customer is not in the correct Billing Group, the Company will re-assign the Customer after notifying the Customer, effective the next possible billing cycle.
- iv. A Customer will not be charged for the first Billing Group review that the Customer requests each calendar year. Subsequent reviews will be performed and billed to the Customer based on the hours required to perform the analysis times the Standard Hourly Charge.

3. Bill Correction Policy

Errors in Billing Group assignment will result in a prior period adjustment per Section 8 of the General Terms and Conditions of this Tariff.

- 15.2 Customer Classes. A Customer is entitled to one Customer Class of service furnished to an individual or corporation at a single address or location. A single request for service cannot apply to different locations. A single request cannot cover more than one meter unless multiple meters are deemed by the Company to be at the same address or location.

Available Customer Classes are as follows:

- A. Residential Customer. A Residential Customer is defined as a Customer receiving service for domestic general household purposes in a space occupied as living quarters, typically designed for occupancy by one family. Typical service would include, but not be limited to, the following: separately metered units, such as a single private residence, single apartment, mobile home, low income housing unit, nursing home unit, a parsonage paid by the church, low income housing paid by a housing authority, and employee housing paid by the government or business entity. In addition, auxiliary buildings on the same premises as the living quarters, used for residential purposes, will also be considered residential usage.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

15. BILLING GROUPS AND CUSTOMER CLASSES – CONTINUED

15.2 Customer Classes – Continued

- B. Commercial Customer. A Commercial Customer is defined as a Customer receiving service at a non-residential premises such as a business enterprise in a space occupied and operated for non-residential purposes. Typical service would include, but not be limited to, the following: nursing home, apartment complex, low income housing complex, trailer park where natural gas is supplied through one meter, store, office, shop, restaurant, sorority or fraternity house, boarding house, hotel, service garage, filling station, hospital, school, church, service organization, barber shop, beauty parlor, shopping mall, mining, oil and gas extraction, construction, communication and transportation.
- C. Industrial Customer. An Industrial Customer is defined as a Customer receiving service primarily for a process which creates or changes raw or unfinished materials into another form or product including the generation of electric power.
- D. Irrigation Customer. An Irrigation Customer is defined as a Customer receiving service for pumping water for farm land irrigation purposes from an irrigation well.

15.3 If separate metering is not practical for a premises that is using natural gas for both residential and for conducting business (or any other non-residential purpose), the Customer's combined service is billed under the rate applicable to the combined annual gas consumption.

15.4 Credit Information. The Company may request each Customer to provide credit information to the Company when a request for service is made, and may at that time, request a security deposit to guarantee payment of current bills in accordance with Commission Rules and Section 25 of the General Terms and Conditions.



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 65

RESERVED FOR FUTURE USE



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 66

RESERVED FOR FUTURE USE



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

16. CUSTOMER-OWNED FACILITIES

- 16.1 All gas piping, appurtenant facilities and gas-burning appliances or equipment located at or within the Customer's property or premises shall be owned, maintained and controlled in a good and safe condition solely by the Customer and/or premises owner in accordance with municipal regulation, the National Fuel Gas Code, Company's rules, Tariffs, terms, and regulations, and other applicable laws and regulations as amended from time to time. Except as otherwise required by law, the Company does not undertake to, or assume the obligations for, the inspection, testing, maintenance, or repair of equipment or facilities not owned by the Company. The Company may refuse to connect or continue service until the Customer remedies or corrects faults or defects involving Customer-owned facilities.
- 16.2 If the Company performs one or more inspections or surveys of a Customer's property, the Customer specifically understands and agrees that the Company shall not be liable in any manner for defective Customer-owned facilities, whether such defect is discovered at the time of any given inspection or survey or a later date, unless the defect is proximately caused by the Company's sole active negligence. The Company reserves the right, but assumes no duty, to inspect Customer-owned facilities for hazardous or unsafe conditions.

17. BILLS, DUPLICATE BILLS, FAILURE TO RECEIVE BILLS

Upon request, the Company shall advise the Customer of its approximate billing date each month. If a bill is not received or is lost, the Company shall, upon the Customer's request, issue a duplicate. Failure to receive a bill shall not relieve the Customer from making payment as provided for by the applicable Tariff, rules and regulations.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

18. BALANCED BILLING PLAN

18.1 The Balanced Billing Plan provides gas customers with a method of paying for natural gas service in a manner that avoids the substantial fluctuations in monthly bills experienced by Customers not participating in the plan.

18.2 MONTHLY BILL CALCULATION. Monthly bills rendered under this Plan will be calculated as follows:

- A. The Company determines the Customer's Average Monthly Bill (AMB), which is rounded to the nearest whole dollar amount and is calculated using the following formulas:

Formula (1):

AMB = Average Daily Cost x number of days in current month's billing period

Formula (2):

Average Daily Cost = $\frac{\text{Total Costs}}{\text{\# of days in the Total Costs billing periods}}$

For the purposes of determining the Average Daily Cost, Total Costs are deemed to be the costs of regulated natural gas service incurred by the Customer over a period of at least three-hundred-sixty (360) days or estimated for the Customer for a period of at least three-hundred-sixty (360) days using the hierarchy set forth in Section 18.3. The Average Daily Cost is a rolling average and will be recalculated each month using the most recent actual or estimated monthly costs (including the current billing period) encompassing a period of at least three-hundred-sixty (360) days.

- B. The Company determines the Customer's Monthly Bill by adjusting the Average Monthly Bill by four percent (4%) of the Total Deferred Balance applicable to the Customer, rounded to the nearest whole dollar amount. The Total Deferred Balance is the difference between the sum of the prior months' actual Total Costs incurred by the Customer for regulated natural gas service and the sum of prior months' payments made by the Customer for such service.
- C. To each Monthly Bill, the Company shall add any amounts due from the Customer for regulated or non-regulated natural gas service not reflected in the calculation of the Monthly Bill.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

18. BALANCED BILLING PLAN – CONTINUED

18.3 Qualified customers with less than 360 days of actual usage history at their current premises are allowed to enroll in the Balanced Billing Plan. An estimated average monthly bill will be used to establish the initial AMB. The AMB will be established using the first of the following methods which shall be feasible to obtain 360 days of data:

- 1 – Customer actual cost (usage) history,
- 2 – Premises actual cost (usage) history, and
- 3 – Estimated bills based on customer class average.

18.4 The provisions of the Balanced Billing Plan are available throughout the year to each Customer receiving natural gas service for domestic and commercial purposes (“eligible Customer”). Notwithstanding the foregoing, such service is not available to Large General Service and seasonal use Customers. Additionally, a Customer’s account(s) which is part of a collective (group) bill is not eligible for the Balanced Billing Plan. In order to qualify for the Balanced Billing Plan, the Customer’s account(s) for which the Balanced Billing Plan is requested would have to be removed from the group bill.

18.5 In order to receive service under the Balanced Billing Plan, an eligible Customer must request to be enrolled in the Company’s Balanced Billing Plan. The Balanced Billing Plan may be terminated at any time by the enrolled Customer for any reason or by the Company for any applicable reason described in Section 18.6.

18.6 The eligible Customer shall receive service through the Balanced Billing Plan under the following rules:

- A. The Customer’s account must be current and otherwise qualify for enrollment in the Balanced Billing Plan. The Customer will be informed at the time of the Customer’s request whether this requirement has been met.
- B. Customers who are delinquent cannot qualify for the Plan unless they are able to pay any amounts past due or enter into a Payment Agreement with, and satisfactory to, the Company for any past due amount.
- C. Customers enrolled in the Plan will continue to be billed under the Plan provisions until they request removal.
- D. If the Balanced Billing Plan is terminated by either the Customer or the Company, any amount payable by or due to an eligible Customer shall be billed or credited to that Customer on his or her next month’s bill.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

18. BALANCED BILLING PLAN – CONTINUED

18.6 The eligible Customer shall receive service through the Balanced Billing Plan under the following rules: - Continued

- E. Each monthly payment becomes delinquent on the date specified in the Tariff pursuant to Section 19.5 of these Choice Gas Service Provisions. An eligible Customer's failure to pay the monthly balanced bill by the date specified shall be cause for termination of that respective Customer's Balanced Billing Plan by the Company.
- F. The election to pay for gas service under the Balanced Billing Plan in no way modifies or revokes the Company's rules, Tariffs or regulations regarding penalties and discontinuation of service for nonpayment of gas bills.
- G. A Customer's eligibility for participation in the Plan shall apply only to the premises then occupied by the Customer. If the premises is vacated by the Customer, the Balanced Billing Plan shall immediately terminate when the Company becomes aware of the vacancy.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

19. BILLING AND PAYMENT

19.1 Billing Period. Bills will be rendered monthly at the rates shown in the Company's filed rate schedules and shall become delinquent ten (10) days after the Due Date specified on the bill. The Customer Charge, Distribution Charge, and the Pass-On Rate [Regulated Rate] Charge will be rendered on a pro-rated basis.

19.2 Customer Read Meters. The Company may request the Customer to read the gas meter at regular intervals approximating a billing period. Each request for a reading by the Customer shall be on a printed form provided by the Company. The form shall contain instructions as to the method of reading the meter. Meter readings by the Customer shall be construed as an estimated bill which may be used for billing purposes, but such readings shall not be considered final. To verify estimated billings, the Customer's meter may be read periodically by the Company.

19.3 Customer Billing.

A. Contents of Bill.

1. Among other information, the Customer's bill will show the meter reading at the beginning and the end of the period for which the billing is rendered; thermal or CCF billing data, if applicable; the date of the last reading; the date of the bill; the volume of gas supplied or delivered; the class of service and applicable rates associated with that rate class; the amount of franchise or similar fees, sales tax and tax total due; the amount of any additional charges which are past due, collection, connection, or disconnection charges, installment payments, and other utility charges authorized by any Tariff or rule; and the net amount of bill. If the payment is being made pursuant to the Balanced Billing Plan (Section 18 of these Choice Gas Service Provisions), the bill will indicate the accumulated total of actual amounts paid to date as compared to the accumulated total Customer billings determined by the meter usage.
2. The Company may include on the bill for utility services other charges for special services. Special services are those not authorized by Tariff or otherwise specifically regulated by the Commission, including, but not limited to, the sale of merchandise, installation, or services performed in connection with merchandising and other non-regulated services. Charges for special services shall be indicated separately from charges for utility service. If the Customer makes a partial payment on the bill, the Company shall credit payment first to special utility charges (returned check charge, returned check amount, and late payment charges), then to the balance outstanding for previous utility service, then to current utility service, then to additional utility charges and last to special services, unless otherwise directed by the Customer.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

19. BILLING AND PAYMENT - CONTINUED

19.3 Customer Billing – Continued

B. Estimated Bills.

1. The Company may estimate the Customer's consumption for a billing period, and bill accordingly, under estimating procedures allowed by rules, regulations and Tariffs as necessary. Billings based on estimated usage may be issued because of, but not limited to, extreme weather conditions, emergencies, work stoppages, equipment failure or other circumstances beyond the Company's control which prevent actual meter readings; when the Company is unable to reasonably obtain access to the Customer's premises for reading of the meter after unsuccessful efforts to obtain the Customer reading of the meter such as by mail or by leaving a pre-addressed form which the Customer may use to note the reading; when the Customer does not furnish a meter reading as requested by the Company; or when Section 25, Inaccuracy of Registration and Meter Failure, is applicable.
2. When the Company issues a billing based on estimated usage, it shall maintain accurate records concerning such estimates, shall indicate on the billing that the usage was estimated, and shall make any appropriate adjustments upon a subsequent reading of the meter in accordance with Section 19.4, below. The Company may not render a bill based on estimated usage for more than three (3) consecutive billing periods or six (6) months, whichever period is less.

19.4 Adjusted Bills. All adjusted bills shall show the credit due to the Customer for amounts paid, or shall show the balance due and payable. A credit may be applied against subsequent billings, and if the amount is greater than \$10.00, the Customer may request a refund. When a balance is due and payable to the Company, the Customer may, upon request, pay the amount in equal monthly installments over a period of time mutually agreed upon by the Customer and the Company.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

19. BILLING AND PAYMENT - CONTINUED

- 19.5 Delinquency and Late Payment. Bills for service to Customers become delinquent on the date specified on the undisputed bill. If the bill becomes delinquent, a late payment charge of five percent (5%) on the first \$20.00 of the bill, plus two percent (2%) on the excess over \$20.00 may be charged if the bill is not paid by the bill delinquent date, which is ten (10) days after the due date specified on the bill, unless otherwise specified by an applicable rate schedule. If the last calendar day for remittance falls on a Saturday, Sunday, a legal holiday or other day when the Call Centers of the Company are not open to the general public, the final payment date shall be extended through the next business day.
- 19.6 Payment of Bill. The manner of payment of a Customer's bill will be as specified by the Company in the Customer's bill or as otherwise permitted by this Tariff. Company's designated Remittance Center(s) will process and post payments for Customer bills. A Customer wishing to make a payment in person may only do so by placing the Customer's payment and remittance information in a sealed envelope addressed to the Company's designated Remittance Center as specified on the Customer's bill and depositing the sealed envelope into a designated "Drop Box" at a location expressly authorized by the Company. Payments deposited into a "Drop Box" or mailed by the Customer will be posted when received at the Company's designated Remittance Center. In lieu of a paper receipt, Company shall reflect payments as credits on a Customer's bill.
- 19.7 Payments or Billings to Suppliers. The Supplier will be given a statement detailing the Supplier Participation Agreement amounts collected from the Customers, including gas supply commodity amounts collected, pursuant to the Supplier Participation Agreement. The Company may make such applicable deductions from the Supplier Participation Agreement amount including deductions for any charges under the entirety of the Tariff, including, but not limited to, the Choice Gas off-system delivery charge, imbalance charges, imbalance penalties, imbalance cashout, OFO charges, firm transportation or interruptible transportation charges, Rate Schedule MCS-1 services and/or for Rate Schedule FS-1 services. Such deductions, if any, will be provided on a volume and charge statement. Should the gross amount due under the Supplier Participation Agreement not be sufficient to provide for the applicable deductions, the Company may bill the Supplier for any positive net amount owed to the Company or may carry over the amount due into the next accounting month for possible future netting. The Company will include the above referenced detailed revenue and cost statements with such payment or billing and will also include other data as needed.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE

- 20.1 The Company may refuse to provide, expand or materially change service to a requesting Customer when:
- A. The Company does not have adequate facilities to render the service requested;
 - B. The requested service appears to be unsafe or likely to adversely affect service to another Customer; or
 - C. The requesting Customer is indebted to the Company for service previously rendered and satisfactory payment arrangements have not been made with the Company.
 - (i) The Company shall not refuse service to a new Customer because of debts of a previous Customer at the same location.
 - (ii) The Company may refuse service due to unpaid line extension charges for facilities serving the location.
 - (iii) If Indebtedness for service rendered at a former location is in dispute the requesting Customer shall be provided service at the new location upon complying with the Company's deposit requirements and paying, the amount in dispute. Upon settlement of the disputed amount, any balance due to the customer shall be refunded with accrued interest at the Commission Authorized Interest Rate as described on the Schedule of Special Charges and Fees.

The Company may discontinue service when:

- D. Customer requests discontinuance as provided for in Subsection 23;
- E. Existence of a dangerous condition on or about the Customer's premises;
- F. Delinquent service bill after proper notice has been given;
- G. Customer causes, permits, or benefits from an unauthorized use, interference with, or a diversion of service on or about the Customer's premises, after documentation and notification to the Customer - see Section 21 of these Choice Gas Service Provisions.
- H. Misapplication of gas supply by the Customer which causes or may cause an unsatisfactory condition affecting the quality, safety, health or continuity of service to the Customer or other Customers;
- I. Resale of or gift of natural gas by the Customer without written consent of the Company;



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.1 The Company may discontinue or refuse service to any Customer for any of the following reasons: – Continued

- J. Failure by the Customer to pay a security deposit, pay an additional deposit, or guarantee, as required in this Tariff;
- K. Failure by the Customer to comply with any of the Company's General Terms and Conditions for gas service, or with applicable approved rate schedules, as amended from time to time;
- L. Failure by the Customer to comply with curtailment orders issued by the Company;
- M. Fraud and/or misrepresentation by the Customer for the purpose of obtaining gas service;
- N. After notification by the Company and during normal working hours (except in an emergency), the Customer refuses to allow authorized Company personnel onto the Customer's premises for purposes of examining the piping and other equipment relating to the Company's service; ascertaining connected loads; and in one of the following situations:
 - (i) the Company is responding to a request for service which required that the gas be turned on;
 - (ii) the Company has reasonable knowledge of a safety problem on the premises and has documented that knowledge; or
 - (iii) the Company is obligated under the Tariff to perform a service (such as switching out a meter), or complete an inspection where the service or inspection requires that the Company representative be on the premises;
- O. Cooperation with Civil Authorities;
- P. Tampering with or destroying Company facilities; or
- Q. Any other reason where authority is specifically granted by Wyoming statute or Commission Rule, provided, however, that service to residential Customers will not be discontinued under Section 20.2 except when discontinuance is pursuant to this Section.
- R. The Company may assess a Disconnection Charge equal to fifty percent (50%) of the Company's then-current standard hourly service charge, for disconnecting service under this Section of these Choice Gas Service Provisions. This charge shall be in addition to the reconnection charge.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.2 Non-Discontinuance of Service – Special Circumstances. Service to a residential Customer shall not be discontinued if:

- A. When a landlord has signed the Company's Landlord Agreement indicating that the Landlord is to be notified when a Customer tenant is to be disconnected, the Company will notify the Landlord of the impending disconnection at the same time as the tenant by mail. If the Landlord has so indicated on the Company's Landlord Agreement, gas service shall be put in the Landlord's name on the disconnect date without further action by the Landlord.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE

20.3 Conditions Not Sufficient for Discontinuance of Service. The following conditions are not to be considered sufficient cause to discontinue service:

- A. Failure by the Customer to pay for non-utility services or merchandise charges;
- B. The Customer pays on time for a specific service at a specific location even though the Customer is receiving another service that is subject to disconnection for non-payment;
- C. Failure of the Customer to pay for a different class of service received at the same location. The placing of more than one meter at the same location for purposes of billing the usage of specific devices under optional rate schedules or provisions, is not construed as a different class of service for the purpose of this Section 20;
- D. Failure of the Customer to pay at a previous address for a different class of service.
- E. Failure of the Customer to pay any or all portions of a bill which is in dispute subject to the provisions of Subsection 20.7 of these Choice Gas Service provisions, provided that the Customer duly pays the bill or portion of the bill that is not in dispute;
- F. If the temperature is forecasted by the National Weather Service or other reputable source to be below 32 degrees Fahrenheit in the impending 48 hours, or if conditions are otherwise especially dangerous to health, and the Customer is:
 - (i) Unable to pay for service in accordance with the Company's billing requirements and is actively seeking government assistance or has exhausted such assistance; or
 - (ii) Able to pay for service in installments only.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.3 Conditions Not Sufficient for Discontinuance of Service. The following conditions are not to be considered sufficient cause to discontinue service: - Continued

- G. It is during the period of December 24th through January 2nd;
- H. It is on any day in which the Company cannot reconnect service;
- I. The Customer enters into a payment arrangement with the Company over a reasonable period of time and complies with the payment agreement; and the Company shall make every effort to get the agreement in writing;
- J. There is money owed due to the Company's meter reading or billing error and the Customer enters into and complies with a written payment arrangement;
- K. The Company has commenced providing service to a Customer that has a previous outstanding balance from another service location and the Company failed to make payment arrangements at the time service was commenced if the Customer has paid all utility bills on time at the new service address;



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.3 Conditions Not Sufficient for Discontinuance of Service. The following conditions are not to be considered sufficient cause to discontinue service: – Continued

- L. It is a legal holiday or the day before a legal holiday. The legal holidays include:
 - 1. New Year's Day, January 1;
 - 2. Martin Luther King, Jr., Wyoming Equality Day, to be observed on the third Monday in January;
 - 3. Washington's and Lincoln's birthdays, to be observed on the third Monday in February;
 - 4. Memorial Day, to be observed on the last Monday in May;
 - 5. Independence Day, July 4;
 - 6. Labor Day, to be observed on the first Monday in September;
 - 7. Veterans Day, November 11;
 - 8. Thanksgiving Day, to be observed on the fourth Thursday in November;
 - 9. Christmas Day, December 25;
 - 10. Upon declaration of the governor of this state, any date appointed or declared by the President of the United States as an occasion of national mourning, rejoicing or observance of national emergency;
- M. The Customer is paying the bills on time, even though a prior Customer with an undisputed delinquent bill for service resides or conducts business at the same address;
- N. If a residential Customer can provide, prior to the initial date for the discontinuance of service, written verification from a health care provider responsible for the care of the Customer or his/her co-habitants, stating that their health or safety would be seriously endangered if service were discontinued, the Company will grant an additional fifteen (15) days past the "Disconnect Date" printed on the notice, for the payment of the amount due. The fifteen (15) days is in addition to the seven (7) days given on the original notice for a total of twenty-two (22) days;
- O. Medical and financial records of any utility Customer shall be treated as confidential;



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.3 Conditions Not Sufficient for Discontinuance of Service. The following conditions are not to be considered sufficient cause to discontinue service: – Continued

- P. The Company must provide thirty (30) days' notice to a household if any person residing there is dependent on life-supporting equipment requiring the Company's service. The Company will not disconnect the service if the Customer will provide the Company with a medical doctor's statement that a member of the household is dependent on a life-support system and the Customer enters into a written agreement and complies with that agreement. If the Customer fails to comply with the payment agreement, the Company must again comply with normal disconnect procedures and issue a new seven (7) day disconnect notice; or
- Q. If the Company continues or reconnects service to the Customer in order to establish a written payment arrangement and the Customer defaults on the agreement, the Company must again comply with normal disconnect procedures and issue a new seven (7) day disconnect notice.

20.4 Discontinuance of Service Notice. Unless otherwise ordered by the Commission, the Company will give a residential Customer at least seven (7) days, and a commercial or industrial Customer at least three (3) days, written notice before discontinuance of service for violating the Company's rules and regulations or for nonpayment of bills for service. The written notice shall contain: the name of the person whose account is delinquent and the address of the Customer and the service address to be discontinued, if different from the Customer's address; a statement of the reason of discontinuance of service; the effective date of the notice and the date on or after which service is to be discontinued; terms under which the Customer may avoid discontinuance; the cost and conditions for reconnection; the telephone number and address of the office of the Company that the Customer may contact concerning discontinuance, credit arrangements or postponement of the discontinuance; a statement advising the Customer how to contact the Commission if discontinuation is disputed; and a list of agencies or organizations that have notified the Company that they render assistance to eligible persons who are unable to pay their utility bills, or a statement concerning availability of such list. The notice shall be effective when a copy is received by the Customer, by U.S. mail, at the customer's last known mailing address. A residential account notice shall also be sent to the address where service is provided, if different from the address of the Customer. Mailing of the notice by the Company shall be considered evidence of receipt. The Company shall maintain an accurate record of the date of mailing.

The Company shall also provide notice of discontinuation or account delinquency to a third party if a Customer, or person acting on behalf of the Customer, has requested that the utility do so after Customer identification verification. The Company shall establish reasonable procedures to advise Customers, particularly any incapacitated Customer, that the right to request third-party notification does not create third-party liability for payment.

If the Customer defaults, the Company shall provide the discontinuation notice to any guarantor and Customer simultaneously. The guarantor's service shall not be subject to discontinuation as a result of the Customer's default.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – CONTINUED

20.4 Discontinuance of Service Notice. - Continued

The Company shall also provide notice of discontinuation or account delinquency to a third party if a Customer, or person acting on behalf of the Customer, has requested that the utility do so after Customer identification verification. The Company shall establish reasonable procedures to advise Customers, particularly any incapacitated Customer, that the right to request third-party notification does not create third-party liability for payment.

If the Customer defaults, the Company shall provide the discontinuation notice to any guarantor and Customer simultaneously. The guarantor's service shall not be subject to discontinuation as a result of the Customer's default.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.4 Discontinuance of Service Notice – Continued

- A. Multi-Unit Dwelling. If the Company's records indicate that the account to be disconnected involves permanent residents in a multi-unit dwelling where gas service is supplied through one meter, and the Company is disconnecting service for non-payment by the landlord, the Company will give written notice no less than fifteen (15) days prior to the proposed disconnect date. Written notice shall be:
1. Delivered or mailed to each individual dwelling unit; or
 2. Posted in at least one of the common areas of the multi-unit dwelling. The notice will state that a notice of discontinuance has been sent to the party responsible for payment of the bill, the proposed date of the discontinuance, and that each tenant has fifteen (15) days to arrange for piping gas service directly to the tenant's apartment if permitted by the available facilities. The notice shall not include the dollar amount owed by the landlord.
- B. Exceptions. The Company may discontinue service immediately without notification, or at the request of the Customer if termination is for the reason of safety, health, cooperation with civil authorities, fraudulent use, tampering with or destroying Company facilities, and other reasons where authority is specifically granted by Wyoming statutes or Commission Rule, or failure by the Customer to comply with curtailment orders as issued by the Company.

20.5 Company Procedures for Discontinuing Service

- A. During the period of November 1st through April 30th, after the mailing of a discontinuance of service notice and prior to the discontinuance of service, the Company shall attempt to contact the Customer either in person or by telephone after customer verification to discuss the pending discontinuance of service. The Company employee who is to disconnect service will make a reasonable effort to personally contact and identify himself or herself to the Customer or other responsible person at the premises, explain the purpose of the visit, identify and record the name of the person contacted, accept payment of all amounts tendered which are necessary to avoid disconnection, advise the Customer of the Bill Collection Charge, record any statements disputing the accuracy of the delinquent bill, or the cause of the discontinuance, and observe the medical condition of any permanent resident at the premises.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.5 Company Procedures for Discontinuing Service – Continued

- B. If, after such Company effort, no personal contact with the Customer or other responsible individual can be made, the Company employee shall leave written notice at the premises in a conspicuous manner stating the date and the time of discontinuance of service and the address and telephone number of the Company where the Customer may arrange to have service restored. Except for discontinuing service pursuant to Section 20.1 of this Choice Gas Service Provisions, the Company may discontinue service, when at the time of the discontinuance, the Company's office or personnel are open or available to the Customer for a one-hour period after the time of discontinuance and on the day following discontinuance to enable the Customer to obtain reconnection.

* Notwithstanding the foregoing, termination of service under this rule may only be effected between the hours of 8:00 A.M. and 4:00 P.M., Monday through Thursday, without further notice when:

- (i) The notification period has elapsed and the delinquent account has not been paid;
- (ii) Acceptable payment arrangements have not been made with the Company; or
- (iii) The Company is not satisfied the Customer has ceased violating the Company's rules and regulations;
- (iv) and, service may not be terminated as otherwise set forth in Section 20 of the Choice Gas Service Rate Schedule.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.6 Restoration of Service. When service has been discontinued by the Company for violation of rules and regulations, non-payment of bill, or fraudulent use of service and the Customer desires service to be reconnected, the Company shall require the Customer to pay in full for all service rendered up to the date service was discontinued, or enter into a reasonable written payment arrangement, plus a reconnection fee pursuant to the Schedule of Special Charges and Fees on the applicable rate sheet of this Tariff. Upon request of the Customer, the Company will make a good faith effort to restore service on the day requested when the cause of discontinuing service has been eliminated, applicable charges have been paid, and/or satisfactory payment arrangements have been made; but in no event shall restoration be later than the next normal business day except in the case of force majeure.

- A. The Company will not charge for reconnection of service when the disconnection was made for the Company's purposes, improper discontinuation, with the exception of a removal for non-payment of bills, or the Commission's Rules.

20.7 Disputed Bills.

- A. When the Customer advises the Company prior to the proposed date for discontinuance that all or any part of a bill rendered is in dispute, the Customer shall clearly state why the discontinuance of service is invalid. The Company shall record the date, time and place that the Customer gave notice of a dispute and postpone discontinuing service until a prompt and full investigation is completed.
- B. The Company and the Customer may attempt to informally resolve the dispute to their mutual satisfaction. The Customer shall advise the Company that a bill is in dispute in any reasonable manner, including but not limited to, mailed written notice, notice in person, notice by telephone, pre-arranged meetings, formal or informal hearings, or on-site visits. In the event the dispute is not informally resolved, the Company shall advise the Customer of the formal and informal procedures available before the Commission.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

- 20.8 Reconnection Charge. The reconnection charge after the Customer's service has been disconnected pursuant to Section 20 of the Choice Gas Service Provisions, shall be determined by using the Company's then-current standard hourly service charge. If reconnected after normal working hours, the reconnection charge may be increased by the addition of the Company's After Hours, Weekend and Holiday Call-out Charge. In addition, the Company may require a security deposit as specified in Section 25 of the General Terms and Conditions before service is reconnected.
- 20.9 Bill Collection Charge. A bill collection charge may be collected from the Customer when a service call is made for discontinuance of service and Customer avoids discontinuance by payment of the delinquent bill or by entering into a Written Payment Arrangement with the Company.
- 20.10 Returned Check Charge. The Company may assess to the Customer the maximum charge allowed by law or regulation for each check returned.
- 20.11 Customer Process Charge. The Company may assess a charge establishing service to a new account. Customers exempt from the Customer Process Charge are those Customers whose meters are removed temporarily for remodeling.
- 20.12 Missed Appointment Charge. A missed appointment charge may be collected from the Customer when a service call is made by Company personnel upon appointment with the Customer and the Customer is not present to permit the scheduled work or business to be performed or conducted.
- 20.13 After Hours, Weekend and Holiday Call-out Charge. The Customer may be assessed a charge established by the Company for service calls occurring after normal working hours, Weekends and Holidays.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.14 Transfer of Account Balances.

- A. In the event of discontinuance or termination of service, the Company may transfer any unpaid balance to another active account of the Customer only with the Customer's written consent. Notwithstanding, in the event of the failure of the Customer to pay a final bill at any metering point, residence or other location, the Company will not allow the Customer to open any successive service accounts unless the unpaid balance is paid in full or the Customer signs a written payment arrangement for the unpaid balance on the previous account.
- B. Also see Subsection 20.3B of this Section concerning the failure to pay for service at a concurrent and separate metering point, residence or location.

20.15 Third Party Designation.

- A. Any residential Customer may request in writing or a request may be made by a family member or other responsible person acting for the Customer to designate a third party to be notified of any proposed discontinuance of service for nonpayment. Written notice of the proposed discontinuance of service for nonpayment shall be mailed or delivered to the designated third party when notice is provided to the Customer. Existing residential Customers will be periodically advised of the ability to designate a third party through inserts in billings and the procedure to follow to obtain third party designation forms at the Company's local office.
- B. Each new residential Customer will be given the opportunity to designate a third party at the time the Customer requests gas service. A third party shall not be obligated to pay the Customer's bill by signing a third party designation form. The Company shall not be liable if notice is not received by the third party if mailed to the last known address of record. It is the Customer's responsibility to advise the Company of the proper mailing address of a designated third party.

20.16 Termination at the Customer's Request. The Company shall make every reasonable effort to terminate the Customer's service on the day requested by the Customer. If the termination will have to occur after normal working hours, the Company will advise the Customer, prior to the termination, of any charges that will be incurred by the Customer for the after-hours termination.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

20. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE - CONTINUED

20.17 Refusal to Serve Applicant.

- A. The Company may refuse to provide service to an applicant who has an outstanding unpaid bill incurred for utility service within the State of Wyoming until the applicant pays in full or enters into a satisfactory written payment arrangement. In the event the amount is in dispute, the applicant shall make a special deposit in the amount of the disputed amount, and service will be rendered immediately. Upon settlement of the dispute, any amount owed the Customer will be promptly refunded with accrued interest.
- B. The Company may decline to serve a prospective Customer or to change materially the service to an existing Customer, if, in the best judgment of the Company, it does not have adequate facilities to render the service applied for or if the desired service appears to be unsafe, or is of a character that is likely to adversely affect service to another Customer.

21. DISCONNECTION FOR UNAUTHORIZED USE, INTERFERENCE WITH, OR DIVERSION OF SERVICE

- 21.1 If any connection, device, or by-pass is found on a meter or the regulating equipment of the Customer which prevents the meter from properly registering consumption, or a meter is found with broken seals, or shows any other evidence of tampering, the Company shall have the right to immediately discontinue service and the right to estimate and charge for the volume of gas estimated to have been consumed without proper measurement.

22. DISCONNECTION FOR DANGEROUS CONDITION FOUND ON CUSTOMER'S PREMISES

- 22.1 The Customer shall install and maintain the gas piping, fixtures and appliances on the Customer's premises either in accordance with the ordinances of the city in which the Customer is located, or in accordance with the Company's standards, whichever is stricter. The Company may terminate service to the Customer immediately and shall give written notice of any defective Customer-owned facility or unsafe conditions which may impair service or may result in injury or damage to any person or property.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

22. DISCONNECTION FOR DANGEROUS CONDITION FOUND ON CUSTOMER'S PREMISES – CONTINUED

22.2 The Company assumes no responsibility for the inspection and/or repair of defects in the Customer's piping, fixtures or appliances on the Customer's premises and will not be responsible for any injury, loss or damage resulting from such defects or improper installation, except where such loss, damage or injury is the result of the Company's sole active negligence or willful misconduct.

23. DISCONNECTION AND RECONNECTION AT THE CUSTOMER'S REQUEST

23.1 Upon a Customer's or legally authorized person's request, the Company shall make reasonable efforts to terminate the Customer's service as requested. Before terminating service, the Company shall inform the Customer of any additional charges per tariff for after-hours service discontinuation.

23.2 Unless waived for cause, the charges as set forth in the Schedule of Special Charges and Fees on the applicable rate sheet of this Tariff, may be made to cover the connection and disconnection and reconnection of any service which was used for less than three (3) consecutive months, or where the service is temporarily discontinued at the request of the Customer. This charge will not apply, when the disconnection is for the rebuilding or remodeling of the premises.

23.3 If a former Customer requests reconnection of service within one (1) year at the same location of service which he has terminated or has had disconnected, upon reconnection, the former Customer will be billed a Continuing Service Charge equal to the number of Customer Charges and Extra Incentive Allowance Charges the Customer avoided while service was disconnected. This provision does not apply to a new Customer requesting service at a location where service was disconnected or terminated by another Customer.

24. DELIVERY PRESSURE OF GAS

All gas will be delivered at the outlet side of the Company's meter at a pressure of not more than four (4) ounces per square inch gauge pressure. The average atmospheric pressure listed by the United States Weather Bureau will be used to establish the absolute pressure; provided, however, that gas delivered to Customers who use large volumes and require a pressure in excess of four (4) ounces shall be delivered at the pressure established by the Company as may be listed in the Supplier Participation Agreement or may be posted on the EBB for that particular installation.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

25. INACCURACY OF REGISTRATION, METER FAILURE, AND BILLING ADJUSTMENTS
- 25.1 Should any meter fail to register, or register inaccurately, and during a subsequent test be found to be more than two percent (2%) fast, the Company will refund to the Customer, pursuant to W.S. § 37-2-218.
- 25.2 If during the test the meter is found to be more than two percent (2%) slow, the Company may collect from the Customer, pursuant to W.S. § 37-2-222.
- 25.3 The Company will exercise all reasonable means to assure accurate computation of all bills for natural gas service. In the event errors occur, the Company shall refund to the Customer the amount of any overcharge having occurred therefrom and, likewise, shall have the right to collect from the Customer the amount of any undercharge, in accordance with W.S. § 37-2-218 and W.S. § 37-2-222.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

26. CUSTOMER METER TEST REQUESTS

If the Customer requests a test of the accuracy of the Company's meter, the following provisions shall apply:

- 26.1 If the Company has not tested the meter in the past twelve (12) months or is required under its established testing schedule to make a test of the meter within a period of twelve (12) months from the date of the Customer request, the Company shall make the test requested within a reasonable time and without charge to the Customer.
- 26.2 The Company will notify the Customer of the time when the test will be conducted so that the Customer may be present when the Company conducts the test or may send an expert or other representative. Following the completion of any such test, the Company shall promptly advise the Customer of the results of the testing.
- 26.3 If a meter is found to be in non-compliance with the Company approved meter testing program, the Company shall refund the payment to the Customer advanced for the meter test and shall repair or replace the meter. The Company shall also adjust and refund to the customer the overpayment of preceding bills, pursuant to W.S. § 37-2-218. No refund is required from the Company except to the Customer last served by the meter prior to testing. If the Company has under collected, the Customer shall pay the adjusted costs back to when the error transpired but no greater than 183 days prior to the meter being shown in error, pursuant to W.S. § 37-2-222.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

27. INSPECTION BY COMPANY

The customer, when notified in advance, shall permit employees and agents of the Company, when properly identified, to enter upon the premises and to enter the Customer's premises at reasonable hours for the purposes of inspecting or repairing Company facilities and lines, conducting leak and cathodic protection surveys, visually examining the piping, appliances, and other equipment relating to the Company's service, ascertaining connected loads, or making other safety tests or inspections required by state or federal regulations.

