

**RATE SCHEDULE AS
AGGREGATION SERVICE**

1. APPLICABILITY

Applicable throughout the entire service area of the Company.

2. AVAILABILITY AND CHARACTER OF SERVICE

- a. Aggregation Nomination Groups (“ANGs”) may be formed by: (1) Competitive Service Providers (“CSPs”) with whom Customers taking service under Rate Schedule TS-3 and TS-4 have contracted to deliver natural gas in aggregate to the Company’s city gates on behalf of such Customers for delivery by the Company to such Customers; and (2) Customers with multiple service locations that receive transportation service from the Company under Rate Schedules TS-3 and TS-4 (“Eligible Customers”). The purpose of an ANG is to enable CSPs and Eligible Customers to perform certain gas transportation functions on an aggregate basis for all Customers (or “customer locations” in the case of an Eligible Customer) participating in an ANG, including scheduling and nominating gas, banking and balancing, and complying with Balancing Service Restrictions (“BSRs”) pursuant to Section 12 of Rate Schedule TS-3 and TS-4, which Rate Schedule is incorporated herein by reference. All Customers/customer locations participating in a common ANG must: (1) have their gas transported on a common interstate natural gas pipeline; and (2) be located within the same operating or market area that corresponds to that pipeline.
- b. For customers with multiple service locations, the formation of an ANG will be for gas supply purposes only. Each individual service location in an Eligible Customer’s ANG will be deemed a separate customer and will continue to be charged a separate customer charge, initial transportation block rates pursuant to Rate Schedule TS-3 and TS-4, and other applicable customer specific charges.

And

- c. The Company will furnish information to, and receive information from, the CSP/Eligible Customer by means of the Company’s web based Electronic Bulletin Board (“EBB”). The CSP/Eligible Customer or their designee must be capable of, and agree to, utilize the EBB for communications specified in this Rate Schedule, including all nominations and confirmations for service under this Rate Schedule, as well as receipt of interruption notices, Operational Alerts (OAs) and BSR notices referenced in this Rate Schedule and Rate Schedule TS-3/TS-4. Alternative means of communication will be used for interruption notices, in lieu of the EBB, such as facsimile, telephone or e:mail, as may be deemed appropriate by the Company under the circumstances.

**RATE SCHEDULE AS
AGGREGATION SERVICE**

(Continued)

3. SERVICE AGREEMENT

An ANG shall be formed upon the execution of an Aggregation Service Agreement ("Service Agreement") by: (i) two or more Customers or an Eligible Customer taking service under Rate Schedule TS-3 or TS-4; (ii) a CSP authorized to provide aggregation services to such Customers (except in the case of an Eligible Customer); and (iii) the Company. The Service Agreement shall be in the form filed with the Virginia State Corporation Commission. The Service Agreement will require, for each ANG, a list of all Customers/customer locations included in the ANG and each Customer's account number. No agreement for service may be assigned or transferred without the written consent of or approval of the Company.

4. AGGREGATION SERVICE

CSPs and Eligible Customers will be responsible, on an aggregated basis, for nominating, scheduling and delivering gas, on a daily basis, to Company designated receipt points via the upstream pipeline designated by the Company on behalf of Customers/customer locations within an ANG. CSPs and Eligible Customers shall also be responsible for receiving BSR notices and responding to BSRs referenced in Section 12 of Rate Schedule TS-3 and TS-4, on behalf of the CSP's or Eligible Customer's participating Customers/customer locations, and for all other activities associated with the provision of the ANG Customers' natural gas supply service. CSPs and Eligible Customers will be allowed to establish one or more ANG's. However, multiple ANG's may not be aggregated to satisfy any requirement imposed under this Rate Schedule under any circumstance.

An Aggregation Service fee of 2¢ per Mcf will be charged to the CSP/Eligible Customer based on the volumes consumed by the participating Customers/customer locations included in the CSP's/Eligible Customer's ANG.

