

MASTER INTERCONNECT AND MEASUREMENT AGREEMENT

THIS MASTER INTERCONNECT AND MEASUREMENT AGREEMENT is entered into this ____ day of _____ 2025, by and between **Peoples Natural Gas Company LLC**, a Pennsylvania limited liability company, with an office located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212 (hereinafter referred to as “Peoples”), and **[PRODUCER]**, a _____ [state] _____ [type of company], with an office at [ADDRESS] (hereinafter referred to as “Producer”). As used in this Agreement, Peoples and Producer are also referred to individually as a “Party” and collectively as the “Parties.”

WHEREAS, Peoples owns and operates certain Gas facilities and pipelines located in the Commonwealth of Pennsylvania (the “Peoples’ System”);

WHEREAS, Producer has available certain supplies of Gas which it desires to have delivered onto Peoples’ System;

WHEREAS, this Agreement shall supersede, in its entirety, and terminate without cause, any previously executed Agreement(s) between the Parties for the transport and/or purchase of Gas for the Receipt Point(s) identified herein, including, but not limited to, prior Transportation Agreements, Gas Purchase Agreements, Production Enhancement Agreements, Field Purchase Agreements, Measurement Operating Agreements and Interconnection Agreements; however agreements related to blending and compression requirements, such as Gathering Interconnect Compression Agreements and Blending Service and Operation Agreements, shall not be terminated and shall continue pursuant to their terms and conditions;

NOW THEREFORE, in consideration of the promises and covenants contained herein, Peoples and Producer hereby agree as follows:

ARTICLE I
PURPOSE AND PROCEDURES

1.01 **Master Agreement**. This Master Agreement establishes the general terms and conditions under which Producer will deliver Gas onto Peoples’ System at specified Receipt Point(s) through Interconnection Facility(ies), and thereafter the Gas shall either be transported through Peoples’ System or sold directly to Peoples for whatever use deemed necessary and appropriate by Peoples.

1.02 **Exhibits**. The terms and conditions of each particular transaction whereby Producer will deliver Gas onto Peoples’ System at specified Receipt Point(s) shall be included in individual Exhibits (hereinafter “Exhibit” or “Exhibits”). Information contained in the Exhibits shall include, but not be limited to:

- (a) The designation for the transportation or sale of Gas for specific Receipt Point(s);
- (b) The meter number and location at the Receipt Point;
- (c) The time period (hereinafter “Service Term”) during which the Gas is to be sold to Peoples or delivered onto Peoples’ System;
- (d) Applicable prices, rates and associated fees; however, the Parties agree that the Construction and Installation Fees, and any other operation, installation, or maintenance

types of fees addressed in the Master Agreement, shall not be included on the Exhibit and shall instead be identified in separate written format(s), such as an invoice.

1.03 **Appendices and Exhibits as Part of Agreement.** Appendices to the Master Agreement establish additional terms and conditions required as a part of the Master Agreement. The entire agreement between the Parties shall include those provisions contained in the Master Agreement, the Appendices, and any effective Exhibits. The Appendices and each duly executed Exhibit are hereby incorporated into and made a part of this Master Agreement. The provisions of each respective Exhibit shall apply only to the Producer Sales Volume(s) subject to such Exhibit; however, the provisions of this Master Agreement and Appendices shall apply to all volumes in all Exhibits.

ARTICLE II **DEFINITIONS**

2.01 **Definitions.** For the purposes of this Master Agreement, the following terms, when capitalized herein, shall have the meanings set forth below:

- (a) "**Authorizations**" means any and all approvals, permits, licenses, franchises, or other authorizations required by any federal or state governmental authority which are necessary for the performance of a Party's obligations hereunder.
- (b) "**Btu**" means a British thermal unit.
- (c) "**Commission**" means the Pennsylvania Public Utility Commission that regulates the intrastate sales and transportation of Gas.
- (d) "**Construction and Installation Fee**" means the fees charged to Producer for the actual labor, tools, materials, equipment and overhead expenses for the development, design and construction activities relative to completing the New Facilities contemplated by this Master Agreement.
- (e) "**Contract Price**" means, in the instance in which Gas is sold to Peoples by Producer, the price paid for Gas delivered and taken as set forth in any then-effective Exhibit.
- (f) "**Day**" means a period of twenty-four (24) consecutive hours, coextensive with a "day" as defined by the North American Energy Standards Board ("NAESB").
- (g) "**Dekatherm**" means one million (1,000,000) Btus or one MMBtu.
- (h) "**Existing Facility(ies)**" means Producer owned, operated or managed equipment and facilities, including, but not limited to, any measurement equipment transferred from Peoples to Producer pursuant to this Agreement, installed upstream of the Interconnect prior to October 29, 2019 that involve, at a minimum: (i) measurement equipment of whatever type used to determine the Producer Sales Volumes; (ii) any gas quality device of whatever type used to determine the quality of the gas being delivered to Receipt Point(s); (iii) any over-pressure control system of whatever type being used to protect Peoples' System's maximum pressure limitations; and (iv) any and all other equipment and devices installed from Producer's pipeline riser coming out of the ground from Producer's pipeline system through the measurement equipment and to the Interconnect. This term includes all of the above Producer owned, operated or managed equipment and facility(ies) (i) sold or assigned to an affiliated or legally associated company of that producer; or (ii)

required to be moved to another Peoples' pipeline as a result of the abandonment of a Peoples pipeline pursuant to Sections 6.07, 10.17.

- (i) **"FERC"** means the Federal Energy Regulatory Commission or any successor federal agency that regulates, or has the authority to regulate, the transportation of Gas in interstate commerce by pipeline.
- (j) **"Gas"** means a mixture of hydrocarbon and non-hydrocarbon gases that satisfies the requirements of Article IX of this Master Agreement.
- (k) **"Gathering Rate"** means for any Gas delivered by Producer onto Peoples' System at a Receipt Point which is subject to this Master Agreement, Producer shall pay to Peoples a gathering fee as set forth in an Exhibit hereto.
- (l) **"Interconnect"** means the point of connection between the Producer's Existing Facility(ies) or New Facility(ies) and Peoples' System, comprised of the insulator, pipeline extension, riser, and the isolation valves installed downstream of the insulator, all owned by Peoples.
- (m) **"Interconnect Facility(ies)"** means the Producer-owned Existing Facility(ies) and New Facility(ies) connected to Peoples' System at the Interconnect in accordance with the Master Agreement as amended from time-to-time.
- (n) **"Mcf"** means one thousand (1,000) cubic feet of Gas.
- (o) **"MMBtu"** means one million (1,000,000) Btu's or one Dekatherm.
- (p) **"Modification to an Existing Facility"** means any non-emergency replacement, upgrade or downgrade on Existing Facility(ies).
- (q) **"New Facility(ies)"** means Producer owned, operated or managed equipment and facilities (i) installed upstream of the Interconnect after October 29, 2019 through which Producer will deliver Gas onto Peoples' System at specified Receipt Point(s) and (ii) approved, designed, constructed and operated as set forth in herein, including any Existing Facility(ies) sold or assigned to a non-affiliated party of Producer or a party with whom Peoples does not have a current master interconnection and measurement agreement with Peoples.
- (r) **"Peoples Approved Vendor"** means any vendor Peoples has approved to provide the services required by the Master Agreement to be performed on behalf of the Producer by an independent contractor to comply with the Master Agreement; a list of approved vendors is posted on Peoples website, which list may change from time-to-time.
- (s) **"PIOGA"** means the Pennsylvania Independent Oil & Gas Association, its successors and assigns.
- (t) **"Producer"** is the owner, operator, or agent for the underlying well(s), meter(s), and gathering system(s) that deliver gas to the Receipt Point(s). Producer is authorized to execute this Agreement, on behalf of its various investors, partners, and/or owners.

- (u) **“Producer Sales Volume(s)”** means the volume(s) of Gas measured at and credited to the Producer’s Receipt Point(s) for the Production Period as determined and reported to Peoples by the Producer Chart Process, or as measured in accordance with Section 10.11.
- (v) **“Production Period”** means a span of approximately thirty (30) days, which may or may not conform to the calendar month, during which time Producer’s Gas will be measured for delivery and purchase payment purposes. Production Periods shall be identified by the name of the month in which the period ends.
- (w) **“Production Statement”** means the statement generated each calendar month by Peoples that details the Production Period and, for each Receipt Point, Producer Sales Volume(s) in Mcfs and MMBtus.
- (x) **“Receipt Point(s)”** means the point(s) of receipt, or meter(s), of Producer’s supplied Gas as set forth in the Exhibit specific to said point of receipt.
- (y) **“Retainage Percentage”** means, for any Gas delivered by Producer onto Peoples' System at a Receipt Point which is subject to this Master Agreement, Peoples shall withhold a retainage percentage as set forth in an Exhibit hereto.

ARTICLE III

APPLICATION FOR NEW FACILITIES AND MODIFICATION TO EXISTING FACILITIES

3.01 **Application/Notification.** Producer shall submit to Peoples in writing the application for connecting a New Facility, and a notification request for any Modification to an Existing Facility.