28. LIABILITY

The Company shall not be liable for any damages to the Customer or to third persons resulting from the use of the gas service on the Customer's premises, or from the presence of the Company's appliances or equipment on the Customer's premises. The Customer agrees to protect the Company's property located on the Customer's property or premises from damage.

29. INTERRUPTION OF SERVICE

The Company shall make all reasonable efforts to avoid interruptions of service. For all non-emergency, planned, major service interruptions, the Company will notify the Commission forty-eight (48) hours, and make reasonable efforts to notify the affected Customers two business days prior to the service interruption. Planned interruptions, as referenced in this paragraph, are non-emergency service interruptions affecting at least twenty-five (25) meters or customers, whichever is greater. If the service is interrupted at any time by any cause beyond the control of the Company or not in accordance with the provisions contained in these rules and regulations, the Company shall not be held liable for such interruptions. In such cases, the Company shall make every possible effort to restore the service as soon as practicable. Interruptions in service shall not relieve the Customer from any charges for service actually rendered.

30. COMPANY AND CUSTOMER PIPING

30.1 Definitions

- A. Service Line - The buried natural gas line from the Customer's property line to the outermost foundation of the Customer's primary structure at a safe and reasonable location and route determined by the Company, regardless of the meter location.
- B. Customer Piping - All piping downstream of the service line.
- C. Company-identified Distribution System – A distribution system that is within an area covered by a municipal franchise agreement.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

30. COMPANY AND CUSTOMER PIPING – CONTINUED

30.2 Customer-Owned Service Lines. This term includes all Customer service lines connected outside of a Company-identified distribution system (defined as an area not covered by a municipal franchise agreement), or a Mobile Home Park with one park owner who rents lots. This term may also include special circumstances where Company investment does not warrant Company ownership of the service lines. Such lines shall meet the following specifications:

- A. Service line of adequate size to provide sufficient capacity for the appliances installed or to be installed. Such lines shall be further subject to the following conditions or requirements:
 - 1. The entire service line shall be constructed and installed in accordance with the Wyoming Public Service Commission's rules, the Department of Transportation's Regulations, or other industry standards as applicable to Customer-owned service lines and Company standards. Company reserves the right to inspect the service line upon completion prior to burial, if installed by anyone other than the Company, after notification to the Company by the installer;
 - 2. The service line must enter the building above the grade line.
- B. Where required by the Wyoming Public Service Commission Rules or Department of Transportation requirements, periodic surveys will be conducted by the Company to check for leaks and cathodic protection on Customer-owned service lines. The Company shall make such survey and bear the costs thereof.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

30. COMPANY AND CUSTOMER PIPING – CONTINUED

30.2 Customer-Owned Service Lines – Continued

- C. If the Company discovers a leak or inadequate cathodic protection on Customer piping or Customer-owned service lines or other facilities, the Company shall promptly notify the Customer or owner of such condition and the Company may, with or without notice, shut off the flow of gas to said piping, lines or other facilities until the condition is rectified.

The Customer shall be responsible for all the costs relating to maintenance and replacement of Customer piping or Customer-owned service lines or other facilities. The owner of the piping and/or facilities shall be responsible for arranging and paying for any required maintenance, repair or replacement of said piping and/or facilities; and all materials, installation, and work performed must comply with the Company's specifications and all applicable laws and regulations. The owner of the piping and/or facilities shall provide the Company with an assurance acceptable to the Company that all materials, installation and work performed comply with all applicable specifications, laws and regulations before gas service will be restored or continued. The Company shall have no duty to inspect work performed by anyone other than the Company.

- D. Liability. The private owner of any service line, piping and/or facility shall be solely responsible for the loss or escape of any gas from said service line, piping and/or facility, and shall be responsible for any resulting fire, explosion, injury, or damage caused thereby. Nothing in this rule, or in any other Tariff provision or regulations, shall be construed to impose any liability on the Company for the loss or escape of gas from any Customer-owned service line, piping or facility, or for any injury or damage caused thereby or otherwise related to any Customer-owned service line, piping or facility.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

30. COMPANY AND CUSTOMER PIPING – CONTINUED

30.3 Company-Owned Service Lines. This term includes all Customers served from a service line owned by the Company. With respect to Company-owned service lines, the Company will install (subject to the service and main line extension policy), assume ownership of and maintain all service lines installed after January 1, 1992. Such lines will be further subject to the following conditions or requirements:

- A. Any service line installed prior to January 1, 1992, will be owned by the Customer until the service line needs to be replaced, at which time the new service line will be replaced, owned and maintained by the Company at the Company's expense. The Company is responsible for safety checks, maintenance and replacement of all existing Customer-owned service lines installed before January 1, 1992;
- B. When a service line needs to be replaced, the Company shall notify the Customer of the anticipated date of work and the general concerns of the crew doing the work. If the Company discovers a leak or inadequate cathodic protection on piping or facilities, the Company shall promptly notify the Customer or owner of such condition and the Company may, with or without notice, shut off the flow of gas to said piping and facilities until the condition is rectified;
- C. The Customer shall be responsible for obtaining an easement from a third party if a planned service line will cross the property of a third party and that routing is at the request of the Customer and the Company has determined it can accommodate the Customer's requested routing. The easement shall be granted to the Company, not to the Customer securing the easement for the Company. The Customer shall grant an easement on the Customer's property to Company for any service line on the Customer's property serving that Customer.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

31. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION
POLICY FOR DISTRIBUTION CUSTOMERS.

31.1 Meters and Regulators. The Company shall furnish, install and maintain industry recognized and approved certified meters and meter connections free of extra cost to the Customer. Meters and meter connections shall be set at a reasonable location as near to the Customer's utilization equipment as practicable. The Company shall determine a location such that the meter can be easily accessed and is not installed in a location that may expose it to damage and in accordance with 49 CFR §192 while at the same time minimizing interference with the Customer. The Customer agrees to provide, without cost to the Company, a suitable location for the meter and its installation and take reasonable precautions to protect the Company's property from damage.

Installation of meters inside of buildings will not be allowed unless there are no other suitable locations, adequate ventilation can be provided and local building codes permit interior installation. If a meter is located inside a building, the location of the meter will be as near as practicable to where the service enters the building.

These meters and meter connections always remain the property of the Company and may be removed when the service is terminated for any cause.

Upon Customer request, the Company may install and maintain an additional meter. The costs associated with the additional meter shall be borne by the Customer.

31.2 Service Line and Main Extension Policy.

A. Statement of Policy

Within the Company's service area, the Company shall make such reasonable, economically-viable extensions of the mains of its system from time-to-time as warranted by expansion and development of demand. Service line installations shall be made as provided in Section 30 of these Rate Schedules. The Company will not extend its mains to make service connections to provide gas service to any premises located outside of the Company's service area as defined in the Certificates of Public Convenience and Necessity, or any extension thereof, issued to the Company by the Commission.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

31. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION
POLICY FOR DISTRIBUTION CUSTOMERS - CONTINUED.

31.2 Service Line and Main Extension Policy. - Continued

A. Statement of Policy - Continued

Notwithstanding any other provision in this Section 31.2, the Company may enter into agreements for service line and/or main extensions with any person or firm (such as Customers, Developers, or Builders) as set forth in Section 31.2.C. The Company may provide the Regular Incentive Allowance and Extra Incentive Allowance provided herein to any person or firm executing a service line and/or main extension agreement; provided that the Company shall offer only one Regular Incentive Allowance and only one Extra Incentive Allowance per home or structure attached to its system. Once a person or firm qualifies for the incentive(s) with respect to a home or structure, no other person or firm may qualify for an incentive(s) with respect to that home or structure. A Customer, Developer or Builder seeking an allowance under this section will be advised whether they qualify at the time they enter into the applicable agreement set forth in Section 31.2 (C).

Main extensions and service line installations will be performed by the Company or a Company-approved third-party contractor. Any and all contractors used for excavation, backfill or construction of service lines or main extensions owned or operated by the Company must be approved by the Company.

Incentives under this section shall be provided by the Company in a non-discriminatory manner.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

31. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION POLICY FOR DISTRIBUTION CUSTOMERS – CONTINUED

31.2 Service Line and Main Extension Policy – Continued

B. Definitions

1. Customer – Any individually metered end user of gas connected, or requesting to be connected, to the Company's gas facilities. A Customer may or may not be a Developer or Builder.
2. Developer – A person or firm that enters into a Gas Service Extension Agreement or a Service Line Agreement for the purpose of developing homes or other structures that will attach to the Company's system. A Developer may or may not also be a Customer.
3. Builder – A person or firm engaged in the business of constructing homes or other structures that will attach to the Company's system. A Builder may or may not also be a Customer.

C. Agreements

1. Main Extensions. Unless undertaken on the Company's initiative and at the Company's expense, main extensions requested by a person or firm shall be made in conformance with the terms of a Gas Service Extension Agreement, as may be revised from time to time. The Gas Service Extension Agreement shall provide an estimate of the installation cost of the main extension (and service line installations and other additional facilities if requested by such person or firm), which cost must be paid before the main extension and other applicable facilities will be constructed. The Gas Service Extension Agreement shall specify the terms of the entitlement of the person or firm executing said agreement to the Regular Incentive Allowance or Extra Incentive Allowance for homes or other structures attaching to the main extension that is the subject of the Gas Service Extension Agreement, subject to the following terms and conditions:
 - i. The cost estimate required to be paid in by the person or firm executing the Gas Service Extension Agreement includes a Contribution in Advance of Construction (which is the amount required to be paid in that may be refundable under the terms of the agreement) and/or a Contribution in Aid of Construction (which is the amount required to be paid in that will not be refundable under the terms of the agreement).



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

31. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION POLICY FOR DISTRIBUTION CUSTOMERS – CONTINUED

31.2 Service Line and Main Extension Policy – Continued

C. Agreements

- ii. The Contribution in Advance of Construction may be refundable for a five-year period in the amount stipulated in the agreement for each subsequent Customer connected to the main extension where the home or structure has primary gas heat and a gas water heater or has gas appliance(s) with a comparable annual load. The refunds shall not exceed the total amount of the Contribution in Advance of Construction provided for in said agreement.
- iii. The Company will own and operate all extensions made under the above mentioned agreements and shall have the right and privilege to extend its system from such extensions without any refund obligation whatsoever with respect to future attachments.

2. Service Line Installations. Service line installations shall be made in conformance with the terms of a Service Line Agreement, as the same may be revised from time to time. Among its terms:

- i. The Service Line Agreement shall indicate whether the person or firm executing said agreement is entitled to the Regular Incentive Allowance for the home or other structure for which the service line installation is requested. If the person or firm executing said agreement is not entitled to the Regular Incentive Allowance, the agreement shall so indicate and (i) specify the person or firm entitled to the Regular Incentive Allowance, (ii) identify the third-party agreement under which said person or firm is so entitled, and (iii) provide an accounting as to the basis for denying the Regular Incentive Allowance to the person or firm requesting the service line installation. The person or firm requesting the service line installation shall be entitled to review the referenced third-party agreement.
- ii. The Service Line Agreement shall provide an estimate of the cost of installing the service line; provided, however, that the person or firm executing the Service Line Agreement will be invoiced the actual cost of the service line installation, minus the applicable Regular Incentive Allowance in the event that the person or firm qualifies for that allowance.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

31. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION POLICY FOR DISTRIBUTION CUSTOMERS – CONTINUED

31.2 Service Line and Main Extension Policy – Continued

D. Regular Incentives for New Service Lines and/or Main Extensions

The Regular Incentive Allowance for main extensions and new service line installations within the service area shall be up to the amounts specified below for the corresponding divisions where the home or structure has primary gas heat and gas water heating or has gas appliance(s) with a comparable annual load.

<u>Divisions</u>	<u>Amount</u>
All Divisions	\$985

E. Extra Incentives for New Service Lines/Main Extensions

The Extra Incentive Allowance for new service lines and/or main extensions offered to Customers within the Company's service area shall be available in an amount up to a maximum of the cost of connection exceeding the Regular Incentive Allowance, but not to exceed the Regular Incentive Allowance by:

Up to \$2,000 for Customers selecting the \$20 per month Extra Incentive Allowance Charge, Up to \$3,000 for Customers selecting the \$30 per month Extra Incentive Allowance Charge,
Up to \$4,000 for Customers selecting the \$40 per month Extra Incentive Allowance Charge, or
Up to \$5,000 for Customers selecting the \$50 per month Extra Incentive Allowance Charge.

where:

1. The total cost of the service lines and/or main extensions exceeds the Regular Incentive Allowance; and
2. The home or structure has primary gas heat and gas water heating or has gas appliance(s) with a comparable annual load. The Customer shall pay any costs (including installation) in excess of the sum of the applicable Regular Incentive Allowance (in the event that the Customer is eligible for the Regular Construction Allowance) and the Extra Incentive Allowance; and



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

31. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION POLICY FOR DISTRIBUTION CUSTOMERS – CONTINUED

31.2 Service Line and Main Extension Policy – Continued

E. Extra Incentives for New Service Lines/Main Extensions - Continued

3. The liability for the Extra Incentive Allowance Charge remains with the premises, so that in the event a new Customer becomes responsible for paying the Company for service at that premises, the new Customer will assume the responsibility for reimbursing the Company for the Extra Incentive Allowance Charge; and
4. The Company shall establish a reimbursement schedule to recover the costs of providing the Extra Incentive Allowance, with the reimbursement period not to exceed 180 months and with the cost of recovery calculated to account for the time value of money at a rate equal to 8.36 percent.
5. Customers have the option to make a lump sum pay-off of any remaining balance associated with the Extra Incentive Allowance at any time. When requested by a Customer, the Company will calculate the lump sum payment amount based upon the remaining unpaid Extra Incentive Allowance on a specified payment date. A lump sum payment made in full on or before the date specified by the Company will eliminate the Customer's obligation to make further Extra Incentive Allowance payments.
6. The Company will provide in writing the following information to the Customer when presenting the estimated connection costs and Extra Incentive Allowance:
 - i. The 8.36 percent time value of money; and
 - ii. The Extra Incentive Allowance Amount and the time value of money amounts over the duration of the payment period; and
 - iii. Explanation the the Customer has the option to make a lump sum payment at any time during the duration of the repayment period; and
 - iv. A phone number to address Extra Incentive Allowance questions and the lump sum payment.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

31. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION POLICY FOR DISTRIBUTION CUSTOMERS – CONTINUED

31.2 Service Line and Main Extension Policy – Continued

- F. Nothing contained herein shall be construed as prohibiting the Company from following a more liberal policy concerning free extensions than that set forth herein when, in the sole judgment of the Company, circumstances warrant a more liberal policy. Notwithstanding, under a more liberal policy, there shall be no discrimination as to the applicants under similar circumstances and conditions.
- G. In all cases where it is deemed desirable or necessary by the Company to construct a main extension of greater capacity than that which is requested by a person or firm in order to conform with future plans of the Company, the excess construction costs shall be borne by the Company.
- H. The main extension and service line policy shall not apply to mobile homes on rented lots. Main extensions and service lines to serve mobile homes on rented lots shall be installed by the Company or a contractor approved by the Company at the expense of the person or firm requesting the connection, and thereafter shall be maintained by the Company.

31.3 The Company shall bear the expense of any required maintenance, repair, or replacement of pipelines or meters or other facilities owned by the Company, except as otherwise provided in this Tariff.

31.4 Rural Service Connections and Policy (for Customers in the Torrington Division Only).

Rural Service Policy. The Company shall not be required to extend its distribution mains from within a municipal franchise area, and the Company shall not be required to extend any of its lines to serve a proposed Customer(s) in a rural area. However, the Company may, upon proper application by a proposed rural Customer, install a rural service connection on its distribution main or its transmission line to provide service for the rural Customer.

The meter and regulator shall be installed at the transmission line or distribution main. Service lines shall be subject to the extension policy outlined in this Section 31. All rural service piping on Customer's premises shall be installed at the expense of the Customer in accordance with the extension policy, rules, regulations and specifications prescribed by the Company to promote safety and preclude the loss of gas in rendering service to the Customer.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

32. TEMPORARY SERVICE

32.1 In case of temporary service for short-term use, as distinguished from seasonal use, the Company may require the Customer to pay all the costs of making the service connection and extension, and removing the material after service has been discontinued, or to pay a fixed amount in advance to cover such expense.

32.2 If the material is removed by the Company, the Customer shall be credited with the reasonable salvage which the Company shall receive on discontinuance of service. If within corporate limits, all construction rules and regulations shall apply.

33. PIPELINES OTHER THAN COMPANY'S

33.1 All municipalities, corporations, companies, partnerships, individuals and others applying for service to be supplied through pipelines not owned by the Company will be required to construct or operate under the Company's established rules and regulations.

33.2 The Company specifically reserves the right to reject any and all applications for service where same is to be supplied through pipelines not controlled by it.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

34. ALTERATION OF RULES AND REGULATIONS

No agent or employee has the right to modify or alter the applications, rates, terms, conditions, rules or regulations or to make any promises or representations not contained herein, supplements thereto and revisions thereof.

35. TAX ADJUSTMENT

35.1 When any city or other taxing subdivision imposes a franchise, occupation, business sales, license, excise, privilege or similar tax or fee of any kind on the Company, the amounts thereof, insofar as practical, shall be charged on a pro rata (defined as prorating the tax to bill the Customer for the correct number of days on the new tax rate and the old tax rate, if applicable), basis to all Customers receiving gas service from the Company within the boundaries of the city or taxing subdivision. This tax charge, in all cases, will be in addition to the regular charges for gas service less any amount the Company collects through base rates.

35.2 Where such tax is levied on a percentage of gross receipts, that percentage will be applied to each affected Customer's bill, and the amount computed will be added to the bill. Where such tax is levied on the quantity of gas delivered, the quantity of gas consumed, as shown on the Customer's bill, will be used to determine the tax amount added to the bill. Where the tax is levied other than on a percentage of gross receipts or quantity basis, an amount not to exceed \$1.00 per month per Customer shall be added to each affected Customer's bill until the Customer's pro rata share of the total tax is paid. The amount of the tax charged to each affected Customer in each billing period will be shown as a separate item on the Customer's bill.

36. RELOCATION OF FACILITIES

Notwithstanding any provision contained within this Tariff, the customer will bear the cost of relocating facilities used in the provision of gas service which are located downstream of the service stub when necessary to comply with applicable legal requirements or to mitigate potential or existing safety hazards. The Company may assess an hourly charge equal to the Company's then-current standard hourly service charge for all work performed.

37. EXCESS FLOW VALVES

37.1 The Company shall provide written notification of the availability for installation of an excess flow valve meeting the performance standards prescribed by the United States Department of Transportation at 49 C.F.R. § 192.381 to any single-residence, residential service Customer where a new or replacement service line/service stub that operates continuously at a pressure of ten (10) pounds per square inch gauge or greater is to be installed. The written notification will provide, at a minimum, the information prescribed by said Department of Transportation at 49 C.F.R. § 192.383.



RATE SCHEDULES – RCG, RCG-1, RCG-3 & CGS CHOICE GAS SERVICE – CONTINUED

37. EXCESS FLOW VALVES – CONTINUED

37.2 While the Company will install an excess flow valve at a service address at the Customer's request, the Customer is responsible for reimbursing the Company for the fully-allocated cost of the installation. The Company also shall be reimbursed for the fully- allocated cost of any post-installation activities, such as repairing, resetting, deactivating, removing or replacing an excess flow valve, by the then-current Customer at said service address at the time the activity is undertaken.

37.3 The Company shall not be liable for any (1) injury to person, and/or (2) damage to or destruction of any property, resulting directly or indirectly from any failure of, or defect in, an excess flow valve installed by the Company, except where the failure or defect is caused directly or indirectly by an error or omission by the Company in the installation of the excess flow valve.

38. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the specific provisions of this Rate Schedule shall govern.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT

THIS Choice Gas Service Supplier Participation Agreement ("Agreement") is made and entered into to be effective the day of _____, 20____, by and between _____ ("Supplier"), and Black Hills Gas Distribution, LLC ("Black Hills Energy" or "Company").

WITNESSETH:

WHEREAS, Black Hills Energy offers a Choice Gas Service program whereby utility Customers may choose their gas commodity Supplier; and

WHEREAS, Supplier desires to provide gas commodity supply service in accordance with the terms and conditions of the Choice Gas Service program and this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties agree as follows:

1. Participation: Supplier agrees to participate in Black Hills Energy's Choice Gas Service ("CGS") program and to be bound by the provisions of this Agreement and all applicable Tariff provisions, rules, regulations, or orders of the Wyoming Public Service Commission ("PSC"); provided that nothing in this Agreement shall be construed to subject Supplier to regulation as a public utility under Wyoming law. Supplier shall offer firm gas supply to qualified end-use Customers participating in the CGS program who are connected to Black Hills Energy's system located within certain designated Black Hills Energy Service areas in Wyoming ("Customers").
2. Registration Fee: Suppliers, including Black Hills Energy, shall pay an initial registration fee of \$2,500. Black Hills Energy shall retain \$2,500 of this fee to help defray costs associated with the supplier selection process.
3. Minimum Customer Level: In order to qualify as a Supplier under the Choice Gas Service program, Supplier must achieve a minimum Customer level of at least 100 Customers (meters) or 50,000 Dth annual projected Customer sales. The total number of participating Suppliers, however, shall be limited to 10 Suppliers.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

4. **Firm Transportation Entitlements and Firm Upstream Capacity Commitment, where applicable:** Supplier agrees to sell gas on a firm basis to those Customers who elect to purchase gas from Supplier, and Supplier shall deliver daily quantities on a firm basis into Black Hills Energy's system at the Receipt Point(s), up to the indicated Maximum Daily Quantities, and under the terms and conditions as set forth on Appendices A and B attached hereto and made a part hereof. Appendix A shall be completed each year by Black Hills Energy after the Customer/Supplier selection process is complete and Customers' projected upstream pipeline capacity requirements, if any as applicable to the Gillette and Torrington Divisions and for the Special Provision Customer Group as applicable, can be determined. Supplier's total firm transportation entitlements and upstream capacity quantity commitments (Maximum Daily Quantity) for applicable service areas, as set forth on Appendix A, shall equal the projected total peak day requirements of Supplier's Customers. For the Torrington Division, Supplier shall, when applicable, retain the maximum released No-Notice contractual Maximum Daily Withdrawal Quantity between November 1 and March 31 of each year. For the Casper Division, Appendix B shall be completed each year by the Company and executed by the Supplier after the Customer/Supplier selection process is completed each year, and Appendix B shall list firm mainline receipt and delivery and specified path entitlements and shall list firm storage entitlements under Rate Schedule FS-1. Supplier shall be responsible for all fuel, lost and unaccounted for gas requirements of the upstream pipeline and of the Black Hills Energy mainline, storage and distribution system, as applicable. In-kind quantities of gas sufficient to meet these requirements shall be provided by Supplier at the affected point(s) as described in the Tariff.
- A. ASSOCIATED AGREEMENT: For the Casper Division, the Supplier will be deemed to have executed the equivalent of a Rate Schedule FS-1 service agreement by execution of this Supplier Participation Agreement for the program year and will be bound by the terms of the Rate Schedule FS-1 service.
- B. For the Casper Division, the Supplier may, at its election, contract for service under Rate Schedule MCS.
5. **Firm Supply Warranty:** Supplier warrants the firm sale and delivery of gas at the Receipt Points. If Supplier fails to deliver gas at the Receipt Point(s) on any day, the Supplier agrees that Black Hills Energy may exercise one of the imbalance resolution options in the Tariff, including the requirement to pay Black Hills Energy for each Dth of gas that Supplier fails to deliver at a price equal to the highest actual cost incurred by Black Hills Energy to replace all or part of Supplier's undelivered gas. For the Casper Division, the imbalance resolution process will be separate for Mainline and Distribution Imbalance. Such actual cost of replacement gas shall include, but not be limited to, transportation costs, imbalance penalties, penalties for unauthorized receipts or deliveries in violation of an operational flow order, and any customer relighting costs which are incurred by Black Hills Energy as a result of Supplier's failure to deliver gas in accordance with this Agreement. In order to recover the costs related to a Supplier imbalance or default, the Company will first use the Supplier's letter of credit or other performance assurances.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

6. **Imbalance Transfers – Casper Division:** As provided for in the Choice Gas Service Provision of the Tariff and in the Rate Schedule MCS of the Tariff, at the end of the Choice Gas Program Year, as subject to the Company's approval and confirmation of the transfer which will be determined in a not unduly discriminatory manner, the Supplier may transfer any Stage One-Mainline Imbalance Quantities to a Rate Schedule MCS account.
7. **Payment:** Supplier shall make any payment due Black Hills Energy under paragraph 5 above within 15 days after receipt of invoice. Black Hills Energy may accrue interest on any unpaid portion of an invoice at the Commission's Authorized Interest Rate as defined in the Commission's Rules. In the event of suit or other action to recover money due under this Agreement, Black Hills Energy shall be entitled to recover its reasonable costs of collection, including attorney's fees. Without limiting any other remedy Black Hills Energy may have, the Company shall have the right to offset any amounts due Black Hills Energy including, but not limited to, the Choice Gas off-system delivery charge, imbalance charges, imbalance penalties, imbalance cash-out, OFO charges, firm transportation or interruptible transportation charges, for Rate Schedule MCS-1 services and/or for Rate Schedule FS-1, from the payments Black Hills Energy remits to Supplier for gas supplies delivered to Customers.
8. **Credit and Performance Assurances:** Supplier agrees to provide performance assurances of its ability to perform its obligations and meet its commitments under this Agreement. Such assurances shall be provided at least once annually and shall be in the form of a Letter of Credit that is in a form acceptable to Black Hills Energy, or Guaranty Agreement, attached hereto as Appendix B, which is incorporated herein and made a part hereof. The Supplier agrees to inform the Company of any material changes in its financial conditions that could affect its ability to perform its obligations and meet its commitments pursuant to this Agreement, including, but not limited to, informing the Company of a downgrade in its credit ratings.
9. **Rates to Customers:** The rates for gas supply sold by Supplier to its Customers shall not be regulated by the PSC. Supplier's rates shall be established by Supplier in the competitive marketplace, subject only to such requirements as are reasonably necessary to allow Black Hills Energy to efficiently administer the billing and collection of such rates from Customers without incurring undue added costs. In this regard, Supplier may offer up to a total of nine different types of rates. All rates shall be stated in terms. Supplier may also establish individual rates for large volume commercial and industrial Customers. If Supplier offers fixed prices, Supplier agrees to publicly state the terms of its fixed price option by no later than 15 business days prior to May 1 of each year. Supplier agrees to determine and publicly state its Customer rollover prices within fifteen (15) days after the selection period ends.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

10. **Gas Quality, Indemnification and Tariff Requirements:**

- A. Supplier agrees to comply with all applicable Tariff provisions, rules, regulations, and service agreement provisions, including gas quality, transportation, delivery, and storage applicable for any upstream pipelines delivering gas at any Receipt Point hereunder, including, but not limited to compliance with the appropriate Tariff provisions that will allow Supplier to retain the maximum released No-Notice Contractual Maximum Daily Withdrawal Quantity between November 1 and March 31 of each year. Supplier agrees to comply with all applicable Tariff provisions as incorporated in the Company's Tariff; provided, however, that the provisions of this Agreement shall govern in the event of any conflict with the Company's Tariff provisions or any other applicable Tariffs.
- B. Supplier shall be responsible for, and shall indemnify Black Hills Energy for any damages, injuries, or costs (including attorney fees) caused by the delivery of gas into Black Hills Energy's system by or on behalf of Supplier which does not comply with applicable Tariff provisions, including gas quality.

11. **General Supplier Representations and Warranties:** Supplier hereby represents and warrants that it is experienced in providing firm natural gas supply service; that it has, or will have prior to commencement of service, adequate firm gas supplies and firm transportation to meet its obligations hereunder; that it is capable of meeting the financial assurances required hereunder; and that it presently has and will maintain adequate resources, full time personnel, facilities and equipment, including computers, communication equipment, electronic bulletin board interface capabilities, and 24-hour-on-call gas control capabilities.

Supplier, to the extent that it is serving Customers under this Agreement under multi-year agreements, also represents and warrants that it will take those actions necessary to remain eligible to execute, and will execute, Supplier Participation Agreements in the future that permit it to fulfill its obligations under its existing multi-year deals.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

12. **Supplier Authorizations:** Supplier authorizes Black Hills Energy, and Black Hills Energy agrees:
- A. to receive and transport Supplier's gas on Black Hills Energy's mainline and distribution pipeline facilities;
 - B. to inject gas into or withdraw gas from the Company storage field(s) in the Casper Division subject to the firm storage entitlements of Rate Schedule FS-1;
 - C. to deliver Supplier's gas, less fuel reimbursement, to Supplier's Customers;
 - D. to measure the quantities of gas delivered to Customers using meters owned and operated by Black Hills Energy and located on or near Customer's premises;
 - E. to invoice Supplier's Customers as a separate line item on Black Hills Energy's gas utility service bill for gas quantities delivered to Customers at the price offered by Supplier and accepted by Customers in the selection process;
 - F. to collect payment from Customers for the gas supply they purchase from Supplier and are billed by Black Hills Energy;
 - G. to remit payment to Supplier by electronic transfer on or before the 20th of each month for Supplier's gas supplies billed to Customers in the preceding month net of any allowable deductions;



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

12. **Supplier Authorizations:** Supplier authorizes Black Hills Energy, and Black Hills Energy agrees: - Continued

- H. to remit an estimated payment to Supplier by electronic transfer on or before the 20th of each month for Supplier's gas supplies not billed to Customers for a period of two or more complete billing cycles applicable to said unbilled Customers, but only if the total of said unbilled gas supplies exceeds five percent (5%) of Supplier's billed gas supplies for the most recent billing month as reflected in the payment made under paragraph 12.G. hereof. (The estimated payment will be the aggregate of each unbilled Customer's estimated usage, as measured by the Customer's actual usage during the prior year or such better data available to Black Hills Energy, and Supplier's price applicable to the unbilled gas supplies for each such Customer, and will include interest from the date that payment on the unbilled volumes should have been remitted to Supplier through the date that the estimated payment was made to Supplier.) As actual billings are made to previously unbilled Customers, Black Hills Energy will reconcile the estimated payment made to Supplier with the actual payment applicable to the previously unbilled volumes. If the estimated payment applicable to a Customer's unbilled volumes was under-estimated, Black Hills Energy will remit the difference to Supplier with interest from the date the estimated payment was made to the date of the reconciliation payment. If the estimated payment applicable to a Customer's unbilled volumes was over-estimated, Supplier will remit the difference to Black Hills Energy with interest from the date the estimated payment was made to the date of the reconciliation payment. Interest payments under this paragraph will be made at the applicable Commission's Authorized Interest Rate as defined in the Commission's Rules. Prior period adjustments shall not be taken into account in the determination of unbilled gas supplies, estimated payments or reconciliation payments. Black Hills Energy shall be responsible for all calculations made under this paragraph. Black Hills Energy may make deductions from such payment as provided in the Choice Gas Service Provisions;
- I. to be responsible for any collections and bad debt expense associated with Customers billed by Black Hills Energy; and
- J. to bill and collect from Customers any taxes or fees, including franchise fees, levied by governmental authorities on the sale of gas by Supplier to Customers, and to remit such collection to said governmental authorities. For purposes of this provision, payments made by Customers for the purchase of gas from Supplier, which are billed and collected by Black Hills Energy on behalf of Supplier, shall be deemed to be "receipts" or "gross receipts" of Black Hills Energy for purposes of any tax or fee assessment on the sale or delivery of gas under applicable law or municipal franchise agreement.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

13. **Title, Possession, Taxes and Liability:** Supplier shall retain title to its gas until the point of sale and delivery to Customers at the distribution meters located on or near Customers' premises, at which point title will then pass to Customers. Black Hills Energy will not purchase or take title to Supplier's gas under this Agreement, but will take control and possession of Supplier's gas at the Receipt Points. Supplier grants to Black Hills Energy such authorizations as may be required to possess and control Supplier's gas, and to arrange for the receipt, transportation, storage, commingling, and delivery of Supplier's gas to Customers. Supplier warrants that it has the right to sell the natural gas delivered hereunder and that the natural gas is free from liens and adverse claims of any kind. Supplier will save and hold Black Hills Energy and Customers harmless from all loss, damage and expense due to adverse claims against it for the title of the natural gas delivered hereunder. Supplier will pay or cause to be paid all royalties, taxes and other sums due on production and transportation of the natural gas prior to its delivery at the Receipt Points. As between Black Hills Energy and Supplier, Supplier shall be deemed to be in control and possession of the natural gas and responsible for any damage or injuries caused thereby until the natural gas is delivered at the Receipt Point(s), except for injuries and damage caused by the negligence of Black Hills Energy, and Black Hills Energy shall be deemed to be in control and possession of the natural gas and responsible for any damage or injuries caused thereby after the natural gas is delivered at the Receipt Point(s) and before it is delivered to Customers, except for injuries and damage caused by the negligence of Supplier. Neither party hereto shall be liable for incidental or consequential damages.
14. **Upstream Pipeline Capacity:** Supplier shall transact all upstream firm transportation and/or no-notice service business, if applicable, directly with the upstream pipeline. Supplier shall be subject to and obligated to comply with rates and terms of the currently effective Tariff of the upstream pipeline, as amended from time to time, as a condition of service. Supplier shall utilize firm transportation and/or no-notice service on the upstream pipeline as released or assigned by Black Hills Energy to Supplier, to deliver Customer's supply to the Receipt Point on the distribution system. The level of firm transportation and/or no-notice service capacity released or assigned to Suppliers is set forth in Appendix A as determined by Black Hills Energy according to its Choice Gas Service transportation terms and conditions. Supplier may also be required to purchase gas supply in storage from Black Hills Energy. Supplier is obligated to execute the appropriate capacity release or assignment agreements with the upstream pipeline in order to facilitate the release or assignment. No capacity released or assigned by the Supplier to a replacement shipper shall impair Supplier's ability to meet its obligation to provide firm supply to its Choice Gas Service Customers. Black Hills Energy will remain the permanent owner of the upstream pipeline capacity for the Upstream Pipeline Service Agreement term.
15. **Communications and Notices:** Supplier will maintain a 24 hour toll free phone line that provides a method for Customers to leave a message if outside normal business hours, which can be directly accessed by Customers or by Black Hills Energy for purposes of forwarding Customers' inquiries.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

16. **General Indemnification:** Black Hills Energy shall perform the services described herein in conformance with, and subject to, its Tariffs and the rules, regulations and final orders of the Wyoming Public Service Commission. As a material consideration to Black Hills Energy for entering into this Agreement, Supplier specifically agrees that Black Hills Energy shall not be liable for, and Supplier shall indemnify, keep whole, and hold Black Hills Energy harmless from and against, any and all claims, damages, injuries, losses, penalties, fines, awards, assessments or liabilities of any kind with respect to the services to be performed by Black Hills Energy hereunder and which occur as the result of any cause whatsoever, except to the extent such liability is the result of a material breach of this Agreement by, or willful and wanton misconduct on the part of, Black Hills Energy during the term of this Agreement.
17. **Force Majeure:** If either party is rendered unable, wholly or in part, by reason of force majeure to carry out its obligations under this Agreement, it shall give notice to the other party of the force majeure with reasonably full particulars; whereupon, the obligations of a party claiming force majeure so far as they are affected by the force majeure shall be suspended during, but not longer than, the continuance of the force majeure. The claiming party shall use all possible diligence to remove the force majeure as quickly as possible. However, the requirement to remedy shall not require the settlement of strikes, walkouts, or other labor difficulty; all such difficulties shall be resolved entirely by the sole discretion of the claiming party. The term "force majeure" as herein employed shall mean any act of God, strike, walkout, or other industrial disturbance, act of the public enemy, war, riot, lightning, fire, storm, flood, earthquake, explosion, government regulation of restraint, inability to obtain any required governmental permits or authorizations, interruptions of firm transportation service, or any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the claiming party. The obligation to make monetary payments hereunder shall not be suspended by reason of any force majeure. Failure of either party to carry out its obligations hereunder due to economic or financial reasons or market conditions shall not be considered a force majeure event and shall not excuse any party's failure to perform its obligation under this Agreement.
18. **Term:** This Agreement shall be effective on the date first above stated and shall continue in effect for a term of one year, or until terminated pursuant to other provisions of this Agreement. Notwithstanding the above, and in addition to any other remedies available under this Agreement or at law or equity, Black Hills Energy may terminate this Agreement upon thirty (30) days' notice to Supplier if Supplier fails to deliver gas supply in accordance with this Agreement, or if Supplier fails to comply with any other provisions of this Agreement or applicable Tariffs, rules, regulations or orders of the PSC, and supplier shall be barred from any further participation in the CGS Program.