A Customer may remove itself, and an Eligible Customer may remove service locations, from an ANG by written notice of withdrawal to the Company and, if applicable, the CSP at least 30 days prior to the commencement of the billing month in which the withdrawal is to become effective. CSPs and Eligible Customers may remove any Customer/customer location from an ANG by written notice of removal to the Company and, in the case of a CSP, the Customer at least 30 days prior to the commencement of the billing month in which the removal is to be effective.

CSPs and Eligible Customers will deliver a volume of gas each day to the Company city gate designated for each Customer/customer location substantially equivalent to the gas used by all Customers/customer locations in the ANG on that day. The Company reserves the right: (1) to require the CSP/Eligible Customer to balance the ANG's deliveries and takes; or (2) to require a reasonably uniform daily delivery rate of gas which, at month end, will equal the ANG's requirements. The CSP/Eligible Customer agrees to deliver gas supplies into the Company's designated City Gate receipt points on a daily basis, in accordance with the aggregate usage requirements of all Customers/customer locations that comprise each ANG.

**RATE SCHEDULE AS
AGGREGATION SERVICE
(Continued)**

5. FINANCIAL SECURITY

The Company shall have the right to establish reasonable standards for a CSP/Eligible Customer to take service under this Rate Schedule, provided it does so in a non-discriminatory manner.

- i. CSPs desiring to provide service using ANGs will be evaluated to establish credit levels acceptable to the Company. In order for the Company to complete the evaluation, CSPs will be required to provide the Company with the following information:
 - (i) Proof of the CSP's licensure from the Virginia State Corporation Commission to provide competitive energy service in the Commonwealth of Virginia;
 - (ii) The CSP's most recent audited annual report, 10K and/or 10Q;
 - (iii) The CSP's current financial statements prepared since its last audited reports;
 - (iv) A list of the CSP's parent company and affiliates;
 - (v) Names, addresses and telephone numbers of 3 trade references;
 - (vi) Names, addresses and telephone numbers of at least one banking institution contact; and
 - (vii) A list of other jurisdictions in which the CSP provides competitive energy services.
- b) The establishment of acceptable credit levels will be based on standard credit factors such as previous customer history, Dun & Bradstreet financial and credit ratings, trade references, bank information, unused line(s) of credit, and financial information. The Company shall have the sole discretion to determine the level of credit worthiness based on the above criteria but will not deny credit worthiness without reasonable cause.
- c) A fee of \$50.00 will be assessed for each evaluation. The Company reserves the right to conduct evaluations during the course of the program when information has been obtained by the Company that indicates the credit worthiness of a CSP may have deteriorated or that the CSP's activities exceed the credit level previously approved by the Company.
- d) CSPs not meeting the necessary credit level will be required, at the Company's option, to provide additional security in the form of a letter of credit, surety bond, cash deposit, and/or other appropriate guaranty to safeguard the Company and its Customers from the financial impact of the non-performance of the CSP. In order to assure that the value of each financial security instrument remains proportional to the CSP's potential liability under this Rate Schedule, the required dollar amounts of such instruments may, on a non-discriminatory basis, be adjusted as Customers are added to, or deleted from, the CSP's ANG.

**RATE SCHEDULE AS
AGGREGATION SERVICE**

(Continued)

- e) A participating CSP agrees that, in the event it defaults on its obligations under this Rate Schedule, the Company shall have the right to use the proceeds of such financial security to satisfy the CSP's obligations under this Rate Schedule, including the terms and conditions of the Service Agreement. For instance, such proceeds

may be used to secure additional gas supplies (including payment of the costs of the gas supplies, transportation, storage, gathering and other related costs incurred in bringing those gas supplies into the Company's system) and to satisfy any outstanding claims that the Company may have against a CSP (including imbalance charges, cash-out charges, pipeline penalty charges, and other amounts owed to the Company and arising from a CSP taking service under this Rate Schedule).