3.02 **Application to Connect New Facility.** Within the application for connection of a New Facility, the Producer shall provide accurate information to Peoples concerning the following: (i) the location of the proposed connection utilizing the latitude and longitude coordinates on a USGS map; (ii) well plats, if applicable; (iii) the proposed maximum allowable operating pressure of the Producer’s gathering line that will feed into the Receipt Point; (iv) the desired date for completion of the connection; (v) the Producer’s estimated maximum, minimum and average amount of Gas to be delivered through the connection on a daily basis; (vi) the source of Gas; (vii) the Producer’s estimated maximum, minimum and average receipt pressure through the connection; and (viii) any other information required by Peoples for the specific connection, including, but not limited to, Gas quality and odor intensity test results.

3.03 **Consideration of Application to Connect New Facility.** Peoples shall respond to the feasibility of Peoples’ System’s accepting delivery of Gas through the proposed New Facility connection and whether the application is approved, rejected or requires additional information or consideration. If the application is approved, Producer shall advance the application according to Article IV. If the application is rejected, Peoples shall explain the reason(s) for the rejection and may suggest alternatives that may, in Peoples’ commercially reasonable discretion, be acceptable to Peoples, and Producer shall respond to the alternatives. If the application is acceptable but requires additional information or consideration, Peoples shall specify the additional information that, in Peoples’ commercially reasonable discretion, may be required or the concerns requiring additional consideration for approval, and Producer shall provide the additional information or address the concerns requiring additional consideration. Thereafter Peoples shall approve the application if (1) its concerns have been satisfied and (2) no material changes in System conditions have occurred which would render the application no longer acceptable to Peoples.

3.04 **Modification to Existing Facilities.** Producer shall provide notice of Modification to an Existing Facility which shall include the current Peoples’ meter station name, PO # being utilized to identify

the existing Interconnect, and the details of the Modification. Provided the Modification is in accordance with the conditions in this Agreement and such Modification does not cause operational, safety or service-related concerns, as determined by Peoples using commercially reasonable discretion, Peoples shall approve the Modification by providing written notice to Producer.

ARTICLE IV
INTERCONNECT DESIGN, INSTALLATION, ACTIVATION AND MAINTENANCE

4.01 **New Facility Design Specifications.** After approval of an application for a New Facility connection, Producer shall submit to Peoples, for approval, the complete design, specifications and construction plans for the proposed New Facility. Producer agrees to make those changes to such design and construction plans as Peoples, in its commercially reasonable discretion, believes are necessary for the safe and reliable delivery of Gas into the Peoples' System. If the plans are approved, Peoples' response shall provide the Producer with the construction date when Peoples will endeavor to make the tap onto Peoples' System. If the plans require modification, Peoples shall specify the modifications that Peoples, in its commercially reasonable discretion, believes are necessary for the safe and reliable delivery of Gas into the Peoples' System. Producer shall resubmit the plans that address the modifications that Peoples requests and Peoples shall respond whether the resubmitted plans are approved or denied.

4.02 **Equipment Requirements for New Facility.**

- (a) The New Facility shall be comprised of equipment that includes: (i) Gas measurement equipment; (ii) two forms of overpressure protection; (iii) certain interconnect piping facilities including a check valve and an insulated/welded tie-in connection; and (iv) such other equipment as may be required by Peoples at the New Facility. Peoples shall specify the type of equipment to be provided by Producer and Producer shall not install any non-Peoples approved equipment at the New Facility. The minimum engineering and technical specifications for the New Facility are further detailed in Appendix A.
- (b) Unless waived in writing by Peoples, all costs associated with the New Facility shall be the Producer's responsibility and any such costs paid by Peoples shall be reimbursed by Producer through the Construction and Installation Fee. If Producer does not remit payment for the Construction and Installation Fee within thirty (30) days after receiving Peoples' invoice for same, then Peoples may, at its sole option, shut-in the Interconnect until payment is made and may require all future payments for other operation, installation, or maintenance related work to be made in advance.

4.03 **New Facility Construction.** Scheduling of installation of the New Facility must be coordinated with Peoples. No New Facility construction shall commence until Producer has satisfied all of its prerequisite obligations under this Master Agreement and Peoples has notified Producer in writing that construction may commence. Producer and Peoples shall coordinate the construction of their respective facilities (New Facility and Interconnect).

4.04 **Activation of New Facility and Interconnect.** Producer shall notify Peoples in writing that Producer is ready to activate the New Facility and Interconnect. Activation of the New Facility and Interconnect shall be contingent upon readiness of Peoples, Peoples' acceptance of Gas analysis results as submitted by Producer, and completion of construction as specified and agreed upon by and between Peoples and Producer. Peoples shall have the right to conduct a separate Gas analysis for verification purposes. Peoples and Producer shall coordinate the installation, testing, and physical final tie-in to Peoples' System: Peoples shall perform the physical tie-in and Producer shall set the meter and commence the flow of Gas. Peoples shall develop all operations associated with purging the meter set and piping into

service and, after physical tie-in, coordinate and oversee all such operations. After completion of all such operations, the New Facility and Interconnect shall be activated.

4.05 **Commencement of Operation of New Facility and Interconnect.** Producer shall notify Peoples, in writing, when the New Facility and Interconnect is complete, tested, and ready for operation. Unless otherwise indicated, deliveries of Gas through the New Facility and Interconnect may commence as soon after activation as all Authorizations have been granted, the requisite documents have been submitted, and Producer has satisfied the terms and conditions of this Master Agreement.

4.06 **Debris and Obstructions.** At all times, Producer's New Facilities and Existing Facilities shall be cleared of all debris and obstructions.

4.07 **Maintenance.** Producer is responsible for, and shall assume the initial costs of landscaping, sign posting, painting, and final, post-construction cleanup at and around the New Facility.

4.08 **Identification.** A meter set identification sign shall be posted at each New Facility, and if not already done so, at each Existing Facility location. The sign shall, at a minimum, list the name of the Producer and the telephone number (including area code) where the Producer, or its operator, can be reached at all times (i.e., emergency contact number). Producer shall be responsible to replace and/or update the notification information as it changes, from time-to-time.

4.09 **As-built Drawings.** If requested by Peoples, Producer shall develop an "as-built" location drawing of the New Facility. The "as-built" drawing shall include all equipment from the inlet side of the Gas measurement equipment to the tie-in with Peoples' System. This detailed drawing shall include centerline measurements, valve, regulator, meter identification, pipe size(s) and type(s), and telemetering details. Producer shall provide a copy of this drawing (AutoCAD format) to Peoples, upon request. Upon request, Producer shall provide an "as-built" location drawing of any Existing Facility, when Peoples determines that such drawing is needed, in its commercially reasonable discretion, to rectify operational, safety or service-related concerns.

4.10 **Telemetry.**

(a) For a New Facility electronic Gas measurement and communications equipment installed as part of the New Facility shall include equipment for monitoring, recording, and transferring data deemed essential by Peoples. Producer shall acquire, install and pay the on-going operating expenses for the electronic Gas measurement and communications equipment to provide Peoples, at a minimum, real-time information related to pressure, temperature, Gas flow and Gas quality (i.e., chromatograph) provided however that for any Receipt Point with a daily volume below 1,000 mcf/day, Producer may request an exception to the telemetry requirement. Upon receiving such request, Peoples and Producer shall engage in a good faith discussion to determine if alternative(s) to telemetry equipment are available.

(b) For an Existing Facility, electronic Gas measurement and communications equipment shall be required when Peoples provides at least sixty (60) days advance notice to Producer detailing required modifications to the existing telemetry equipment, if any, which are required, as determined by Peoples' commercially reasonable discretion, to rectify operational, safety or service-related concerns. In which case, the telemetry equipment shall be modified to include equipment for monitoring, recording, and transferring data deemed essential by Peoples. Producer shall acquire, install and pay the on-going operating expenses for the electronic Gas measurement and communications equipment to provide Peoples, at a minimum, real-time information related to pressure, temperature, Gas flow and Gas quality

(examples of such equipment shall include, but not be limited to a chromatograph or in-line moisture analyzer).

ARTICLE V **FACILITIES OWNERSHIP**

5.01 **Peoples' Facilities.** Peoples shall own, and Peoples or its designee shall design, install, operate, and maintain, all facilities and equipment on the downstream side of the isolation valve which connects the Peoples' System to the Producer's New Facility or Existing Facility as more specifically described in the Appendices and on the Typical Gas Purchase Meter Set drawing, a copy of which is maintained on the Peoples' producer services section of its website.

5.02 **Producer's Facilities.** Producer shall own, and Producer or its designee shall design, install, operate, and maintain all facilities and equipment upstream of the Interconnect. The location and positioning of the New Facility or Existing Facility shall be in accord with Peoples' standard design specifications as more specifically described in the Appendices and on the Typical Gas Purchase Meter Set drawing, a copy of which is maintained on the Peoples' producer services section of its website.