FORM OF CHOICE GAS SERVICE SUPPLIER PARTICIPATION AGREEMENT - CONTINUED

19. **Assignment:** This Agreement shall extend to and be binding upon the parties hereto, their respective successors and assigns; provided, however, that no assignment hereof shall be made by Supplier without written notification to Black Hills Energy and the receipt of written consent by Black Hills Energy.
20. **Severability:** Any provision of this Agreement which is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.
21. **Survival:** The indemnification, warranties, liability and financial assurance provisions set forth herein shall survive any termination of this Agreement.
22. **Governing Law and Regulation:** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Wyoming (excluding its conflict of laws, rules and principles). This Agreement and all terms and conditions stated herein shall be subject to regulation, approval and revision by the Wyoming P.S.C.
23. **Amendments:** Modifications or amendments to this Agreement shall only be valid and enforceable when made in writing and executed by both parties hereto.
24. **Miscellaneous:** No waiver of either party with respect to any breach or default or of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default, or of any such right or remedy, unless such waivers be expressed in writing signed by the party to be bound. The entire Agreement is contained herein, and no statement or agreements, oral or written, made prior to or at the signing hereof, shall vary or modify the written terms hereof. The terms of this Agreement shall not be varied, modified, explained or supplemented by evidence of usage of trade or course of performance or dealing. Exchange by facsimile transmission of this signed Agreement or Appendix, Schedule, Exhibit, or any amendment hereto shall constitute evidence of a binding agreement which is legally enforceable.

EXECUTED TO BE EFFECTIVE the day and year first above written "SUPPLIER".

BY: _____
Name: _____ Title: _____

Black Hills Energy

BY: _____
Name: _____ Title: _____



APPENDIX A
CHOICE GAS SERVICE TRANSPORTATION
For the Torrington and Gillette Divisions

RECEIPT POINTS AND ASSIGNED UPSTREAM CAPACITY

RECEIPT POINTS INTO BLACK HILLS ENERGY'S
DISTRIBUTION SYSTEM:

MDTQ

UPSTREAM ASSIGNED CAPACITY:

POINTS AND VOLUME

Accepted and agreed to this _____ day of _____, 20____, and incorporated into and made a part of the Choice Gas Service Supplier Participation Agreement between the parties dated

_____.

Black Hills Energy AND

_____ ("SUPPLIER")

By: _____
Name:
Title:

By: _____
Name:
Title:



APPENDIX B
FOR THE CASPER DIVISION

Listing of Firm Transportation Receipts and Delivery points and paths including by matched point pairs
Listing of Rate Schedule FS-1 Maximum Storage Capacity and Maximum Injection and Withdrawal Rights

MAINLINE TRANSPORTATION PRIMARY ENTITLEMENTS:

AS SEPARATELY LISTED BY SUMMER AND WINTER SEASON, IF REQUIRED,
RECEIPT POINT(S) QUANTITY AND DELIVERY POINT(S) QUANTITY PAIR MATCHED

PATH RIGHTS

STORAGE PRIMARY ENTITLEMENTS:

AS SEPARATELY LISTED BY SUMMER AND WINTER SEASON, IF REQUIRED

MAXIMUM STORAGE CAPACITY QUANTITY (MAC)

MAXIMUM STORAGE WITHDRAWAL QUANTITY (MDWQ)

MAXIMUM STORAGE INJECTION QUANTITY (MDIQ)

Accepted and agreed to this _____ day of _____, 20____, and incorporated into and
made a part of the Choice Gas Service Supplier Participation Agreement between the parties
dated

_____.

Black Hills Energy AND

_____ ("SUPPLIER")

By: _____
Name:
Title:

By: _____
Name:
Title:



APPENDIX C GUARANTY

This GUARANTY ("Guaranty") is made this ____ day of _____, 20____, by _____, a [State] [entity type] ("Guarantor"), in favor of Black Hills Gas Distribution, LLC, a Delaware limited liability company ("Beneficiary").

WHEREAS, _____ ("Company") and Beneficiary, and its subsidiaries and affiliates ("Beneficiary"), have entered, or may enter into a certain agreement(s) regarding Company's participation as a supplier in the Wyoming Residential and Commercial Choice Gas Program (the "Contract"); and

WHEREAS, Company will directly or indirectly benefit from the Contract;

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, including inducing Beneficiary to enter into the Contract with the Company, the Guarantor hereby covenants and agrees as follows:

1. Guaranty. Subject to the terms and conditions hereof, Guarantor hereby irrevocably, absolutely and unconditionally guarantees the timely payment when due, subject to any applicable grace period, of all of the present and future obligations and liabilities of every kind of Company to Beneficiary under or in connection with the Contract (the "Obligations"). To the extent that Company shall fail to pay any Obligation, Guarantor shall promptly pay to Beneficiary the amount due upon Beneficiary's demand therefor. This Guaranty shall constitute a guarantee of payment and not of collection. Guarantor shall also be liable for the payment, on demand, of the fees and expenses of Beneficiary (including, without limitation, the reasonable fees and expenses of Beneficiary's external counsel) incurred in any effort to collect or enforce any of the Obligations, or for the protection of Beneficiary's rights, under this Guaranty; provided, however, that Guarantor shall not be liable for any such expenses of Beneficiary if no payment on account of the Obligations is then due hereunder.
2. Limitations. Guarantor's liability hereunder shall be limited to payments expressly required to be made by Company under the Contract (even if such payments are deemed to be damages) and in no event shall Guarantor be subject hereunder to indirect, special, consequential, exemplary, equitable, loss of profits, punitive, or any other damages, except to the extent specifically provided in this Guaranty or the Contract. The aggregate amount of Obligations covered by this Guaranty shall not exceed U.S. \$ _____, plus the fees and expenses of Beneficiary payable by Guarantor as provided in Section 1 above.
3. Termination. The term of this Guaranty shall begin on ____, 20____, and shall remain in full force and effect until _____; provided however that Guarantor shall remain fully liable hereunder for Obligations of Company accruing prior to the end of the term of this Guaranty.



APPENDIX C
GUARANTY - CONTINUED

4. Subrogation and Subordination.
 - A. Guarantor waives its right to be subrogated to the rights of Beneficiary with respect to any Obligations paid or performed by Guarantor until all Obligations have been fully and indefeasibly paid to Beneficiary, subject to no rescission or right of return and Guarantor has fully and indefeasibly satisfied all of Guarantor's obligations under this Guaranty.
 - B. Without limiting Beneficiary's or Guarantor's rights under any other agreement, any liabilities owed by Company to Guarantor in connection with any financial accommodation by Guarantor to or for the account of Company (including amounts paid by Guarantor hereunder with respect to the Obligations) are hereby subordinated to the payment in full of the Obligations, and such liabilities of Company to Guarantor, if Beneficiary so requests upon a breach of the Contract, shall be collected, enforced and received by Guarantor as trustee for Beneficiary and shall be paid over to Beneficiary on account of the Obligations, but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty.
5. Waivers. Guarantor hereby waives: (a) notice of acceptance of this Guaranty; (b) presentment and demand concerning the liabilities of Company or Guarantor; (c) notice of any dishonor or default by, or disputes with, Company; (d) diligence; (e) promptness; (f) all other notices required by law (except notice of Company's default); and (g) any right to require that Beneficiary bring any action or proceeding against Company or any other person, or to require that Beneficiary seek enforcement of any performance against Company or any other person, prior to any demand for payment or other action against Guarantor under the terms hereof. Guarantor agrees that Beneficiary may, at any time and from time to time, without notice to or consent of Guarantor and without impairing or releasing the liability and obligations of Guarantor hereunder: (i) renew, increase, compromise, extend, accelerate or otherwise modify the terms of the Obligations; (ii) take or fail to take any action of any kind in respect of any collateral for any Obligation or liability of Company to Beneficiary; (iii) compromise or subordinate any Obligation or liability of Company to Beneficiary, including any collateral therefor; and (iv) change, modify or waive any of the terms of the Contract. Except as to applicable statutes of limitation, no delay of Beneficiary in the exercise of or failure to exercise any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights, or a release of Guarantor from any obligations hereunder.
6. Reservations. Guarantor reserves to itself all right, setoffs, counterclaims and other defenses to which Company may have to payment of any indebtedness under the Contract, other than (a) defenses arising from the bankruptcy or insolvency of Company, (b) illegality, and (c) any other defenses expressly waived by Company in its contract with the Beneficiary or otherwise waived in this Guaranty.



APPENDIX C
GUARANTY - CONTINUED

7. Notice. Any payment demand, notice, correspondence or other document or communication to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by facsimile, to the following addresses:

If to Guarantor:

Attn: _____
Fax No.: (____) _____ - _____

If to Beneficiary:

Black Hills Energy – Legal Dept.
P.O. Box 1400
Rapid City, South Dakota 57709
Attn: General Counsel
Fax No.: (605) 721-2550

Notice given by personal delivery or mail shall be effective upon actual receipt, or, if receipt is refused or rejected, upon attempted delivery. Notice given by facsimile shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by facsimile shall be confirmed by the sender promptly after transmission in writing by mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving Notice as provided above of such change of address.

8. Miscellaneous. THE GUARANTY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF WYOMING AND IS INTENDED TO BE PERFORMED IN ACCORDANCE WITH AND TO THE EXTENT PERMITTED BY SUCH LAWS. No term or provision of this Guaranty shall be amended or modified except in a writing signed by Guarantor and Beneficiary. This Guaranty may not be assigned by a party without the prior written consent of the other party. Subject to the foregoing, this Guaranty shall be binding upon Guarantor, its successors, and permitted assigns, and shall inure to the benefit of and be enforceable by Beneficiary, its successors and permitted assigns. This Guaranty embodies the entire agreement and understanding between Guarantor and Beneficiary, and supersedes all prior communications between Guarantor and Beneficiary, whether written or oral, concerning the subject matter hereof.

[Signature page follows.]



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 115

APPENDIX C
GUARANTY - CONTINUED

IN WITNESS HEREOF, Guarantor has duly executed this Guaranty this _____ day of
_____, 20_____.

[Name of guarantor]
GUARANTOR

BY:

NAME:

TITLE:



CHOICE GAS SERVICE
CODE OF CONDUCT GUIDELINES BLACK HILLS ENERGY

Applicable to All Choice Gas Program Rate Schedules and Areas

1. The Company shall maintain accounting records for revenues and costs related to its activities, and any activities of its affiliates, as a Supplier under the Choice Gas Program ("Choice Gas Supply Activities") separate from its accounting books and records for revenues and costs related to its utility delivery service activities (including Choice Gas administrative and operational functions). Costs and revenues related to Choice Gas Supply Activities shall be treated as "below-the-line" items and excluded for purposes of setting rates for the Company's regulated utility services.
2. Any use of shared employees, facilities or services related to Choice Gas Supply Activities shall be allocated and accounted for through time keeping separately to prevent ratepayer subsidization of such Choice Gas Supply Activities when setting the Tariff rates for the Company's utility delivery services. The Company may share employees, facilities and services between its utility delivery service functions and its Choice Gas Supply Activities, but to the maximum extent practicable, Choice Gas Supply Activities should function independently from the Company's utility delivery service functions, including Choice Gas administrative and distribution functions.
3. The Company shall not operate its utility system, provide utility services (including Choice Gas Program administrative services such as balloting, billing, call center contacts and shipper services contacts), release upstream pipeline and storage capacity, or disclose non-public utility or Customer information in any manner which would give an undue preference or advantage to its own Choice Gas Supply Activities over those of other Suppliers. The Company shall process all similar requests related to its Choice Gas Supply Activities and non-affiliated Suppliers in the same manner and within the same period of time. To the extent that the Company provides any regulated services or supplies, utility or upstream interstate pipeline capacity, or information for its Choice Gas Supply Activities, it shall contemporaneously make such available to all similarly situated Suppliers. The Company shall not provide its Choice Gas Supply Activities or Customers any preference over non-affiliated Suppliers or their Customers with respect to regulated services including, but not limited to, the terms and conditions, pricing, or timing of such services.



CHOICE GAS SERVICE
CODE OF CONDUCT GUIDELINES BLACK HILLS ENERGY - CONTINUED

4. The Company shall not utilize, disclose, allow preferential use, or provide leads for gas supply marketing purposes with respect to any non-public Customer information, utility information, or information it receives from non-affiliated Suppliers, including computer files or call center information received in its role as a provider of regulated public utility services, in any manner which would give the Company, its Choice Gas Supply Activities, or any other person a competitive advantage as a Supplier in the Choice Gas program. When Company employees are performing in their roles as providers of utility delivery services, they shall not at the same time solicit business on behalf of the Company's Choice Gas Supply Activities, and any information acquired while they are providing regulated services shall be handled in accordance with these guidelines. Company employees who engage in Choice Gas Supply Activities shall keep a separate accounting of their time spent on Choice Gas Supply Activities in accordance with Guideline 2 above. If a utility Customer of the Company requests information about gas suppliers, the Company shall provide a list of all Suppliers and shall not express any preference or recommendation in favor of any Supplier, including itself or its affiliates. The Company shall not request authorization from its Customers to use or pass on Customer information exclusively for its Choice Gas Supply Activities.
5. Information regarding distribution, transportation, sales, storage, or Customers, including new Customers, obtained or developed by the Company in its role as provider of utility delivery services, will not be used by the Company for purposes of its Choice Gas Supply Activities, or disclosed to other Suppliers, unless and until it is contemporaneously disclosed to all Suppliers.
6. The Company and its affiliates shall not represent through words or actions that the cost, quality, or reliability of the regulated utility services provided by the Company to its utility Customers shall vary, or be adversely affected in any way under the Choice Gas Program. Persons engaged in Choice Gas Supply Activities may not represent, through words or actions, that, as a result of their affiliation with the Company, their Customers will receive any different treatment from the Company than the treatment the Company provides to other, non-affiliated Suppliers or their Customers. If a Customer requests information about gas suppliers, the Company shall provide a list of all qualified and participating suppliers on its system, but shall not express any preferential or detrimental recommendation for a supplier that is a Company affiliate or for any other supplier. When Company employees are performing utility delivery services, including Choice Gas administrative and operational functions, they shall not preferentially provide sales leads for the Company's Choice Gas Supply Activities and shall refrain from giving any appearance that they are speaking on behalf of the Company's Choice Gas Supply Activities while performing such functions.
7. If a Company Tariff provision allows for discretion in its application, the Company shall apply that Tariff provision in a nondiscriminatory manner to all persons, including affiliated and nonaffiliated Suppliers and their respective Customers under the Choice Gas Program. If the Company has no discretion in the application of a Tariff provision, it shall strictly enforce that Tariff provision.



CHOICE GAS SERVICE
CODE OF CONDUCT GUIDELINES BLACK HILLS ENERGY - CONTINUED

8. The Company shall not market or advertise its utility delivery services (including the administration of the Choice Gas Program) jointly with the marketing or advertising of its Choice Gas Supply Services, including joint sales calls, joint proposals, joint correspondence, joint advertising, joint marketing appearances, or other similar events which may discriminate against non-affiliated Suppliers. This restriction shall not apply to ballots, joint education and bill inserts where the Company as the administrator of the Choice Gas Program and as a Supplier appear together along with other Suppliers in a non-discriminatory manner. The Company may use utility delivery service bill inserts to market its Choice Gas Supply Activities so long as all other Suppliers are provided the same opportunity in a non-preferential and nondiscriminatory manner.
9. The Company shall clearly inform Customers through a disclaimer on a bill insert and on all Choice Gas related advertising that the Customers of the Company's Choice Gas Supply Activities will have no preferential treatment with regard to regulated utility services over the Customers of other Suppliers in the Choice Gas Program. The disclaimer shall read "No Customer of any supplier will receive preferential treatment with regard to utility services regulated by the Wyoming Public Service Commission."
10. The Company will maintain 1) a list of Black Hills Energy entities doing business in the Choice Gas Program area; 2) a current employee roster for each entity; and 3) a list of Company employees who charge time to Choice Gas Supply Activities. This information shall be made available to the Commission, Suppliers in the Choice Gas Program, or the Consumer Advocate Staff upon request, but may be subject to confidential treatment, pursuant to the Commission's Rule Chapter 2, Section 30. The Company will report these in its annual Choice Gas Report to the Commission.
11. If a Supplier has reason to believe that the Company may have failed to adhere to the guidelines set forth in this Code of Conduct, such Supplier shall contact the Company and identify with specificity the perceived failure. The Company shall respond to, or meet with, such Supplier within fifteen (15) business days of the contact to address the matter. If the matter is not satisfactorily resolved, a formal investigation or complaint proceeding may be requested in accordance with the Commission Rules; provided that anything in these Guidelines to the contrary notwithstanding, a Supplier may bring any problem concerning the Choice Gas Service Program immediately to the Commission for expedited resolution.
12. The Company shall monitor all phases of Customer service, including service center answer time, Customer response time, billing accuracy, safety and safety responses. The Company shall treat all Customers equally, to the extent practical, and in conformance with law. The results of such monitoring, in aggregate and by provider, shall be made available to the Commission at any time upon request and shall be subject to Commission audit. Within sixty (60) days of the implementation or acceptance date of these Guidelines, the Company will file with the Commission a report showing its compliance with the above standards of conduct and containing proposed procedures that will enable Suppliers and the Commission to determine how the Company is complying with the Guidelines.



CHOICE GAS SERVICE
SUPPLIER CODE OF CONDUCT GUIDELINES

Applicable to All Choice Gas Program Rate Schedules and Areas

1. A Supplier shall not represent through words or actions that the quality, or reliability of the gas provided by any other Supplier, or the regulated utility services provided by the Company to its utility Customers shall vary, or be adversely affected in any way under the Choice Gas Program. If a Customer requests information about gas Suppliers, other Suppliers shall instruct the Customer to contact that Supplier, but shall not express any deference for any other Supplier.
2. A Supplier shall not misquote or misrepresent the gas supply prices of any other Supplier, including the regulated utility, to a Customer.
3. A Supplier shall not market or advertise its gas supply services in any manner that is misleading to the Customer, or misrepresents the cost of commodity to the Customer.
4. A Supplier will not unduly discriminate against similarly situated Customers.
5. A Supplier shall use the list of names and addresses of Company's Customers for the sole purpose of communicating with those Customers for the purposes of the Choice Gas Program and will not give, rent, sell or otherwise disclose the list or any part of it to any other person or entity for any purpose whatsoever.
6. If a Supplier or the Company has reason to believe that a Supplier may have failed to have complied with the guidelines set forth in this Code of Conduct, such Party shall contact the Company and the non-complying Supplier, and identify with specificity the perceived failure. The non-complying Supplier shall respond to, or meet with, the Company within fifteen (15) business days of the contact to address the matter. If the matter is not satisfactorily resolved, a formal investigation or complaint proceeding may be requested in accordance with the Commission Rules.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT

1. AVAILABILITY.

This rate schedule is available for firm or interruptible transportation of natural gas by Black Hills Energy ("Transporter") for any party ("Shipper"), under the following circumstances:

- 1.1 Shipper has elected to have gas transported under this Transportation Rate Schedule;
- 1.2 Interruptible Transportation service is available under this Rate Schedule only to a Casper Division MLI to MLI or MLI to MLE Shipper who is not a Human Needs Customer, as defined in this Tariff.
- 1.3 Such transportation can be performed without any construction of facilities or other necessary investment by Transporter unless Transporter has waived in a non-discriminatory manner this requirement in writing;
- 1.4 Shipper has executed a Service Agreement in the form contained in this Gas Tariff of which this Rate Schedule is a part, or has executed a Special Contract for service. Any Special Contract for service must be filed with the Wyoming Public Service Commission in accordance with its Rules;
- 1.5 The transportation service is to be implemented in accordance with the Wyoming Public Service Commission's Rules;
- 1.6 Transporter shall receive and deliver gas to Shipper at points located on Transporter's pipeline system as shown on the executed Service Agreement;
- 1.7 In the case of firm transportation, Transporter has determined that it has available or will secure sufficient uncommitted capacity to provide the firm service requested by Shipper; and
- 1.8 Except as otherwise provided in this Tariff, services under these Rate Schedules will be contracted for on a first-come, first-served basis.

2. APPLICABILITY AND CHARACTER OF SERVICE.

- 2.1 Transportation service is the movement of gas through Transporter's distribution facilities. This service will be subject to the General Terms and Conditions attached hereto.
- 2.2 Transporter shall not be required to perform service under this Rate Schedule on behalf of any Shipper that fails to comply with any and all of the terms of this Rate Schedule, with the terms of Shipper's executed Service Agreement with Transporter or with the provisions of Transporter's General Terms and Conditions incorporated herewith.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE.

- 2.3 Transporter shall receive from Shipper, or for the account of Shipper, at "Receipt Point(s)" on Transporter's system, for transportation under this Rate Schedule, daily quantities of gas tendered for the account of Shipper up to Shipper's Maximum Daily Transportation Quantity (MDTQ), including the applicable FL&U Reimbursement Quantity and other allowable deductions, as specified in the Transportation Service Agreement between Shipper and Transporter, or as increased by Transporter pursuant to Section 6.3 of this Rate Schedule. Provided that Transporter under no circumstances shall be obligated to receive for the account of Shipper quantities of gas in excess of Shipper's MDTQ, including the applicable FL&U Reimbursement Quantity and other allowable deductions, Transporter shall:
- A. Receive from Shipper, or for the account of Shipper, daily quantities of gas up to the Maximum Daily Receipt Quantity (MDRQ) specified in the Transportation Service Agreement, or as modified pursuant to Section 6.3 hereof, at each individual Primary Receipt Point specified in said Agreement. For firm transportation, the volume specified for a Primary Receipt Point shall not exceed the available firm capacity at that point.
 - B. On any Day that sufficient uncommitted capacity on upstream Transporting pipelines and sufficient uncommitted capacity on Transporter's system are available, receive from Shipper, or for the account of Shipper, quantities of gas tendered at a Primary Receipt Point in excess of the MDRQ specified for that point.
 - C. On any Day that sufficient uncommitted capacity on upstream transporting pipelines and sufficient uncommitted capacity on Transporter's system are available, receive from Shipper, or for the account of Shipper, quantities of gas tendered at Secondary Receipt Points.
- 2.4 Such interruptible service shall be provided only to the extent capacity is available after Transporter has provided service to its firm Customers and those interruptible Customers with higher priority.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE. - CONTINUED

- 2.5 Upon receipt of gas from Shipper, or for Shipper's account, Transporter shall, after a reduction for the applicable FL&U Reimbursement Quantity and any other allowable deductions, transport and deliver for the account of Shipper, the thermal equivalent of such gas at Delivery Points on Transporter's system. Provided that Transporter under no circumstances shall be obligated to deliver for the account of Shipper quantities in excess of Shipper's MDTQ on, less the applicable FL&U Reimbursement Quantity and other allowable deductions, Transporter shall:
- A. Delivery to Shipper, or for the account of Shipper, daily quantities of gas up to the Maximum Daily Delivery Quantity (MDDQ) specified in the Service Agreement, or as modified pursuant to Section 6.3 hereof, at each individual Primary Delivery Point specified in said Agreement. The volume specified for a Primary Delivery Point shall not exceed the available firm Capacity at that point.
 - B. On any Day that sufficient uncommitted capacity on downstream Transporting pipelines and sufficient uncommitted capacity on Transporter's system are available, deliver for the account of Shipper quantities of gas at a Primary Delivery Point in excess of the MDDQ specified for that point.
 - C. On any Day that sufficient uncommitted capacity on downstream transporting pipelines and sufficient uncommitted capacity on Transporter's system are available, deliver for the account of Shipper quantities of gas at a Secondary Delivery Point.
- 2.6 Transporter may, on any Day that sufficient uncommitted capacity on Transporting Pipelines and Transporter's system are available, receive and deliver a quantity of gas in excess of Shipper's MDTQ.
- 2.7 Service under this Rate Schedule shall be provided on a non-discriminatory basis.
- 2.8 Service under this Rate Schedule is subject to the provisions of this Rate Schedule, the General Terms and Conditions set forth in this Tariff, the terms of Shipper's executed Service Agreement with Transporter and the Gas Transportation Rules of the Wyoming PSC. Transporter shall not be required to perform service under this Rate Schedule on behalf of any Shipper that fails to comply with any and all of said provisions.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE – CONTINUED

2.9 Additional Facilities:

- A. Transporter shall not be obligated to add any facilities or expand the capacity of Transporter's pipeline system in any manner in order to provide transportation service to Shipper pursuant to this Rate Schedule; however, Transporter is willing to add facilities whenever such is deemed, in Transporter's reasonable judgment, to be economically, operationally, and technically feasible, subject to the following conditions:
 - 1. Transporter has received an executed Service Agreement from existing and prospective Shippers;
 - 2. Transporter and Shipper enter into a facilities agreement which is subject to the provisions of this Tariff;
 - 3. The nature, extent and timing of facilities required shall be at the reasonable discretion of Transporter; and
 - 4. Transporter receives acceptable assurances of financial reliability from any Shipper requesting additional capacity.
- B. When Transporter in its reasonable discretion agrees with Shipper to construct or acquire new facilities, including compression facilities in order to provide service to Shipper, Transporter may require Shipper:
 - 1. To make a facilities reimbursement payment, including a gross-up for applicable state and federal income tax expense associated with such facilities;
 - 2. To pay for the additional facilities in one lump sum payment or by installment payments to be completed by the end of the contract term, as negotiated by the parties; and
 - 3. To agree to a reimbursement schedule setting the terms, the rate and the conditions for reimbursement of the additional facility charge, including an obligation to reimburse Transporter, upon demand, for any unamortized capital charges, under an agreed upon amortization schedule, which may remain if service by Transporter to Shipper under this rate schedule is terminated prior to the end of said amortization period.
 - 4. As an alternative to subsections 1 through 3 above, Transporter and Shipper may agree to a reimbursement schedule based upon a contracted rate and term.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE – CONTINUED

2.10 Transportation service agreement terms shall be pursuant to Section 17 of this Rate Schedule.

2.11 Interruptible Transportation service under this rate schedule is subject to immediate Interruption by Transporter without notice, except as otherwise provided in this Tariff. Whenever circumstances permit, Transporter shall endeavor to give Shipper advance notice of Interruption of the service provided hereunder via Transporter's interactive website, telephone or otherwise and Shipper shall take all actions necessary and within Shipper's control to effectuate the Interruption of service (e.g., notify upstream and downstream Transporting Pipelines to cease movement of Shipper's Gas and End- Use Party(ies) to discontinue use of Shipper's Gas, etc.).

2.12 Electronic Flow Measurement

- A. Electronic Flow Measurement (EFM) is required at all transportation service delivery points. If EFM does not exist at any transportation delivery point requested by Shipper, the Transporter shall have no obligation to provide transportation service to that point unless and until Shipper agrees to the Transporter's installation of EFM at such delivery point and to Shipper's reimbursement of all costs related to the installation and operation of EFM at such point. Transporter shall install its standard EFM at a location determined by the Transporter, and Shipper shall allow the Transporter to install, maintain and operate the EFM on Shipper's property. Shipper shall also reimburse Transporter for all initial installation costs (material and labor) and shall be responsible for all ongoing costs of an electrical supply and dedicated phone line necessary for the operation of the EFM equipment in the location determined by Transporter. Should Shipper fail to agree to the installation or reimbursement of EFM at any requested delivery point, Transporter shall have the right to refuse or terminate transportation service to Shipper at that point.
- B. Shipper will reimburse Transporter for all reimbursable costs, either in lump sum payment when service is initiated, or over the life of the initial transportation agreement with interest. If Shipper fails to timely make any payments to reimburse Transporter for any reimbursable costs related to the EFM installed at a delivery point under any transportation service agreement with Shipper, Transporter may, upon thirty (30) days' notice given by email, regular mail, or by EBB posting, terminate service to Shipper under such agreement, in addition to, and without limitation upon, any other legal or equitable remedies Transporter may have.
- C. If Shipper's Transportation Service Agreement under this rate schedule be terminated, Transporter shall not be obligated to make reimbursement for EFM installation(s) and Transporter may elect to relocate the EFM equipment to another point on Transporter's system at its discretion.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

3. REQUIREMENTS FOR SERVICE AGREEMENT.

3.1 Request. All Shippers, or their authorized agents, requesting transportation service under this Rate Schedule shall complete a Transportation Service Request in the form set forth in this Tariff and, if a waiver of the credit information requirement has not been granted by Transporter pursuant to Section 10 of the General Terms and Conditions of this Tariff, provide the following credit information:

- A. A copy of Shipper's most recent audited financial statements or, at Transporter's option, a bank reference satisfactory to Transporter;
- B. A copy of Shipper's most recent Annual Report and SEC Form 10-K, if applicable;
- C. A completed Credit Application;
- D. No request for Firm Transportation Service will be considered, or gas scheduled for receipt and delivery, until the foregoing information (including a completed Transportation Service Request and a Credit Application, if required) has been received by Transporter. The foregoing information is to be sent to:

Black Hills Energy 1515 Wynkoop Street, Suite 500
Denver, CO 80202

Attn: Shipper Services

3.2 EXECUTION OF SERVICE AGREEMENT. A Transportation Service Agreement shall be executed by Shipper, or the Shipper's duly authorized agent, within thirty (30) days of being tendered to Shipper by Transporter, following Transporter's acceptance of the terms of Shipper's request for service, as proposed by Shipper or as modified by mutual agreement of Shipper and Transporter.

3.3 SERVICE DEPOSIT. Transporter may require Shipper to provide a service deposit to Transporter as provided in Section 25, Service Deposits, of the General Terms and Conditions of this Tariff.

3.4 FILING FEES. In addition to any other payments, charges or fees required by this Tariff, Shipper shall pay Transporter any and all filing and approval fees required in connection with Shipper's Service Agreement that Transporter is obligated to pay to any governmental authority having jurisdiction. Any amount due to Transporter by Shipper under this Section shall be paid within ten (10) days of the date of the invoice rendered by Transporter for such amount.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

4. RATES

4.1 Maximum and Minimum Rates

A. The applicable maximum and minimum unit rates for transportation service are set forth in the currently effective Schedule of Rates. The applicable unit rate under this Rate Schedule shall be a rate not in excess of the maximum unit rate nor less than the minimum unit rate. If Transporter elects to discount, Transporter shall adjust these rates on a non-discriminatory basis within this range, as specified within the transportation contract. Transporter will charge the maximum rate unless otherwise agreed to in writing with Shipper.

B. Rates Negotiations.

1. A Negotiated Rate, shall be defined as a rate for service, where one or more of the individual rate components exceed the maximum charge, or are less than the minimum charge, for such components or a rate derived by a formula where one or more of the individual rate components may exceed the maximum charge, or may be less than the minimum charge.
2. Negotiated Rates other than published Tariff rates may be agreed to on a non-discriminatory basis between Shipper and Transporter. Any agreement reached on negotiated rates shall be filed with the Wyoming Commission.

4.2 Monthly Bill. Commencing for the month in which the Transportation Service Agreement is effective and each month thereafter, Transporter shall charge and Shipper shall pay Transporter the following amounts:

- A. Demand Charge. Where applicable, Firm Transportation Shippers shall be charged a demand charge. Except as provided in Section 4.1, the monthly demand charge shall be the applicable maximum demand charge set forth on the applicable rate sheet of this Tariff as revised from time-to-time, multiplied by the Maximum Daily Transportation Quantity specified in the Service Agreement between Shipper and Transporter or as said MDTQ is revised pursuant to Section 6.3 of this Rate Schedule.
- B. Transportation Charge. Except as provided in Section 4.1, the monthly transportation charge shall be the applicable maximum rate set forth on the currently effective, applicable rate sheet of this Tariff, as revised from time-to-time, multiplied by the volume in terms of gas delivered by Transporter hereunder during the Monthly Billing Period to Shipper or for Shipper's account at any Delivery Point(s).
- C. Monthly Customer Charge. The applicable monthly Customer Charge as set forth on the currently effective applicable rate sheet of this Tariff as revised from time-to-time.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

4. RATES – CONTINUED

4.2 Monthly Bill – Continued

D. Monthly Administrative Fee. The applicable monthly fee as set forth on the currently effective applicable rate sheet of this Tariff as revised from time-to-time.

E. Daily Overrun Charges

1. Authorized Overrun Charge. If on any Day sufficient uncommitted capacity on Transporting pipelines and Transporter Capacity are available and Shipper desires to transport Gas exceeding the Maximum Daily Delivery Quantity applicable to a Delivery Point, or in the aggregate, exceeding Shipper's Maximum Daily Transportation Quantity, the Transporter may authorize delivery of said gas by confirming nominations in excess of such quantities. Except as provided in Section 4.1 hereof, the monthly authorized overrun charge shall be the applicable maximum Transportation rate for such service set forth in this Tariff, multiplied by the total volume of daily authorized overrun gas in Dth delivered by Transporter hereunder during the monthly Billing Period to Shipper or for Shipper's account at any Delivery Point.
2. Unauthorized Overrun Charge. A daily overrun penalty charge shall apply to any Shipper who takes a daily quantity of gas which (a) was not nominated and confirmed, which exceeds the Maximum Daily Delivery Quantity applicable to a Delivery Point; or (b) exceeds the level to which deliveries have been curtailed for the Day; or (c) in the aggregate, exceeds its Maximum Daily Transportation Quantity plus any authorized overruns for the Day. Quantities of overrun gas taken on any Day in excess of five percent (5%) over the above quantities ("tolerance") will be subject to a charge of \$8.00 per Dth, plus the highest spot gas price listed in Platt's Gas Daily (or a similar publication should Platt's Gas Daily fail to publish) relative to CIG Rocky Mountain Region for the Day that the Unauthorized Overrun occurred. The monthly unauthorized overrun charge shall equal the summation of the daily overrun penalty charges incurred during the Monthly Billing Period. The five percent (5%) tolerance will be billed at the applicable Authorized Overrun Charge.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

4. RATES – CONTINUED

4.2 Monthly Bill – Continued

E. Daily Overrun Charges - Continued

3. Notwithstanding the charges provided herein, Transporter has the right to reduce receipts or deliveries of Gas in excess of the Maximum Daily Transportation Quantity at any time in its reasonable discretion, as necessary to protect the integrity of its system, including the maintenance of service to other Customers.
4. During periods when Operational Flow Orders are in effect, any overruns are subject to the provisions of Section 24 (“Operational Controls”) of the General Terms and Conditions of this Tariff. The penalty provided for in Section 24.2E is in addition to the charges provided for herein.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

5. BALANCING

5.1 Casper Division

- A. Thermal balancing of transportation receipts and deliveries is Shipper's responsibility. In addition to the provisions of this Section regarding monthly balancing, Transporter may require daily balancing of transportation receipts and deliveries consistent with the provisions of this Tariff. Transporter has the right to reduce receipts and/or deliveries hereunder in excess of the MDTQ at any time Transporter may deem, in its reasonable discretion, that it is necessary to do so in order to protect the integrity of Transporter's system, including the maintenance of service to other Shippers and/or Customers.
- B. MONTHLY BALANCING CREDIT OR CHARGE. A monthly Balancing credit or charge shall be determined as follows:
 - 1. Transporter will notify Shipper of its monthly imbalance in the monthly billings provided to Shipper.
 - 2. The Shipper's imbalance will be posted for the remainder of that month, unless Shipper requests that postings not be made. Shipper will have ten (10) days from the date of posting to notify Transporter to trade their imbalances among their own transportation agreements or with other Shippers. To consummate a trade, both trading parties must submit a transportation imbalance trade form to Transporter via e-mail or facsimile of their agreement to trade and their desire for Transporter to offset the imbalances within the above stated ten (10) days. Trades will be permitted as long as the Shippers have imbalances in opposite directions and the imbalances are within the same production month, except for prior period adjustments, which may be traded with any production month. After receiving notices from both trading parties, Transporter will adjust each Shipper's imbalance accordingly.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

5. BALANCING – CONTINUED

5.1 Casper Division – Continued

B. MONTHLY BALANCING CREDIT OR CHARGE – CONTINUED

3. If Shipper is unable to fully cure its imbalance hereunder through the procedures set forth in subparagraphs (1) and (2), a charge or credit, as the case may be, for such imbalance will be added to Shipper's next monthly bill according to the following schedule:

Imbalance as Percentage of Actual Deliveries	Rate as a % of Average Spot Index Charge *	Credit **
5% or Less	115%	85%
Greater than 5%	130%	70%

*The highest "Spot Gas Prices Delivered to Pipelines", relative to Colorado Interstate Gas Company (CIG), under the "Average" column for each week (or the superseding reference number if the titling is revised), applicable to the Rocky Mountain region, as published in Natural Gas Intelligence Weekly Gas Price Index, for the Month which most closely corresponds to the Monthly Billing Period in which the imbalance occurred.