- f) In the event a CSP elects, or is forced, to terminate service under this Rate Schedule in accordance with the terms and conditions hereof, it shall continue to maintain its financial security instruments/arrangements until it has satisfied all of its outstanding debts to and claims of the Company.

6. BANKING AND BALANCING

- a. A CSP/Eligible Customer will be required to aggregate all contract volumes of Customers/customer locations participating in each ANG. CSPs/Eligible Customers will also be required to choose the cumulative bank tolerance level applicable to each ANG, except for Customers/customer locations electing the Cash Out Option under Section 4 of Schedule TS-3 and TS-4, which are not eligible for Banking and Balancing Service. Differences between volumes delivered by the CSP/Eligible Customer and volumes consumed by the ANG will be balanced by the Company within the CSP's/Eligible Customer's chosen tolerance level and pursuant to all other applicable terms and conditions within this Rate Schedule. The CSP/Eligible Customer will maintain a gas bank balance within the aggregate banking tolerance of the ANG.
- b. Volumes received by the Company on behalf of an ANG but not delivered to Customers/customer locations included in an ANG on any given day shall be called an "Aggregation Volume Bank" or "banked volumes" and the CSP/Eligible Customer shall be permitted to receive such banked volumes, on an interruptible basis, at a later date, subject to the provisions of this Rate Schedule.
- c. CSPs/Eligible Customers may not utilize banked volumes during any period in which a consumption limitation or interruption has been imposed pursuant to Section 15.4 and 15.5 of the General Terms and Conditions. In addition, CSP's/Eligible Customer's utilization of banked volumes may be limited or denied, on a daily basis, during any period when a BSR, as further described in Paragraph 7, has been issued by the Company.

RATE SCHEDULE AS AGGREGATION SERVICE (Continued)

- d. Company may, on its own initiative, take such actions as are necessary to immediately bring CSP's/Eligible Customer's volumes received by Company and volumes delivered to the CSP's/Eligible Customer's ANG into balance. The Company further reserves the right to set limitations prior to, or during the course of, a month on how much gas can be scheduled by the CSP/Eligible Customer for delivery to Company in an effort to control the CSP's/Eligible Customer's banking activity.

- e. CSPs/Eligible Customers will be charged thirty–five cents (\$.35) per Mcf for volumes in excess of Bank Tolerance levels of an ANG as of the end of each billing month. In addition, in the event the CSP's/Eligible Customer's Volume Bank exceeds its Bank Tolerance level and thus contributes to the Company's incurrance of a storage-overrun penalty by an upstream pipeline(s), the CSP/Eligible Customer will be assessed its proportionate share of such penalties. If in any billing month in which the Company issues a BSR to restrict access to previously banked supply quantities pursuant to Section 12 of Rate Schedule TS-3 and TS-4, a CSP/Eligible Customer develops a Volume Bank in excess of its subscribed Bank Tolerance, then all or a portion of the aforementioned charge for an excess Bank Tolerance may be waived by the Company, on a non-discriminatory basis, for that billing month. However, the penalty shall not be waived to the extent that the applicable BSR permitted access to a portion of the CSP's/Eligible Customer's Aggregation Volume Bank. The Company shall bill any penalties assessed pursuant to this provision to the CSP/Eligible Customer.
- f. On days when the Company's deliveries to the CSP's/Eligible Customer's ANG exceeds the CSP's/Eligible Customer's deliveries to Company, plus the CSP's/Eligible Customer's contracted standby and available banked volumes, or the CSP's/Eligible Customer's Volume Bank equal zero, the CSP/Eligible Customer will be billed for any such excess consumption under the terms, conditions, and non-gas rates and charges (including administrative costs and applicable taxes) of the Company's Rate Schedule LGS interruptible sales rate, commencing with the initial rate block, plus the average of the mid-point city gate prices for deliveries as published in *Gas Daily* under "*Citygates - Columbia Gas (delivered)*" during the month in which such excess volumes were delivered. The purchased gas revenues associated with any commodity sales pursuant to this sub-section shall be flowed through the Company's purchased gas adjustment ("PGA") mechanism (including the Actual Cost Adjustment). This charge for tariff sales service is in addition to any penalties charged to the CSP/Eligible Customer, including penalties pursuant to Section 12 of Rate Schedules TS-3 and TS-4 for failure to comply with the Company's BSRs.