ARTICLE VI **INTERCONNECTION OPERATIONS**

6.01 **Gathering Obligations.** Peoples will receive Gas from Producer at the Receipt Point, provided that if any person or entity besides Producer is flowing Gas through the Interconnect, all such persons or entities utilizing the Interconnect have entered into valid agreements with Peoples. Peoples shall receive Gas from the Receipt Point and permit that Gas to flow against the existing pressure in Peoples' facilities. Peoples shall not be obligated to lower existing line pressure by compression or otherwise to accommodate receipts from the point of interconnection. As set forth elsewhere in this Agreement, it is expressly understood that Peoples may restrict the flow or discontinue the taking of Gas temporarily. Peoples shall not be obligated to add any facilities or expand the capacity of its pipeline system in any manner in order to provide the services hereunder. Nothing in this Master Agreement or any applicable Exhibit shall limit Peoples' right to interrupt service or to take other action on a non-discriminatory basis as may be required to alleviate conditions which threaten the integrity of its system.

6.02 **Environmental Responsibility.** Each Party represents that no hazardous substance as that term is defined in the Federal Comprehensive Environmental Response Compensation Liability Act (CERCLA), petroleum or petroleum products, "asbestos material" as that term is defined in 40 CFR 61.41 (1987), polychlorinated biphenyls (PCBs), or "solid waste" as that term is defined in the Federal Resource Conservation Recovery Act (RCRA), will be leaked, spilled, deposited or otherwise released by either Party on the other Party's property. In the event that any of said above referenced materials are discovered on said property, each Party shall immediately notify the other Party of the discovery and existence of said materials. In the event of either Party's breach of the representations contained in this section, the full responsibility for the handling, remediation, treatment, storage or disposal of any such hazardous substance, petroleum or petroleum product, asbestos material, PCBs or solid waste discovered on said property, including the handling of such materials in compliance with all environmental laws including federal, state and local laws, rules and regulations, shall remain with such Party and such Party shall indemnify the other Party for any loss, injury, theft, damage to persons or property, or fines, penalties or compliance order issued by any governmental agency relating to pollution or protection of the environment including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of

chemicals, pollutants, contaminants, waste petroleum, toxic substances and hazardous substances occurring on said property. This section shall survive the termination of this Master Agreement.

6.03 **Facility Improvements.** Peoples retains the unilateral right to change the operations of its System and/or upgrade its System; provided, however, that such changes must be consistent with good utility practices and not violate local, state or Federal requirements. Such operational changes may require the adjustment and/or addition of equipment to an Existing Facility or a New Facility by the Producer in order to maintain delivery of Gas volumes; the cost of such adjustment and/or addition of equipment will be borne entirely by the Producer.

6.04 **Peoples Shut-in of Interconnect.** Peoples retains the unilateral right to immediately shut-in or cause Producer to shut-in any Interconnect that, in Peoples' sole judgment, using commercially reasonable discretion, threatens the integrity and safe operation of Peoples' System. Additionally, if Peoples is purchasing the Gas from a particular Receipt Point, upon thirty (30) days advance written notice, Peoples may shut-in or cause Producer to shut-in that Receipt Point for economic reasons. As soon as possible after the threat to the integrity and safe operation of the system, or that the economic reasons no longer exist, Peoples will use best efforts to limit flows of transmission or pipeline supplemental volumes to give conventional production flow-preference.

6.05 **Producer Shut-in and Discontinuance.**

- (a) Producer shall not shut-in or discontinue delivery of Gas at any Receipt Point, excepting that the shut-in or discontinuance of gas delivery is caused by an emergency or other unplanned event, without first obtaining Peoples' consent, which consent will not be unreasonably withheld, but may be conditioned in the event the shut-in or discontinuance of the Gas delivery may, as determined by Peoples using commercially reasonable discretion, result in an operational, safety or service related concern on Peoples' System.
- (b) Producer shall provide thirty (30) days advance notice to Peoples of its intention to shut-in or discontinue delivery of Gas at any Receipt Point, after which notice the Parties shall engage in a good-faith discussion to determine if Peoples consent must be conditioned or withheld. If the shut-in or discontinuance is caused by an emergency event, Producer shall notify Peoples as quickly as possible, but in no event more than 24 hours after the event.
- (c) If a shut-in occurs, Peoples shall have the right to remove its facilities at the Interconnect Point and terminate the Exhibit governing that Receipt Point, only after Peoples has communicated the cause, and the Producer is given a good-faith opportunity to propose a remedy and resolve the issue within a timeframe acceptable to Peoples.

6.06 **Notice of Interruption of Gas Delivery at Receipt Point.**

- (a) Peoples shall be notified of any and all repairs, changes, or other actions that may result in any interruption or discontinuance of Gas delivery at a Receipt Point as set forth in this paragraph. Unless caused by an emergency event, Producer shall advise Peoples in writing at least five (5) business days before taking the Receipt Point out of service for repairs or for any other reason that is anticipated to last more than seven calendar (7) days. When an emergency event occurs at the Receipt Point Producer shall notify Peoples as quickly as possible, but in no event more than 24 hours after the event. After Producer has completed all repairs to the Receipt Point or is otherwise prepared to resume delivery of Gas at the Receipt Point, Producer shall immediately reconnect the Receipt Point to Peoples' System and resume service, subject to ten (10) days' advance notification to Peoples, provided that

the notice may be less than ten (10) days, however, Peoples may require the full ten (10) days to arrange for the reinstated flow of Gas through the Receipt Point.

6.07 **System Abandonment.** In the event Peoples should ever abandon, retire or cease to operate, in whole or in part, facilities used to purchase and/or transport Gas on a system-wide basis, or throughout a geographic portion of its system, (as opposed to one-off facility abandonments that are addressed in subsection 10.17(c)), Peoples shall advise the Producer(s) of the abandonment, retirement or cessation of operation as soon as reasonably practicable. Peoples may, in its commercially reasonable discretion, either terminate this Master Agreement, or terminate an Exhibit specific to the Receipt Point(s) impacted, upon at least ninety (90) days' written notice to Producer. During such ninety (90) day period, Peoples and Producer shall continue to engage in good-faith discussions, if so requested by Producer, to reasonably assist Producer in locating alternative delivery points for the Gas flowing through the impacted Receipt Point(s).

ARTICLE VII

OPERATIONAL COSTS AND PAYMENTS TO BE BORNE BY PRODUCER

7.01 **Gas Quality and Monitoring Costs.** Producer agrees to install, operate and keep in efficient operating condition, at Producer's own expense, the equipment necessary to insure that the gas delivered from each well hereunder meets the gas quality and other operational standards and requirements contained in this Master Agreement, Producer also agrees to install, own, operate and keep in efficient operating condition, equipment necessary, including, but not limited to, Type OSE Slam-Shut Valves if required by Peoples, to avoid excessive pressure in Peoples' and/or Producer's line. Producer shall be solely responsible for all costs and charges associated with monitoring, ensuring and maintaining the quality of Gas delivered into Peoples' System to meet the requirements in Article IX and all costs associated with quality remediation for Gas that does not meet those requirements. Peoples shall have access to Producer's Interconnect Facility and shall have the right, but not the obligation, to operate such Facility in the event Peoples determines, using commercially reasonable discretion, that its operation is required to prevent or alleviate operational, safety or service related concerns on Peoples' System; in such event, Peoples shall provide notice to the Producer of such operation as soon as practical and in-advance, when reasonable. Peoples shall indemnify and hold harmless Producer for any and all environmental, health and safety liabilities directly resulting from Peoples' or its designee's access or operation of Producer's Interconnect Facility. Peoples shall replace, fix and repair, at its cost, any portion of Producer's Interconnect Facility that Peoples or its designee intentionally or negligently harms, damages or breaks as a result of Peoples' access or operation of the Facility.

7.02 **Producer Interconnect Facilities Costs.** Producer shall be solely responsible for all costs and charges associated with monitoring, ensuring and maintaining the safe and reliable operation of pipeline, measurement, compression, regulation, dehydration, and any other appurtenant equipment associated with the Interconnect Facilities, which are upstream of the Interconnect. Peoples reserves the right to refuse receipts and/or deliveries through the Interconnect if Peoples, in its sole judgment, using commercially reasonable discretion, deems the operation of these facilities to threaten the safety or reliability of the Peoples' System.

7.03 **Royalty Payments.** Producer shall be solely responsible for all royalty, overriding royalty, and working interest payments attributable to Gas delivered to Peoples under this Master Agreement. In no event shall Peoples be obligated to make any royalty, overriding royalty, or working interest payments for Gas purchased under this Master Agreement.

ARTICLE VIII

ADDITIONAL WELLS

8.01 **Completion of Wells.** No well shall be added to any existing Receipt Point(s) without first obtaining the prior written consent of Peoples. All requests for new well additions shall be accompanied by a well plat, completion report, estimated flow rate and Gas quality sample, at the meter, and/or at the new well location, to evaluate the feasibility of adding the Gas deliveries from the new well to the existing Receipt Point(s). Peoples reserves the right, at its sole discretion, to request other information to inform its evaluation concerning the new well.

8.02 **Introduction of Well Gas.** At the time of introduction of Producer's well Gas into Peoples' System, a Peoples' representative shall operate the valves at the meter. During this operation, Producer and Peoples shall provide experienced personnel at the meter site.