**The lowest "Spot Gas Prices Delivered to Pipelines", relative to Colorado Interstate Gas Company (CIG), under the "Average" column for each week (or the superseding reference number if the titling is revised), applicable to the Rocky Mountain region, as published in Natural Gas Intelligence Weekly Gas Price Index, for the Month which most closely corresponds to the Monthly Billing Period in which the imbalance occurred.

4. When Shipper's imbalance includes a prior period adjustment (i.e., an increase or decrease in the most recent Monthly Billing Period's imbalance that represents an adjustment to Shipper's imbalance for a previous Monthly Billing Period), Shipper will be allowed to cure the imbalance associated with the prior period adjustment through the procedures set forth in subsection 5.1 B2, above. Any such imbalance associated with the prior period adjustment that is not fully cured under said procedures shall be cashed out at the applicable 5% or less Charge or Credit price established by subsection 5.1 B3, above, as calculated for the Monthly Billing Period to which the prior period adjustment relates.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

5. BALANCING – CONTINUED

5.2 GILLETTE AND TORRINGTON DIVISIONS

- A. Shipper's Responsibility. Balancing of receipts and deliveries behind a single town border station ("TBS") is Shipper's responsibility. Imbalances are to be minimized and are subject to the terms and conditions of this Tariff.
1. If Transporter receives gas from Shipper at a Point of Receipt through which both Transportation Rate Schedule and Choice Gas Rate Schedule quantities are being received, the allocation of gas volumes through the meter will be the allocation supplied by the interconnecting pipeline. If Transporter is able to control Point of Receipt allocations, Transporter may minimize or eliminate monthly imbalances by allocating receipts. Transporter is not responsible for eliminating any imbalances between Shipper and a third party.
 2. Transporter will post notification of Shipper's invoice and imbalance on Transporter's interactive website. In instances in which there is a balance due on an under-receipt imbalance, the interactive website will provide information on the imbalance Dth and cashout balance due to Transporter. In instances in which there is an over-receipt imbalance cashout credit, Transporter's interactive website will provide information on the imbalance Dth and the cashout credit due to Shipper.
 3. In addition to the provisions of this Section regarding monthly balancing, behind a single town border station ("TBS") Transporter may require daily balancing of receipts and deliveries consistent with the provisions of this Tariff. Transporter has the right to reduce receipts and/or deliveries hereunder in excess of the MDTQ at any time Transporter may deem, in its reasonable discretion, that it is necessary to do so in order to protect the integrity of Transporter's system, including the maintenance of service to other Customers.
- B. OVER-RECEIPTS. An over-receipt occurs when the Dth received into Transporter's system (net of FL&U Reimbursement Quantity) on behalf of Shipper is in excess of Shipper's Dth of deliveries at designated location(s). Imbalances will be determined at the end of each month by subtracting deliveries from receipts (net of FL&U Reimbursement Quantity). The imbalance percentage will then be determined by dividing the imbalance by the monthly deliveries.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

5. BALANCING – CONTINUED

5.2 GILLETTE AND TORRINGTON DIVISIONS - CONTINUED

C. CASHOUT OF OVER-RECEIPT IMBALANCES.

Shipper's over-receipt imbalance less than or equal to five percent (5.0%) of Shipper's monthly deliveries will be credited on Shipper's invoice in the amount of those imbalance Dth multiplied by the Tier 1 Cashout Credit Rate. For any additional over-receipt imbalances greater than five percent (5.0%) of Shipper's monthly deliveries, Shipper's invoice will also be credited the amount of the imbalance Dth greater than five percent (5.0%) multiplied by the Tier 2 Cashout Credit Rate.

<u>Tier</u>	<u>Positive Imbalance as a Percentage of Deliveries</u>	<u>Over-Receipt Cashout Credit Rate Percentage of Index*</u>
1	0% to 5.0%	100%
2	Greater than 5.0%	75%

* Index is the lowest of the "Spot Market Prices" for "CIG" under the "avg." column for each week applicable to the Rocky Mountain region as published in Natural Gas Intelligence Weekly Gas Price Index for the month which most closely corresponds to the month in which the imbalance occurred (or a superseding index if the publication is revised).

- D. UNDER-RECEIPTS. An under-receipt imbalance occurs when the Dth received into the Company's system (net of FL&U Reimbursement Quantity) on behalf of Shipper is less than Shipper's Dth of deliveries at designated location(s). Imbalances will be determined at the end of each month by subtracting deliveries from receipts (net of FL&U Reimbursement Quantity). The imbalance percentage will then be determined by dividing the absolute value of the imbalance by the monthly deliveries.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

5. BALANCING – CONTINUED

5.2 GILLETTE AND TORRINGTON DIVISIONS - CONTINUED

- E. CASHOUT OF UNDER-RECEIPT IMBALANCES. Shipper's under-receipt imbalance less than or equal to five percent (5.0%) of Shipper's monthly deliveries will be charged on Shipper's invoice in the amount of those imbalance Dth multiplied by the Tier 1 Cashout Charge Rate. For any additional over-receipt imbalances greater than five percent (5.0%) of Shipper's monthly deliveries, Shipper's invoice will also be charged the amount of the imbalance Dth greater than five percent (5.0%) multiplied by the Tier 2 Cashout Charge Rate.

<u>Tier</u>	<u>Imbalance as a Percentage of Deliveries</u>	<u>Under-Receipt Cashout Charge Rate Percentage of Index*</u>
1	0% to 5.0%	100%
2	Greater than 5.0%	125%

* Index is the highest of the "Spot Market Prices" for "CIG" under the "avg." column for each week applicable to the Rocky Mountain region as published in Natural Gas Intelligence Weekly Gas Price Index for the month which most closely corresponds to the month in which the imbalance occurred (or a superseding index if the publication is revised).

- 5.3 TERMINATION. Any imbalance remaining at the termination of a Transportation Service Agreement shall be credited or charged in the invoice for the month in which the imbalance occurred.
- 5.4 FORCE MAJEURE OCCURRENCE. In the event of a force majeure occurrence as defined in the General Terms and Conditions of Transporter's Tariff, Shipper shall not be relieved from its cashout imbalance obligation unless the cashout imbalance is a direct result of a force majeure occurrence on Transporter's system, in which case Shipper shall be relieved of such imbalance cashouts. If the force majeure occurrence is caused by Shipper, Shipper will not be relieved of the imbalance cashout obligation.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

6. DETERMINATION OF DEMAND

- 6.1 Existing Customers. The Maximum Daily Transportation Quantity (MDTQ) will be initially set by using the capacity allocation method used in determining the Choice Gas Program capacity requirements. The MDTQ will be stated in dekatherms (10 therm units) and included in the Transportation Service Agreement.
- 6.2 New Customers. The MDTQ will be initially set at the level of the connected load. The MDTQ will be stated in dekatherms (10 therm units) and will be included in the Transportation Service Agreement.
- 6.3 Transporter shall deliver the gas quantity provided by Shipper up to the MDTQ level. Should Shipper's usage exceed the MDTQ, Shipper will be billed the applicable Authorized or Unauthorized Overrun charge on the quantity in excess of Shipper's MDTQ for that month. If Transporter determines the increase in MDTQ to be operationally feasible, Transporter may unilaterally increase Shipper's MDTQ if Shipper overruns the MDTQ specified in Shipper's Transportation Service Agreement on four (4) or more Days in any Month beginning in the next month's billing following the Authorized or Unauthorized Overrun.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES. Except as separately required in this Section of the Tariff, the scheduling of receipts and deliveries is provided for in Section 7 of the General Terms and Conditions of this Tariff.
- A. BALANCING - INACCURATE NOMINATIONS. For all divisions, based upon the information that Transporter has available concerning the quantity of Gas actually received from and delivered to Shipper, or for Shipper's account, if actual receipts or deliveries on any Day are more than five percent (5%) over or under nominations, or if actual receipts differ from actual deliveries on any Day by more than five percent (5%), Transporter will, by means of the telephone, electronic mail message or by notice on the informational postings portion of Transporter's interactive web site, notify Shipper that it has twelve (12) hours in which to bring actual receipts or deliveries and nominations more closely into agreement. If the discrepancy is not brought within the five percent (5%) tolerance within twelve (12) hours, Transporter may adjust deliveries to compensate for the inaccurate nominations or assess a daily balancing fee. In the event of an Operational Flow Order including a Shipper-specific OFO, Transporter may require that actual receipts and actual deliveries be brought into balance in a shorter time period than twelve (12) hours. The action allowed by this paragraph is in addition to Transporter's right to assess authorized overrun charges or unauthorized overrun charges pursuant to the terms of this Rate Schedule and the General Terms and Conditions of this Tariff.
- B. BALANCING - DAILY BALANCING FEE. For all divisions, a daily balancing fee may be assessed when it is determined that the variance between Shipper's actual receipts and deliveries is in excess of five percent (5%) and upon prior notification to adjust inaccurate nominations. The imbalance is determined by subtracting deliveries from receipts. The imbalance percentage is then determined by dividing the absolute value of the imbalance by the daily deliveries. The Daily Balancing Fee shall be calculated by multiplying the imbalance (in excess of the tolerance level) by the unauthorized overrun fee as stated on the applicable rate sheet of this Tariff.
- C. BALANCING - DELIVERY OF GAS. Due to variations in operating conditions, daily and monthly deliveries hereunder by Transporter may be greater or less than the corresponding receipts of gas hereunder less the applicable FL&U Reimbursement Quantity. The Shipper agrees to take best commercial efforts to make its receipts and deliveries balance daily and monthly. Transporter and Shipper agree that any excess or deficiency in such receipts less applicable FL&U Reimbursement Quantity, and deliveries shall be adjusted or corrected in gas as soon as practicable or as otherwise provided under this Rate Schedule. Notwithstanding the foregoing, Transporter shall have the right, but not the obligation, upon reasonable notice to Shipper, to curtail receipts and/or deliveries to correct any imbalances to the extent of Shipper's accrued imbalance during the most recent thirty (30) day period if greater than ten percent (10%) of Shipper's nominations during the most recent thirty (30) day period.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES - CONTINUED

- D. COMMINGLING OF GAS. Transporter shall have the unqualified right to commingle Shipper's Gas with other Gas in Transporter's pipeline system.

8. This section is reserved for future use.

9. POSSESSION, TITLE AND WARRANTY OF GAS.

- 9.1 Transporter shall be deemed to be in possession of the gas delivered by Shipper only from the time it is received by Transporter for transportation at the Point(s) of Receipt until it is delivered to Shipper at the Point(s) of Delivery as provided herein. Shipper shall be deemed to be in possession of such gas prior to such receipt and after such delivery. Transporter shall have no responsibility hereunder with respect to such gas before receipt by it or after delivery to Shipper. Shipper shall have no responsibility with respect to such gas while it is deemed to be in Transporter's possession.
- 9.2 It is expressly understood that title, or right to acquire title, to all gas delivered by Shipper to Transporter for transportation hereunder shall be held by Shipper. In no event shall Transporter take title to gas transported pursuant to this agreement except as provided for in the General Terms and Conditions and in this Rate Schedule.
- 9.3 Shipper hereby warrants that gas delivered to Transporter hereunder is free and clear of all liens, encumbrances, and claims whatsoever. Shipper agrees to indemnify and hold harmless Transporter against any loss or cost incurred by Transporter on account of such liens, encumbrances and claims whatsoever. Transporter warrants that at the time of delivery to Shipper at the Point(s) of Delivery the gas so delivered hereunder shall be free and clear of all liens, encumbrances and claims whatsoever resulting from Transporter's possession or transportation of gas pursuant to this Rate Schedule. Transporter agrees to indemnify and hold harmless Shipper against any loss or cost incurred by Shipper on account of liens, encumbrances or claims resulting from any possession of transportation by Transporter.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

10. GOVERNMENTAL AUTHORIZATIONS.

10.1 Transportation service under executed Transportation Service Agreements shall be implemented pursuant to Commission's Rules. The Transportation Service Agreement shall contain such additional language as specifically required by the Commission's applicable Rules.

10.2 This rate schedule, and all its rates, terms and conditions, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefor. In the event that any party to this agreement requests the Commission to take any action which could cause a modification in the conditions of this agreement, that party shall provide a written notice to the other parties at the time of filing the request with the Commission.

11. CONVERSION TO CHOICE GAS SERVICE

Shippers converting to Choice Gas Service must give prior notice by February 15 for each Choice Gas Program Year. Shippers under this Rate Schedule who terminate such service, who are in compliance with the minimum term and the 90-day notice provisions of this Tariff, and who wish to convert to Choice Gas Service will be viewed as new applicants for such service. At the Transporter's option, the remainder of the term may be waived for Transportation Service Shippers who wish to convert to Choice Gas Service. Such service will be offered subject to the conditions contained in the Choice Gas Service Provisions, and subject to capacity availability.

12. TRANSPORTATION RATE ADJUSTMENT

Service under this Rate Schedule rendered in the Torrington Division is subject to the Transportation Rate Adjustment provisions of this Tariff.

13. FRANCHISE FEE

If required, franchise fees or charges imposed by any municipality shall be charged to Customers receiving service under this Rate Schedule in such municipality. The appropriate franchise amount shall be set forth as a separate item on that Customer's bill less any amount the Company recovers through base rates.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

14. INCREMENTAL EXPENSES

Shipper shall reimburse Transporter for any out-of-pocket expenses (including, but not limited to, legal and travel expenses) incurred in connection with the initiation and rendering of service under this Rate Schedule. Transporter shall provide an estimate of such expenses prior to their occurrence.

15. TAXES, ASSESSMENTS AND SURCHARGES

Shipper shall pay all taxes, assessments or surcharges that are lawfully imposed upon Transporter in providing service under this Rate Schedule.

16. SHIPPER RESPONSIBILITY

In the event Shipper uses or designates another party as agent, Shipper shall remain responsible for a pro rata share of all charges which such other party fails to pay to Transporter including payments for penalties or for Monthly Imbalances.

17. CONTRACT

17.1 The term of the initial Firm Transportation Service Agreement will be for a primary term of at least one (1) year from and after the effective date. At the expiration of the primary term, the Firm Transportation Service Agreement shall automatically continue in full force and effect per the terms and conditions of the Transportation Service Agreement, unless and until terminated by either Transporter or Shipper upon giving ninety (90) days' advance written notice of termination to be effective the first anniversary of the effective date or any subsequent anniversary thereafter.

17.2 The term of an initial Interruptible Transportation Service Agreement may be for a period of one (1) month or more, as negotiated between the parties.

17.3 At Transporter's option, the remainder of the term may be waived for Firm Transportation Shippers who wish to convert to the Choice Gas Program, subject to Section 11 of this Rate Schedule.



FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE
RATE SCHEDULES TC, TG and TT – CONTINUED

18. EXIT FEE

In accordance with Section 3 of the Transportation Rate Adjustment Provisions of this Tariff, Torrington Division Shippers are subject to an Exit Fee.

19. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of this Tariff and, to the extent they are not inconsistent with said General Terms and Conditions, Sections 16, 17, 20, 22, 23, 27, 28, 29 and Sections 32 through 37 of the Choice Gas Service Rate Schedule are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions or the above-listed sections of the Choice Gas Service Rate Schedule are inconsistent with the provisions of this Rate Schedule, the specific provisions of this Rate Schedule shall govern.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION

1. AVAILABILITY

1.1 This Rate Schedule is available to any Casper Division Shipper and provides for Interruptible Gas Parking, Gas Loaning, Gas Wheeling and Title Tracking Transfer (“TTT”) Services at and/or between a Park Point and Loan Point, subject to available operational flexibility and Capacity, when Shipper desires Parking, Loaning, Wheeling and/or TTT Service, and when:

- A. Shipper has requested service under this Rate Schedule by submitting to the Company a Request for Service using the form set forth in this Tariff.
- B. Transporter has the operational flexibility to provide the Interruptible Rate Schedule MCS Service without detriment or disadvantage to system operational needs and to its Shippers using other Tariff services.
- C. Shipper has completed, executed and submitted to Transporter a Master Rate Schedule MCS Service Agreement (“MCS Master Agreement”) using the form of Service Agreement contained in this Tariff.
- D. Shipper has completed, executed and submitted to Transporter a Rate Schedule MCS Transaction Request (“MCS Transaction Request” or “Transaction Request”) in the form included in this Tariff which request, upon acceptance by Transporter, is attached as an exhibit attachment to the Rate Schedule MCS Master Agreement. Park Transaction Requests must be entered into separately from Loan Transaction Requests. No single Transaction Request may provide for both Park activity and Loan activity.
- E. Shipper has provided the Transporter with adequate assurance of financial reliability and creditworthiness for the financial obligations of the Transaction Request quantities, including the completion of a Credit Application in the form included in this Tariff. For purposes of credit requirements, the Rate Schedule MCS Master Agreement shall list a Maximum Credit quantity and Transporter may limit Shipper’s ability to schedule Parked Gas or Loaned Gas if the maximum credit quantity has been exceeded. Transporter may require the Shipper to provide a service deposit or other credit assurance to Transporter.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICES

- 2.1 This Rate Schedule shall apply to Parking, Loaning, Wheeling and TTT service rendered by the Transporter to Shipper on an Interruptible basis subject to the limitations set forth in the Rate Schedule MCS Master Agreement, the MCS Transaction Request, this MCS Rate Schedule and the General Terms and Conditions of this Tariff.
- A. Parking, Loaning and Wheeling Services are subject to Interruption at any time and such Interruptions may be in effect for extended periods of time. Interruptions may include decreasing, temporarily suspending or discontinuing the Receipt or Delivery of Rate Schedule MCS Gas if Transporter, in Transporter's sole and reasonable judgment, determines that such action is necessary to maintain system integrity or when a higher priority service so requires.
 - B. The Rate Schedule MCS Master Agreement shall state a total quantity that may be Parked or Loaned at any one time under the sum total of all Rate Schedule MCS Transaction Requests.
 - C. Each Rate Schedule MCS Transaction Request shall state a maximum and minimum Daily Park Quantity or a maximum and minimum Daily Loan Quantity associated with such request, the maximum and minimum Total Accumulated Park Quantity or Total Accumulated Loan Quantity, the maximum and minimum daily Unpark Quantity or Loan Redelivery Quantity, the term, timing and duration of the Park or Loan, the Park Point or the Loan Point and the Unpark Point or the Loan Redelivery Point and the rate(s) for each request.
- 2.2 All Park Points or Loan Points eligible for Rate Schedule MCS Service shall be listed in the Informational Postings section of Transporter's EBB.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICES - CONTINUED

- 2.3 Parking, Loaning, Wheeling and TTT Services available under this Rate Schedule include:
- A. Parking Service – Parking Service shall consist of (1) the Receipt of Gas by Transporter (when Nominated by a Shipper) at a Park Point, the holding of the Parked Quantity for the Shipper's account for a specified period of time and (2) the Unparking (when Nominated by Shipper) of the Parked Quantities to Shipper by Transporter at the original Park Point, including treating the unparking as a nominated delivery at the Park Point. Requests to Unpark Parked Quantities at a point other than the original Park Point shall be treated as Wheeling and must be negotiated simultaneously with the Park transaction.
 - B. Loaning Service – Loaning Service shall consist of the advancement of Gas by Transporter (when Nominated by a Shipper) at a Loan Point, for the Shipper's account for a specified period of time and the Loan Payback (also called Loan Redelivery) (when Nominated by Shipper) of the Loan Quantity(s) to Transporter by Shipper at the original Loan Point, including treating the Loan Payback as a nominated receipt at the Loan Point. Requests to Redeliver Loaned Quantities at a point other than the original Loan Point shall be treated as Wheeling and must be negotiated simultaneously with the Loan transaction.
 - C. Wheeling Service – Wheeling Service shall allow the Unparked or Loan Redelivery Quantity to occur at a system location other than the original Park Point or Loan Point, by exchange or displacement and subject to operational flexibility, as detailed in the Transaction Request. The Wheeling Service must be agreed to at the time of the initial request and any later request to use a system location other than the original Park Point or Loan Point shall be considered Transportation and must be accomplished by Nomination and scheduling under a Rate Schedule TC Transportation Service Agreement.
 - D. TTT Service – TTT Service shall consist of the transfer of Parked or Loaned Quantities between Rate Schedule MCS Shippers from one Shipper's MCS Transaction Request account to another Shipper's Rate Schedule MCS Transaction Request account, prior to the time the quantities are Unparked or Redelivered.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICES - CONTINUED

- 2.4 Service rendered under a Rate Schedule MCS Transaction Request under this Rate Schedule shall be provided for a minimum one (1) Day term.
- A. The Rate Schedule MCS Master Agreement term shall be set forth in the Rate Schedule MCS Master Agreement.
 - B. The term of each MCS Transaction shall also be set forth in each Rate Schedule MCS Transaction Request.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICES - CONTINUED

2.5 In the event that Park Quantities have not been returned to the Shipper or Loan Quantities have not been returned to Transporter at the termination date of the Rate Schedule MCS Transaction Request, Transporter and Shipper may mutually agree to an extended time frame and/or modified terms including the rate(s), by amending the existing MCS Transaction Request or by executing a new Rate Schedule MCS Transaction Request to permit Shipper to pay back or Transporter to return such quantities.

A. In the event any Parked Quantity has not been redelivered to Shipper by the Transaction Request termination date and no mutually agreed extension as described in Section 2.5 above has occurred, the Parked Quantity shall become the property of the Transporter at no cost to Transporter free and clear of any and all adverse claims.

B. In the event any Loan Quantity has not been redelivered to Transporter by the Transaction Request termination date and no mutually agreed extension as described in Section 2.5 above has occurred, the Loan Quantity shall be cashed out at the highest of the following prices based on the actual price or the Daily Cash Out price. The Daily Cash Out Index Price will be the Daily Price Survey, Mid-point Price (for date of physical gas flow) as published by Platts Gas Daily for the "Spot Prices Delivered to Pipelines" relative to the CIG-Rockies. This Cash Out amount shall be invoiced at the next billing cycle.

1. The Daily Cash Out Index Price on the date(s) the Loan occurred.
2. The Daily Cash Out Index Price on the termination date of the Rate Schedule MCS Transaction Request.
3. The Daily Cash Out Index Price on the Day the Transporter made replacement purchases for the Loan amount.
4. The average Daily Cash Out Index Price for the Month in which the Loan occurred.
5. The average Daily Cash Out Index Price for the Month in which the Rate Schedule MCS Transaction Request terminated.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION - CONTINUED

3. MARKET CENTER SERVICES CHARGES

3.1 APPLICABLE BASIC RATES - The applicable basic rates, including surcharges, for services under this Rate Schedule are set forth on the Statement of Rates of this Tariff, as revised from time to time.

- A. The rate(s) may be discounted between the stated maximum and minimum rate(s) on a not unduly discriminatory basis. Any discounted rate(s) shall be at or above the minimum rate(s) and at or below the maximum rate(s) and shall be stated in the Rate Schedule MCS Transaction Request and effective upon acceptance by Transporter.
- B. Shipper may elect to prepay the anticipated charges for service under this Rate Schedule at any time.

3.2 The maximum daily service charge may have up to four rate components. Each component may be discounted to zero but the sum of the four components for any Day shall not be less than the minimum rate. The daily charges may include:

- A. A Daily Charge for the amount Parked or Loaned on that Day.
- B. A Daily Charge for the amount Unparked or Loan Payback (also called Loan Redelivery) on that Day.
- C. A Daily Charge for the Accumulated Total Park Quantity or Accumulated Total Loan Quantity as determined at the end of each Gas Day at each Park Point or Loan Point for Shipper's account. Separate quantities resulting from separate Parking Transaction Requests and Loan Transaction Requests shall not be netted in determining this charge.
- D. A Daily Charge for the amount transferred by TTT or exchanged or displaced by Wheeling on that Day.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION - CONTINUED

3. MARKET CENTER SERVICES CHARGES – CONTINUED

- 3.3 Surcharges that may be applicable to this Rate Schedule are set forth on the Statement of Rates of this Tariff.
- 3.4 FL&U shall not be assessed with respect to service rendered under this Rate Schedule.
- 3.5 Shipper shall not redeliver more than the quantity Loaned and shall not Unpark more than the quantity Parked under the Rate Schedule MCS Transaction Request. In the event Shipper fails to adhere to any of the terms described in the MCS Transaction Request, Shipper shall be charged up to the maximum allowable rate for the service and quantity outside the parameters set forth in the MCS Transaction Request. Shipper may request to amend its MCS Transaction; such requests shall be accepted at the sole and reasonable discretion of Transporter in a not unduly discriminatory manner.
- 3.6 If on any Day Transporter cannot accept a nomination for an Unpark Quantity or a Loan Redelivery Quantity, the daily charge on the Total Accumulated Park Quantity or Total Accumulated Loan Quantity for that Day shall be \$0.000, unless otherwise agreed. Further, the term of the Rate Schedule MCS Transaction Request may be extended Day-for-Day by the number of Days for which such Unpark Nominations or Loan Redelivery Nominations were not accepted, if such extension has been mutually agreed.

4. SCHEDULING OF MCS SERVICE

- 4.1 Shipper shall nominate Rate Schedule MCS service under this Rate Schedule in accordance with the Nomination procedures set forth in Section 7, Scheduling of Receipts and Deliveries, of the General Terms and Conditions of this Tariff. Rate Schedule MCS service shall be the last quantities scheduled on the system and shall be scheduled in priority by rate and total revenue over the term of the Rate Schedule MCS Transaction Request.
- 4.2 Transporter may, but is not required to, post on its EBB, by nine (9) a.m., Mountain Time, the amount of available Parking or Loan Rate Schedule MCS quantities. If Transaction Requests for the Day exceed the amount of posted Rate Schedule MCS availability, the requests shall be filled and scheduled proportionally in accordance with Section 15, Scheduling Principles of the General Terms and Conditions Tariff.



RATE SCHEDULE MCS
INTERRUPTIBLE MARKET CENTER SERVICES – CASPER DIVISION - CONTINUED

5. COMMINGLING OF GAS. Transporter shall have the unqualified right to commingle the Shipper's gas with other gas in the Transporter's system and storage field(s).
6. DELEGATION. Shipper may delegate to any third party agent the responsibility for managing Shipper's service under the MCS Service Agreement through the execution of Transporter's form of Agency Agreement included in this Tariff.
7. GENERAL TERMS AND CONDITIONS. The applicable General Terms and Conditions of this Tariff, except as modified in the Agreement, are hereby incorporated in and made a part of this Rate Schedule. To the extent that said General Terms Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE - CASPER DIVISION

1. AVAILABILITY

- 1.1 This Rate Schedule is available to and required of any Choice Gas Supplier including the Company as Supplier under the Pass-On Rate [Regulated Rate] Option (hereinafter referred to as "Supplier") that have executed a Rate Schedule RCG Supplier Participation Agreement for the Choice Gas Year, but is not available to or required of any Choice Gas Supplier that only has Customers behind the Upstream Delivery Point(s) under Rate Schedule RCG. The Supplier taking service under this Rate Schedule will have been deemed to have executed the equivalent of a Rate Schedule FS-1 service agreement with the Company for service under this Rate Schedule by execution of the Supplier Participation Agreement. Service will be contracted following the Choice Gas Supplier annual selection process described in the Rate Schedule RCG of this Tariff and the associated annual storage capacity allocation process that will be described by notice on the Company's EBB. The Transporter will make a determination that it will have available sufficient uncommitted capacity, after considering the retained storage capacity necessary to operate the Company system, to provide the Firm Storage Service allocated to the Supplier.
- 1.2 The Supplier must hold a Rate Schedule RCG Supplier Participation Agreement with sufficient Mainline capacity entitlements to allow the firm injection and withdrawal of the Supplier's MDWQ and MDIQ firm storage entitlements. The Supplier Participation Agreement, in Appendix B, to the Supplier Participation Agreement shall list the Supplier's Storage Entitlements.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Nominated Firm Storage Service will consist of defined storage rights/entitlements and will be available through the use of the Company's storage facilities in the Casper Division. The Transporter's storage fields will be treated as a single storage pool with one point for injection and three withdrawal point(s). The three withdrawal points are (1) Storage Withdrawal Pool to the Riverton Delivery Pool, (2) the Storage Withdrawal Pool to the Casper Delivery Pool and (3) the Storage Withdrawal Pool to the Southern System Delivery Pool.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE – CONTINUED

2.1 NOMINATED FIRM STORAGE SERVICE - CONTINUED

- A. The Firm Storage Service provided hereunder is comprised of the nominated receipt of gas at the injection point specified in the Supplier's Service under this Rate Schedule, storage of gas in the Company's storage facility(s) up to the Maximum Available Storage Capacity Quantity ("MAC") set forth in the Supplier Participation Agreement, and the subsequent nominated withdrawal of gas at point(s) specified in the service agreement, subject to the General Terms and Conditions of this Tariff and further provisions of the service agreement. The firm storage rights/entitlements are dependent upon the amount of working gas inventory (alternatively "Gas In Place" or "GIP") each Supplier has in storage. It shall be the Supplier's responsibility to maintain a Gas In Place working gas inventory level sufficient to satisfy the Supplier's needs. Supplier shall hold the Company harmless and shall indemnify the Transporter for costs or damages which may directly or indirectly arise out of or relate to the Supplier's failure to maintain a sufficient Gas In Place working storage inventory to satisfy its needs.
- B. Transporter shall receive, at the inlet side of Company's storage facility, daily quantities of gas tendered for the account of Supplier up to Supplier's Available Daily Injection Quantity (ADIQ), not to exceed Supplier's Maximum Daily Injection Quantity (MDIQ) as specified in the service agreement. The Transporter shall not be obligated to, but may at its option, on any day receive at the inlet side of Transporter's storage facility, an overrun quantity of gas in excess of the applicable ADIQ and/or MDIQ. Upon receipt of natural gas for Supplier's account, Transporter shall, after a reduction for the Storage FL&U Reimbursement Quantity, and any other applicable deductions, store the gas for the account of Supplier up to Supplier's MAC.
- C. Transporter shall deliver at the outlet side of Transporter's storage facility(s), for the account of Supplier, a quantity of stored gas up to Supplier's Available Daily Withdrawal Quantity (ADWQ), not to exceed Supplier's Maximum Daily Withdrawal Quantity (MDWQ) as specified in the service agreement. Transporter shall not be obligated to, but may at its option, on any day deliver at the outlet side of Company's storage facility(s), an overrun quantity of gas in excess of the applicable ADWQ and/or MDWQ. At no time shall Shipper be allowed to have a negative Gas In Place balance.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE – CONTINUED

2.1 NOMINATED FIRM STORAGE SERVICE - CONTINUED

- D. Firm Storage Service is only available for injection into and withdrawal from Supplier's FS-1 account on a nominated basis. Supplier will be responsible for arranging transportation service on the Transporter's Mainline pipeline system such that Transporter's performance of service under this Rate Schedule is not impaired.
1. Any daily difference between the storage injection and/or withdrawal meters and the amount nominated, confirmed and scheduled for injection and/or withdrawal, shall be deemed to be activity into or out of the Transporter's retained storage account. Annual storage reservoir losses, if any, shall be recovered at the Company's election, either through a volumetric adjustment to the next annual calculated Storage Injection FL&U Reimbursement Percentage or by making an operational purchase or sale.
 2. The Supplier may deliver gas withdrawn from Rate Schedule FS-1 storage to on-system Town Border Station primary Delivery Points only with one exception. As scheduling conditions allow, the Supplier may schedule on a secondary basis under the Choice Gas Service Rate Schedule RCG Tariff a pair-matched withdrawal from the three withdrawal point(s) to a secondary delivery point to the interstate pipeline interconnection point named as Colorado Interstate Gas Company-Chokecherry Point and/or Wyoming Interstate Limited LLC-Chokecherry Point. The Supplier will be charged the maximum Off-System Transportation Charge under that Choice Gas Service Rate Schedule RCG unless a discount has been negotiated.
- E. Transporter shall have the ability to waive the specific provisions of Rate Schedule FS-1 provided such waiver is non-discriminatory and does not adversely affect service to other Suppliers.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE – CONTINUED

2.2 ADDITIONAL FACILITIES. In no event shall Transporter be obligated to provide Firm Storage Service under this Rate Schedule for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities. However, Transporter may expand the system for this or other Services on a non-discriminatory basis whenever such is deemed, in the Company's reasonable judgment, to be economically, operationally, and technically feasible.

2.3 TRANSFER OF GAS IN PLACE WORKING STORAGE INVENTORY INCLUDING IN-GROUND TRANSFERS.

A. Supplier may transfer, by sale or otherwise, all or a portion of its gas in storage under Rate Schedule FS-1 to or from another Rate Schedule FS-1 Supplier's firm storage account and/or to a Rate Schedule MCS Transaction Request subject to the provisions of this Rate Schedule and subject to the following conditions:

1. The In-Ground Transfer must not cause the Transporter's obligation to provide firm service to increase and the transfer must not otherwise adversely affect Transporter's operations, which determinations shall be made at the Company's sole discretion.
2. Both parties must utilize the trade form electronically available on Transporter's EBB, which will include the quantity to be transferred and the requested effective date of any transfer. Such transfers may be executed on a prospective basis only unless otherwise agreed on a non-discriminatory basis.
3. Both the transferee and transferor of the stored volume provide Transporter with verification of the transfer in writing on a Business Day at least one (1) Business Day prior to the requested Date of Transfer.
4. The In-Ground Transfer does not cause either Supplier's storage Gas In Place inventory balance to go below zero (0) or above the required storage inventory plan limits up to MAC as specified in this Rate Schedule and/or in the applicable Service Agreement(s).
5. Transfers shall be effective as of the start of the Date of Transfer, assuming receipt of the verification required in Section 2.3.A.3 above. The Transporter shall recognize the transfer for purposes of computing available stored volume on and after the Date of Transfer.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE – CONTINUED

2.3 TRANSFER OF GAS IN PLACE WORKING STORAGE INVENTORY INCLUDING IN-GROUND TRANSFERS – CONTINUED

6. If the Transfer is part of the Stage Two-Distribution Imbalance Quantity curing processes, the Transporter will provide Suppliers a balancing statement and a Storage Transfer Request form which identifies the transfer counter party that has an offsetting imbalance.
7. Suppliers will not be allowed to avoid overrun charges or any penalties via an In-Ground Transfer, unless otherwise agreed to in writing by Transporter.
8. The party receiving the In-Ground Transfer agrees to pay any applicable past due charges at the time of the transfer for which the party delivering the transfer has not previously paid.
9. The selling Supplier has title to the Gas In Place being transferred.
10. The selling Supplier has all necessary authority to sell the Gas In Place.
11. The Rate Schedule FS-1 Supplier may also request a transfer of all or a portion of its storage Gas In Place inventory to a Rate Schedule MCS Transaction Request or a transfer of a Rate Schedule MCS Transaction Request into its storage Gas In Place inventory. The Transporter may provide for such transfer if system operations and capacity allow and subject to a mutually agreed-upon Rate Schedule MCS Transaction Request.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

2. APPLICABILITY AND CHARACTER OF SERVICE – CONTINUED

2.4 RESOLUTION OF GAS IN PLACE AT THE TERMINATION OF THE FS-1 SERVICE. Upon expiration of a Supplier's service under the Rate Schedule FS-1, any Gas In Place remaining in storage may be transferred to the Transporter's retained storage account at a mutually agreeable price if the Transporter's retained storage account so allows or, alternatively, will be transferred to and billed under a negotiated Rate MCS Transaction Request, provided however that if the rate is not negotiated the maximum MCS rates will apply. The Supplier is deemed to have executed the Transaction Request by its action of leaving inventory in the storage facility(s). Any gas remaining in inventory sixty (60) days after expiration of the Rate Schedule FS-1 service and the transfer to the MCS Transaction Request will be confiscated by Transporter. The net realized value (net of any related costs) of any gas confiscated by Transporter pursuant to this Section shall be recorded separately and credited to the Revenue Adjustment Mechanism ("RAM").