RATE SCHEDULE AS
AGGREGATION SERVICE
(Continued)

- g. The CSP/Eligible Customer may elect to change bank tolerance levels no more than once in any calendar year. Such changes are due to the Company 30 days prior to the effective date of the change. The CSP/Eligible Customer must execute a new Service Agreement or an amendment to its Service Agreement with the Company in order to change Bank Tolerance levels. The monthly bank tolerance levels that are available are: 5%, 4%, 3%, 2%, 1%, .5%, or 0% of the annual transportation contract volumes of the CSP's/Eligible Customer's ANG. If a Customer/customer location is removed from an ANG, the annual transportation contract volume for the ANG will be modified accordingly. Each ANG will have a single Aggregate Volume Bank managed by the CSP/Eligible Customer. The CSP/Eligible Customer will be charged the applicable per Mcf rate based on the tolerance level selected. The revenues derived from this service

will be credited to the Company's quarterly PGA.

- h. Should a Customer choose to terminate service under Rate Schedule TS-3 and/or TS-4 and begin taking sales gas service from the Company or choose to terminate service as part of a CSP's/Eligible Customer's ANG and return to Rate Schedule TS-3/TS-4 as a stand alone transportation customer, no portion of the Aggregate Volume Bank will be assigned to the Customer.
- i. In the event Aggregation Service hereunder is terminated, Company may, at its option, retain and purchase the undelivered banked volumes at the average of the mid-point city gate prices for deliveries as published in *Gas Daily* under "*Citygates - Columbia Gas (delivered)*" during the month in which such undelivered gas volumes are purchased. In addition, if a CSP/Eligible Customer owes Company any outstanding charges, Company may retain as an offset to such outstanding charges, banked volumes that would otherwise be delivered to CSP/Eligible Customer upon termination of service. Any such volumes retained by the Company will be valued at the average of the mid-point city gate prices for deliveries as published in *Gas Daily* under "*Citygates - Columbia Gas (delivered)*" during the month in which such excess gas volumes are retained. The purchased gas costs associated with any commodity purchases pursuant to this sub-section shall be flowed through the Company's PGA mechanism.
- j. Banking and Balancing Service is based on current policies, practices, and procedures of the Company's interstate pipeline supplier(s). Should any of the Company's interstate pipeline suppliers modify its policies, practices or procedures in a manner which makes it impracticable for the Company to continue to offer such balancing services pursuant to the provisions set forth herein, Company shall have the right to modify the provisions of its Banking and Balancing Service to the extent Company deems necessary, subject to appropriate regulatory approval. The Company shall provide notice to CSPs/Eligible Customers served under this Rate Schedule in the event such right is exercised. Nothing in this provision shall limit the Company's future ability to modify this provision or this Rate Schedule.

**RATE SCHEDULE AS
AGGREGATION SERVICE
(Continued)**

- k. CSP/Customer-to-CSP/Customer transfers of end-of-month bank balances within a Columbia Gas Transmission Corporation designated market area will be permitted, provided that both parties have confirmed deliveries transported by the same transmission company. CSP/Customer-to-CSP/Customer transfers of end-of-month bank balances between Columbia Gas Transmission Corporation designated market areas may be allowed at the discretion of the Company, provided that both Customers have confirmed deliveries transported by the same transmission company. This inter-market area trading capability will only exist in a month in which the Company did not issue a BSR. Trades of end-of-month bank balances between and among CSPs and Customers with confirmed deliveries transported by different transmission companies will not be permitted under any circumstances. Transfers of end-of-month bank balances may only be requested once a month and must be requested on or before the third business day following the conclusion of the month for which the transfer is requested.