8.03 **Producer's Facilities.** Producer shall promptly furnish the pipe and shall construct and place in operation a suitable gathering pipeline to connect those wells currently or subsequently included under this Master Agreement to Peoples' System at the Receipt Point(s). Producer's meter site shall be cleared of all debris and obstructions before it is connected at the Receipt Point(s). Producer shall install all drips complete with automatic shut off and other devices necessary to separate fluids from the Gas in Producer's gathering pipelines. Producer shall operate such drips and other devices so that all Gas delivered under this Master Agreement will meet at all times Peoples' gas quality specifications set forth in Article IX or Peoples' transporter's gas quality specifications. Peoples shall have access to such drips and other devices at the meter site and shall have the right, but not the obligation, to operate such drips and other devices in the event Peoples determines, using commercially reasonable discretion, that its operation is required to prevent or alleviate an operational, safety or service related concerns on the Peoples system; in such event, Peoples shall provide notice to the Producer of such operation as soon as practical.

8.04 **New Well Costs.** Producer shall be solely responsible for all costs associated with drilling, operating, and connecting new wells including, but not be limited to, hook-up fees; usage fees; all costs associated with the construction of gathering lines, tie-in lines, drip lines, measurement, compression, regulation and connection facilities; and all costs attributable to rentals, except as otherwise provided in this Master Agreement.

8.05 **General.** The wells located upstream of Receipt Point(s) shall remain continuously connected to Producer's gathering lines for production deliveries, except to the extent that disconnection is required for well repairs. Producer's Gas which is governed by an Exhibit A for the purchase of Gas cannot be diverted to other buyers without the express written consent of the Peoples, which consent shall not be unreasonably withheld, but may be conditioned in the event the deviation of gas may, as determined by Peoples using commercially reasonable discretion, result in an operational, safety or service related concern on the Peoples system. Producer shall provide ninety (90) days advance notice to Peoples of its intention to divert gas from upstream wells to other buyers; after which notice the Parties shall engage in a good-faith discussion to determine if Peoples consent must be conditioned or withheld. Producer shall operate such wells in a reasonable and prudent manner at all times and shall keep such wells in good condition in order to ensure the gas delivered onto the Peoples system meets the requirements and standards set forth in this Agreement, including any Appendixes, Exhibits, Addendums, Schedules and Amendments.

8.06 **Timing of Well Repairs.** To the extent possible, Producer shall make all necessary well repairs between May 1 and October 31 of the calendar year.

8.07 **Notice of Well Repairs.** Unless caused by an emergency event Producer shall advise Peoples in writing at least five (5) business days before taking any well located upstream of Receipt Point(s) out of production for repairs which are anticipated to last for more than seven calendar (7) days. When an emergency event occurs which impacts the availability of the Receipt Point, Producer shall notify Peoples as quickly as possible, but in no event more than 24 hours after the event. After Producer has completed

all repairs, Producer shall immediately reconnect the well and resume production, subject to authorization for turn-in by Peoples' field personnel.

ARTICLE IX
PRESSURE, GAS QUALITY AND HEATING VALUE

9.01 **Regulation.** Peoples may require regulation and shall require over-pressure protection at the Receipt Point(s) under this Master Agreement. Such regulation shall maintain delivery pressures suitable to pressures in Peoples' System. Peoples shall specify and/or approve the type of regulators to be used and shall specify pressure ranges, and operating settings. All costs associated with such equipment, including installation costs, shall be the Producer's responsibility and any such costs paid by Peoples shall be reimbursed by Producer through the Construction and Installation Fee.

9.02 **Compression.** Producer shall not use any mechanical means or accessory equipment to pump or compress Gas to aid its delivery into Peoples' System without first obtaining and executing the Peoples' standard Compression Agreement.

9.03 **Pressure in Peoples' System.**

- (a) Peoples makes no representations concerning the pressure that will be maintained in its pipeline system from time-to-time, or any other factors, which may affect the quantity of Gas that Producer may be able to deliver to Peoples. Subject to Section 6.03 Peoples has the right to upgrade, when necessary, pipeline operating pressures with no obligation to Producer other than providing notification of such matters.
- (b) Although regulators are part of Producers' Interconnect Facilities and therefore owned by Producers, Peoples shall operate these regulators as provided by this Master Agreement. Accordingly, Peoples shall indemnify and hold harmless Producers for any and all environmental, health and safety liabilities directly resulting from Peoples' or its designee's access or operation of the regulators when setting the maximum allowable pressure set points within the Interconnect Facilities. Peoples shall replace, fix and repair, at its cost, any portion of Producers' Interconnect Facilities that Peoples or its designee intentionally or negligently harms, damages or breaks as a result of operating the regulators within the Facilities.

9.04 **Gas Quality.** All Gas delivered through an Interconnect into Peoples' System shall at all times meet or exceed the Gas quality specifications set forth in Appendix B hereto, as well as any quality and heat content requirements established by the operator of the downstream pipeline system(s) on which the Gas is ultimately transported.

9.05 **Siloxane.** All Gas delivered through an Interconnect into Peoples' System that includes Gas from landfill well(s) or gathering lines fed by landfill gas sources shall at all times meet, or exceed, the Gas quality siloxane specifications set forth in Appendix B hereto, as well as any siloxane specifications established by any operator of the downstream pipeline system(s) on which the Gas is ultimately transported. Before Peoples permits any flow of any amount of Gas into the Peoples' system, Producer shall provide Peoples with a certified siloxane analysis from a Peoples-approved agency denoting that the Gas proposed to be delivered into Peoples' System meets and/or exceeds those requirements. Peoples shall require monthly siloxane analysis tests performed by the Producer and timely submitted to Peoples. Peoples shall have the right to witness siloxane sampling and witness custody of that sample from source to destination. In the event Producer does not provide siloxane analysis, Peoples reserves the right to shut-in the Interconnect until said analysis is provided.

In the event Producer Gas quality, including, but limited to, siloxane causes damage to Peoples System, equipment, downstream pipeline, downstream equipment, downstream customer pipeline and/or downstream customer equipment, the Producer will be responsible for all costs to remedy the damage upon documentation proving Producer has caused the damage.

9.06 **Temperature.** Gas delivered through an Interconnect into Peoples' System shall not exceed 100° F. Gas having a temperature greater than 100° F may be delivered into Peoples' System only upon prior written approval by Peoples.

9.07 **Gas Taken and Co-mingled.** Peoples shall accept Gas taken and measured at the Receipt Point(s) in accordance with this Master Agreement. Such Gas shall be taken in its natural state, except as otherwise provided in this Master Agreement, subject to any modification thereof required by this Master Agreement, at the pressure of the Gas flowing from Producer's pipelines into Peoples' System, against the varying pressures from time to time maintained therein.

ARTICLE X MEASUREMENT

10.01 **Measurement Equipment.**

- (a) Gas delivered to or received from Peoples' System through the Interconnect shall be measured at a site satisfactory to Peoples using measurement equipment designated by Peoples and owned by Producer. The requirements in this Section 10.01 shall not apply to any Existing Facility, unless the meter is nonfunctioning or inaccurate which requires Producer to immediately self-shut-in until the meter is replaced or Peoples provides at least sixty (60) days advance notice to Producer detailing modifications to the existing Interconnection Facilities which are required, in Peoples' commercially reasonable discretion, to rectify accuracy, operational, safety or service related concerns.
- (b) The measurement facilities will be required to use electronic gas measurement (EGM), and the Producer is required to forward monthly EGM item trail(s) and audit trail(s) to one of Peoples' approved integration companies (which list of approved companies shall be maintained on the Peoples website) by the 28th of the month. The integration company will forward corrected volume(s) to Peoples once a month for processing of credit/payment. Producer is required to use the same integration company for both volume collection and meter testing.
- (c) The measurement equipment for New Facilities shall be designed, installed, operated, maintained and owned by: (i.) Producer; or (ii.) Producer's designee as set forth in the Appendices. Producer is responsible for maintaining the accuracy of the measurement equipment and shall do so according to the Annual Measurement Equipment Testing requirement in Appendix B, Section 1.07. If Peoples determines, using commercially reasonable discretion, the measurement equipment is not accurate, Peoples may shut in the Interconnect until Producer corrects the deficiency. If repeated defects occur, Peoples reserves the right to shut in the Interconnect indefinitely. At any time after the termination of an Exhibit, Peoples shall have the right to remove its Interconnect facilities associated with the Receipt Point(s) identified in the terminated Exhibit. Producer shall be solely responsible for and shall bear the full costs of delivering Gas to the Receipt Point(s). Producer shall not modify the measurement equipment without the prior written consent of Peoples.

10.02 **Pipeline Safety.** Producer agrees to operate, maintain, test, and repair the meter set as a prudent operator in accordance with 49CFR DOT Part 192, PAPUC Chapter 59, and all other applicable state regulations and requirements, applicable industry codes and standards at Producer's expense.

10.03 **Check Measurement.** Producer may install, maintain and operate, at its sole cost and expense, check measuring equipment; provided, however, that such equipment shall be installed in a manner that will not interfere with the operation of the measuring equipment required by this Master Agreement.