A. If the Supplier remains in the Choice Gas Program for the next successive program year, the Supplier's ending Gas In Place for the first Choice Gas Program Year will be the beginning Gas In Place balance for the next Choice Gas Program Year.

2.5 NOMINATIONS. Nominations under this FS-1 Rate Schedule will be associated with a nominated firm receipt or firm delivery from a Choice Gas administrative firm transportation Supplier Participation Agreement. The nominations, scheduling principles and curtailment principles sections of the Choice Gas Rate Schedule and the General Terms and Conditions will apply.

3. SERVICE DEFINITIONS

3.1 The Firm Storage Rights/entitlements will be defined by the single pooled storage capacities. All Suppliers may not receive the same proportion of firm storage entitlements in the storage pool, and, instead, the allocation of the Supplier's firm storage rights will be dependent upon the location of the Supplier's Customers in the Delivery pool(s) due, in part, to north-to-south and south-to-north system constraints.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

3. SERVICE DEFINITIONS – CONTINUED

3.2 STORAGE INJECTION FUEL AND LOST AND UNACCOUNTED FOR GAS REIMBURSEMENT QUANTITY.

- A. The Storage Injection Fuel and Lost and Unaccounted For Gas (FL&U) Reimbursement Quantity, as such reimbursement percentage is provided for in Section 5.4 of this Rate Schedule and as is posted on the Statement of Rates sheets in this Tariff, shall be that portion of Supplier's natural gas received by the Company for storage which shall be retained by the Company as compensation for the gas used in rendering storage service to Supplier, including Company-used gas, and lost and unaccounted for gas. This gas shall be retained by the Company reducing the thermally equivalent volumes available for withdrawal by Supplier. The Storage Injection FL&U Reimbursement Quantity, if any, shall be stated as a percentage of the natural gas injected by the Company at the inlet side of the Company's storage facility.
- B. Title to Storage Injection FL&U Reimbursement Quantity shall vest in Company upon receipt at the inlet side of Company's storage facility at no cost and free and clear of all adverse claims.
- C. The Storage Injection FL&U Reimbursement Quantity will be determined pursuant to Section 14A.2 of the Choice Gas Rate Schedule RCG.

3.3 GAS IN PLACE. The Gas In Place (alternatively GIP) shall be the amount of working storage inventory held in storage for each Supplier at any point in time. Gas In Place may not go below zero.

3.4 MAXIMUM AVAILABLE STORAGE CAPACITY QUANTITY. The Maximum Available Storage Capacity Quantity (MAC) shall be the maximum quantity of natural gas in Dth which the Company agrees to store for the account of the Supplier. Such MAC shall be specified in Dth in the executed Supplier Participation Agreement.

- A. MAC may not be exceeded.
- B. Negative Gas In Place storage inventories will not be allowed. If a Supplier attempts to nominate withdrawals from its FS-1 account that would result in a negative Gas In Place balance, the Transporter shall deem such negative quantities as transportation Imbalance quantities which shall be considered a Loan. Supplier may request to transfer all or a portion of the loaned quantities to a Rate Schedule MCS Transaction Request.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

3. SERVICE DEFINITIONS – CONTINUED

3.5 MAXIMUM AND AVAILABLE DAILY INJECTION QUANTITY.

- A. The Maximum Daily Injection Quantity (MDIQ) means the maximum quantity of natural gas which the Transporter agrees to receive from Supplier at the inlet side of the Company's storage facility(s) for injection into storage as specified in the executed service agreement. Any injection quantity in excess of the Supplier's MDIQ will incur overrun charges as defined in Section 5.2 D of this Rate Schedule FS-1.
- B. The Available Daily Injection Quantity (ADIQ) means the quantity of natural gas which Transporter agrees to receive from Supplier at the inlet side of Transporter's storage facility(s) for injection into storage. Such quantities vary based upon the Supplier's Gas In Place, and the ADIQ will decrease as the Supplier's Gas In Place increases. The ADIQ quantities are described in the inventory plan herein. Any injection quantity in excess of the Supplier's MDIQ will incur overrun charges as defined in Section 5.2 D of this Rate Schedule FS-1.

3.6 MAXIMUM AND AVAILABLE DAILY WITHDRAWAL QUANTITY.

- A. The Maximum Daily Withdrawal Quantity (MDWQ) shall be the maximum quantity of natural gas the Company agrees to withdraw from the Supplier's service agreement account.
- B. The Available Daily Withdrawal Quantity (ADWQ) shall be the quantity of natural gas that the Company agrees to withdraw on any given day. The ADWQ varies based on the Supplier's Gas In Place (GIP) and the ADWQ decreases as the Supplier's Gas In Place decreases.
 - 1. At an inventory greater than 47% of Supplier's MAC the ADWQ is equal to the MDWQ. Any withdrawal quantity in excess of the Supplier's MDWQ will incur overrun charges as defined in Section 5.2 D of this Rate Schedule FS-1.
 - 2. If a Supplier's Gas In Place inventory is equal to or less than 47% and greater than zero percent (00%) of its MAC, its ADWQ will be equal 91.7% of the MDWQ and any withdrawal quantity in excess of the ADWQ will incur overrun charges as defined in Section 5.2 D of this Rate Schedule FS-1.
 - 3. If a Supplier's inventory is zero, its ADWQ will be reduced to zero and no withdrawal quantity will be allowed until such time as Supplier has injected gas into its FS-1 account and it has a positive balance.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

3. SERVICE DEFINITIONS – CONTINUED

3.7 INVENTORY PLAN AND AVAILABLE DAILY INJECTION QUANTITIES

- A. The Supplier will be required to achieve various Gas In Place storage inventory requirements by specific dates and will be required to cycle its working gas storage inventory each 12 month period. By December 1, the Supplier must have injected sufficient Gas In Place greater than 47% of its MAC and maintain such minimum winter quantity through the end of February. By April 30, the Supplier must have withdrawn its Gas In Place less than or equal to 10% of its MAC and must maintain such maximum end-of-season quantity through May 15.
- B. The Transporter shall not authorize or confirm injection or withdrawal nominations that result in Gas In Place less than the Supplier's winter minimum inventory amount or greater than the end-of-season maximum inventory amounts. The Transporter shall not authorize or confirm injection nominations that result in the Supplier's MAC being exceeded.
- C. So long as the Supplier's Gas In Place is between 0% and 60% of MAC, then the Available Daily Injection Quantity (ADIQ) for that Supplier will be equal to the MDIQ. If the Supplier's Gas In Place is above 60% of MAC but not greater than MAC, the ADIQ will be 80.6% of MDIQ. If the Supplier's Gas In Place is equal to MAC, then the ADIQ is zero.

- 3.8 OVERRUN SERVICE. Authorized Overruns shall be the quantity of Gas nominated and scheduled for service hereunder that exceeds the contract storage entitlements of ADWQ and/or ADIQ. Authorized Overruns and interruptible service(s) shall have equal scheduling priority, and shall be scheduled based on rate from highest to lowest. Authorized Overrun and interruptible services at the same rates shall be scheduled pro rata. Gas In Place Inventory volume less than zero shall not be allowed.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

4. REQUIREMENTS FOR THE FIRM STORAGE SERVICE.

4.1 The Supplier Participation Agreement contained in this shall be deemed to be the equivalent of an executed Rate Schedule FS-1 service agreement between the Transporter and the Supplier. The Rate Schedule FS-1 service entitlements listed in Appendix B to the Supplier Participation Agreement shall be valid as of the first date of the applicable Choice Gas Program Year and will be deemed to be completed/terminated when the Supplier Participation Agreement is completed/terminated.

4.2 The information required for a valid Appendix B to the Supplier Participation Agreement shall be as follows:

A. GAS ENTITLEMENT QUANTITIES

The Supplier Participation Agreement Appendix B shall specify in Dth the Maximum Available Storage Capacity Quantity ("MAC"), the MDWQ, and the MDIQ. The availability of the MAC, MDWQ and MDIQ on any day is subject to the provisions of this Rate Schedule FS-1.

B. RELATED TRANSPORTATION ENTITLEMENTS AND STORAGE POOL(S)

The Supplier Participation Agreement Appendix B shall list the associated firm transportation receipt rights from point(s) of storage withdrawals.

C. TERM OF SERVICE

The Supplier Participation Agreement shall specify the Choice Gas Program Year for which service is requested to commence and the date service is requested to terminate. However, the term of service for the Rate Schedule FS-1 service hereunder shall be no less than one (1) year, unless otherwise agreed to in writing by Transporter.

D. COMPLIANCE WITH RATE SCHEDULE FS-1

Execution of the Supplier Participation agreement shall be deemed agreement by Supplier that it will abide by the terms and conditions of this Rate Schedule FS-1, including the applicable General Terms and Conditions of this Tariff.

E. SUPPLIER CONTACT INFORMATION

The Supplier Participation Agreement shall specify the person(s) (name, company, department and business title) to be contacted by the Transporter in connection with the Rate Schedule FS-1 service, including a fax number, a telephone number and an e-mail address.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

5. RATES

5.1 RATES. The applicable rates, including any surcharges, for Firm Storage Service are set forth in Supplier's Supplier Participation Agreement, provided that if no rate(s) is stated the maximum rate(s) for Rate Schedule FS-1 service will apply. The Storage Injection FL&U Reimbursement Quantity, if any, set forth on the applicable rate sheet of Transporter's Tariff, shall be charged prior to injection of gas into storage.

5.2 MONTHLY BILL. Commencing for the month in which the FS-1 agreement is effective and each month thereafter, Transporter shall charge to Supplier and the Supplier shall pay to Transporter the sum of the following amounts (including payment by netting amounts due to the Transporter from the Supplier against amounts owed to the Supplier from the Transporter):

- A. A Storage Deliverability Reservation Charge, which shall equal the result of the Supplier's Winter MDWQ multiplied by the Storage Deliverability Reservation Rate as stated in Supplier's FS-1 agreement;
- B. A Storage Injection Charge, which shall equal the Storage Injection Rate as stated in Supplier's FS-1 agreement multiplied by the volume in Dth of gas injected by Company;
- C. A Storage Withdrawal Charge, which shall equal the Storage Withdrawal Rate as stated in Supplier's FS-1 agreement multiplied by the volume in Dth of gas withdrawn by Transporter; and

D. DAILY OVERRUN CHARGES.

- 1. Unauthorized Inventory Quantities Above Inventory Plan. If the Supplier has Gas In Place from April 30 through May 15 which exceeds the maximum end-of-season inventory as described in Section 3.7 of this Rate Schedule, the Transporter shall charge the Supplier a Daily Unauthorized Inventory Charge equal to the amount of inventory each day that exceeds the end-of-season inventory limit multiplied by the maximum Daily Unauthorized Inventory Rate as defined on the Statement of Rates for this Rate Schedule.
- 2. Daily Authorized Overrun Charge (for MDWQ, ADWQ, MDIQ, ADIQ). If, on any day, the Supplier nominates and Transporter confirms quantities that exceed Supplier's applicable MDWQ, ADWQ, MDIQ, or ADIQ, as defined under this Rate Schedule FS-1, such quantities shall be subject to the applicable authorized overrun rate as stated in Supplier Participation Agreement multiplied by the overrun quantity, unless otherwise agreed to in writing by Transporter. If the Supplier Participation Agreement does not state an Authorized Overrun charge, the maximum rate(s) will apply.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE- CASPER DIVISION - CONTINUED

5. RATES - CONTINUED

5.2 MONTHLY BILL – CONTINUED

D. DAILY OVERRUN CHARGERS – CONTINUED

3. Unauthorized Overrun Charge (for MDWQ, ADWQ, MDIQ, or ADIQ). Firm Storage injection and storage withdrawal will equal the nominated, confirmed and scheduled amounts. There will be no unauthorized injection or withdrawal amounts and any flow and/or measurement differences on the system will be resolved through the Imbalance Management for the Choice Gas Program firm transportation agreements.

E. Notwithstanding the charges provided herein, Transporter has the right to reduce injection or withdrawals at any time, in its reasonable discretion, as necessary to protect the integrity of its system, including maintenance of service to other Suppliers.

5.3 CHANGES IN RATES.

A. The Transporter shall have the unilateral right to file with any appropriate regulatory authority and make changes effective in: (1) the rates and charges applicable under this Rate Schedule FS-1, including both the level and design of such rates and charges; or (2) the terms and conditions of this Rate Schedule FS-1.

B. If, at any time and from time to time, the Commission or any other governmental authority having jurisdiction in the premises allows or permits Transporter to collect, or to negotiate to collect, a higher rate for the service hereunder, the rate shall, subject to any contrary provision of the Rate Schedule FS-1 service or a separate discount agreement, be increased to the highest such rate. Should additional documentation be required in order for the Transporter to collect such highest rate, Supplier shall execute or provide such documentation within ten (10) days after a written request by Transporter. If, at any time and from time to time, the Commission or any other governmental authority having the jurisdiction in the premises requires Transporter to charge a higher or lower rate for service hereunder, the rate shall be increased and decreased to such level.



RATE SCHEDULE FS-1
FIRM CHOICE GAS STORAGE SERVICE - CASPER DIVISION - CONTINUED

5. RATES - CONTINUED

5.4 STORAGE INJECTION FL&U REIMBURSEMENT PERCENTAGE. The Storage Injection FL&U Reimbursement Percentage rate, if any, shall be that percentage of Supplier's natural gas received by the Company for storage which shall be retained by Transporter as compensation for gas used in rendering service, including Company-used Gas, and Lost and Unaccounted-for Gas. Supplier shall reimburse the Company for the Storage Injection FL&U Reimbursement Quantity required in storing gas hereunder at the reimbursement percentage rate set forth in the statement of rates sheets in this Tariff.

6. SERVICE CONDITIONS

6.1 PAIR-MATCHED NOMINATIONS. The Supplier must match the nominated withdrawal to transportation nomination. As described in the Choice Gas Rate Schedule RCG, withdrawals from storage as nominated receipts must be matched with a geographically distinct Town Border Station Delivery Pool. Injection nominations on the Choice Gas transportation agreement will be made to a single injection pool.

6.2 INTRA-DAY NOMINATIONS. The Supplier must nominate separately any injection or withdrawal intra-day nominations in accordance with Section 7, Scheduling of Receipts and Deliveries, of the General Terms and Conditions of this Tariff.

7. COMMINGLING OF GAS

The Transporter shall have the unqualified right to commingle the Supplier's gas with other gas in the Company's storage field(s).

8. GENERAL TERMS AND CONDITIONS

The provisions of the General Terms and Conditions of this Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule FS-1. To the extent that the General Terms and Conditions of this Tariff are inconsistent with the provisions of this Rate Schedule FS-1, the provisions of this Rate Schedule FS-1 shall govern.



GENERAL TERMS AND CONDITIONS

1. APPLICATION.

The following General Terms and Conditions apply to all services and rate schedules unless otherwise provided. To the extent these General Terms and Conditions are inconsistent with any specific provisions in any rate schedule, agreement, statement or other terms or provisions in this Tariff, such specific provisions shall govern.

2. DEFINITIONS.

The following terms used in this Tariff shall have the meanings defined below:

- 2.1 "Approved Daily Nomination" or "Confirmed Daily Nomination" is that Dth of gas which Transporter's Transportation Administration Section (currently known as Shipper Services) has approved to be transported on a particular day.
- 2.2 "Balance" and "Balancing" mean the Supplier's/Shipper's obligation to cause deliveries to equal receipts, with due consideration given to FL&U Reimbursement Quantities.
- 2.3 "British Thermal Unit" (Btu) is the amount of energy required to increase the temperature of one (1) pound of water one (1) degree Fahrenheit at fifty-nine (59) degrees Fahrenheit.
- 2.4 "Business Day" means Monday, Tuesday, Wednesday, Thursday and Friday, excluding Federal Bank Holidays.
- 2.5 "Capacity" means the maximum gas volume which any particular segment of the Transporter's system is capable of carrying under then-current operating conditions.
- 2.6 "Commercial Service" is service to customers engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.
- 2.7 "Commission" shall mean the Wyoming Public Service Commission (PSC) and any other governmental body or bodies succeeding to, lawfully exercising, or superseding any powers of the PSC.
- 2.8 "Commodity Charge" or "Usage Charge" means that portion of the amount to be paid monthly by the Shipper for service which is based upon the quantity of gas delivered to the Shipper at Shipper's Delivery Points.
- 2.9 "Company" means Black Hills Energy Transporter has the same meaning in this Tariff.



GENERAL TERMS AND CONDITIONS - CONTINUED

2. DEFINITIONS – CONTINUED

- 2.10 “Company-used Gas” means the quantity of gas consumed by the Company for purposes of its gas operations.
- 2.11 “Critical Operating Conditions” means an operating condition(s) which, in the Company’s sole reasonable operating judgment, requires the Company to direct specified operational actions and such Critical Operating Condition will be noticed by an Operational Alert.
- 2.12 “Cubic Foot of Gas” is the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty (60) degrees Fahrenheit and under an absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch.
- 2.13 “Curtailment” means the inability of the Supplier, Shipper or Customer to receive natural gas due to, but not limited to, a shortage of natural gas supply or pipeline capacity.
- 2.14 “Customer” means any individually metered end user of gas. A Customer may also be a “Shipper.”
- 2.15 “Daily Metering” means, if directed by the Transporter, the Shipper shall read the Transporter’s gas meter each day at the time specified by the Contract and report such reading to the Transporter.
- 2.16 “Day” is a period of twenty-four (24) consecutive hours beginning and ending at eight o’clock a.m. Mountain Time or (“MT”) at such other hour as Supplier/Shipper and Transporter may agree upon.
- 2.17 “Dekatherm” (“Dth”) means one million (1,000,000) British Thermal Units.
- 2.18 “Distribution System End-User” or “DSE” means any end-use transportation Customer taking gas through a delivery point that is not an MLI delivery point or who does not qualify as a grand-fathered MLE transportation Customer.
- 2.19 “Essential Industrial Process or Feedstock Use” means any use of natural gas in an industrial process or as a feedstock which the Secretary of Energy determines is essential.
- 2.20 “Feedstock Gas” is defined as natural gas used as raw material for its chemical properties in creating an end product.



GENERAL TERMS AND CONDITIONS - CONTINUED

2. DEFINITIONS – CONTINUED

- 2.21 “Fuel and Lost and Unaccounted For (FL&U) Reimbursement Quantity” is that portion of Shipper’s natural gas received by Transporter for transportation hereunder which is retained by Transporter as compensation for Company-used Gas and Lost and Unaccounted For Gas. The various FL&U Reimbursement Quantities are stated as a percentage of the natural gas delivered by Shipper at the applicable Point(s). Title to FL&U Reimbursement Quantity shall rest in Transporter upon receipt at the Receipt Point(s) at no cost, and free and clear of all adverse claims. This percentage(s) will be subject to adjustment as required.
- 2.22 “Gas” or “Natural Gas” is any mixture of hydrocarbons or of hydrocarbons and non-combustible gas, in a gaseous state, consisting essentially of methane.
- 2.23 “Gross Dry Heating Value” is the number of Btus produced by complete combustion, at a constant pressure, of the amount of gas which would occupy a volume of 1 cubic foot at a temperature of 60 degrees Fahrenheit (60° F) on a water-free basis and at a pressure of 14.73 p.s.i.a. with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion has condensed to the liquid state.
- 2.24 “Human Needs Customer” means a Customer who will use Choice Gas Service or Transportation Service quantities in any of the following facilities: houses, condominiums, hotels, resorts, dormitories, nursing homes, retirement homes, hospitals, assisted living facilities, other facilities where humans regularly stay overnight, schools and day-care facilities.
- 2.25 “Imbalance” or “Imbalance Quantities” is the difference between the Dth of transportation gas received by the Transporter for the Supplier’s/Shipper’s account and the Dth of transportation gas delivered by the Transporter to the Supplier/Shipper or for the Supplier’s/Shipper’s account at the Supplier’s/Shipper’s Delivery Point(s), with due regard given to FL&U Reimbursement Quantity.
- 2.26 “Industrial Service” is service to customers engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including the generation of electric power.
- 2.27 “Interruptible” means that Transporter has the right to stop, in whole, or in part, receipt, transportation, or delivery of natural gas at any time. Transporter shall provide as much advance notice as is practical to Shipper, except as may otherwise be specifically provided for in this Tariff.



GENERAL TERMS AND CONDITIONS - CONTINUED

2. DEFINITIONS – CONTINUED

- 2.28 “Interruption” means the Transporter’s inability to provide transportation to a transportation customer due to constraints on the pipeline system.
- 2.29 “Lost and Unaccounted For Gas” means the difference between the sum of all input quantities of gas received into the Transporter’s system and the sum of all output quantities of gas delivered from the Transporter’s system, which difference shall exclude Transporter-used gas and shall include, but not be limited to, gas vented and lost as a result of an event of force majeure.
- 2.30 “Mainline” means that portion of the Casper Division system that operates at high pressures and was formerly owned by the Northern Gas Company.
- 2.31 “Mainline System End-User” or “MLE” means those grand-fathered end-use transportation Customers in Casper Division whose delivery points were located on the former transmission system of Northern Gas Company and/or Customers that were deemed as MLE on or before March 8, 2002. Any new end-use transportation Customer after March 8, 2002 who connects to the former transmission system of Northern Gas Company or connects to the Company’s distribution system upstream of a TBS will be defined as a DSE Customer.
- 2.32 “Mainline System Interconnect” or “MLI” means those receipt and/or delivery points located on the Company’s transmission system, excluding any end-use customers.
- 2.33 “Maximum Daily Delivery Quantity” (at individual delivery point(s)) (“MDDQ”) means the maximum quantity of natural gas specified in the Transportation Service Agreement between Shipper and Transporter, which Shipper is entitled to receive from Transporter at a particular Primary Delivery Point on any Day that service to Shipper is not interrupted and capacity at that point is not subject to curtailment; provided however, that the sum of the MDDQ shall not be in excess of the Maximum Daily Transportation Quantity (MDTQ) specified in the executed Transportation Service Agreement, less the applicable Fuel, Lost and Unaccounted for Gas (FL&U) Reimbursement Quantity and other allowable deductions.
- 2.34 “Maximum Daily Receipt Quantity” (“MDRQ”) means the maximum quantity of natural gas specified in the Transportation Service Agreement between Shipper and Transporter which Shipper is entitled to tender to Transporter at a particular Primary Receipt Point on any day that service to Shipper is not interrupted and capacity at that point is not subject to curtailment; provided however, that the sum of the MDRQ shall not be in excess of the Maximum Daily Transportation Quantity (MDTQ) specified in the executed Transportation Service Agreement.



GENERAL TERMS AND CONDITIONS - CONTINUED

2. DEFINITIONS – CONTINUED

- 2.35 “Maximum Daily Transportation Quantity” (“MDTQ”) means the maximum quantity of natural gas in Dth specified in the Transportation Service Agreement between Shipper and Transporter, which Shipper is entitled to tender to Transporter for the account of Shipper at all Primary Receipt Point(s) on any Day that capacity at such point(s) is not subject to Curtailment. The MDTQ shall include the applicable Fuel, Lost and Unaccounted for Gas (FL&U) Reimbursement Quantity and other allowable deductions.
- 2.36 “Mcf” is one thousand (1,000) cubic feet of gas.
- 2.37 “Month” is a period beginning at eight o’clock a.m. Mountain Time, or at such other hour as Shipper and Transporter have agreed upon, on the first day of the calendar month and ending at the same time on the first day of the next month.
- 2.38 “Monthly Billing Period” is the calendar month.
- 2.39 “North System - Casper Division” means the segments of mainline pipeline north of the Sand Draw Compressor Station.
- 2.40 “Party” means Customer, Shipper, Supplier, Transporter, connecting Pipeline Company, or any other affected persons or entities.
- 2.41 “Point of Delivery” or “Delivery Point” is the point of connection between facilities of Transporter and another party at which the gas leaves the outlet side of the measuring equipment or main of Transporter and enters the facility of other party or other agreed upon point.
- 2.42 “Point of Receipt” or “Receipt Point” means the point(s) at which the upstream facilities are interconnected with the Transporter’s facilities and at which the gas flow is metered.
- 2.43 “Primary Delivery Point” means, with respect to a particular Supplier/Shipper, a Delivery Point on Transporter’s system listed in the Transportation Service Agreement executed by Transporter and Supplier/Shipper, or the Supplier’s/Shipper’s duly authorized agent, and subject to the terms and conditions set forth in this Tariff.
- 2.44 “Primary Receipt Point” means, with respect to a particular Supplier/Shipper, a Receipt Point on Transporter’s system listed in the Transportation Service Agreement executed by Transporter and Supplier/Shipper, or the Supplier’s/Shipper’s duly authorized agent, and subject to the terms and conditions set forth in this Tariff.
- 2.45 “Process Gas” is defined as gas use for which alternate fuels are not technically feasible such as in applications requiring temperature controls and precise flame characteristics. For the purposes of this definition, propane and other gaseous fuels shall not be considered alternate fuels.



GENERAL TERMS AND CONDITIONS - CONTINUED

2. DEFINITIONS – CONTINUED

- 2.46 “p.s.i.a.” means pounds per square inch absolute.
- 2.47 “p.s.i.g.” means pounds per square inch gauge.
- 2.48 “Sand Draw Compressor Station” means the compressor station located at 32N township, 35W range, Section 10 of Fremont County on the Casper Division Mainline system.
- 2.49 “Secondary Delivery Point” means, with respect to a particular Supplier/Shipper, a Delivery Point on Transporter’s system listed in the Transportation Service Agreement executed by Transporter and Supplier/Shipper, or the Supplier’s/Shipper’s duly authorized agent, and subject to the terms and conditions set forth in this Tariff.
- 2.50 “Secondary Receipt Point” means, with respect to a particular Supplier/Shipper, a Receipt Point on Transporter’s system listed in the Transportation Service Agreement executed by Transporter and Supplier/Shipper, or the Supplier’s/Shipper’s duly authorized agent, and subject to the terms and conditions set forth in this Tariff.
- 2.51 “Shipper” means a person or entity who has executed a Transportation Service Agreement and/or Market Center Services Agreement with Transporter. Shipper may or may not be the end user of the gas.
- 2.52 “South System - Casper Division” means the mainline pipeline segments and points located south of the Sand Draw Compressor Station.
- 2.53 “Special Contract” means contracts for transportation service which do not follow the form of service agreement for such service which is set forth in this Tariff and which contains provisions which are inconsistent with the applicable rate schedules and General Terms and Conditions authorized for such service by this Tariff. Special Contracts shall be filed with the Wyoming Public Service Commission in accordance with its Rules.



GENERAL TERMS AND CONDITIONS - CONTINUED

2. DEFINITIONS – CONTINUED

- 2.54 “Supplier” means a person or entity who has executed a Supplier Participation Agreement with Transporter under the Choice Gas program. For limited application in specified sections noted in this Tariff, the Company may be termed Supplier under the Pass-On Rate [Regulated Rate] Option. The Supplier may be a Shipper under other rate schedule(s).
- 2.55 “TBS” or “Town Border Station” means a delivery meter or a pool of delivery meters located at or near the town border metering station
- 2.56 “Therm” means one hundred thousand (100,000) British Thermal Units.
- 2.57 “Total Energy Content” is that amount determined by multiplying the gross dry heating value by the volume of gas in cubic feet.
- 2.58 “Transportation” means movement of gas through Transporter’s facilities from the receipt point to the delivery point.
- 2.59 “Transportation Service Agreement” shall mean a written agreement, providing for gas transportation service, which is executed by Transporter and the Shipper, and any exhibits, attachments, and/or amendments thereto. The Supplier Participation Agreement is the written agreement that governs the transportation service and the storage service under the Choice Gas service.
- 2.60 “Transporter” means Black Hills Energy. The terms “Transporter” and “Company” are used interchangeably in this Tariff and are intended to have the same meaning.
- 2.61 “Transporting Pipeline” means any pipeline delivering, or to deliver, transportation gas to the Receipt Point(s) specified in the Form of Transportation Service Agreement included in this Tariff. The transporting pipeline may include transmission facilities owned by Transporter, an affiliate of Transporter, or a third party.
- 2.62 “Year” is a period of three hundred sixty-five (365) days commencing and ending at eight o’clock a.m. Mountain Time, provided that any year which contains that date of February 29 shall consist of three hundred sixty-six (366) days.



GENERAL TERMS AND CONDITIONS - CONTINUED

3. QUALITY

3.1 Natural gas to be received and delivered by Transporter shall be of merchantable quality. Transporter reserves the right to extract or retain or permit the extraction of gasoline or any other substance whatsoever from, or otherwise treat (without impairing its merchantability), the natural gas received from Parties for transportation under this Tariff. Title to all extracted liquid and liquefiable hydrocarbons and other products, including any methane lost or removed in the extraction process or required for fuel, shall pass to Transporter at no cost, and the Shipper shall hold the Transporter harmless and free and clear of adverse claims with respect to the same.

3.2 QUALITY SPECIFICATIONS

Unless otherwise agreed, gas tendered to Transporter at each Point of Receipt shall comply with the following quality specifications:

- A. At a base pressure of 14.73 p.s.i.a. and a base temperature of sixty degrees Fahrenheit (60°F), such gas shall not contain more than:
1. One-fourth (1/4) grain of hydrogen sulfide per 100 cubic feet;
 2. Five (5) grains of total sulfur per one hundred (100) cubic feet;
 3. Three percent (3%) by volume of carbon dioxide in the Gillette Division, and two percent (2%) by volume of carbon dioxide for the Casper Division and the Torrington Division;
 4. Three percent (3%) by volume of nitrogen;
 5. Five percent (5%) by volume of total inert gases;
 6. Six (6) pounds of water vapor per million cubic feet;
 7. Ten (10) parts per million (0.001 percent) by volume of oxygen; and
 8. One (1) grain of total mercaptans per 100 cubic feet of gas.



GENERAL TERMS AND CONDITIONS - CONTINUED

3. QUALITY – CONTINUED

3.2 QUALITY SPECIFICATIONS – CONTINUED

- B. Such gas shall be commercial in quality and shall be free from any foreign material such as solids, sand, dirt, dust, gums, crude oil, water or hydrocarbons in the liquid phase, iron particles, and other objectionable substances which may be injurious to pipelines or which may interfere with its transportation or commercial utilization.
- C. At a base pressure of 14.73 p.s.i.a., the Gross Dry Heating Value of such gas shall not be less than 950 Btu nor more than 1100 Btu per cubic foot of gas.
- D. The temperature of such gas shall not exceed one hundred twenty degrees Fahrenheit (120°F). However, if Transporter is required to dehydrate the gas at the Point(s) of Receipt, then the temperature of such gas shall not exceed ninety degrees Fahrenheit (90°F).
- E. The hydrocarbon dew point of such gas shall not exceed a temperature of twenty-five (25) degrees Fahrenheit at the maximum pressure specified in the Service Agreement, or the pressure existing at the Point of Receipt, if higher.
- F. If gas tendered to the Transporter would cause gas that the Transporter tenders to another Transporting Pipeline to fail to meet the quality specifications set forth in the Tariff of the Transporting Pipeline, the Transporter may refuse to accept such gas even if it meets the quality specifications hereunder.
- G. Any Party delivering, or causing the delivery of gas to Transporter shall be liable and shall indemnify Transporter for all damages caused by such delivery to Transporter whenever such gas fails to meet quality specifications set forth herein or as otherwise agreed. Receipt by Transporter of any gas which does not meet applicable specifications shall not be deemed to have established a course of performance and shall not relieve a Party of its liability or obligations hereunder.



GENERAL TERMS AND CONDITIONS – CONTINUED

3. QUALITY – CONTINUED

3.3 QUALITY TESTING

- A. The Party operating the measuring equipment, shall use approved standard methods in general use in the gas industry and shall cause adequate tests to be made to determine the quality of the gas delivered hereunder. Such tests shall be made frequently enough to ensure that the gas conforms to the specifications hereof.
- B. If gas tendered to Transporter fails to meet the specifications of this Tariff, the measuring Party shall notify the other Party of such failure. The receiving Party may refuse to accept such gas. The Party tendering non-specification gas hereunder shall indemnify the receiving Party for any injury, damage, loss or liability caused by the delivery of such gas.

4. MEASUREMENTS

4.1 The unit of volume for the purpose of measurement and for the determination of total heating value shall be the cubic foot of gas as defined in this Tariff. Volumes of gas measured at prevailing meter pressures and temperatures shall be corrected to the unit of volume defined above by the procedures described below:

- A. Orifice Meters: Installation and the determination of volumes delivered through orifice meters shall conform to the recommendations in “Gas Measurement Committee Report Number Three” of the American Gas Association as amended, revised or superseded from time to time. Values of the orifice thermal expansion factor, manometer factor and gauge location factor shall be assumed to be in unity.
- B. Turbine Meters: Installation and the determination of volumes delivered through turbine meters shall conform to the recommendations in “Transmission Measurement Committee Report Number Seven” of the American Gas Association as amended, revised or superseded from time to time.
- C. Positive Displacement Meters: Installation and the determination of volumes delivered through positive displacement meters shall conform to the recommendations in “Gas Measurement Manual Displacement Measurement Part Number Two” of the American Gas Association as amended, revised or superseded from time to time.



GENERAL TERMS AND CONDITIONS - CONTINUED

4. MEASUREMENTS – CONTINUED

- 4.2 The atmospheric pressure shall be the average atmospheric pressure as determined by elevation at certain Points of Delivery and Receipt.
- 4.3 The volume of gas delivered through each Point of Delivery and Receipt shall be corrected to a base temperature of sixty degrees Fahrenheit (60°F) and a base pressure of 14.73 p.s.i.a. by using:
 - A. The arithmetic average of the temperatures recorded by a properly installed, continuously operated recording thermometer; or
 - B. A meter containing a temperature operated device, hereinafter referred to as a temperature compensated meter, through the operation of which the meter correctly registers the volume, corrected to sixty degrees Fahrenheit (60°F); or
 - C. An assumed temperature of the gas flowing through the meters of sixty degrees Fahrenheit (60°F) in the case of any small volume delivery where Transporter does not elect to install a recording thermometer or temperature compensated meter. However, in the event Transporter does not install a recording thermometer or temperature compensated meter, Shipper may install a recording thermometer and in such case the temperature so recorded shall be used in correcting to a temperature of sixty degrees Fahrenheit (60°F).
- 4.4 When orifice meters are used, the specific gravity of the gas delivered hereunder shall be determined by approved methods once a month, or as frequently as necessary for reasonably accurate determination, and the specific gravity so obtained shall be used in computing volumes of gas delivered hereunder.
- 4.5 The components of determining the deviation from Boyle's Law, at the pressure and temperature under which delivered, shall be determined by tests at intervals of twelve (12) months or at such shorter intervals as are found necessary. The correction factor determined by using American Gas Association "Report Number Eight" or American Gas Association "Project NX-19" shall be used in the computation of deliveries until the next test.



GENERAL TERMS AND CONDITIONS - CONTINUED

4. MEASUREMENTS – CONTINUED

- 4.6 The heating value of the gas delivered shall be determined by approved recording calorimeters, gas samples or chromatographs. Heating value determinations shall be made monthly, or as frequently as necessary for reasonable accuracy.

5. MEASURING EQUIPMENT

- 5.1 Subject to any required cost reimbursement, Transporter agrees to install, operate and maintain on its pipeline at or near each point of connection of the facilities of Transporter and Shipper (or another party which is transporting the gas on behalf of Shipper), a meter or meters that meet current AGA and other industry standards to measure all of the gas to be delivered hereunder. Shippers utilizing any Firm or Interruptible Transportation Rate Schedules will be required to have electronic flow measurement installed at Shipper's expense. Transporter also agrees to install, operate and maintain at or near each Point of Delivery such pressure regulating equipment as may be necessary.
- 5.2 Shipper may install, operate and maintain, at its own expense, check measuring equipment as it shall desire, provided that check meters and equipment shall be installed so as not to interfere with the operation of Transporter's meters at or near the Point of Delivery. Transporter shall have access to check measuring equipment at all reasonable hours but the reading, calibrating and adjusting thereof and changing of charts shall be done only by Shipper.
- 5.3 Both Transporter and Shipper shall have the right to be represented at any installing, reading, cleaning, changing, repairing, inspecting, calibrating or adjusting done in connection with the other's measuring equipment installed hereunder. The records from such measuring equipment shall remain the property of the owner but the owner, upon request to the other, will submit records and charts, together with calculations therefrom, for its inspection and verification, subject to return within ten (10) days after receipt.



GENERAL TERMS AND CONDITIONS - CONTINUED

6. METER TESTS AND ADJUSTMENTS

The Company will test its meters in accordance with the Meter Testing Program outlined in this tariff.