7. BALANCING SERVICE RESTRICTIONS

CSPs/Eligible Customers shall schedule delivery of gas to Company on behalf of Customers/customer locations participating in an ANG in compliance with BSRs as set forth in Schedule TS-3/TS-4, the terms and conditions of which are incorporated herein by reference. Any determination of a failure to comply with the requirements of a BSR shall be made on an aggregate basis with respect to all Customers/customer locations in a common ANG. All penalties assessed in accordance with the Company's tariffs against Customers/customer locations participating in a common ANG for violation of a BSR shall be aggregated and billed to the CSP/Eligible Customer, except as provided in Section 10 of this Rate Schedule. Notwithstanding the foregoing, a CSP/Eligible Customer will not be entitled to the waiver of the \$10/Mcf charge prescribed in Section 12(b) of Schedule TS-3/TS-4.

8. TITLE TO GAS

The CSP/Eligible Customer warrants that it has good title to all natural gas delivered to the Company on behalf of Customers/customer locations participating in an ANG and that such gas will be free and clear of all liens, encumbrances and claims, and the CSP/Eligible Customer will indemnify the Company and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of a breach of this warranty.

**RATE SCHEDULE AS
AGGREGATION SERVICE**
(Continued)

9. DAILY DEMAND MEASUREMENT INFORMATION

The CSP shall be permitted to obtain actual consumption information for each of its Customers for the prior gas day ending at 10 a.m., via a web based process made available by Company, provided appropriate authorization is provided to Company from the Customer. The CSP will also be afforded the opportunity to use the Company's optional demand-polling service to access metering data for such Customers at any time within a day at the CSP's discretion and/or obtain access to a pulse signal. Optional demand-polling capability (via the Company's web based process) and the optional access to Customers' pulse signals will be provided subject to usage fees to be charged to the CSP, based on the terms and conditions of separate Rate Schedules.

10. CUSTOMER OBLIGATIONS

Notwithstanding the fact that the Company will bill the CSP (except in the case of an Eligible Customer) for any and all charges and penalties applicable under the terms and conditions of this Rate Schedule, the Customers within each ANG are ultimately responsible for any such charges and penalties that the CSP fails to pay within the time prescribed in the Company's tariffs and/or General Terms and Conditions. Any such unpaid charges and penalties will be assessed to Customers within each ANG on a pro rata basis based on the ratio of each Customer's gas usage to the usage of all Customers participating in that ANG during the month for which the charge and/or penalty is applied. The fees and charges to which this provision is applicable include, but are not limited to, Aggregation Service fees, Banking and Balancing fees, excess bank tolerance charges, BSR penalties and charges, commodity costs associated with excess consumption, sales service, cash out, and charges for a CSP's access to its customers' daily demand measurement information and pulse signals.

11. DETERMINATION OF DELIVERIES

The volume of gas transported pursuant to this Rate Schedule shall be the volumes delivered to the Company by the CSP/Eligible Customer less 1.0% of the total volumes delivered, as retainage for Company use and unaccounted for gas on the Company's distribution system.

12. RATE

The rates for Banking and Balancing Service under this Rate Schedule are set forth in the currently effective Rate Sheets of this tariff and are incorporated herein.

13. PURCHASE GAS ADJUSTMENT PROVISION

The rates for Banking and Balancing Service under this Rate Schedule are subject to adjustment for changes in pipeline supplier rates set forth in Section 17 of the General Terms and Conditions.

**RATE SCHEDULE AS
AGGREGATION SERVICE
(Continued)**

14. TAXES

Bills rendered under this Rate Schedule shall be subject to any effective tax levied by governing bodies.

15. GENERAL TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the currently effective General Terms and Conditions, as contained in this Tariff, as well as all applicable Rules and Regulations of the Virginia State Corporation Commission and any subsequent revisions thereto.