10.04 **Orifice Meters.** Orifice meters installed in such measuring stations shall be constructed and operated in accordance with American National Standard Institute ("ANSI") standards, American Petroleum Institute ("API") 2530, American Gas Association ("AGA") AGA Report No. 3, Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids, Second Edition, dated September 1985, and any subsequent modifications and amendments thereto.

10.05 **Positive Displacement Meters.** Positive Displacement Meters installed at the measurement site shall be constructed and operated in accordance with provisions of AGA Measurement Committee Report No. 6 (AGA Report No. 6) dated January 1971 and any subsequent amendment or revisions thereto.

10.06 **Turbine Meters.** Turbine Meters installed at the measurement site shall be constructed and operated in accordance with the provisions of AGA Measurement Committee Report No. 7 (AGA Report No. 7), First Revision, dated November 1984, and any subsequent modifications and amendments thereto.

10.07 **Ultrasonic Meters.** Ultrasonic Meters installed at the measurement site shall be constructed and operated in accordance with the provisions of AGA Measurement Committee Report No. 9 (AGA Report No. 9), dated June 1998 and any subsequent modifications and amendments thereto.

10.08 **Electronics.** When and where electronic equipment and flow computers are installed at the measurement site, the Gas may have its volume, mass and/or energy content determined and computed in accordance with the applicable industry standards including, but not limited to, API 21.1, AGA Report Nos. 3, 5, 6, and 7 and any subsequent modifications and amendments thereto.

10.09 **Testing and Calibration:**

- (a) Peoples shall have the right, at any time, to verify the accuracy of measurement equipment beyond the Producer Annual Measurement Equipment Testing requirements in Appendix B, Section 1.04, on all Receipt Points used in the measurement of Gas hereunder and shall do so at its expense. Peoples shall indemnify and hold harmless Producer for any and all environmental, health and safety liabilities directly resulting from Peoples' or its designee's access or operation of the measurement equipment when verifying the accuracy of the measurement equipment. Peoples shall replace, fix and repair, at its cost, any portion of Producer's Interconnect Facilities that Peoples or its designee intentionally or negligently harms, damages or breaks as a result of verifying the accuracy of the measurement equipment within the Facilities. Producer may request a special test be performed as described in Section 10.10 below.
- (b) If during any test of the measuring equipment, an adjustment or calibration error is found which results in an incremental adjustment to the calculated hourly flow rate through each meter run in excess of two percent (2%) of the correct flow rate (whether positive or negative and using the correct flow rate as the percent error equation denominator), then any previous recording of such equipment shall be corrected to zero error in computing deliveries for any period during which the error existed (and which is either known

definitely or agreed to by both Parties) and the total flow for the period predetermined in accordance with the provisions of Section 10.11 below. If the period of error cannot be determined or agreed upon between the Parties, such correction shall be made over a period extending over the last one-half (1/2) of the time elapsed since the date of the latest test, not exceeding a correction period of six (6) months.

- (c) If, during any test of the measuring equipment, an adjustment or calibration error is found which results in an incremental adjustment to the calculated hourly flow rate which does not exceed two percent (2%) of the adjusted flow rate (as described in part (b) of this Section), all prior recording shall be considered to be accurate for quantity determination purposes.
- (d) All equipment shall, in any case, be adjusted at the time of the test to record correctly.

10.10 **Special Test.** In the event Producer desires a special test (a test not scheduled by Peoples under the provisions of subsection 10.9(a) above) of any measuring equipment, seventy-two (72) hours advance notice in writing shall be given to Peoples, and both Parties shall cooperate to secure a prompt test of the accuracy of such equipment. If the measuring equipment tested is found to fall under the provisions of Paragraph 10.9(b) above or if an inspection of the primary measurement equipment indicates no problems, Peoples shall have the right to bill Producer for the cost of such special test including any labor, and other costs pertaining to such special test and Producer shall pay such costs.

10.11 **Measuring Adjustment.** If, for any reason, any measurement equipment is: (i) out of adjustment; (ii) out of service; or (iii) out of repair, and the total calculated hourly flow rate through each meter run is found to be in error by an amount of the magnitude described in subsection 10.9(b) above, the Producer Sales Volume(s) may be determined by Peoples in accordance with the first of the following methods which is, in Peoples' sole opinion, feasible:

- (a) by using the registration of any mutually agreeable check metering facility, if installed and accurately registering (subject to testing as described in subsection 10.9(a) above);
- (b) where parallel multiple meter runs exist, by calculation using the registration of such parallel meter runs; provided that they are measuring Gas from upstream and downstream headers in common with the faulty metering equipment, are not controlled by separate regulators, and are accurately registering;
- (c) by correcting the error by re-reading of the official charts, or by straightforward application of a correction factor to the quantities recorded for the period (if the net percentage of error is ascertainable by calibration, tests or mathematical calculation); or
- (d) by estimating the quantity, based upon deliveries made during periods of similar conditions when the meter was registering accurately.

Peoples will not be required to use check measurement, parallel measurement, re-read charts or estimates for more than three (3) consecutive billing periods. If Producer fails to fix the measurement equipment, Peoples may, at its discretion, upon advance notice, cause the shut in of the Interconnect. Failure to shut in will result in no credit for Gas delivered through a Receipt Points that is not recording for more than three (3) consecutive billing periods.

The estimated readings or deliveries so determined shall be used in determining the Producer Sales Volumes delivered for any known or agreed upon applicable period. In case the period is

not known or agreed upon, such estimated deliveries shall be used in determining the quantities of Gas delivered hereunder during the latter half of the period from the date of the immediately preceding test to the date the measurement equipment has been adjusted to record accurately. The recordings of the measurement equipment during the first half of said period shall be considered accurate in computing Producer Sales Volumes.

10.12 **Measurement Corrections.** If an error is discovered in the Producer Sales Volumes, such error shall be adjusted within thirty (30) days of the determination thereof; provided, however, that any claim for adjustment shall be made within twenty-four (24) months of the Production Period in which the claimed error occurred. Such time limits shall not apply in the case of a deliberate act of omission or misrepresentation, or mutual mistake of fact.

10.13 **Termination.** If in Peoples' reasonable judgment, the Producer has tampered with the measurement equipment so as to misrepresent the actual volume of Gas delivered through the Receipt Point, Peoples has the right to immediately shut-in the Interconnect Facility for an indefinite period of time. The Interconnect will remain shut-in until Peoples and Producer reach an agreement as to the most accurate Producer Sales Volumes during the period in question and the Producer provides restitution to the satisfaction of Peoples. If Peoples determines, using commercially reasonable discretion, that measurement equipment has been tampered with by Producer, Peoples reserves the right to remove its facilities at the Interconnect and, in its commercially reasonable discretion, terminate this Master Agreement and any other agreement(s) between Producer and Peoples, or any other natural gas company owned, or operated, by Peoples or its parent company, including, but not limited to Delta Natural Gas Company, Inc.

10.14 **Data and Records Retention.** Peoples and Producer shall retain and preserve for a period of at least two (2) years all measurement data, original test data, charts, and other similar records, in such Party's possession and shall provide requested documentation to the other Party upon thirty (30) days' written notice.

10.15 **Volume and Quality Determination.** The measurement of the quantity and quality of all Gas received and delivered hereunder shall be conducted in accordance with the following:

- (a) **Unit of Volume.** The unit of volumetric measurement shall be a standard cubic foot of Gas at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute, a temperature base of sixty degrees (60°) Fahrenheit (five hundred twenty degrees (520°) absolute) and without adjustments for water vapor. The unit of volume for measurement shall be one (1) cubic foot of Gas. To determine the Gross Heating Value of the unit of volume, such measured volumes will be converted to Mcf by multiplying by 1,000 and then, at the Company's discretion, multiplied by either (i) the Company's system average MMBtu/Mcf factor if the Receipt Point heat value has not been determined or (ii) the Receipt Point's Gross Heating Value per thousand cubic foot determined by a Gas sample analysis or Gas chromatograph to determine the MMBtus received, delivered and credited as the Producer Sales Volume at the Receipt Point hereunder. The Parties agree that nothing in this Master Agreement shall preclude either Party from proposing a modification to the unit of volume components defined herein in a future purchase Gas cost proceeding at the Commission.
- (b) **Orifice Meter Volume Computations.** Computations of Gas Volumes from measurement data shall be made in accordance with ANSI/API2530 (AGA Report No. 3), Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids, Second Edition, dated September 1985, and any subsequent amendments or revisions.