- 6.1. All service meters shall clearly indicate the units of measurement for which the customer is charged. If the Company bills in a different unit of measure than indicated on the meter, the conversion factor shall be stated on the bill. Meters will measure in cubic feet, therms, or dekatherms.
- 6.2. Transporter shall test its meters at reasonable intervals in the presence of Shipper's representatives, if Shipper so elects. Shipper at its sole expense may have tests or calibrations of Transporter's meters made at reasonable times in the presence of Transporter's representatives.
 - A. If, upon any test, measuring equipment is found to be not more than two percent (2%) fast or slow, previous readings of such equipment shall be considered correct in computing deliveries of gas; the equipment shall be properly adjusted at once to record accurately.
 - B. If, upon any test, any measuring equipment shall be found to be inaccurate by an amount exceeding two percent (2%), then any previous readings on such equipment shall be corrected to zero error for any period which is known definitely or agreed upon. In case the period is not known definitely or agreed upon, such adjustment shall be made for a period not exceeding one hundred eighty-three days for under measurement pursuant to W.S. § 37-2-218 or pursuant to W.S. § 37-2-222 for over measurement.
- 6.3. If for any reason Transporter's meters are out-of-service or out-of-repair so that the quantity of gas delivered to any party is not correctly indicated by the reading thereof, the gas delivered during the period such meters are out-of-service or out-of-repair shall be estimated by Transporter upon the basis of the best data available, using the first of the following methods which shall be feasible:
 - A. By using the registration of any check meter or meters if installed and accurately registering;
 - B. By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation; or
 - C. By estimating the quantity of delivery by deliveries during preceding period under similar conditions when the meter was registering accurately.
- 6.4. If Transporter institutes a new method or technique of gas measurement, such as electronic metering, such new method or technique may be substituted by Transporter in exercise of its reasonable judgment. Transporter shall promptly inform Shipper of any such new technique adopted and the date of its implementation.



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES

7.1 NOMINATION PROCEDURES AND DEADLINES. If a Supplier/Shipper desires transportation (including transportation on the Casper Division Mainline system) or storage service under this Tariff, on any Day, the Supplier/Shipper shall comply with the following Nomination procedures. Nominating Parties will submit Nominations to Transporter in accordance with the procedures and conditions set forth in this Section 7. Any Nominations received after a Nomination deadline will be scheduled after Nominations received before that Nomination deadline. All Nominations must be submitted electronically, unless an alternate method is expressly pre-authorized by Transporter. Transporter reserves the right to waive the deadline specified herein as posted on Transporter's EBB, provided that no Supplier/Shipper will be disadvantaged by such waiver.

A. Nomination Communications.

1. Transporter shall accept Nominations twenty-four (24) hours a Day via electronic communication. Transporter's EBB will contain after-hours and emergency contacts in the event communication is required beyond normal business hours.
2. Supplier/Shipper shall provide to Transporter the appropriate after-hours and emergency contacts for Supplier/Shipper.
3. Transporter shall not be liable to Supplier/Shipper under any circumstances for any damages or losses that may occur as a result of Transporter's inability to communicate with Supplier/Shipper.

B. Nomination Data Elements.

1. Submitted Nominations are original Nominations. If the Supplier/Shipper desires to change such Nomination, original Nominations should be overwritten with replacement Nominations. When a Nomination for a date range is received, each Day within that range is an original Nomination. When a subsequent Nomination is received for one or more Days within that range, the previous Nomination is superseded by the subsequent Nomination only to the extent of the Days specified. The Days of the previous Nomination outside of the range of the subsequent Nomination are unaffected. Nominations have a prospective effect only.
2. Certain Nomination data elements are identified as "key" fields and define the basis of a unique Nomination record. Changes to non-key data elements will cause a previous Nomination containing the same key elements to be replaced. Data elements shall conform to the requirements of general industry data dictionary standards.



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

B. Nomination Data Elements – Continued

3. Transporter's key Nomination data fields are composed of: (1) Supplier/Shipper name and business party identifier, (2) transaction type, (3) upstream or downstream Party(s), (4) service requestor contract number (to include type of service indicator), (5) the daily quantity of Gas in Dth to be received by the Company (including the Supplier's/Shipper's Transportation Quantities), (6) Daily Authorized Overrun Quantities, which must be, Nominated as a separate transaction, (7) any Park, Unpark, Loan, or Loan Payback quantities, (8) the applicable FL&U Reimbursement Quantity at each specified applicable Receipt Point, (9) Receipt Points, (10) the Daily quantity of Gas in Dth to be Delivered by the Transporter at each specified Delivery Point on the desired Day, (11) Supplier/Shipper defined beginning and ending dates, and (12) upstream and downstream pipeline contract and/or business party numbers, if applicable. For the nomination data fields to be successfully entered, the total receipt nominations less the applicable FL&U Reimbursement Quantity and other in-kind deductions must equal the equivalent Dth quantity of delivery Nominations.
4. Nominations must specify a beginning and ending date. Such dates must be no earlier than the effective date and no later than the termination date of the Service Agreement. Each Day, all Nominations for the next Day which have been received by Transporter at or prior to the Nomination deadline shall be processed pursuant to the General Terms and Conditions of this Tariff.
5. All Nominations, including Intra-Day Nominations, shall be based on a Daily quantity. Intra-Day Nominations shall include an effective date and cycle. The interconnected parties shall agree on the hourly flows of the Intra-Day Nomination, as needed.



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

- C. Timing of Nominations and Confirmations. Transporter will support the industry standard five (5) nomination cycles.
1. First of the Month Service. The Supplier/Shipper submits a Nomination by 12:00 noon, Mountain Time (“MT”), and such Nomination shall be received by Transporter by 12:15 p.m., MT, one (1) Business Day prior to the first Day of the Month.
 2. Next Day Service (also known as the Timely Nomination Cycle). The Day before the Supplier/Shipper desires to receive service, the Supplier/Shipper submits a Nomination by 12:00 noon, MT; and such Nomination shall be received by the Company by 12:15 p.m., MT; 3:30 p.m., MT for receipt of Confirmations by Transporter from upstream and downstream parties; 4:00 p.m., MT for Transporter to provide Confirmed Quantities to affected shippers and point operators, and to provide Confirmed Quantities to bumped parties. Gas flow period is one Gas Day which begins at 8:00 a.m., MT the Day following Confirmations of the Nominations.
 3. Intra-Day Nomination Requirements. For services that provide for Intra-Day Nomination and scheduling, there is no limitation as to the number of Intra-Day Nominations (i.e. line items) which a Supplier/Shipper may submit at any one standard nomination cycle or in total across all standard Nomination cycles. Intra-Day Nominations are to be submitted in full-Day quantities. Firm Intra-Day Nominations shall be scheduled ahead of previously scheduled Interruptible Nominations in the Evening, Intra-Day 1, and Intra-Day 2 Cycles. Application of this provision will result in such Interruptible Nominations being bumped.
 4. When a previously confirmed and scheduled quantity is altered, notification of such alteration should be provided to all of the following parties that are affected: (1) confirmation requester, (2) confirming upstream or downstream Party, and (3) Service Requester or their Agent.
 5. Intra-Day Nominations shall be considered complete upon Transporter’s receipt of a valid Nomination and the corresponding up and/or downstream confirmations.
 6. Each Day, a Supplier/Shipper may submit Intra-Day nomination(s).



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

- C. Timing of Nominations and Confirmations. Transporter will support the industry standard five (5) nomination cycles. – Continued
7. Intra-Day Nominations cannot cause a Supplier/Shipper to exceed its MDTQ.
 8. Intra-Day Nominations may be used to request increases or decreases in total flow, changes to Receipt Points or changes to Delivery Points of scheduled Gas.
 9. Intra-Day service nominations may be accepted at “qualified points” only. The criteria for a Receipt Point or Delivery Point to qualify as a “qualified point” are as follows:
 - i. Electronic flow measurement availability with communications capability to the Company’s measurement system;
 - ii. Location capable of flow adjustment verifiable by the Company and upstream and downstream transporting pipelines;
 - iii. 24-hour telephone contact for upstream and downstream transporting pipelines;
 - iv. The Supplier/Shipper must advise upstream and downstream transporting pipelines to contact the Company.
 - v. The Company may refuse to Confirm an Intra-Day Nomination relative to a qualified point if the Nomination requires Confirmation from an upstream or downstream interconnecting pipeline(s) that is not providing Timely Confirmations.
 10. Evening Nomination Cycle. For Evening Nomination Cycle service the Supplier/Shipper submits a Nomination after 12:00 noon, MT, but before 5:00 p.m., MT, the Day before the Supplier/Shipper desires service; 7:30 p.m., MT, for receipt of completed confirmations by Transporter from upstream and downstream Parties, 8:00 p.m., MT, for Transporter to provide Scheduled Quantities to affected Suppliers/Shippers and Point Operators and to provide Scheduled Quantities to bumped parties. Scheduled Quantities resulting from Evening Cycle Nominations are effective for Gas flow beginning at 8:00 a.m., MT the Day following Confirmations of the Nominations.



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

C. Timing of Nominations and Confirmations. Transporter will support the industry standard five (5) nomination cycles. – Continued

11. Intra-Day 1 Nomination Cycle: 9:00 a.m., MT, for receipt of Nominations by Transporter; 11:30 a.m., MT, for receipt of completed Confirmations by Transporter from upstream and downstream parties; 12:00 noon, MT, for Transporter to provide Scheduled Quantities to affected Shippers and Point Operators and to provide scheduled quantities to bumped parties. Scheduled Quantities resulting from Intra-Day 1 Nominations are effective at 1:00 p.m. MT on the Gas Day.
12. Intra-Day 2 Nomination Cycle: 1:30 p.m. MT, for receipt of Nominations by Transporter; 4:00 p.m., MT, for receipt of completed Confirmations by Transporter from upstream and downstream parties; 4:30 p.m., MT, for Transporter to provide Scheduled Quantities to affected Shippers and Point Operators and to provide scheduled quantities to bumped parties. Scheduled Quantities resulting from Intra-Day 2 Nominations are effective at 5:00 p.m. MT on the Gas Day.
13. Intra-Day 3 Nomination Cycle: 6:00 p.m., MT, for receipt of Nominations by Transporter; 8:30 p.m., MT, for receipt of completed Confirmations by Transporter from upstream and downstream parties; 9:00 p.m., MT, for Transporter to provide Scheduled Quantities to affected Suppliers/Shippers and Point Operators and to provide Scheduled Quantities to Shippers. Scheduled Quantities resulting from Intra-Day 3 Nominations are effective at 9:00 p.m., MT, on the Gas Day.



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

- C. Timing of Nominations and Confirmations. Transporter will support the industry standard five (5) nomination cycles. – Continued

14. Chart Depicting Scheduling Cycles (all times shown in MT):

Gas Day affected by Intra-Day Nomination begins	Timely for Next Gas Day*	Evening for Next Gas Day*	Intra-Day 1 for Current Gas Day*	Intra-Day 2 for Current Gas Day*	Intra-Day 3 for Current Gas Day**
Nomination Period Ends	12:00 noon	5:00 p.m.	9:00 a.m.	1:30 p.m.	6:00 p.m.
Nominations received by Transporter	12:15 p.m.	5:15 p.m.	9:15 a.m.	1:45 p.m.	6:15 p.m.
Completion of Upstream and Downstream interconnect Confirmations	3:30 p.m.	7:30 p.m.	11:30 a.m.	4:00 p.m.	8:30 p.m.
Posting of Report of Confirmed Nominations and Notice to Bumped Parties	4:00 p.m.	8:00 p.m.	12:00 noon	4:30 p.m.	9:00 p.m.
Nomination Effective Time	8:00 a.m.	8:00 a.m.	1:00 p.m.	5:00 p.m.	9:00 p.m.

*Bumpable

**No Bump



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

- D. Content of Nominations. The Supplier/Shipper shall include in any Nomination the key Nominations fields included in Section 7.1.B.3 of the General Terms and Conditions including: (1) the daily quantity of Gas to be received by the Company (including the Supplier's/Shipper's transportation volumes), (2) Authorized Overrun Quantities, which must be nominated as a separate transaction, (3) the Mainline and/or Storage FL&U Reimbursement Quantity at each specified Receipt Point, (4) Receipt Points (Primary and/or Secondary), (5) the daily quantity to be Delivered by the Company at each specified Delivery Point (Primary and/or Secondary) on the desired Day, (6) Supplier/Shipper defined beginning and ending dates, and (7) upstream and downstream pipeline contract and/or business party numbers, if applicable. The total receipt Nominations less the FL&U Reimbursement Quantity(s) and other deductions must equal the equivalent thermal quantity of delivery nominations.
- E. Nominations Flow Rate and Rollover Options. All nominations, including Intra-Day Nominations, shall be based on daily quantity, thus, an Intra-Day nominator need not submit an hourly Nomination. Intra-Day Nominations shall include an effective date. All Nominations, excluding Intra-Day Nominations, have rollover options. Specifically, Suppliers/Shippers have the ability to Nominate for several Days or for an entire Month, provided the Nomination begin and end dates are within the term of the Suppliers/Shipper's Service Agreement. Intra-Day Nominations do not rollover and they do not replace the remainder of a standing Nomination.
- F. Confirmation of Nominations Received. The Supplier/Shipper is obligated to view Confirmed Nominated quantities by accessing Supplier's/Shipper's account on Transporter's EBB.
- G. Confirmation by Interconnecting Party(s). The Transporter will initiate Confirmation of all Nominations with upstream and downstream interconnecting Party(s). The Company shall receive Confirmations for first of the Month and next Day service from all upstream and downstream interconnecting Party(s) by 3:30 p.m., MT, on the Day Nominations are due. The Company shall receive Confirmations for Intra-Day service from all upstream and downstream interconnecting Party(s) as provided for in the Section 7.1C of these General Terms and Conditions.



GENERAL TERMS AND CONDITIONS - CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

- H. Confirmed and Scheduled Quantities. The Transporter will schedule Gas flow quantities on a daily basis consistent with the priorities established in Section 15, Scheduling Principles for, and Determination of, Receipts and Deliveries, of the General Terms and Conditions of this Tariff. The Company shall provide Scheduled Quantities for first of Month and next Day nominations by 4:00 p.m., MT, on the Day before Gas flow to the Supplier/Shipper and point operator. By the end of each Gas Day, the Company shall make available to the Supplier/Shipper information containing scheduled quantities, including scheduled Intra-Day nominations and any other scheduling changes. For Evening, Intra-Day 1, and Intra-Day 2 scheduling cycles, previously Confirmed quantities may be bumped by a transaction of higher scheduling priority, as provided for in Section 15.1 of these General Terms and Conditions. An Intra- Day 3 service Nomination for Interruptible services will not be Confirmed if it would curtail Gas that is already flowing, regardless of the rate schedule the Gas is flowing under.
- I. Inaccurate Nominations. Based upon the information that the Company has available concerning the quantity of Gas actually Received from and Delivered to the Supplier/Shipper, or for the Supplier's/Shipper's account, if actual Receipts or Deliveries on any Day are more than five (5) percent over or under Nominations, or if actual Receipts differ from actual Deliveries on any Day by more than five (5) percent, Transporter may, by means of the telephone, electronic mail message or Company's EBB, notify the Supplier/Shipper that it has twelve (12) hours in which to bring actual Receipts or Deliveries and Nominations more closely into agreement; provided that Transporter shall issue said notice within a reasonable period after the inaccurate Nomination condition becomes evident to the Transporter, but no later than two (2) hours before the last Intra-Day Nomination deadline established in the tariff(s) of interconnecting Party(s). In said notice, the Transporter shall inform the Supplier/Shipper whether actual net Receipts need to be equal to or greater than actual Deliveries, or actual Deliveries need to be equal to or greater than actual net Receipts. Notwithstanding any provision of the Rate Schedules and these General Terms and Conditions of this Tariff , a Supplier/Shipper receiving notice under this paragraph will be permitted to submit an Intra-Day Nomination to the Transporter on or before the deadline for the last Intra-Day Nomination permitted in the tariff(s) of interconnecting Party(s) and the Transporter shall process and schedule said Nomination; provided that the Nomination is submitted for the purpose of complying with the directive contained within the notice provided to said Supplier/Shipper. If the discrepancy is not brought within the five (5) percent tolerance within twelve (12) hours, the Transporter may adjust deliveries to compensate for the inaccurate Nominations. The action allowed by this paragraph is in addition to the Company's right to assess Authorized Overrun Quantity charges or Unauthorized Overrun Quantity charges, or any Imbalance charges, pursuant to the terms of this Tariff.



GENERAL TERMS AND CONDITIONS – CONTINUED

7. SCHEDULING OF RECEIPTS AND DELIVERIES – CONTINUED

7.1 NOMINATION PROCEDURES AND DEADLINES – CONTINUED

- J. Content of Nominations – Casper Division. For the Casper Division such receipt and delivery nominations must be in matched pairs specific to North-system and South-system Receipt and Delivery locations.

7.2 DELIVERY OF GAS. It is the intention of Transporter to make daily delivery of Supplier's/Shipper's thermal equivalent volume received, less the FL&U Reimbursement Quantity and adjustments, if any, for prior imbalances.

7.3 DELEGATION FOR NOMINATING AND SCHEDULING. Shipper and/or Supplier may delegate to any third party responsibility for submitting and receiving notices or nominations or performing other administrative duties under any Agreement, subject to the following conditions:

- A. Any designation of such an agent/representative, and any change in such designation, must be in writing using the form of Agency Agreement provided with this Tariff and must be submitted at least two (2) business days prior to the requested effective date.
- B. The written designation shall specify any limits on the authority of the agent/representative, including any time limit on the designation; provided, however, that Transporter may reject any such limited designation if the limitations specified in the designation would result in an undue administrative burden.
- C. Transporter may rely on communication from Supplier's and/or Shipper's designated agent/representative for all purposes except to the extent the designation is explicitly limited as specified in the preceding Section 7.3B. Communications by Transporter to such designated agent/representative shall be deemed notice to Supplier/Shipper except to the extent the agent's/representative's authority is explicitly limited with respect to the receipt of notice under the procedure set out in said Section 7.3B.
- D. Any third party may administer multiple agreements as the designated agent/representative for one or more Suppliers and/or Shippers. However, such agent/representative shall separately administer and account for each such agreement.

7.4 COMMINGLING OF GAS. Transporter shall have the unqualified right to commingle Supplier's and/or Shipper's Gas with other Gas in Transporter's pipeline system.



GENERAL TERMS AND CONDITIONS – CONTINUED

8. BILLING AND PAYMENT

8.1 BILLING

- A. Transporter shall render invoices to Shippers for all gas delivered, including cashout charges or credits and penalties, on or before the twelfth (12th) business day of each month, or in the case of transportation service, in the preceding monthly billing period. When information necessary for billing purposes is in the control of Shipper, such information shall be delivered to Transporter by Shipper on or before the sixth (6th) day of the month following the month in which service was provided.
- B. Both Transporter and Shipper have the right to examine at reasonable times those books, records and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions hereof.
- C. In no event will any prior period adjustments be made after twenty-four (24) months from the date of statements, billing or payments, based on actualized volumes, unless the parties mutually agree
- D. The provisions for billing the Choice Gas Program are included in the Choice Gas Rate Schedules in this Tariff.

8.2 SHIPPER OBLIGATIONS CONCERNING METER READINGS AND OTHER BILLING INFORMATION

- A. When information necessary for billing purposes is in the control of the Shipper, such information shall be made available to Transporter by the Shipper on or before the eighth (8th) Business Day of the Month following the Month which most closely corresponds to the Monthly Billing Period in which the service was provided.
- B. Where Shipper operates the measurement facilities and such facilities include EFM equipment or where a third party tenders Gas for the account of Shipper, Shipper or its Agent shall electronically submit via e-mail, or other acceptable means, to Transporter on or before 8:00 a.m. MCT of each Day the Mcf, dry Dth, and Btu of Gas received by Transporter at the Point(s) of Receipt during the preceding Day.
- C. In the event actualized Mcf, dry Dth, and Btu measured Gas quantities are not available in a timely manner, the interstate pipeline, intrastate pipeline, gatherer, producer, point operator, or other third party in control of measurement at the meter shall provide an estimated quantity on or before the eighth (8th) Business Day of the Month following the Month associated with the Billing Period. Such estimated measurement data shall be identified as estimated and actual measurement shall be provided within fifteen (15) days. Transporter may invoice based on the estimated measurement to be supplied by such third party.



GENERAL TERMS AND CONDITIONS – CONTINUED

8. BILLING AND PAYMENT - CONTINUED

8.3. PAYMENTS

- A. Shipper shall pay to Transporter at its designated office, or if directed by Transporter, by wire transfer to a bank designated by Transporter, on or before the twenty-second (22nd) business day of each month for the natural gas delivered by Transporter during the preceding month as billed by Transporter in the invoice for said month. If payment differs from the invoiced amount, remittance detail should be provided with the payment.
- B. Notwithstanding Section 8.3A above, Shipper's payment shall never be due until ten (10) days from the date of Transporter's invoice for transportation services rendered.
- C. Any payments received shall first be applied to accrued interest, then to penalties due, then to the previously outstanding principal due, and lastly, to the most current principal due.
- D. Should Shipper fail to pay any undisputed portion of any bill as herein provided when such amount is due, Transporter may accrue interest on the unpaid portion of the bill at the Commission's Authorized Interest Rate as defined in the Commission's Rules. For any amount to be considered "disputed," Shipper must provide appropriate documentation supporting and identifying the basis for the dispute. If Shipper fails to make payment in accordance with this Section, Transporter may, in addition to any other remedy it may have under this Tariff or under commercial law: (1) suspend deliveries; and (2) offset such deficient payments against any payments, refunds or credits owed by Transporter to Shipper.



GENERAL TERMS AND CONDITIONS – CONTINUED

9. OPERATIONS BY SUPPLIER/SHIPPER AND TRANSPORTER

- 9.1 Upon request, Shipper or Supplier shall furnish to Transporter, as far in advance as operations permit, estimates of the expected hourly, daily, monthly and annual quantities of natural gas required by the Shipper or the Customer.
- 9.2 Supplier/Shipper shall deliver and receive quantities each hour on a uniform hourly rate, “as practicable,” and except as provided in Section 9.3 below, Transporter shall not be obligated to deliver gas under its transportation Rate Schedules in excess of uniform hourly rates. Supplier/Shipper shall be required to conform quantities to be received with those scheduled and confirmed to be delivered for each nomination cycle. Uniform Hourly Rate of Flow does not apply to Choice Gas Service unless storage will not be used to balance receipt and deliveries.
- 9.3 Authorized Fluctuations in Flow Rates. Subject to availability on Transporter’s pipeline system, Supplier/Shipper shall be entitled to take gas at any Delivery Point at an hourly rate necessary to serve its markets; provided, however, that Supplier/Shipper shall not be entitled to take, and Transporter shall not be obligated to deliver gas during any hour at any Delivery Point in excess of five percent (5%) of Supplier’s/Shipper’s Maximum Daily Delivery Quantity for such Delivery Point.
- 9.4 Notice to Observe Maximum Authorized Fluctuations in Flow Rates. If Transporter determines in its reasonable judgment that the Supplier’s, Customer’s or the Shipper’s takes of gas in excess of the uniform hourly rate threatens the integrity of Transporter’s pipeline system, including the ability to deliver to any other Supplier/Shipper its daily entitlement, Transporter reserves the right to implement an Operational Flow Order pursuant to Section 24 of these General Terms and Conditions.
- 9.5 Transporter shall deliver volumes for Supplier’s or Shipper’s account concurrently with the receipt of Receipt Volumes to the extent practicable. The Parties recognize that they may be unable to control exactly the quantities of gas received and delivered on any day and that the quantities received by Transporter may vary from the quantities delivered on any day. Variations shall be kept to the minimum and shall be balanced as soon as practicable. Transporter shall be under no obligation to accept from Supplier or Shipper more gas at any Receipt Point than has been nominated by such Supplier or Shipper for the Receipt Point for that day.



GENERAL TERMS AND CONDITIONS – CONTINUED

10. CREDITWORTHINESS

- 10.1 Transporter shall not be required to perform or to continue service under any Rate Schedule for any Party who is or has become insolvent, or who, within a reasonable period of time, fails to demonstrate creditworthiness at Transporter's request; provided, however, such Party may receive service if such Party prepays for such service or furnishes good and sufficient security, as determined by Transporter in its reasonable discretion, in an amount consistent with the amount of required deposits set forth in Section 25 of these General Terms and Conditions. Such cost of performing the service shall include, but not be limited to, the projected cost of transporting such Party's gas or the equivalent of the cost of gas owed to Transporter by such Party under an imbalance.
- 10.2 For purposes herein, the insolvency of a Party shall be evidenced by the filing by such Party, or any parent entity thereof, of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction in the premises adjudging such Party bankrupt or insolvent, or approving as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in respect of such Party under the Federal Bankruptcy Act or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequester (or other similar official) of such Party or of any substantial part of its property, or the ordering of the winding-up or liquidation of its affairs, with said order or decree continuing unstayed and in effect for a period of sixty (60) consecutive days.



GENERAL TERMS AND CONDITIONS – CONTINUED

11. DETERMINATION OF RECEIPTS AND DELIVERIES

11.1 For purposes of billing a Customer, the order of nominated services through a particular Delivery Point, unless otherwise determined, will be:

- A. Nominated Firm Services;
- B. Nominated Interruptible Service under Rate Schedule TC;
- C. Authorized overrun deliveries;
- D. Current Month Imbalance Payback or Makeup Gas;
- E. For the Casper Division - Rate Schedule MCS Park or Loan quantities; and
- F. Unauthorized overrun deliveries.

11.2 The allocation of gas volumes through any Receipt Point or Delivery Point will be the allocation supplied by the interconnecting Transporting Pipeline or pursuant to the Choice Gas Service Rate Schedule, or, if none, as reported by the operator of the delivering facilities, or, if not so reported, then gas will be allocated pro rata to all services through the point, based on the daily nomination. It is expected that under normal business and computer processes the allocation of Gas quantities will be available in three (3) Business Days following the date of physical flow.

11.3 Predetermined Allocation Agreements.

Except as to those Receipt Points or Delivery Points for which an operational balancing agreement is in effect, Transporter will enter into mutually acceptable predetermined allocation agreements with upstream or downstream Transporting Pipelines to accommodate allocation methodologies different from those outlined in this section. The allocation methodology types which the Parties may agree upon are ranked, pro rata, percentage, swing and operator provided value, provided that only one methodology shall be applied during an allocation period. If the Parties cannot agree upon an allocation methodology, flows will be allocated based on Section 11.2, above. The point operator shall provide the allocation. The upstream Transporting Pipeline providing the point confirmation shall submit the predetermined allocation to the allocating Party after or during confirmation and before the start of the Day.



GENERAL TERMS AND CONDITIONS – CONTINUED

12. POSSESSION OF GAS

- 12.1 Shipper/Supplier/Customer shall be in exclusive control and possession of the gas until such has been received by Transporter at the Point(s) of Receipt.
- 12.2 Transporter shall be in control and possession of the gas received hereunder and is responsible for any damage or injury caused thereby until the same has been delivered at the Point(s) of Delivery. The Point(s) of Delivery of the gas is specified to be the point of division of responsibility between the parties. Thereafter, sole responsibility and liability in relation to the gas shall attach to Shipper/Supplier/Customer. Transporter's responsibility with respect to gas being transported shall be deemed to be met if Transporter exercises due diligence in protecting such gas.
- 12.3 Each Party indemnifies and saves harmless the other for any and all damages, claims or actions arising out of the maintenance or operation of the other's property or equipment. No Party shall indemnify the other for any such damages, claims or actions arising out of the negligence of the other Party, its employees or agents.



GENERAL TERMS AND CONDITIONS – CONTINUED

13. PRESSURE

- 13.1 Transporter shall use due care and diligence to furnish gas hereunder at such uniform pressure as Shipper may request, but Transporter shall not be required to deliver at a pressure exceeding the normal operating pressure at point of delivery. Shipper/Supplier/Customer shall install, operate and maintain such pressure regulating devices as may be necessary or appropriate to regulate the pressure of the gas after its delivery to them.
- 13.2 Shipper/Supplier shall tender gas at the Point(s) of Receipt at a pressure sufficient to enter Transporter's System. Except with the agreement of Transporter, Shipper/Supplier shall not be permitted to tender the gas at any Point of Receipt at a pressure in excess of the pressure specified for that Point of Receipt, if any, as set forth in the applicable service agreement or as posted on the EBB in the Informational Postings section or as made available by e-mail to the Shipper/Supplier.

14. WARRANTY OF TITLE TO GAS

- 14.1 Shipper/Supplier/Customer warrants title to gas hereunder at the time of tender to Transporter and this title is free from all liens and adverse claims.
- 14.2 Each Party shall indemnify the other Party against all damages, costs, and expenses of any nature whatsoever arising from every title claim against said gas.



GENERAL TERMS AND CONDITIONS – CONTINUED

15. SCHEDULING PRINCIPLES

- 15.1 The order for scheduling transportation services shall be as follows and the scheduling limitations, if any, will be reviewed based on the location where scheduling is required:
- A. Firm services at primary points and/or on primary paths (scheduled pro rata based on MDRQ or MDDQ/MDTQ as applicable);
 - B. Firm services at secondary points and/or on secondary paths (scheduled pro rata based on nominations);
 - C. Interruptible services and Firm service authorized overruns (first scheduled by rate, then pro rata based on nominations for same rate);
 - D. Imbalance makeup or payback Gas.
 - E. For Casper Division, Rate Schedule MCS Park or Loan quantities (first scheduled by rate and term value of the transaction request, then pro rata based on nominations for the same rate and term value).
- 15.2 Pre-determined Allocation (PDA) Methods: At receipt or delivery points that are covered by an active approved pre-determined allocation methodology(s) including as dictated by an Operational Balancing Agreement, such PDA method shall be used. If no PDA exists, the default allocation method will be the pro-rata method.



GENERAL TERMS AND CONDITIONS – CONTINUED

16. LIMITATIONS ON OBLIGATIONS

16.1 Force Majeure

- A. It is expressly agreed that Transporter shall not be liable on any account whatsoever to any Party for any failure, interruption or diminution in service hereunder, or any act, omission or circumstance when it is caused by or in consequence of accident to or breakage of pipelines, equipment or machinery, maintenance, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacement, strikes, lockouts or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, or government agency, depletion or destruction of gas wells or fields, diminution or failure of, or interference, partial or entire, with Transporter's natural gas supply, or, and without limitation by the foregoing, any other causes beyond reasonable control of Transporter. In every case, Transporter shall exercise diligence to remove any such interference with its service and shall resume such service at the earliest practicable time.
- B. Supplier/Shipper shall not be liable to Transporter for any failure to deliver or receive natural gas hereunder when it is caused by, or in consequence of accident to or breakage of pipelines, equipment or machinery, maintenance, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, strikes, lockouts or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, government agency, or, and without limitation by the foregoing, any other causes beyond reasonable control of Supplier/Shipper. Any such cause or contingency exempting Supplier/Shipper from liability for non-performance (excepting where prevented by valid orders or requirements of Federal, State or other governmental regulatory bodies having jurisdiction in the premises) shall not relieve Supplier/Shipper of its obligation to pay demand charges, reservation charges, or other amounts owed in accordance with the provisions of the applicable rate schedule. However, Supplier's/Shipper's continuing payment obligation does not include the monthly administrative charge for any month in which no service was provided due to force majeure. In every case, Supplier/Shipper shall exercise diligence to remove any such interference with its delivery or receipt of gas and shall resume such delivery or receipt at the earliest practicable time.



GENERAL TERMS AND CONDITIONS – CONTINUED

16. LIMITATIONS ON OBLIGATIONS

16.2 Limitations on Gas Receipts, Transportation and Deliveries

- A. Transporter will use reasonable efforts to give at least four (4) hour's notice to the Shipper/Supplier/Customer in advance of the time reductions in service are to commence. However, when reductions are due to an event of force majeure or due to critical operating conditions, Transporter shall give whatever notice is practicable under the circumstances.
- B. Shipper/Supplier Customer is solely responsible for determining the need for and for maintaining any standby fuel installations.

16.3 Storage Withdrawals

- A. Transporter shall not be required to withdraw Gas from storage to serve the load of Shippers/Suppliers/Customers with a lower priority of interruption as defined in the Capacity Curtailment section of these General Terms and Conditions if such withdrawal, in Transporter's reasonable judgment, will impair its ability to serve higher priority requirements during the following 12-Month period.
- B. Transporter has made available to the Casper Division Choice Gas Suppliers contract storage service under Rate Schedule FS-1 but shall not be required to make available contract storage service to any other party.
- C. Notwithstanding the above, Transporter may make storage withdrawals as necessary to respond to emergency situations as required to forestall irreparable injury to persons or property. Such situations include, but are not limited to, space heating of plant offices and heating for minimum plant protection or maintenance.



GENERAL TERMS AND CONDITIONS – CONTINUED

16. LIMITATIONS ON OBLIGATIONS

16.4 Index of Requirements

Transporter shall prepare and maintain from information provided by Shipper/Supplier/Customer an Index of Requirements which shall show the peak day requirements of each consumer or of each class of consumers, when appropriate, subject to reduction in deliveries under this section based upon end use and served directly or indirectly by deliveries from Transporter included in Priority 1, Priority 2, Priority 3, Priority 4 and Priority 5. Such index shall be prepared in accordance with the procedures contained in Section 17.3, as amended from time to time, and interpreted in accordance with the priorities as defined therein and the rules stated below:

- A. The classification of consumers in Priority 5 shall be based on the peak day requirements of the consumers' facilities. Peak day requirements shall mean the maximum volume delivered to the consumer on any day of use by the consumer in the equipment currently in service.
- B. The requirements of small consumers, such as residential, commercial, small industrial, irrigation, and grain drying, may be grouped by classes.
- C. Transporter's obligation to deliver gas to any customer shall not exceed its delivery obligation under its service agreement with such Customer or any certificate, tariff or other limitation pertaining thereto.

16.5 Demand Charge/Reservation Charge Adjustments

Any other provisions of this Tariff notwithstanding, if Transporter does not deliver a volume of gas equal to the Contract Demand or Maximum Daily Transportation Quantity of a Shipper as a result of any Curtailments ordered pursuant to this Section 16, no reduction or other adjustment shall be made in the monthly demand charge or reservation charge assessed on the Shipper.

16.6 Liability

Transporter shall have the right, without liability to any Party, to curtail the receipt, transportation or delivery of Gas when necessary to test, alter, modify, enlarge or repair any facility or property comprising a part of, or appurtenant to, its pipeline system, or otherwise related to the operation thereof. Transporter shall endeavor to cause a minimum inconvenience to Parties. Except in cases of unforeseen emergency, Transporter shall give advance notice of its intention to so curtail the transportation of Gas, stating the anticipated timing and magnitude of each such Curtailment.



GENERAL TERMS AND CONDITIONS – CONTINUED

17. CAPACITY CURTAILMENTS

- 17.1 Whenever Transporter's system is unable, for any reason, to receive, transport, or deliver gas to satisfy the needs of all Supplier/Shippers requesting service, all requested firm services will be provided before requested interruptible service.
- 17.2 Before any firm service is interrupted, all interruptible service will have been interrupted.
- 17.3 In the event that a receipt, transportation and delivery capability limitation is applicable only to a specific pipeline, segment or area of the system, and the only receipt, transportation and delivery reductions required relate to that pipeline, segment or area, then the reductions prescribed above may be limited to such pipeline, segment or area.
- 17.4 Rankings
 - A. Interruption of gas service for purposes of Capacity Curtailment shall be in accordance with the rankings, from lowest to highest, set forth below:
 - 1. For the Casper Division, Rate Schedule MCS Park and Loan quantities;
 - 2. Imbalance make-up or payback;
 - 3. Firm Service authorized overruns and Interruptible Transportation Service;
 - 4. Firm services at Secondary Path, Receipt and/or Delivery Points; then
 - 5. Firm services at Primary Path, Receipt and/or Delivery Points.
 - B. Whenever the Capacity of all or a portion of Transporter's system or system segment, due to any cause, is such that Transporter is unable to serve all Interruptible Transportation Service Parties and all Firm Service authorized overrun Parties within ranking number 3, Parties receiving service at a lower rate will be curtailed before those Parties receiving service at a higher rate. Should any Parties have equal ranking based on rate paid, available Capacity shall be allocated pro rata based on Confirmed Nominations.



GENERAL TERMS AND CONDITIONS – CONTINUED

17. CAPACITY CURTAILMENTS – CONTINUED

17.4 Rankings – Continued

- C. Whenever the Capacity of all or a portion of Transporter's system or system segment, due to any cause, is such that Transporter is unable to serve all firm service Parties within ranking number 4, which are seeking to deliver or receive gas at secondary points, available capacity shall be allocated pro rata among such Parties based on Confirmed Nominations.
- D. Whenever the Capacity of all or a portion of Transporter's system or system segment, due to any cause, is such that Transporter is unable to serve all firm service Parties within ranking number 5, available Capacity shall be reduced pro rata based on maximum daily contract quantities. Notwithstanding the foregoing, Transporter may curtail deliveries to the extent practicable granting preference to Firm Services to meet the needs of the Highest Priority uses as shown in Section 17.5, below.

17.5 Priorities for Interruption of Firm Service

A. Priority 1 (Highest Priority - Firm Services)

Requirements of persons using natural gas in a dwelling for residential purposes, including apartment buildings and other multi-unit buildings, and requirements of small commercial consumers (including public and private institutions and local, state, and federal government agencies) having requirements on a peak day of less than five hundred (500) therms for purposes other than those involving manufacturing or electric power generation, including all requirements:

- 1. in a school, defined as a facility the primary function of which is to deliver instruction to regularly enrolled students in attendance at such facility;
- 2. in a hospital, defined as a facility the primary function of which is to deliver medical care to patients who remain at the facility, including nursing and convalescent homes; or
- 3. for police and/or fire protection and in sanitation and correctional facilities.



GENERAL TERMS AND CONDITIONS – CONTINUED

17. CAPACITY CURTAILMENTS – CONTINUED

17.5 Priorities for Interruption of Firm Service – Continued

B. Priority 2 (Second Highest Priority - Firm Services)

Any use of natural gas which has been certified by the Secretary of Agriculture as an essential agricultural use under Section 401(b) of the Natural Gas Policy Act unless the Commission, in consultation with the Secretary of Agriculture determines, by rule or order that the use of an alternative fuel is economically practicable and reasonably available. The definition of “alternative fuel” shall be that stated in 18 CFR 281.303(b) as amended from time to time. Peak day volumes shall be based on current requirements unless such volumes exceed contract or certificate limitations.

C. Priority 3 (Third Highest Priority - Firm Services)

All uses by commercial consumers having requirements on a peak day of five hundred (500) therms or more except for boiler fuel use by commercial consumers having requirements on a peak day of more than three thousand (3,000) therms, and all industrial consumers for feedstock and process needs having requirements on a peak day of not more than five thousand (5,000) therms and for ignition fuel and flame stabilization for boilers when fired by other fuels. An industrial customer requiring gas for ignition fuel and flame stabilization shall not take more gas for this purpose than is required for safe operation of its plant but shall not take more gas on any day than the volume shown in Priority 3 as its peak day requirement.

D. Priority 4 (Fourth Highest Priority – Firm Services)

1. Essential Industrial Process and Feedstock uses of consumers having a peak day requirement in excess of five thousand (5,000) therms.
2. Firm service for which there is no end use information or firm service not specified in any other priority.



GENERAL TERMS AND CONDITIONS – CONTINUED

18. SUPPLY DEFICIENCIES AND RELATED OPERATIONAL FLOW ORDERS

18.1 In the case of a Supply Deficiency, Transporter may issue an Operational Flow Order under Section 24 of the General Terms and Conditions of this Tariff, prohibiting Parties from taking gas owned by the Company or other Parties during the period of Supply Deficiency.

18.2 Interruption of gas service shall be in accordance with the priorities set forth below:

- A. If a Party is determined to have insufficient gas supplies on Transporter's system to meet its needs or the needs of its Customers at any given time, deliveries to that Party or its Customers may be interrupted. Interruptions may be made in accordance with the priorities set forth in Section 17.5 of the General Terms and Conditions of this Tariff to the extent Transporter is reasonably able to do so.
- B. If Transporter determines the shortage of supply is caused entirely by Suppliers but is unable to determine which Supplier(s) has insufficient supplies to meet the needs of its Customers, then any or all Suppliers and their Customers may be interrupted. Interruptions may be made in accordance with the priorities set forth in Section 17.5 of the General Terms and Conditions of this Tariff to the extent Transporter is reasonably able to do so.
- C. If Transporter determines the shortage of supply is caused entirely by Shippers but is unable to determine which Shipper(s) is deficient in supplies, then any or all Shippers and their Customers may be interrupted. Interruptions may be made in accordance with the priorities set forth in Section 17.5 of the General Terms and Conditions of this Tariff to the extent Transporter is reasonably able to do so.
- D. If Transporter is unable to determine which Party or Parties have insufficient supplies to meet their needs or the needs of their Customers, then any or all Parties and their Customers may be interrupted. Interruptions may be made in accordance with the priorities set forth in Section 17.5 of the General Terms and Conditions of this Tariff to the extent Transporter is reasonably able to do so.



GENERAL TERMS AND CONDITIONS – CONTINUED

19. REMEDIES AND COMPLAINTS

- 19.1 Transporter is not required to perform service under the Transportation Service Agreement on behalf of any Shipper that fails to comply with any and all of the terms and conditions of the Transportation Service Agreement including the applicable rate schedules and these General Terms and Conditions.
- 19.2 The failure of Shipper to timely pay any bill rendered it by Transporter shall be handled in accordance with the General Terms and Conditions of this Tariff.
- 19.3 No provision of these General Terms and Conditions regarding specific remedies shall bar either Transporter or Shipper from asserting any other remedy it may have at law or in equity.
- 19.4 Complaints to the Company shall require the Company to make full and prompt investigations of all complaints. The Company shall retain a record of all such complaints received for a period of three years. The record shall include the name and address of the complainant, the date and character of the complaint, and its resolution.

20. DULY CONSTITUTED AUTHORITIES

- 20.1 This Gas Tariff, including these General Terms and Conditions and the respective obligations of the parties under the Service Agreement, are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.
- 20.2 Each Party's obligations under a Service Agreement incorporating these General Terms and Conditions are conditioned upon each Party obtaining from governmental authorities having jurisdiction such authorization as may be necessary.
- 20.3 The Parties recognize that the rates, terms, and conditions for service hereunder may require change from time to time. Accordingly, Transporter's rates, terms and conditions, may from time to time be changed by appropriate lawful processes, including the filing of changed provisions with the Commission. Transporter shall be entitled to collect such changed rate from Shipper commencing with the effective date of such change. Shipper shall be obligated to pay the changed rate, made effective in the manner described above, but nothing herein contained shall prejudice the rights of Shipper to contest at any time changes to the charges for the services rendered hereunder by Transporter.



GENERAL TERMS AND CONDITIONS – CONTINUED

21. NOTICES

Except as provided otherwise or as required otherwise in this Tariff, communications between the Parties may be made by EBB posting, e-mail, fax, telephone, instant message text or other mutually agreeable means without subsequent written confirmation, unless written confirmation is requested by either Party hereto. Any notice, request, demand, statement or other formal communication shall only be deemed given when delivered by first class, certified or registered U.S. mail, overnight delivery, courier, facsimile or electronic notice delivery. Such delivery shall: (1) be sent to Transporter at the address specified in the Agreement, or through such electronic means as are available and authorized by Transporter, or to an address otherwise stated in a notice by Transporter to Supplier/Shipper; and (2) be sent to Supplier/Shipper at the address in the Agreement, through electronic notice delivery, or at an address otherwise stated in a notice by Shipper to Transporter. Mailed communications shall be considered delivered when deposited in the United States mail, postage prepaid and registered, addressed to the Post Office address of Transporter or Shipper, or at such other address as either Party shall designate by formal written notice. Notices pursuant to the Limitations on Obligations section of these General Terms and Conditions may be given orally.



GENERAL TERMS AND CONDITIONS – CONTINUED

22. INTERACTIVE WEBSITE or EBB

22.1 WEBSITE/EBB DESCRIPTION

- A. Transporter maintains an interactive website which is available for use by Suppliers/Shippers and other interested parties upon request. The website has both secure and non-secure regions. Information of a general nature is included in the non-secure region, while confidential, shipper-specific data is accessible only through the secure region which requires a logon identification and password. Daily back-up records of information displayed or entered through these web pages are archived and non-secure information is accessible to customers on a non-discriminatory basis. The data will be kept for a three (3) year period, inclusive of both current and archived data.
- B. The non-secure information is primarily comprised of informational postings. Transporter, at its sole option, may add informational sections to these web pages in order to facilitate timely and complete communications with customers. The secure region provides access to Nominations, Volume Inquiry data and Contract Processing. Logon identification and passwords required to enter the secure region of the website may be obtained per the procedures outlined in Section 22.2.

1. INFORMATION POSTINGS AND PLANNING TOOLS

The types of information available through the Informational Postings section of the website include: (a) information on construction and maintenance projects impacting capacity; (b) imbalance volumes available for trading among Suppliers/Shippers prior to cashout; (c) firm and interruptible rates and fuels; (d) catalog of currently active Receipt and Delivery Points; and (e) general announcements and procedures, including Operational Flow Orders.

2. NOMINATIONS

This feature allows for submittal of all transportation nominations, predetermined allocations and nomination priorities as required in this Tariff.



GENERAL TERMS AND CONDITIONS – CONTINUED

22. INTERACTIVE WEBSITE or EBB – CONTINUED

22.1 WEBSITE/EBB DESCRIPTION – CONTINUED

B. Continued

3. VOLUME INQUIRY

This feature provides access to reports detailing quantities of total Gas flows and allocated flows, by point and identifier level for contracted point(s). The timing for reporting daily operational allocations after the gas has flowed is typically within two (2) or three (3) Business Days after the end of the Gas Day. If the best available data for reporting daily operational allocations is the scheduled quantity, that quantity should be used for the daily operational allocation. Each Supplier/Shipper and each other entity involved in a transaction at a point will be able to see their total flows at the point and the volumes allocated to or by such Supplier/Shipper or other entity.

22.2 ACCESS TO WEBSITE

Suppliers/Shippers and other interested parties may obtain access to the interactive transactional web pages by contacting a representative of Transporter's Electronic Customer Service Department in Denver, Colorado. Logon identifications, passwords and access instructions will be supplied upon request under the terms and conditions set forth in Sections 22.3 through 22.13, below. The Internet address for this website is <https://pipelines.blackhillsenergy.com>.

22.3 AUTHORITY

Users of this website shall be deemed to have agreed and admitted that any employee permitted by Subscriber to access the website shall have the legal authority to act on behalf of Subscriber in performing any functions, including those functions which are available presently and those functions which become available at a later date.

22.4 INSTALLATION

Each Subscriber shall purchase and ensure that lawful installation of the designated commercially available Internet Browser software occurs for each personal computer (PC) from where this website is accessed.



GENERAL TERMS AND CONDITIONS – CONTINUED

22. INTERACTIVE WEBSITE or EBB – CONTINUED

22.5 CONFIDENTIALITY

Certain information contained on this website is confidential. A Subscriber shall not reproduce, disclose or otherwise make available confidential information contained therein to any other company, corporation, individual, or partnership.

22.6 RELIANCE BY TRANSPORTER

Transporter may act, and shall be fully protected by a Subscriber in acting, in reliance upon any acts or things done or performed by Subscriber's employees or designated agents on behalf of Subscriber and in respect to all matters conducted through this website. Transporter may correct errors in information entered into this website by a Subscriber promptly after receiving notice of the corrections or may require Subscribers to enter the corrections directly into this web site.

22.7 ACCESS TO CONFIDENTIAL INFORMATION

Should a Subscriber require access to confidential information (such as Agreement, points, nomination, volume, or other customer-specific information deemed to be of a confidential nature requiring controlled access), Transporter will require the Subscriber to provide a written request and officer level approval for issuance of a company-level computer access (logon) identification code and password. Upon receipt of such request, Transporter will ensure return of a confidential logon code and password within one (1) business week.

22.8 LOGON

A Subscriber's logon identification and password are confidential and are used to identify that Subscriber. A Subscriber shall keep his logon and password confidential. A Subscriber will ensure that only authorized employees and agents of Subscriber will be given Subscriber's logon identification and password and only these authorized persons will be permitted to access this web site on Subscriber's behalf. A Subscriber and its employees and agents will not disclose the Subscriber's logon identification and password to anyone without authority to access this web site for the Subscriber. To ensure such confidentiality is not breached, requests from Subscriber employees or agents for information regarding Subscriber logon identification and password made subsequent to issuance of the original logon identification and password may not be honored without receipt by Transporter of additional authorization from Subscriber. Subscriber shall be responsible for and accepts liability for any security breach that is traced to Subscriber's logon identification and password.



GENERAL TERMS AND CONDITIONS – CONTINUED

22. INTERACTIVE WEBSITE or EBB – CONTINUED

22.9 BREACH OF SECURITY

A Subscriber shall promptly notify Transporter if there is any indication that a security breach has occurred with regard to Subscriber's logon identification and password. This includes, but is not limited to: (i) loss of confidentiality of logon identification and password; (ii) termination of employment of any authorized employee; or (iii) loss of authority to access this web site by any authorized employee. Such notification shall be made to Transporter's Electronic Customer Service Department.

22.10 LIMITATION TO ACCESS

A Subscriber may attempt to access only that data for which Subscriber has authorization. A Subscriber shall provide supporting legal documentation prior to being given access to data of other subsidiaries, affiliates, or companies for whom it has an agency relationship. See Section 7.3 of the General Terms and Conditions for information on delegation.

22.11 LIMITS OF RESPONSIBILITY

Transporter shall not be responsible for an omission or failure by Transporter to act or perform any duty requested by a function accessed via this web site if such omission or failure to act is caused by or related to data lost in the transmission of such data from Subscriber's to Transporter's computer system, power failures, failure of backup systems, or any other event beyond the reasonable control of Transporter.

22.12 RESERVATION

Transporter reserves the right to add, modify or terminate web site functions at any time subject to compliance with Commission Regulations.

22.13 AGREEMENT BY NON-SHIPPER

Any Subscriber who is not a Supplier/Shipper under one of the Rate Schedules of this Tariff will be required, as a precondition of access to this web site, to sign an agreement with Transporter pursuant to which the Subscriber agrees to be bound by the provisions of this Section.



GENERAL TERMS AND CONDITIONS – CONTINUED

23. INCIDENTAL PURCHASE AND SALE

- 23.1 Transporter may buy and sell gas in connection with the provisions of all transportation services. Transporter may buy and sell gas to the extent necessary to maintain system pressure, to manage system storage, to replenish any storage retained by Transporter for system operations, to provide adequate storage inventory to support transportation services, to maintain line pack and provide additional line pack for new facilities, to implement the cash-out imbalance procedures for transportation service, and to perform other functions of Transporter in connection with transportation services. Nothing herein shall impose on Transporter any obligation to provide a supply function to any Party.
- 23.2 Transporter will sell gas at any point on the system on a non-discriminatory basis. The buying Party will be required to arrange with Transporter the necessary transportation agreements from the point of sale.



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS

When Transporter reasonably determines that its projected system deliverability or operational integrity, including the ability to provide any Shipper or Supplier its firm service entitlement, is threatened or compromised, Transporter shall be authorized to take action to correct such situation as described below. In such event, Transporter shall, to the extent practicable, seek to remedy the situation as provided below; provided, however, that nothing herein shall preclude Transporter from bypassing one or more of the steps described below, if, in Transporter's reasonable judgment, the situation so requires.

24.1 Operational Alerts. Transporter may issue Operational Alerts, consisting of the following, as applicable:

- A. A description of the affected portion(s) of the system;
- B. A description of the condition(s) to be corrected and/or designation of Supplier(s)/Shipper(s) to whom the Operational Alert is addressed and whether by the Operational Alert the Company is declaring a Critical Operating Condition;
- C. A list of remedial measures which can be voluntarily undertaken by Suppliers/Shippers or any other entities affecting the system to correct the situation. Remedial measures may include, inter alia, the following:
 - 1. Maximizing the balance of Capacity between segments of Transporter's system by shifting inputs or receipts;
 - 2. Changing Receipt Points or Delivery Points;
 - 3. Switching to alternate fuels or other changes in usage;
 - 4. Supplier/Shipper reliance on storage service or other services from other pipelines;
 - 5. Utilizing existing voluntary arrangements for diversions of Gas between Suppliers/Shippers and/or other Parties;
 - 6. Correction of Imbalances; and/or
 - 7. Performing any other voluntary action which would tend to alleviate or forestall the situation.



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS – CONTINUED

24.1 Operational Alerts – Continued

- D. Any other information, terms and/or conditions which Transporter deems appropriate. Upon issuance of an Operational Alert, Transporter may also take such actions as are within its control and discretion to alleviate or forestall the situation, including invoking the provisions of Section 16, Limitations on Obligations, of these General Terms and Conditions. Suppliers/Shippers shall be notified of Operational Alerts via telephone and/or Transporter's Interactive Website, and this shall constitute notice that issuance of an Operational Flow Order ("OFO") may be imminent.

24.2 OPERATIONAL FLOW ORDERS

- A. An Operational Flow Order is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of Transporter's system or to maintain operations required to provide efficient and reliable service. If the Company issues an OFO, the system or segments of the system will be deemed to be in a Critical Operating Condition. Transporter shall have the right to issue Operational Flow Orders as specified in this section if such action is required:
1. To alleviate conditions which in Transporter's judgment threaten the integrity of Transporter's system;
 2. To maintain pipeline operations at the pressures required to provide efficient and reliable sales and transportation services;
 3. To have adequate Gas supplies in the system to deliver on demand;
 4. To correct imbalances including, at the election of the Company, requiring the immediate cash-out of designated Imbalance Quantities;
 5. To maintain service to all Customers and for all services;
 6. To maintain the system in balance for the foregoing purposes; and/or



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS – CONTINUED

24.2 OPERATIONAL FLOW ORDERS – CONTINUED

A. Continued

7. In one of the following situations:

- i. In the event that receipts in a segment of Transporter's system exceed scheduled receipts so that high system pressures back off scheduled receipt quantities, Transporter may issue an OFO to all Supplier/Shippers in the affected segment of the system stating that a high pressure condition exists. All such Suppliers/Shippers will be required to check their Receipt Points on the affected portion of the system. Those Suppliers/Shippers who are receiving more than their scheduled volumes, or who are otherwise responsible, in whole or in part, for the high pressure condition, will have four (4) hours in which to make needed adjustments, or be subject to the penalty specified in this section. An OFO issued pursuant to this paragraph will be canceled by Transporter when the high pressure condition has been corrected and the system imbalances created by the high pressure condition have been reasonably resolved.
- ii. If, in Transporter's judgment, impending operating conditions will cause the delivery pressure to one or more Suppliers/Shippers to drop to a level which could jeopardize system integrity, Transporter may immediately issue an OFO pursuant to this paragraph requiring that deliveries under all Transportation Service rate schedules be made at a uniform hourly rate effective three (3) hours after issuance of the OFO. Failure to comply with such order on a timely basis will subject non-complying Suppliers/Shippers to the penalty specified in this section. If only one segment of Transporter's system is affected by low pressure, the OFO shall be limited to that segment of the system. For the duration of the OFO, increases in scheduled delivery quantities within affected segments of Transporter's system will be made on a prospective basis only.



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS – CONTINUED

24.2 OPERATIONAL FLOW ORDERS – CONTINUED

A. Continued

7. In one of the following situations - Continued

- iii. In the event there is a need for Transporter to engage in routine and normal maintenance of the system, to undertake repairs and replacements of lines of pipe, to schedule Department of Transportation compliance activities, to install taps, to make pig runs, to test equipment, or to engage in similar actions affecting the Capacity of any portion of the system, Transporter may issue an OFO(s) pursuant to this paragraph which will contain an estimate of the time, duration, and impact of the activity. This provision is in addition to Section 16, Limitations on Obligations, of the General Terms and Conditions of this Tariff as an event of force majeure may affect deliveries without triggering the need for an OFO. An order issued pursuant to this paragraph shall be canceled when such planned maintenance or other activities have been completed.
- iv. Transporter may, on a non-discriminatory basis, issue such other reasonable OFOs as may be required for the purposes set forth in this section in order to provide the services contemplated in this Tariff.

Before issuing an OFO, Transporter will attempt to identify specific Suppliers/Shippers causing a problem and attempt to remedy those problems. Where operationally feasible, service to Interruptible Suppliers/Shippers will be suspended prior to issuing an OFO curtailing services to Firm Suppliers/Shippers.



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS – CONTINUED

24.2 OPERATIONAL FLOW ORDERS – CONTINUED

B. Transporter will notify affected Suppliers/Shippers by telephone, email, instant message text and or fax and through Transporter's interactive website at least twenty-four (24) hours prior to the implementation of an OFO; provided, however, that a shorter notice period may be given where action must be taken to protect the integrity of the system. Such notice shall include, but not be limited to:

1. Identification of the Parties subject to the OFO;
2. The time the OFO will become effective;
3. The estimated duration of the OFO;
4. The triggering Tariff provision which is the basis for the OFO;
5. Whether Transporter is over- or under-delivered;
6. Whether actual net receipts need to be equal to or greater than actual deliveries, or actual deliveries need to be equal to or greater than actual net receipts;
7. Whether authorized overruns are acceptable; and
8. A twenty-four (24) hour contact number for the Transporter during the duration of the OFO.

Where an OFO is issued pursuant to this section and made effective on less than twenty-four (24) hours' notice, Transporter will provide affected Suppliers/Shippers with a detailed explanation, with all relevant information specific to the individual situation, to justify issuance of the OFO.

C. Upon issuing an OFO, Transporter shall notify all affected Suppliers/Shippers by e-mail, telephone, instant message text and/or on Transporter's interactive website. Suppliers/Shippers must notify Transporter of the name and telephone number of a person who will be available on a twenty-four (24) hour basis to receive notice of the issuance of an OFO. Transporter will give a twenty-four (24) hour phone number in the notice.



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS – CONTINUED

24.2 OPERATIONAL FLOW ORDERS – CONTINUED

- D. If an OFO is issued, Transporter will direct one or more Suppliers or Shippers to adjust receipts and/or deliveries at specific point(s) on Transporter's system. Transporter reserves the right to request holders of firm Capacity under Rate Schedule RCG or Rate Schedules TC, TG, or TT of this Tariff to use their Primary Receipt Point(s) or Primary Delivery Point(s) to maintain the integrity of the system.
- E. On any Day that an Operational Flow Order is in effect, all quantities tendered on an individual Service Agreement basis to Transporter by Supplier/Shipper and/or taken by a Customer on a daily basis in violation of the Transporter's Operational Flow Orders shall constitute unauthorized receipts or deliveries for which a charge of \$25.00 per Dth shall be assessed. With respect to quantities tendered or taken on a daily basis in violation of an OFO, Supplier/Shipper also shall be assessed a cash out charge equal to the highest spot gas price listed in Gas Daily's Daily Price Survey relative to Colorado Interstate Gas Company, Northwest Pipeline Corporation and Questar Pipeline Company, applicable to the "Rockies" (Rocky Mountain) region, for the Day that the unauthorized deliveries occurred; provided that said unauthorized deliveries shall be excluded from the determination of an offending Shipper's Imbalance for the Monthly Billing Period. Suppliers/Shippers will be exempt from penalties or Imbalances that result from complying with an OFO. Imbalances accrued as a result of compliance with an OFO will be cashed out at 100% of the index price as noted above. Upon an OFO becoming effective, as specified in the OFO or as provided in this section, Suppliers/Shippers, Transporting Pipelines, and other Parties shall be permitted the time stated in the OFO, or such lesser time as is required to protect the integrity of the Transporter's system, to make adjustments in compliance with the OFO(s). If the Customer, Transporting Pipeline, or other Party adjusts its tenders or takes within such notice period, then no charge, as provided for herein, shall be assessed.



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS – CONTINUED

24.2 OPERATIONAL FLOW ORDERS – CONTINUED

- F. Compliance with OFOs and the other terms and conditions of this Tariff is essential to providing deliveries and services under all rate schedules. A failure by one or more Suppliers/Shippers to comply with an OFO may affect Transporter's ability to provide such deliveries and services. Suppliers/Shippers failing to comply with an OFO may be held accountable, either directly or as a third party defendant, for any damages so caused to other Suppliers, Customers, Shippers and/or to Transporter. In such event, and in addition to other remedies available under this Tariff and applicable law, Transporter shall have no liability or responsibility for its inability to provide services under the affected rate schedules or Service Agreements and will be indemnified and held harmless by the offending Supplier(s)/Shipper(s) against any claim relating to such failure to provide deliveries and services. Payment of any penalties pursuant to this Tariff for such non-compliance shall not be construed in any way to entitle Supplier/Shipper to engage in such actions, nor shall such payments be considered as relieving such Supplier/Shipper of its responsibilities under this section.
- G. Upon issuance of an OFO, including a Supplier-specific OFO or Shipper-specific OFO, the Company may require Shippers and/or Choice Gas Suppliers to source their gas from specified locations on any given gas day.



GENERAL TERMS AND CONDITIONS – CONTINUED

24. OPERATIONAL CONTROLS – CONTINUED

24.3 UNAUTHORIZED GAS – POINT OPERATORS

Unauthorized gas is gas which has not been scheduled and confirmed at a receipt or delivery point except for gas associated with a Choice Gas contract up to its MDTQ at a primary point. Transporter will notify point operators by approximately the fifteenth (15th) day of each month of their level of unauthorized gas for the preceding month.

A. Unauthorized Receipts – Point Operators

Any point operator that delivers unauthorized natural gas onto Transporter's system will be given thirty (30) days from the date Transporter provides notice to the point operator that such gas has been received, and to deliver it off Transporter's system or identify the associated Supplier/Shipper of gas, otherwise it will become the property of Transporter at the end of the thirty (30) day period. Such gas shall be treated as an operator overrun. Receipt gas treated as an operator overrun will be deemed to have used Transporter's facilities. If the point operator has a current transportation service agreement(s), the point operator will be charged at the highest rate under that agreement(s). If the point operator does not have a transportation service agreement, the point operator will be charged the highest Interruptible Transportation rate in Transporter's Tariff, unless otherwise agreed to in writing. If the party who delivered such gas onto Transporter's system is not identified, the gas will become the property of Transporter thirty (30) days after it was noticed.

B. Unauthorized Deliveries – Point Operators

When unauthorized natural gas is taken from Transporter's system by a point operator, such gas shall be treated as an operator overrun. Delivered gas treated as an operator overrun will be deemed to have used Transporter's facilities. If the point operator has a current transportation service agreement(s), the point operator will be charged at the highest rate under that agreement(s). If the point operator does not have a transportation service agreement(s), the point operator will be charged the highest Interruptible Transportation rate in Transporter's Tariff and Transporter shall sell the operator overrun gas to the point operator at 150% of the Spot Index Price, as defined in Section 5 of the Firm and Interruptible Transportation Service Rate Schedule for the month in which the operator overrun gas is taken, unless otherwise agreed to in writing.

C. If point operator delivers or takes Unauthorized gas during an OFO period, point operator will be subject to Section 24.2 of these General Terms and Conditions in addition to this Section 24.3.



GENERAL TERMS AND CONDITIONS – CONTINUED

25. DEPOSITS

25.1 Deposit Requirement. The Company may require any Customer that fails to provide adequate evidence of creditworthiness, pursuant to Section 10 of these General Terms and Conditions, either to make a prepayment as allowed under said Section 10 or to pay to the Company a deposit to guarantee the payment of current bills. The Company may refuse service to an applicant or discontinue service to a Customer for failure to comply with this section. Company policies governing Customer deposits shall be applied uniformly.

Section 10 of these General Terms and Conditions notwithstanding, the Company may require a deposit if:

- (i) A prior service account with the Company remains unpaid and undisputed at the time of application for service;
- (ii) Service from the Company has been terminated for:
 - (A) Nonpayment of any undisputed delinquent bill;
 - (B) Failure to reimburse the Company for damages due to the Customer's negligent or intentional acts; or
 - (C) Acquisition, diversion or use of service without the authorization of or knowledge by the Company.
- (iii) Information provided upon application for service is materially false or a misrepresentation;
- (iv) The application is for initial service with the Company or the applicant did not have service with the Company for a period of at least 12 consecutive months during the past four years;
- (v) The applicant or non-residential Customer is unable to pass an objective credit screen as described as follows:
 - (A) An applicant who previously was a Customer of Company shall be considered as having a satisfactory credit record where said previous service was provided for a continuous period of at least ten (10) months within the last four (4) years, and applicant's service was not discontinued for delinquent payment during the last twelve (12) months of said service and applicant received no more than two (2) written Notices of Discontinuance during the last twelve (12) months of said service.
 - (B) An applicant who was not a Customer of the Company in accordance with the above shall be considered as having a satisfactory credit record if authorization is provided to the Company to obtain credit information through a national credit bureau of the applicant's credit record and said information reveals a satisfactory rating.
- (vi) The request is for service at an address where a former Customer with an undisputed delinquent bill for service still resides or conducts business;



GENERAL TERMS AND CONDITIONS – CONTINUED

25. DEPOSITS - CONTINUED

25.1 Deposit Requirement. – Continued

- (vii) The applicant for service, or the Customer, has been brought within the jurisdiction of the bankruptcy court or has had a receiver appointed in a state court proceeding, within the five-year period immediately preceding the request for service; or
- (viii) The Company has determined that it has a significant financial risk in continuing to provide service to a specific non-residential Customer. The Company and the Customer may attempt to reach a deposit agreement. If the Company and Customer are unable to reach an agreement, the Company shall file a confidential petition requesting expedited review and Commission approval prior to collecting the Customer deposit. The petition shall contain the basis for the Company's determination, the amount of deposit sought and sufficient information for the Commission to contact the Customer.

The Company shall not require a deposit as a condition of new or continued utility service based upon any criterion not specifically authorized by the Commission's Rules.

The Company may accept a written guarantee from an acceptable guarantor in lieu of a deposit to pay a Customer's bill. After the Company has verified the Customer's identity, the Customer shall agree to permit the Company to provide the Customer's account information to the guarantor upon the Customer's default.

The Company shall remove a guarantor when:

- (i) The Customer has received 12 consecutive months of service with no cause for discontinuation, bills have been paid when due and the Customer passes an objective credit screen;
- (ii) The guarantor has paid all amounts due for service through the date the Company receives the request to terminate the guarantor agreement; or
- (iii) An additional agreement with the Company is in place.



GENERAL TERMS AND CONDITIONS – CONTINUED

25. DEPOSITS - CONTINUED

- 25.2 Amount of Deposits. Unless otherwise ordered by the Commission, the amount of a required security deposit shall not exceed the total amount of the Customer's estimated bill for three months of highest use based on the premises' monthly bills during the immediate previous 12-month period. For premises that have no billing history, the class average will be used. The Company may require an increased deposit from the Customer if it is determined subsequent to the original deposit request that the estimate upon which the original deposit amount was based, for whatever reason, was low. Likewise, the Company will return such increased deposit if it later determined that the increased deposit amount is too high.
- 25.3 Remittance of Deposits. When it becomes necessary for the Company to demand a deposit, or an increased deposit, the Customer may be billed in four (4) equal installments on the Customer's regular Gas service bills for the next four Monthly Billing Periods. When the deposit is not paid on the regular Gas service bill(s), the Company will provide the Customer a non-assignable receipt or other record of deposit, showing the date and amount received. The Company will accept either a guarantor, a surety bond or letter of credit in lieu of a deposit.
- 25.4 Interest on Deposits. The Company shall pay simple interest on deposits at the Commission Authorized Interest Rate pursuant to the Commission's Rules. Interest shall apply only to deposits held for at least six months, but shall accrue from the initial date of deposit through the date the deposit is returned to the Customer.
- 25.5 Transfer of Deposit. Deposits shall not be transferable from one Customer to another Customer; however, upon termination of the Customer's service, the Company may transfer the deposit for service to that Customer's new service account.
- 25.6 Deposit Records. The Company will retain the following records regarding deposits:
- (i) The name and address of each customer making the deposit;
 - (ii) The date and amount of the deposit; and
 - (ii) Each accounting transaction concerning the deposit.



GENERAL TERMS AND CONDITIONS – CONTINUED

25. DEPOSITS - CONTINUED

25.7 Disposition of Deposits.

- A. Deposits and any unpaid interest earned on deposits shall be applied as a credit to the Customer's bill, unless requested by the Customer to be refunded, when:
- (i) The accrued interest equals or exceeds \$10.00 and the Company shall apply the credit at least annually;
 - (ii) A residential Customer has received 12 consecutive months of service, with no cause to disconnect and bills have been paid when due;
 - (iii) A commercial or industrial Customer has received 12 consecutive months of service, with no cause to disconnect, bills have been paid when due and the Customer passes an objective credit screen; or
 - (iv) Service is discontinued. The Company shall not require the Customer to provide the original receipt in order for the deposit to be returned. Any credit balance on the account after the deposit is applied shall be refunded to the Customer. If the Company is unable to make the refund due to lack of knowledge of the Customer's location, additional interest will not accrue after the service discontinuation date. The Company shall manage such deposits as unclaimed property as required by Wyoming law.



GENERAL TERMS AND CONDITIONS – CONTINUED

26. GENERAL AND SPECIFIC WAIVERS AND NON-WAIVER OF FUTURE DEFAULT

- 26.1 Transporter's failure to exercise any right or rights under this Tariff shall not be considered a waiver of such right or rights in the future, nor shall Transporter's waiver of any one or more defaults by the Supplier/Shipper in the performance of any of the provisions of this Tariff operate as a waiver of any other existing or future default or defaults, whether of a like or different character.
- 26.2 Any waivers granted by the Transporter shall be granted in a non-discriminatory manner.
- 26.3 Transporter may waive, in a not unduly discriminatory manner, a Supplier's/Shipper's charges, penalties, gas quality requirements or other service obligations under this Tariff. Transporter will maintain a log of any such waivers and will post any such waivers on its EBB if considered generally applicable and/or if material in Transporter's sole judgment. Transporter may also waive certain of its Tariff obligations such as timely billing provided such waiver is posted on the EBB.



FORM OF REQUEST FOR TRANSPORTATION SERVICE
AND/OR MARKET CENTER SERVICES

DATE: _____

SHIPPER INFORMATION

Complete Legal Name of Shipper: _____

State of Incorporation: _____

Address: _____ For Billing: _____

Phone: _____ Phone: _____

For Notices: For Scheduling or Volume Information:

(Include street address for express service)

Contact Name: _____ Contact Name: _____

Phone: _____ Phone: _____

Shipper is: _____ Producer

_____ End-User

_____ Marketer

_____ Other (specify) _____

Name and full title of Office or General Partner who will execute the written Transportation Service Agreement and/or Market Center Services Agreement with Transporter (If signatory person is not an officer, please provide written authorization for signature.)

Name: _____

Title: _____

If person requesting service(s) is an agent of Shipper, please provide an executed Agency Agreement in the form included in this Tariff and complete the following:

Legal Name of Principal: _____

Which is a(n)

_____ Local Distribution Company _____ Intrastate Pipeline

_____ Interstate Pipeline _____ Producer

_____ End User _____ Marketer

_____ Other (specify) _____



FORM OF REQUEST FOR TRANSPORTATION SERVICE
AND/OR MARKET CENTER SERVICES- CONTINUED

SHIPPER INFORMATION

Type of Service(s) Requested:

Firm Transportation _____
Interruptible Transportation _____
Interruptible Market Center Services _____

Maximum Daily Distribution Quantity _____
Estimated Annual Volume _____

Requested term of service(s):

Initial delivery date: _____

Termination date: _____

Requested Credit Limit(s), if applicable: _____

Shipper has executed Form of Credit Application: Yes _____ Date: _____ No _____

Transportation under Section 311 of the NGPA: If Transportation is pursuant to Section 311 of the Natural Gas Policy Act of 1978, Shipper shall designate the "on-behalf-of party" and shall attach a completed "on-behalf-of letter" if required.

Certification Statement: Shipper has, or will have, at the time gas is transported; title to the gas to be tendered to Transporter or Shipper has, or will have, at the time gas is transported, a legal right to tender gas to Shipper.
Yes: _____ No: _____

Are additional or new facilities required for the Company to receive or deliver gas for the distribution service(s) requested herein?

_____ Yes _____ No _____ Type

RECEIPT POINT INFORMATION FOR TRANSPORTATION SERVICE

On the attached Exhibit A, please list the name, precise legal location, the maximum daily receipt quantity in Dth being requested, and the heating value of the gas in Btu for each receipt point listed. If requesting a proposed receipt point, include a field contact, telephone number and a billing name and address for the cost of installation.