- (c) Positive Displacement Meter Volume Computation. Computation of Gas Volumes from data shall be in accordance with the AGA Measurement Committee Report No. 6 (AGA Report 6), dated January 1971, and any subsequent amendments or revisions.
- (d) Turbine Meter Volume Computations. Computations of Gas Volumes from data shall be in accordance with AGA Measurement Committee Report No. 7 (AGA Report 7), First Revisions, dated November 1984, and any subsequent amendments or revisions.
- (e) Ultrasonic Meter Volume Computations. Computations of Gas Volumes from data shall be in accordance with AGA Measurement Committee Report No. 9 (AGA Report 9), dated June 1998, and any subsequent amendments or revisions.
- (f) Electronic Devices and Flow Computers Volume Computations. Computation of Gas Volumes from data or devices shall be in accordance with API 21.1, AGA Measurement Committee Report Nos. 3, 5, 6, and 7 and any subsequent amendments or revisions.
- (g) Assumed Atmospheric Pressure. In connection with the use of any type of measuring device, an atmospheric pressure of fourteen and four tenths (14.4) pounds per square inch shall be assumed, with no allowance for variation in atmospheric pressure. The flowing Gas temperature may be recorded at Peoples' discretion. In the absence of a flowing Gas temperature recorder, a temperature of sixty degrees (60°) Fahrenheit will be assumed.
- (h) Gross Heating Value. At least yearly, the Gross Heating Value of the Gas stream at each Receipt Point hereunder shall be determined by calculating the Gross Heating Value from an in-line chromatograph or a Gas analysis of a spot or continuous Gas sample except that for Receipt Point(s) with daily volumes below 1,000 mcf/day, the Gross Heating Value determination shall be required every five (5) years after the initial determination. The spot or continuous sample shall be taken at a suitable point to be representative of the Gas being analyzed.
- (i) Other Tests. Other tests to determine water content, sulfur, and other impurities in the Gas shall be conducted by Peoples as necessary and shall be conducted in accordance with standard industry testing procedures.
- (j) New Test Methods. If at any time during the term hereof, a new method or technique is developed with respect to Gas measurement, such new method or technique may be substituted for the method set forth in this Article when such methods or techniques are in accordance with the currently accepted standards of the American Gas Association, if mutually agreed upon by the Parties.

10.16 **Right of Inspections.** Peoples shall have the right to inspect equipment installed on the Interconnect Facility, measurement charts and other measurement or testing data at all times during business hours; but the reading, calibration and adjustment of such equipment and changing of charts shall be done by Producer, or its designee, unless agreed to otherwise by the Parties.

10.17 **Low Volumes for Receipt Points.**

- (a) In the event that Producer does not deliver to Peoples an average of three (3) Dekatherms of Gas per Day at each Receipt Point during any ninety (90) consecutive day period, then Peoples may permit the low volume delivery to continue or notify Producer of the low volume situation to initiate a discussion of the operational and commercial circumstances of

the Receipt Point, including line pressures impacting the Receipt Point. The Parties shall engage in a good-faith discussion to determine if there is a mutually agreeable basis for the Receipt Point to remain on Peoples' System. If a resolution is not possible, the Receipt Point may be terminated, in which case Peoples may remove its Interconnect facilities, as they relate to such Receipt Point(s), by giving Producer notice in writing sixty (60) days prior to the effective date of termination.

- (b) In the event that the amount of Gas, or the quality of Gas, passing through any Receipt Point(s) is less than the measurement equipment minimum design requirements for accurate measurement, Peoples shall have the right to shut-in service from Producer until: (i) Producer has provided adequate supply to meet such design requirements and has proven to Peoples that such volumes exist; and/or (ii) the measurement equipment and Interconnect Facilities have been redesigned and installed for the effective and efficient measurement of the revised volumes within the accuracy allowed and required by Peoples; and/or (iii) Producer has proposed, and Peoples has accepted in its sole discretion, an alternate method to accurately measure the volumes.
- (c) Peoples may in its sole discretion, for operational, safety or unaccounted for Gas mitigation reasons, abandon pipelines connected to any Receipt Point. Prior to the abandonment, Peoples shall provide sixty (60) days advance notice to the Producer of its intention to abandon the facilities and, during such sixty (60) day period, shall engage in a good-faith discussion with Producer to determine if there is a mutually agreeable arrangement by which the Receipt Point(s) impacted by the abandonment may remain on the system. If a resolution during said period is not possible, Peoples may proceed with the pipeline abandonment and Interconnect termination. The Producer in its sole discretion may reconnect to Peoples at the nearest pipeline not affected by the abandonment.

ARTICLE XI TERM

11.01 **Term.** This Term of this Master Agreement shall become effective upon its execution by both Parties and shall continue in full force and effect for a period of five (5) years thereafter ("Master Agreement Term"), unless earlier terminated as provided herein. At the end of the Master Agreement Term, the Master Agreement shall automatically renew on a month-to-month basis until terminated by either party upon thirty (30) days' prior written notice to the other party.

The term of service for each specific Receipt Point shall be as set forth in Exhibit A (the "Service Term"). To the extent that the Service Term for any specific Interconnection extends beyond the Master Agreement Term, then the Master Agreement shall remain in full force and effect for the specific Interconnection until the expiration or termination of the applicable Service Term.

The obligations of (i) Producer to indemnify Peoples and (ii) Peoples to indemnify Producer pursuant hereto shall survive the termination or cancellation of this Master Agreement and the Exhibits. Termination of this Master Agreement will result in the termination of all Exhibits and the disconnection of all Receipt Points governed by Exhibit A's. Costs associated with disconnection will be the responsibility of the Producer.

Upon termination of this Master Agreement, Peoples shall have the right to remove all its facilities from the Interconnect of the Receipt Point(s) identified in the Exhibit As hereto.

ARTICLE XII
BILLING AND PAYMENT

12.01 **Quantities Deemed Conclusive.** The Production Statement of the Producer Sales Volume(s) shall be deemed conclusive unless Producer forwards an objection to Peoples in writing within sixty (60) days after the receipt of the Statement.

12.02 **Withholding Payments** In the event of any adverse claim to or against the proceeds of this Master Agreement or any Gas delivered under this Master Agreement, or any part thereof, or against the proceeds of any other Gas supply and/or delivery contract that Peoples, any other natural gas company owned, or operated, by Peoples or its parent company, including, but not limited to, Delta Natural Gas Company, Inc., has with Producer, is made by any person, Peoples may, upon written notice to Producer, refuse to receive Gas under this Master Agreement, as the case may be, until the dispute is settled by agreement between Producer and such adverse claimant or by a final decree of a court of competent jurisdiction.

In the event the Producer fails to comply with any of the covenants or terms herein contained, Peoples may immediately withhold, without liability for interest, all payments due to Producer under the terms of this Master Agreement.

12.03 **Adjustments.** In the event that Peoples mistakenly overpays or underpays Producer for Gas purchased under this Master Agreement, and such overpayment or underpayment is the result of a mistake of law or fact, miscalculation, coercion, duress, fraud, governmental or regulatory constraint, then Producer or Peoples, as the case may be, shall promptly, upon demand by the other Party, make appropriate refund or adjustment in such overpayments or underpayments, without liability for the payment of any interest by either Party; provided, however, that the obligation of either Party to make restitution under this Master Agreement shall be limited to mistaken payments made within the period commencing four (4) years prior to the date on which demand for refund or adjustment is made. In the event of Producer's refusal or inability to refund any overpayments, Peoples may withhold payment for Gas purchased under this Master Agreement or any other contract between Peoples, any other natural gas company owned, or operated, by Peoples or its parent company, including, but not limited to, Delta Natural Gas Company, Inc., and Producer in an amount equivalent to the overpayment, without liability for the payment of any interest on the amount withheld. Nothing in this Master Agreement shall be construed as a waiver or relinquishment by Peoples or Producer of its rights to recover any such overpayments or underpayments.

12.04 **Late Payments.** Charges billed to Producer, for which payment has not been received by Peoples in full by the due date indicated on the invoice, will be assessed a late-payment charge of two percent (2%) per month on the unpaid balance. If Producer's failure to pay any undisputed amount continues for fifteen (15) days after the due date, then Peoples, in addition to any other remedy it may have, may (a) shut in the Receipt Point until Peoples has received payment in full; (b) deduct the unpaid amount from any payments accruing to Producer under any agreement between the Producer and Peoples; (c) take Gas in kind from Producer in satisfaction of obligations; or, (d) terminate the Exhibit associated with the Receipt Point and/or terminate the entire Master Agreement, upon ten (10) days written notice to Producer. Peoples reserves its rights to exercise any and all remedies at law appropriate to collect any amounts due hereunder, including interest, not timely paid by Producer.

ARTICLE XIII
FAILURE TO PERFORM

13.01 **Suspension.** If Producer fails to comply with any of the covenants contained in this Master Agreement, or any other Gas supply and/or delivery agreement between Producer and any other natural gas company owned, or operated, by Peoples or its parent company, including, but not limited to, Delta Natural Gas Company, Inc., Peoples may refuse to allow Gas to flow through the Interconnect until, in Peoples' sole opinion, Producer is fully complying with all of the terms and conditions of this Master Agreement. Peoples, in its sole judgment, shall have the right to shut-in the Interconnect immediately if equipment is not operating properly, an overpressure condition exists, design limitations are exceeded, or safe operating conditions are compromised. Furthermore, Peoples has the right to keep the Interconnect shut-in until the Producer makes the necessary provisions to rectify the situation. If the abnormal conditions repeatedly arise, Peoples has the right to shut-in the Interconnect indefinitely and/or to terminate this Master Agreement.

Producer shall reimburse Peoples for any damages caused by Producer failing to comply with any of the covenants contained in this Master Agreement, including payments made by Peoples to other affected customers in settlement of claims arising out of such service if Producer was notified that Peoples was invoking indemnification under Section 13.03 and Producer was given the opportunity to defend against the claim prior to such settlement agreement. To the extent any damages required to be paid hereunder are liquidated, the Parties acknowledge that the damages are difficult or impossible to determine, otherwise obtaining an adequate remedy is inconvenient and the liquidated damages constitute a reasonable approximation of the harm or loss.

If litigation results from any dispute between Producer and Peoples, Peoples may pay any money withheld under this Master Agreement to a court of competent jurisdiction without any further liability, or may interplead all claimants, including Producer. The prevailing party in a litigated dispute between Peoples and Producer shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Master Agreement.

13.02 **Damages.** IN NO EVENT WILL EITHER PARTY BE LIABLE OR RESPONSIBLE FOR, EITHER UNDER THIS ARTICLE XIII, UNDER ANY THEORY OF LIABILITY OR UNDER ANY OTHER TERM OR PROVISION OF THIS MASTER AGREEMENT, FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS, INTERRUPTION OF BUSINESS OR FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

13.03 **Indemnity.**

- (a) Producer agrees to indemnify, hold harmless and provide a defense for Peoples, its officers, directors, affiliates, agents, employees and contractors against any third party claims for any liability, loss or damage whatsoever (including, without limitation, claims for royalties, taxes, fees or other charges) occurring in connection with or relating in any way to: (i) breach of this Master Agreement by Producer; (ii) the negligence, willful misconduct or other tortious act(s) or omission(s) by Producer, its officers, directors, affiliates, agents, employees or contractors; (iii) the Gas prior to its delivery to Peoples at the Interconnect Facility; and/or (iv) the Gas to the extent the claim, liability, or damage arises as a result of the quality of the Gas delivered by Producer or other condition of the Gas. Such indemnification shall include, but not be limited to, all costs and reasonable attorneys' fees, whether or not such liability, loss or damage results from any demand, claim, action, or cause of action, by any person, association or entity, public or private, that is not a party to this Master Agreement.

- (b) Peoples agrees to indemnify, hold harmless and provide a defense for Producer, its officers, directors, affiliates, agents, employees and contractors against any third party claims for any liability, loss or damage whatsoever occurring in connection with or relating in any way to: (i) the negligence, willful misconduct or other tortious act(s) or omission(s) by Peoples' when accessing, operating, adjusting, changing, or repairing any Producer-owned facilities or equipment in accordance with Peoples' rights to do so granted by this Master Agreement and (ii) the negligence, willful misconduct or other tortious act(s) or omission(s) by Peoples' when accessing, operating, adjusting, changing, or repairing any of the Producer facilities not pursuant to Peoples' rights to do so granted by this Master Agreement. Such indemnification shall include, but not be limited to, all costs and reasonable attorneys' fees, whether or not such liability, loss or damage results from any demand, claim, action, or cause of action, by any person, association or entity, public or private, that is not a party to this Master Agreement.

13.04 **Shut-In Remedy.** In any instance set forth in this Master Agreement in which Peoples has the right to shut-in an Interconnect, Peoples shall further have the right to remove its facilities associated with the Interconnect and terminate this Master Agreement if whatever action resulted in the shut-in has not been remedied in the amount of time set forth in this Master Agreement, or if no exact time is set, within a reasonable timeframe as determined by Peoples.

ARTICLE XIV REGULATORY APPROVALS

14.01 **Initial Regulatory Filing Requirements.** Both Peoples and Producer are responsible for identifying and obtaining any governmental and/or regulatory approvals that may be required for construction and operation of the facilities contemplated by this Master Agreement.

14.02 **Changes in Regulation Results in Material Adverse Effect.** If any other governmental agency, whether state or federal, takes any action or issues any determination that directly or indirectly results in a material adverse change to any provision of this Master Agreement, then the materially adversely affected Party (hereinafter "Affected Party") may either:

- (a) continue to fulfill its obligations under this Master Agreement as altered by the change in regulation; or
- (b) seek to renegotiate the affected terms of this Master Agreement by giving notice to the other Party within thirty (30) days of the material adverse change. If the Affected Party elects to renegotiate the terms of this Master Agreement, both Parties shall be obligated to renegotiate in good faith.

14.03 **Changes in Regulatory Proceedings.** The Parties agree that any amendments or modifications to this Agreement and/or the Exhibits or Appendices that are part of this Agreement, which are the result of a regulatory proceeding before the Pennsylvania Public Utility Commission shall become effective, regardless of materiality, upon 30 days written notice of the same.

ARTICLE XV GENERAL REPRESENTATIONS AND WARRANTIES

15.01 **Producer's General Representations and Warranties.** Producer makes the following general representations and warranties:

- (a) Producer is duly organized, validly existing, and in good standing under the laws of the state in which it is organized and/or has full power and authority to execute and deliver this Master Agreement and to perform its obligations hereunder;
- (b) Producer holds all necessary corporate authorizations and by the execution and delivery of this Master Agreement will not violate its Articles of Incorporation, Limited Liability Company Agreement or other applicable governing agreement or any applicable laws or regulations;
- (c) There is no litigation, investigation, administrative proceeding or other action existing, pending, or threatened that would materially adversely affect the ability of Producer to fulfill its obligations under this Master Agreement;
- (d) Producer's signatories possess authority to execute this Master Agreement such that a legal, valid, and binding obligation enforceable against Producer is created; and
- (e) Producer shall be deemed to be in control and possession of the Gas hereunder until it shall have been delivered to Peoples at the Receipt Point. Producer assumes the full cost and expense, as well as full and complete liability and responsibility, for collecting, gathering, and transporting the Gas to the Receipt Point hereunder at the quality hereinafter specified.

15.02 **Peoples' General Representations and Warranties.** Peoples makes the following general representations and warranties:

- (a) Peoples is duly organized, validly existing, and in good standing under the laws of the state in which it is organized and/or has full power and authority to execute and deliver this Master and to perform its obligations hereunder;
- (b) Peoples holds all necessary corporate authorizations and by the execution and delivery of this Master Agreement will not violate its Articles of Incorporation, Limited Liability Company Agreement or other applicable governing agreement or any applicable laws or regulations;
- (c) There is no litigation, investigation, administrative proceeding or other action existing, pending, or threatened that would materially adversely affect the ability of Peoples to fulfill its obligations under this Master Agreement; and
- (d) Peoples' signatories possess authority to execute this Master Agreement such that a legal, valid, and binding obligation enforceable against Producer is created.

ARTICLE XVI **ASSIGNMENT**

16.01 **Assignment of this Master Agreement.** This Master Agreement shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective Parties hereto, and the covenants, conditions, rights and obligations of this Master Agreement shall run for the full term of this Master Agreement. No assignment of this Master Agreement, in whole or in part, will be made without the prior written consent of the non-assigning party, which consent will not be unreasonably withheld or delayed; provided, either party may transfer its interest to any parent or affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any transfer and assumption, the transferor shall not be relieved of or discharged from any obligations hereunder.

Producer shall give prompt notice in writing to Peoples of any sale or assignment or other disposition of all or any part of its interest in the Interconnect Facilities hereinbefore described and covered by this Master Agreement and Exhibit(s). Producer shall furnish to Peoples copies of any relevant documents evidencing the transfer or assignment of said Producer’s interest. Until said notice and relevant documents have been given and furnished to Peoples, Peoples, upon written notice to Producer, may shut-in the Interconnect hereunder, and/or escrow any payments required hereunder, without liability. In the event that Producer fails to promptly provide said notice and relevant documents, Peoples shall have the right to terminate this Master Agreement, and/or any Exhibits, upon fifteen (15) days’ notice.

ARTICLE XVII
NOTICE

17.01 **Notices.** Following execution and activation of this Master Agreement, all communications, invoices and payments ("Notices") required hereunder may be sent by a nationally recognized overnight courier service, hand delivered, by electronic mail, or by First Class U.S. mail. Upon request by the Producer, Peoples will send a duplicate copy of any Notice delivered by electronic mail, via First Class U.S. mail or equivalent shipping service.

Peoples Natural Gas Company LLC
375 North Shore Drive
Pittsburgh, PA 15212
Attention: Director Gas Supply
Phone: 412-208-6525
Email: steven.p.kolich@peoples-gas.com

Producer: _____
Address: _____
City: _____
State: _____
Zip: _____
Attention: _____
Phone: _____
Email: _____

With a copy to:
Peoples
375 North Shore Drive
Pittsburgh, PA 15212
Attention: Senior Counsel
Email: jennifer.petrisek@peoples-gas.com

17.02 **Receipt of Communications.** Any notice required or permitted under this Master Agreement shall be communicated in writing. Notice shall be deemed to have been received: (i) when sent by overnight mail or courier, on the next business day after it was sent or such earlier time as is confirmed by the receiving Party; (ii) when delivered by hand, at the time it is delivered to an officer or to a responsible employee of the receiving Party; (iii) when delivered via First Class U.S. Mail, two (2) business days after mailing or (iv) when electronically mailed on or before 5:00 p.m. EST on the business day it was sent or on the next business day if electronically mailed after 5:00 p.m. EST. Either Party may change its address, electronic mailing address or telephone number at any time by promptly giving notice of such change to the other Party. Either Party may modify any notice information specified above by written notice to the other Party.