DELIVERY POINT INFORMATION FOR TRANSPORTATION SERVICE

On the attached Exhibit B, please list the name, precise legal location, the maximum daily distribution quantity in Dth being requested, the state(s) in which the delivered gas will be consumed, the end use for the gas.



FORM OF REQUEST FOR TRANSPORTATION SERVICE
AND/OR MARKET CENTER SERVICES - CONTINUED

AFFILIATE INFORMATION

The name(s) of End Users: _____

State any affiliation between Transporter and any of the following parties to this transaction:

	Yes	No	If Yes, Name
Shipper	_____	_____	_____
End User	_____	_____	_____
Supplier	_____	_____	_____
Other*	_____	_____	_____

*Describe involvement _____

If there is any affiliation between Shipper and Transporter, does the cost of gas to the affiliated marketer exceed the price received for the sale of gas by the affiliated marketer after deducting associated costs, including those incurred for distribution transportation (i.e., is the gas being sold at a loss?):

_____ Yes _____ No _____ Don't Know

If so, by what amount? _____ per Dth

If this information is not known, it must be supplied as soon as possible.



FORM OF REQUEST FOR TRANSPORTATION SERVICE
AND/OR MARKET CENTER SERVICES - CONTINUED

Shipper understands that this request form, complete and unrevised as to format, must be received by the Transporter before the request will be accepted and processed. Shipper further understands that Transporter is a local distribution Company subject to the regulations of the Wyoming Public Service Commission ("Commission"). Shipper hereby agrees to pay Transporter's currently effective rates applicable for the requested service(s) and to comply with all applicable terms of Transporter's Tariff. Shipper agrees that it will reimburse Transporter for the Commission's filing fees upon receipt of an invoice therefor.

Shipper, by its signature, represents to Transporter that the information above is correct and accurate.

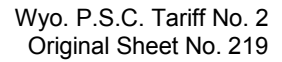
Very truly yours,

Signature

Typed Name and Title

Telephone Number _____

Facsimile Number _____





FORM OF REQUEST FOR TRANSPORTATION SERVICE
AND/OR MARKET CENTER SERVICES

EXHIBIT B
DELIVERY POINTS FOR TRANSPORTATION SERVICE

NAME	LEGAL LOCATION	MAXIMUM DAILY DELIVERY (1) In Dth/d	STATES WHERE GAS IS CONSUMED	END USE

TOTAL (2) _____

- (1) The maximum daily delivery volume at any delivery point must not exceed the gas volume available to Shipper at that point.
- (2) The total must not exceed the Maximum Daily Distribution Quantity, less the FL&U Reimbursement Quantity.

For additional delivery points, attach another sheet.



FORM OF TRANSPORTATION SERVICE AGREEMENT (APPLICABLE TO
FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE RATE SCHEDULE TC, TG, and TT)

This Transportation Service Agreement ("Agreement"), is made and entered into between Black Hills Energy ("Transporter") and the party identified as Shipper in this Agreement.

In consideration of the premises and of the mutual covenants herein contained, the parties do covenant and agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof and of Transporter's Transportation Service Rate Schedule and Transporter's General Terms and Conditions, Transporter agrees to receive, distribute and deliver thermally equivalent volumes of gas, adjusted for the Fuel Reimbursement Quantity, up to the Maximum Daily Transportation Quantity (MDTQ).

ARTICLE II - TERM OF AGREEMENT

This Agreement shall become effective and continue in effect as set forth herein. If renewable, following the primary term, this Agreement may be terminated by either party upon written notice.

ARTICLE III - RATE SCHEDULE

Shipper shall pay Transporter for all services rendered hereunder at rates filed under Transporter's Transportation Service Rate Schedule and as the same may be revised or changed. The rates to be charged Shipper for services under this Agreement shall be the maximum rate filed for that service unless Shipper and Transporter have otherwise agreed in writing. The rates charged Shipper for transportation hereunder shall not be more than the maximum rate applicable to such service, nor less than the minimum rate for such service.

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's Transportation Service Rate Schedule and of Transporter's General Terms and Conditions on file with the Wyoming Public Service Commission or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof.



FORM OF TRANSPORTATION SERVICE AGREEMENT (APPLICABLE TO
FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE RATE SCHEDULE TC, TG, and TT) -
CONTINUED

ARTICLE IV - RECEIPT POINT(S) AND DELIVERY POINT(S)

Natural gas to be received by Transporter for the account of Shipper hereunder shall be received at or near the point(s) of receipt as set forth on Appendix A.

Natural gas to be delivered by Transporter for the account of Shipper hereunder shall be delivered on the outlet side of the measuring station(s) at or near the point(s) specified in Appendix B.

Additional information concerning receipt and delivery points is set forth on Appendices A and B to this Agreement, which are incorporated herein by reference.

ARTICLE V - QUALITY

All natural gas tendered for transportation to Transporter for the account of Shipper at the Receipt Point(s) shall conform to the quality specifications set forth in the General Terms and Conditions, as revised from time to time. Transporter may refuse to receive on a non-discriminatory basis any gas for transportation, which does not meet such quality specifications.

ARTICLE VI - PROCESSING

Transporter shall have the right to process, or cause to be processed, gas received from Shipper, and title to all extracted liquid and liquefiable hydrocarbons and other products, including any methane lost or removed in the extraction process or required for fuel, shall pass to Transporter at no cost, and Shipper shall hold Transporter harmless and free and clear of adverse claims.

ARTICLE VII - ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.



FORM OF TRANSPORTATION SERVICE AGREEMENT (APPLICABLE TO
FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE RATE SCHEDULE TC, TG, and TT) -
CONTINUED

ARTICLE VIII - INTERPRETATION AND MODIFICATION

The interpretation and performance of this Agreement shall be in accordance with the laws of the State of Wyoming.

This agreement, and all its rates, terms and conditions, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefor. In the event that any party to this agreement requests the Commission to take any action which could cause a modification in the conditions of this agreement, that party shall provide written notice to the other parties at the time of filing the request with the Commission.

ARTICLE IX - AGREEMENTS BEING SUPERCEDED

When this Agreement becomes effective it shall supersede and cancel any other Transportation Service Agreements between the parties for the same service.

ARTICLE X - CERTIFICATIONS

By executing this Agreement, Shipper certifies that: (1) Shipper has title to, or a current contractual right to acquire such title to, the gas to be transported by Transporter; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Transporter; and (3) Shipper has a sales and, as applicable, a transportation contract(s) or will enter into such sales and, as applicable, a transportation contract(s) with the party ultimately receiving the gas, prior to the commencement of service.



FORM OF TRANSPORTATION SERVICE AGREEMENT (APPLICABLE TO
FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE RATE SCHEDULE TC, TG, and TT)
– CONTINUED

ARTICLE XI – SPECIFIC INFORMATION

Transportation Service Agreement between Black Hills Energy (“Transporter”) and
_____ (“Shipper”).

Contact Number: _____

Contract Date: _____ / _____ / _____

Primary Term _____

Renewal Term: _____ Month to Month _____ Other

_____ Termination Notice

Transporter **Black Hills Energy**
1515 Wynkoop Street, Suite 500
Denver, CO 80202

Attn: Shipper Services
Telephone: 800.232.1850

Email _____

Shipper _____

Type of Transportation Service: FT _____ IT _____

Maximum Daily Transportation Quantity: _____ Dth per day

The rate charged will be the maximum distribution transportation rate unless otherwise agreed to in writing.

Effective Date: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by the parties with execution authority.

Black Hills Energy

By: _____
Title: _____

Shipper

By: _____
Title: _____



FORM OF TRANSPORTATION SERVICE AGREEMENT (APPLICABLE TO
FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE RATE SCHEDULE TC, TG, and TT)

APPENDIX A

Between Black Hills Energy ("Transporter")

And _____ ("Shipper")

Contract Number _____

Type of Transportation Service: FT _____ IT _____

<u>Point of Receipt</u>	<u>Meter No.</u>	<u>Maximum Receipt Pressure</u>	<u>Maximum Daily Receipt Quantity</u>	<u>Atmospheric Pressure</u>	<u>Provision for Incremental Facility</u>
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Quality Waivers:

This Appendix A supersedes and cancels any previously effective Appendix A to this Transportation Service Agreement.

Effective Date: _____

Black Hills Energy

By: _____
Title: _____

Shipper

By: _____
Title: _____



FORM OF TRANSPORTATION SERVICE AGREEMENT (APPLICABLE TO
FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE RATE SCHEDULE TC, TG, and TT)

APPENDIX B

Between Black Hills Energy ("Transporter")

And _____ ("Shipper")

Contract Number _____

Type of Transportation Service: FT _____ IT _____

MDRQ:			
Effective Period:			
Point of Receipt (Primary or Secondary)	Meter No.	Maximum Daily Receipt Quantity (MDRQ)	
		Mcf/d	Dth/d

MDDQ:			
Effective Period:			
Point of Delivery (Primary or Secondary)	Meter No.	Maximum Daily Delivery Quantity (MDDQ)	
		Mcf/d	Dth/d

Quality Waivers:

This Appendix B supersedes and cancels any previously effective Appendix B to this Transportation Service Agreement.

Effective Date: _____

Black Hills Energy

By: _____
Title: _____

Shipper

By: _____
Title: _____



FORM OF MARKET CENTER SERVICES AGREEMENT (MCS)
(APPLICABLE TO RATE SCHEDULES MCS)

Master MCS Agreement #:

By and between

Black Hills Gas Distribution, LLC (a Delaware Limited Liability Company)

And

(Shipper or requestor)

State of Incorporation: _____

Effective Date: _____

Primary Term Ending: _____ and then month to month thereafter unless terminated by either party, upon a minimum of thirty (30) days' written notice. Each Rate Schedule MCS Transaction Request as discussed more fully herein and in the Rate Schedule of the Tariff will also state its own separate primary term.

Credit Application Received _____ Approved _____

Pre-granted Credit Quantity and/ or Amount: _____. Transporter may not allow any quantities to be parked or loaned or wheeled or transferred under any Rate Schedule MCS Transaction Request once such Credit Amount has been exhausted.

1. SERVICE HEREUNDER: Upon Shipper's request, Transporter may on any day and on an interruptible basis (a) hold (Park) the quantity nominated from Shipper at the Park Point(s), hold the nominated Parked quantity for the specified period and Unpark such quantity at the original Park Point(s) or at a Wheeling or Transfer Point(s) as specified in the Rate Schedule MCS Transaction Request or (b) advance (Loan) the quantity nominated from Shipper at the Loan Point(s) and accept Loan Payback of such quantity at the original Loan Point(s) or at Transfer Point(s) as specified in the Rate Schedule MCS Transaction Request.



FORM OF MARKET CENTER SERVICES AGREEMENT (MCS)
(APPLICABLE TO RATE SCHEDULES MCS) - CONTINUED

2. RATES:

- 2.1 Shipper shall pay Transporter for all services rendered hereunder at the rates specified in the Exhibit(s) to the Rate Schedule MCS Service Agreement incorporated hereunder or, if no rates are specified in such Exhibit(s) then Shipper shall pay Transporter for all services rendered hereunder at the maximum rates for such services set forth in this Tariff.
- 2.2 The rates to be charged Shipper for services under this Agreement shall be the maximum rate filed under Transporter's Rate Schedule MCS and as the same may be revised or changed for that service unless Shipper and Transporter have otherwise agreed in writing.
- 2.3 The rates charged Shipper for services hereunder shall not be more than the maximum rate applicable to such service, nor less than the minimum rate for such service.
- 2.4 This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's Rate Schedule MCS and of Transporter's General Terms and Conditions on file with the Wyoming Public Service Commission or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof.

3. POINTS OF RECEIPT AND DELIVERY:

Shipper may nominate from the Park or Loan Point or pool which shall be listed on Shipper's MCS Transaction Request.

4. TRANSACTION REQUEST: The Rate Schedule MCS Master Service Agreement will be supplemented with a Rate Schedule MCS Transaction Request for each individual Parking, Loaning, Wheeling or Transfer action. Each Rate Schedule MCS Transaction Request will be posted as a new Exhibit to the Rate Schedule MCS Master Service Agreement and such transaction will not require any amendment to the Master Agreement. Each Rate Schedule MCS Transaction Request will include the stated quantity to be Parked, Loaned, Wheeled, Transferred, Unparked or Loan Paybacked, the point of Parking, Loaning, Wheeling or TTT, the Transaction Rate(s) including specificity on each associated rate type and the primary term of the parking or loaning Transaction Request period.

5. CERTIFICATIONS:

By executing this Agreement, Shipper certifies that: (1) Shipper has title to, or a current contractual right to acquire such title to, the gas to be Parked, Loaned, Transferred or Wheeled by Transporter; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Transporter or deliveries from Transporter.

6. BILLING AND PAYMENT:

Bills will be rendered, and payments shall be due in accordance with Section 8 of General Terms and Conditions of the Tariff.



FORM OF MARKET CENTER SERVICES AGREEMENT (MCS)
(APPLICABLE TO RATE SCHEDULES MCS) - CONTINUED

7. NOTICES AND COMMUNICATION

All notices and communications with respect to this Rate Schedule MCS Agreement shall be in writing by mail, e-mail, fax, or by telephone, or other means agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to.

8. DEFAULT

If either party shall fail to perform any of the covenants or obligations imposed upon it by this Agreement, then in such event the other party may, at its option, terminate this Agreement by proceeding as follows: The party not in default shall cause a written notice to be served on the party in default, stating specifically the cause for terminating this Agreement, and declaring it to be the intention of the party giving the notice to terminate the same; thereupon, the party in default shall have thirty (30) calendar days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the termination notice, and if within said thirty (30) calendar days the party in default does so remove and remedy said cause or causes and fully indemnifies the party not in default for any and all consequences of such breach, then such notice shall be withdrawn and this entire Agreement shall continue in full force and effect. In the case the party in default does not remedy and remove the cause or causes or does not indemnify the party giving the notice for any and all consequences of such breach, within said period of thirty (30) calendar days, then this Agreement shall become null and void from and after the expiration of said period.

9. ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

10. MISCELLANEOUS

No waiver by either party to this Rate Schedule MCS Agreement of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any continuing or future default(s), whether of a like or a different character.

11. GOVERNING LAW AGREEMENT

Any controversy between the parties arising under this Rate Schedule MCS Agreement and not resolved by the parties shall be determined in accordance with the laws of the State of Wyoming.



Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy

Wyo. P.S.C. Tariff No. 2
Original Sheet No. 229A

FORM OF MARKET CENTER SERVICES AGREEMENT (MCS)
(APPLICABLE TO RATE SCHEDULES MCS) - CONTINUED

AGREED TO BY:

The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.

Transporter:
1515 Wynkoop Street, Suite 500
Denver, CO 80202
Attn: Shipper Services
Telephone: 800.232.1850
Email: bhuhgasscheduling@blackhillscorp.com
By: _____
Title: _____

Shipper: (Shipper's Name and Address)

Attn: _____
By: _____
Title: _____



FORM OF MARKET CENTER SERVICES AGREEMENT (MCS)
(APPLICABLE TO RATE SCHEDULES MCS) - CONTINUED

EXHIBIT No. _____

Shipper must execute or have previously executed a currently effective Market Center Services Agreement and completed a Credit Application with Transporter before this Exhibit has any legal effect. Once executed, this Exhibit shall be made a part of and be subject to all terms and conditions of the Rate Schedule MCS Agreement executed by and between Transporter and Shipper, and service hereunder shall be rendered in accordance with the terms of Rate Schedule MCS or any superseding rate schedule, and all applicable Transporter conditions which are in effect during the term of this Exhibit.

Each Transaction Request requires a separate Exhibit Number.

Service under Rate Schedule MCS is only available to Shippers at the Park Points and Loan Points that Transporter posts on its interactive Electronic Bulletin Board (EBB) and only so long as Shipper has available credit, as determined by Transporter.

Each Transaction Request Exhibit may be displayed in chart or spreadsheet format.

Shipper Name: _____ Master MCS #: _____

Transaction Date: _____ Transaction Confirmation #: _____

Transaction Type: ☐ Park
☐ Loan
☐ Wheel
☐ Transfer

Park or Loan Period as applicable: _____ to _____.

If gas is not Unparked or Loan Paybacked or Wheeled or Transferred as agreed with Transporter's Shipper by this end date, Transporter shall exercise its rights to this gas, as provided for under the MCS Rate Schedule and under the General Terms and Conditions of this Tariff.

Applicable Rate Schedule: _____

Total Transaction Quantity: _____ Minimum _____ Maximum _____

Other Terms and Conditions: _____



**FORM OF MARKET CENTER SERVICES AGREEMENT (MCS)
(APPLICABLE TO RATE SCHEDULES MCS) – CONTINUED**

EXHIBIT No. _____

Dates of Service		Daily Quantity (Dth)					
		Park or Loan Point			Unpark or Loan Payback Point		
From	Through	Point	Minimum	Maximum	Point	Minimum	Maximum

Rates (indicate each as applicable to Transaction Request negotiation):

On Daily Ending Balance: Rate: _____ (1)
Term: From: _____ Through: _____
On Daily Park, Unpark, Loan, Loan Payback, Wheeling, or Transfer Transaction Activity:
Rate: _____ (1)
Service: _____
Term: From: _____ Through: _____
Rate: _____ (1)
Service: _____
Term: From: _____ Through: _____

Note (1): If applicable to discounted contract rates, although the discounted contract rates are stated individually above, the agreement provides for a total effective MCS unit charge and resulting associated amount based on the Transaction Request volume and the Transaction Request term. At any time during the Transaction Request Term, Transporter may adjust the stated rate component(s) as required, so long as the component change results in maintaining value of the original agreement and so long as each modified rate component remains within the minimum and maximum posted Tariff rates.

Shipper Electronic Confirmation and Transporter Acceptance / Authorization:

Shipper will confirm Shipper's agreement to the terms and conditions described in the Exhibit by returning two executed originals of this Exhibit to Transporter. The transaction described in this Exhibit will be accepted and authorized upon Transporter's counter execution of this Exhibit and Transporter shall communicate acceptance of this by sending a copy of the fully executed Transaction Request to Shipper.

AGREED TO BY:

The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.

Transporter:
1515 Wynkoop Street, Suite 500
Denver, CO 80202
Attn: Shipper Services
Telephone: 800.232.1850
Email: bhuhgasscheduling@blackhillscorp.com

Shipper: (Shipper's Name and Address)

Attn: _____

By: _____

By: _____

Title: _____

Title: _____



FORM OF CREDIT APPLICATION

Shipper Information:

Legal Name & Address:

State of Incorporation: _____

DUNS Number: _____

Phone: _____

Fax: _____

E-Mail: _____

Point of Contact: _____

Type of Entity:

- ☐ Corporation ☐ Partnership ☐ Limited Liability Corporation
☐ Limited Partnership ☐ Sole Proprietorship ☐ Other / Specify

Number of Years in Business: _____

Three Principal owners, stockholders, partners, or officers of Shipper:

Name: _____
Title: _____
Address: _____
Phone: _____

Name: _____
Title: _____
Address: _____
Phone: _____

Name: _____
Title: _____
Address: _____
Phone: _____



FORM OF CREDIT APPLICATION - CONTINUED

If Shipper is a wholly-owned subsidiary, please list name and address of parent company:

Is parent company responsible for subsidiary debt?

☐ Yes

☐ No

If yes, furnish documentation.

Please furnish one bank reference:

Name: _____
Address: _____
Phone: _____
Contact: _____

Fax: _____
Account Type: _____
Account #: _____

Please furnish two business credit references:

Name: _____
Address: _____
Phone: _____
Contact: _____

Fax: _____
Account Type: _____
Account #: _____

Name: _____
Address: _____
Phone: _____
Contact: _____

Fax: _____
Account Type: _____
Account #: _____



FORM OF CREDIT APPLICATION - CONTINUED

Is Shipper:

Operating under federal bankruptcy laws? ☐ Yes ☐ No

Operating subject to pending liquidation or regulatory proceedings that would cause a substantial deterioration of Shipper's financial position? ☐ Yes ☐ No

Operating subject to any collection lawsuits or outstanding judgments that would affect Shipper's ability to remain solvent? ☐ Yes ☐ No

Owing any overdue amounts to Black Hills Energy? ☐ Yes ☐ No

On a credit watch list of any credit rating agency? ☐ Yes ☐ No

Electing to pre-pay anticipated charges for service? ☐ Yes ☐ No

Please enclose copies of Shipper's audited financial statements (to include at least two most recent years on an annual basis and three most recent monthly or quarterly statements), annual reports, or other reports to regulatory agencies, or any reports from credit reporting agencies. Please attach copies of Shipper's two most recent annual SEC Form 10-K, if applicable.

Amount of Total Credit Requested:_____. Shipper acknowledges that Transporter may refuse to schedule quantities under an executed agreement that exceed the approved credit limit.

Net Worth: _____

Requested Service (check all that apply):

- ☐ Firm Transportation Service – Rate Schedules TC, TG and TT
- ☐ Interruptible Transportation Service – Rate Schedules TC, TG and TT
- ☐ Interruptible Market Center Services – Casper Division – Rate Schedule MCS

Please provide anticipated commencement date for requested service(s): _____



FORM OF CREDIT APPLICATION - CONTINUED

Maximum credit limit requested by Shipper related to Imbalance Quantities: \$ _____.
Shipper acknowledges that Transporter may refuse to schedule quantities under an executed agreement if Shipper has Imbalance Quantities that exceed the approved credit limit.

Incomplete applications shall be declined.

Shipper is responsible for becoming familiar with Transporter's Tariff, including Billing and Payment section(s).

The undersigned applicant certifies that the information on this credit application is accurate and correct as of the date of the application. Once this application is signed, it authorizes Transporter to obtain or exchange any credit or financial information that may be requested with the applicant listed and credit references. Shipper has the obligation to inform Transporter of a material change in Shipper's credit quality.

If credit is approved by Transporter, payment terms shall be indicated in Transporter's Tariff. Invoices that are not paid within these terms may result in Shipper being placed on a cash advance basis and/or having transactions suspended until the entire balance is paid. Transporter reserves the right to require an irrevocable letter of credit, other credit assurance or deposit before extending credit to Shipper; Shipper shall be notified if such an instrument is required. To avoid delays, Shipper must ensure that its credit is approved before any transactions are scheduled. Information provided on this application shall be held in the strictest of confidence and shall be used only by Transporter in making a credit evaluation.

All invoices not paid in accordance with Transporter's Tariff may be assessed a late payment service charge of the maximum amount allowed by the Tariff or applicable law. In the event the applicant becomes delinquent in the payment of invoices, the applicant agrees to reimburse Transporter for all collection costs, legal fees and court costs, if not prohibited by law, that are incurred in the collection process. State law may forbid the disclosure of financial information by a firm without the written consent of its Customer. Therefore the following consent is provided: I hereby authorize disclosure of financial information by all references listed on the credit application to Transporter. The applicant has read and agrees to all terms and conditions appearing on this form.

The individual signing this Credit Application on behalf of Shipper represents and warrants that he or she is an officer of Shipper or otherwise possesses the requisite authority to do so and thereby bind Shipper to this Credit Application, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.

Shipper Name: _____

Signature: _____

Title: _____

Date: _____



FORM OF AGENCY AGREEMENT

The undersigned, by and on behalf of _____
("Shipper/Supplier"), having a mailing address of _____, hereby
designates _____ ("Agent"), having a
mailing address of _____, as its agent, with
full authority to act on its behalf in performing certain of Shipper's/Supplier's responsibilities, as specified
below, under the following agreements, by and between Black Hills Energy ("Transporter") and
Shipper/Supplier, as applicable (each, an "Agreement"; collectively, the "Agreements"):

☐ Choice Gas Service (Rate Schedules RCG, RCG-1, RCG-3 & CGS) Service Agreement No. _____, dated _____, ____; and Firm Choice Gas Storage Service* (Rate Schedule FS-1) Agreement No. _____, dated _____, ____

☐ Firm Transportation Service (Rate Schedules TC, TG and TT) Agreement No. _____, dated _____, ____

☐ Interruptible Transportation Service (Rate Schedules TC, TG and TT) Agreement No. _____, dated _____, ____

☐ Master Market Center Services (MCS) Agreement No. _____, dated _____, ____

* Shipper/Supplier holding both Rate Schedule RCG and FS-1 in the Casper Division shall designate a common agent for both services.

1. Shipper/Supplier authorizes Agent to act on its behalf in managing the following functionalities of Shipper's/Supplier's service(s) on Transporter's system under the above-referenced Agreement(s):

Select all requested levels of functionality that shall apply:

Description	View	Update	None
Nominations			
Notices			
Invoices			
Imbalance and In-Ground Storage Trading			
Park, Loan, Wheel, and Title Transfer (MCS) Activity			
Request Amendment of above-referenced Agreement(s)			
Allocated Quantity Inquiry under Agreement(s)			
Request Rates and Other Terms and Provisions			
Location Measurement (for operator agents only)			
Location Confirmation (for operator agents only)			



FORM OF AGENCY AGREEMENT - CONTINUED

1. In the event that Agent or Shipper/Supplier fails to make timely payment for service(s) provided by the Transporter in accordance with the above-referenced Agreement(s), or otherwise is in default under Transporter's Tariff, this Agency Agreement may be revoked by Transporter and all service(s) provided shall be subject to termination in accordance with Transporter's Tariff. If such termination of service is a result of Agent's failure to make payment, Shipper/Supplier shall not be entitled to continued service, regardless of whether Shipper/Supplier has made payment to Agent, until Transporter receives full and complete payment or satisfactory payment arrangements between Shipper/Supplier and Transporter have been made as determined by Transporter. Shipper/Supplier shall be solely liable for all payments due and owing to Transporter for all services provided by Transporter under the above-referenced Agreement(s). Upon termination of this Agency Agreement, Shipper/Supplier shall make arrangements to resume nominations to ensure appropriate quantities are nominated and scheduled under the above-referenced Agreement(s).
2. Transporter may rely on communication from Agent for all purposes. Communications by Transporter to Agent shall be deemed notice to Shipper/Supplier.
3. Agent and Shipper/Supplier acknowledge and agree that this Agency Agreement may be revoked by Transporter or the above-referenced Agreement(s) between Transporter and Shipper/Supplier may be suspended or terminated by Transporter in accordance with Transporter's Tariff. Regardless of such revocation, suspension or termination, Shipper/Supplier shall continue to honor any commitments made by Agent to Transporter on its behalf for the period that the Agency Agreement was in effect. Any Imbalances attributable to Shipper/Supplier upon such revocation, suspension or termination shall be determined and resolved in accordance with Transporter's Tariff.
4. All obligations of Shipper/Supplier and Agent to Transporter herein with respect to the service(s) provided by Transporter under the above-referenced Agreement(s) shall survive termination of this Agency Agreement.
5. Agent and Shipper/Supplier acknowledge and agree that Transporter is a third party beneficiary to this Agency Agreement. Transporter shall provide consent to this Agency Agreement as is indicated by the signature(s) below.



FORM OF AGENCY AGREEMENT - CONTINUED

6. This Agency Agreement shall become effective on _____, 20__ , and shall end on _____, 20__ . The minimum term of this Agency Agreement shall be a term of one (1) Month ("Minimum Term"). This Agency Agreement must start on the first Day of a Month and must end on the last Day of a Month. If no end date is specified herein, then upon expiration of the Minimum Term, this Agency Agreement shall automatically renew for successive one (1)-Month periods, unless either party provides the other party with at least thirty (30) calendar days' written notice of its intent not to renew.
7. This Agency Agreement is made and entered into this _____ day of _____, 20__ .

AGREED TO BY:

The individual signing this Agency Agreement on behalf of Shipper/Supplier and Agent, as applicable, represents and warrants that he or she is an officer of Shipper/Supplier or Agent, as applicable, or otherwise possesses the requisite authority to do so and thereby bind Shipper/Supplier or Agent, as applicable, to this Agency Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.

(Shipper/Supplier)

(Shipper's/Supplier's Agent)

(print name)

(print name)

Title: _____

Title: _____

CONSENTED TO BY TRANSPORTER:

1515 Wynkoop Street, Suite 500
Denver, CO 80202
Attn: Shipper Services
Telephone: 800.232.1850
Email: bhuhgasscheduling@blackhillscorp.com

By: _____

Title: _____



BLACK HILLS ENERGY NATURAL GAS METER TESTING PROGRAM

Purpose

The purpose is to create a Gas Meter Testing Program for the Company. The test selection program is designed to maintain a reasonable balance between high accuracy levels and the cost of maintaining these levels. Testing gas meters assures an acceptable level of accuracy of the metering plant and historical information to develop maintenance procedures and test programs.

New and Remanufactured Meters – Quality Assurance Testing

All gas meters are tested by the manufacturer prior to shipment. In addition to the meter testing performed by the manufacturer on all new and remanufactured gas meters, the Company will sample test new meter groups or lots by performing the quality assurance sampling and testing as follows:

New and remanufactured meters are tested in accordance with American National Standards Institute (ANSI) Z1.4: Sampling Procedures and Tables for Inspection by Attributes. Sampling plan: General Inspection Level II, Normal Inspection, Single Sampling and 2.5 AQL. A sample lot which passes inspection will fall within an acceptance accuracy limits of $\pm 1\%$ on the average test (average test = (open test + check test divided by 2).

Lot Size	Sample Size	AQL 2.5	
		Accept	Reject
2 to 8	2	0	1
9 to 15	3	0	1
16 to 25	5	0	1
26 to 50	8	0	1
51 to 90	13	1	2
91 to 150	20	1	2
151 to 280	32	2	3
281 to 500	50	3	4
501 to 1200	80	5	6
1201 to 3200	125	7	8
3201 to 10000	200	10	11
10001 to 35000	315	14	15

Accept – means accept the Lot or Batch with no more than this quantity of defective meters.

Reject – means reject the Lot or Batch with equal or greater to this number of defective meters.



BLACK HILLS ENERGY NATURAL GAS METER TESTING PROGRAM - CONTINUED

New and Remanufactured Meters – Quality Assurance Testing - Continued

If the sample lot fails to test within these guidelines, the meter shipment will be returned and replaced at the supplier's expense.

If the sample passes 10 lots then the quality assurance testing program is adjusted to reduce sampling in accordance with ANSI Z1.4: Sampling Procedures and Tables for Inspection by Attributes. Sampling plan: General Inspection Level II, Reduced Inspection, Single Sampling and 2.5 AQL.

Lot Size	Sample Size	AQL 2.5	
		Accept	Reject
2 to 8	2	0	1
9 to 15	2	0	1
16 to 25	2	0	1
26 to 50	3	0	1
51 to 90	5	0	2
91 to 150	8	0	2
151 to 280	13	1	3
281 to 500	20	1	4
501 to 1200	32	2	5
1201 to 3200	50	3	6
3201 to 10000	80	5	8
10001 to 35000	125	7	10

Meter Testing Program:

There are three test schedule programs: statistical sampling, periodic intervals, and mileage/volume testing. Statistical sampling is used for domestic and intermediate meters. Periodic intervals testing is used for any meter over 1000 cfh capacity and all instruments. Mileage/volume testing is used for the largest commercial Customers.

Statistical Sampling

The statistical sampling program is derived from the ANSI/ASQ Z1.9: Sampling Procedures and Tables for Inspection by Variables for Percent Nonconforming, Double Specification Limit, Variability Unknown – Standard Deviation Method, Normal Inspection: Level II, and Acceptable Quality Level (A.Q.L.) 10 for Upper and Lower Specification Limit. The plan predicts that 90% of each sample lot which passes inspection will fall within the acceptance accuracy limits of $\pm 2\%$ on the average test.



BLACK HILLS ENERGY NATURAL GAS METER TESTING PROGRAM - CONTINUED

Statistical Sampling - Continued

Meters are grouped into homogenous groups or lots determined by manufacturer, type, size and years in service. Meters are randomly selected from each lot. Sampling begins the fifteenth year for domestic meters and the tenth year for intermediate meters. The minimum lot size is three meters. The minimum sample size is three meters except for rejected lots.

If a sample lot fails to test within guidelines, it will be removed from service over the next five years and tested according to the sampling procedures under this program. If the failed sample lot subsequently tests within acceptable criteria stated above, the five-year removal process is halted and meters are returned to normal inspection the following year.

Periodic Intervals

The periodic interval program provides for a fixed interval test. The interval varies according to past historical meter test data. The plan is reviewed annually. Meters that don't register or don't pass gas are evaluated separately. The plan is then modified to reflect changes in meter performance.

Mileage/Volume Testing

The mileage/volume test program is supplemental to the periodic interval test program for large commercial Customers. This program is based on the average monthly corrected gas volume passed through the metering site as summarized below. The testing frequency is based on volumes used rather than by specific equipment, such as rotary, turbine, orifice, etc. When performing the mileage/volume testing, the technician tests all measurement equipment at the site including the meter, instrument, and flow computer, if applicable. A complete corrected volume comparison is necessary and used as a means to ensure the equipment is calculating properly. The complete corrected volume comparison is accomplished by clocking the meter and applying the correct temperature and pressure factors then comparing the read out to the corrected volume showing on the instrument or by utilizing a specialized software program.

Measured Monthly Corrected Volume	Test / Inspection Frequency
0 to 10,000 MCF	Periodic interval test
10,001 to 50,000 MCF	12 months
50,001 or higher MCF	6 months



BLACK HILLS ENERGY NATURAL GAS METER TESTING PROGRAM - CONTINUED

Summary of Testing Programs:

Mechanical Meter Type

Residential 0-500 cfh Diaphragm
Intermediate 501-1000 cfh Diaphragm
Large Volume 1001-10,000 cfh Diaphragm
Rotary Meters
Turbine Meters
Orifice Meters
Instruments – Electronic and Mechanical

Test Frequency

Sample testing starting at 15 yrs
Sample testing starting at 10 yrs
Periodic interval test every 5 yrs
Periodic interval test every 7 yrs
Periodic interval test every 1 yr
Periodic interval test every 1 yr
Periodic interval test every 1 yr

Mileage testing overrides the above frequency. See Mileage testing above.

Meter Accuracy

Residential and commercial meters are calibrated to be as close as possible to 0% within a $\pm 1\%$ and are considered accurate for billing purposes if they register within $\pm 2\%$ under test conditions in accordance with state and local rules and regulations.

Meter Test Equipment

The Company provides testing equipment as necessary to comply with applicable Commission Rules. Equipment to be used as a reference or test standards is certified a minimum of every five years by an outside vendor and calibrated with an instrument that is traceable to the National Institute of Standard and Technology. Reference or test standard equipment shall have a higher degree of accuracy than the equipment being calibrated and is only used for calibration purposes. Meter test equipment is kept in a temperature stable environment and maintained according to manufacturer recommendations. Current Certificate of Calibration and Testing documents remain on file in the Meter Lab. Calibrating meters will equate a standard cubic foot of gas with the amount of gas that occupies one cubic foot, dry, at 60 degrees Fahrenheit at 14.73 PSIA. All meter calibration equipment shall bear the last calibration date.



BLACK HILLS ENERGY NATURAL GAS METER TESTING PROGRAM - CONTINUED

Testing Equipment and Certification Frequency Intervals

BELL PROVER (primary standard) – not to exceed two years. Bottled or strapped according to industry standard and traceable to NIST.

SNAP PROVER (secondary standard) – not to exceed two years. Calibrated against the Bell Prover that is directly traceable NIST. Test meters certified every two years and ran across prover weekly and logged.

TRANSFER PROVER (secondary standard) – not to exceed five years. Test meters certified every two years and ran across prover quarterly in shop environment and logged.

TURBINE MASTER METER ON PROVER (secondary standard) - not to exceed five years

DEAD WEIGHT TESTER (primary standard) –certified annually in WY. Not to exceed 5 years in other states.

THERMOMETER – certified annually by NIST certified lab.

DRY LEAK TESTER – not to exceed three years.

ROTARY DIFFERENTIAL GAUGE (secondary standard) – certified annually against manometer, PK tester or Electronic gauge with NIST traceable certifications.

ELECTRONIC GAUGE USED BY FIELD MEASUREMENT – certified annually by NIST certified lab or certified dead weight tester.

OTHER GAUGES – tested and calibrated annually with a NIST certified gauge according to category specifications (3A, 2A, 1A) or with a dead weight tester.

PK TESTER – certified annually by NIST certified lab.

RTD (Resistance Temperature Detector) Simulator - certified annually by NIST certified lab

Additional Monitoring and Information

All in-service meters are monitored monthly for Customer usage abnormalities through Customer billing system exception reporting.

Meters returned from service that are to be re-deployed will be tested and reviewed for trends that may lead to additional testing or monitoring. Meters that are outside the acceptable operating standards will be retired from service.