ARTICLE XVIII
MISCELLANEOUS

18.01 **Choice of Law.** This Master Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the State's conflict of laws principles. This Master Agreement shall be deemed to have been executed in Pennsylvania.

18.02 **Construction of this Master Agreement.** No presumption shall operate in favor of or against either Party as a result of any responsibility either Party may have had for drafting this Master Agreement.

18.03 **Execution.** This Master Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. As used herein, the singular of any term shall include the plural.

18.04 **Captions.** The article and section captions of this Master Agreement are for purposes of reference only and shall not affect the meaning of any provision of this Master Agreement.

18.05 **Amendments.** This Master Agreement may only be amended or modified by written instrument signed by the duly authorized representatives of Producer and Peoples, except for any amendments or modifications approved by the Pennsylvania Public Utility Commission in a regulatory proceeding, shall become effective upon 30 days written notice.

18.06 **Severability.** If any provision of this Master Agreement is held by any court of competent jurisdiction to be illegal, invalid, unenforceable, or in conflict with any law of the Commonwealth of Pennsylvania, the validity of the remaining provisions of this Master Agreement shall not be affected, and the rights and obligations of the Parties shall continue in full force and effect to the full extent permitted by law. If any provision of this Master Agreement is held invalid, illegal, unenforceable or in conflict with any Pennsylvania law, the Parties shall meet promptly and negotiate in good faith a replacement provision to effectuate the intent of the Parties.

18.07 **Confidentiality.** This Master Agreement and all notices, statements, correspondence, and other communications or documents relating to the negotiation and administration of this Master Agreement are non-public, confidential, and proprietary ("Proprietary Information"). Each Party shall keep such Proprietary Information strictly confidential for a period ending two (2) years after the expiration or termination of this Master Agreement, except as may be required to comply with any statute or order of a court or government agency having subject matter jurisdiction, the Parties shall not disclose, reveal or divulge any Proprietary Information to any person or entity without the prior written consent of the other Party.

18.08 **Audits.**

- (a) **Accounting Audits:** Peoples shall have the right to audit Producer's accounting records and other documents relating to materials delivered by or on behalf of Producer for Peoples' account for any calendar year within the twenty-four (24) month period following the end of such calendar year. This provision shall continue in full force and effect for a period of twenty-four (24) months from the effective date of termination of this Master Agreement.
- (b) **Field Audits:** Producer gives Peoples permission to periodically come onto Producer's property in order to audit the Interconnect Facility to determine if it is in compliance under the terms of this Master Agreement. Permission for ingress/egress includes personnel, vehicles, and other equipment deemed necessary by Peoples. Peoples shall have permission to perform all operating and maintenance functions associated with verifying the integrity and functionality of equipment, piping, and appurtenances. If, in Peoples' judgment, modifications are necessary in order to assure proper operation of the equipment, Peoples

shall notify Producer and describe the modifications and shut in the Interconnect. Peoples shall indemnify and hold harmless Producer for any and all environmental, health and safety liabilities resulting from Peoples' or its designee's intentional or negligent actions during a field audit. Peoples shall replace, fix or repair, at its cost, any portion of Producer's Interconnect Facility that Peoples or its designee intentionally or negligently harms, damages or breaks as a result of operating or attempting to maintain the Producer's Interconnect Facility.

18.09 **Waiver.** Any waiver by either Party of performance due by the other Party under the terms of this Master Agreement shall not operate as a waiver of any or all of such Party's rights with respect to all prior or subsequent obligations of the other Party.

18.10 **Incorporation of Appendices.** Each Appendix hereto is made subject to the terms and conditions hereof and is fully incorporated into this Master Agreement by reference.

18.11 **Entire Agreement.** The entire agreement between the Parties shall include those provisions contained in this Master Agreement, which includes the Appendices and any effective Exhibit. In the event of a conflict between the terms of any Appendix and the terms of this Master Agreement, the terms of the Master Agreement shall govern. In the event of a conflict between the terms of any Exhibit and the terms of this Master Agreement, which includes the Appendices, the terms of the Exhibit shall govern.

18.12 **Force Majeure** In the event either party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Master Agreement, other than demand payments of amounts due hereunder, then the obligations of such party, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused. However, the party claiming the existence of force majeure shall use all reasonable efforts to remedy any situation, which may interfere with the performance of its obligations hereunder. The term "Force Majeure" as used herein, and as applied to either party hereto, shall mean acts of the law, acts of God, strikes, lockouts, or other labor disturbances, acts of the public enemy, war, blockades, insurrections, riots, epidemics, fires, floods, washouts, arrests, and restraint of rulers and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, freezing of wells or pipelines, partial or entire failure of such wells, or any other cause, whether of the kind herein enumerated, or otherwise, not reasonably within the control of the party claiming suspension. It is understood that settlement of strikes, lockouts, or labor disturbances shall be entirely within the discretion of the party having the difficulty and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts, or labor disturbances by acceding to the demands of the opposing party when such course is inadvisable in the discretion or judgment of the party having the difficulty.

This Master Agreement, as amended from time to time, constitutes the entire agreement between the Parties for the transportation and/or purchase and sale of Gas and supersedes all previous offers, negotiations, understandings and agreements between the Parties with respect to the transportation and/or purchase and sale of Gas. There are no agreements, modifications, conditions or understandings, written or oral, expressed or implied, pertaining to the transportation and/or purchase and sale of Gas which are not contained in this Master Agreement.

SIGNATURE PAGE IMMEDIATELY FOLLOWS

IN WITNESS WHEREOF, Peoples and Producer have duly executed this Master Agreement to be effective as of the day and year first written above.

PEOPLES NATURAL GAS COMPANY LLC

[PRODUCER]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**APPENDIX A TO MASTER AGREEMENT
MINIMUM ENGINEERING & TECHNICAL SPECIFICATIONS**

**SECTION I
DESIGN OF INTERCONNECT FACILITIES**

1.01 **General.** Producer shall be responsible for all aspects of the design and construction of a New Facility, subject to the terms and conditions of the Master Agreement, unless specifically noted otherwise by Peoples. Producer shall be responsible for maintaining any Existing Facility and New Facility to the specifications set forth in the Master Agreement, including all Appendices and Exhibits. Peoples reserves the right to inspect an Existing Facility and a New Facility to ensure it complies with the specifications and is operable; in the event said facility does not meet with the specifications or is inoperable, the Interconnect may be shut-in until the Producer remedies the deficiency(ies).

1.02 **Materials.** All material and equipment furnished for a New Facility shall be new and shall satisfy: (i) the generally accepted industry standards; and (ii) the specifications set forth in this Appendix.

1.03 **Site/Land Acquisition**

- (a) Producer shall provide Peoples with the necessary rights-of-way, permits, and related surface rights including the rights of ingress, egress and regress necessary for Peoples to access the location of the New Facility. Producer shall also provide, if required, a right of way necessary for the tie-in of proposed New Facility to Peoples' System that is free of all costs and from all claims and liabilities for damages arising out of installation or the construction of the New Facility. To the extent that Producer has not previously provided Peoples with the necessary rights-of-way, permits, and related surface rights including the rights of ingress, egress and regress necessary for Peoples to access the location of an Existing Facility, and Peoples is hindered from accessing the location, Peoples shall have right to shut in the Interconnection, remove its facilities associated with the Interconnect and terminate the portion of the Exhibit applicable to the Interconnection.
- (b) Producer and Peoples must agree beforehand to the location of the New Facility as well as the final tie-in location.
- (c) Producer shall satisfy itself as to the character and types of surface and subsurface materials to be encountered in construction of the New Facility.
- (d) Producer's right-of-way shall be cleared of all debris and obstructions before the New Facility is tied into Peoples' System. For Existing and New Facilities, Producer's right-of-way shall be maintained such that regular access to the Interconnection may be obtained.
- (e) A New Facility shall be readily accessible, located in an area that is not susceptible to vehicular or other damage but as near as practical to the final tie-in point. Peoples reserves the right to require that a New Facility be enclosed within a locked fence or building. In the event of safety or operational concerns, Peoples reserves the right to require that an Existing Facility be enclosed within a locked fence or building.
- (f) The meter set shall be readily accessible, located in an area that is not susceptible to vehicular or other damage but as near as practical to the final tie-in point.

- (g) All costs associated with Producer's obligations under this section shall be the Producer's responsibility and any such costs paid by Peoples shall be reimbursed by Producer through the Construction and Installation Fee.
- (h) To the extent that Peoples is at any time required to pay for such rights-of-way or such costs or claims or liabilities, then such amounts and related expenses shall be incorporated within the Initial Construction and Installation payment made under this Master Agreement.

1.04 **Responsibility for Interconnect Facility Equipment.** The following table establishes the design, construction, operation, maintenance and cost responsibility for certain aspects of the Interconnect Facilities. All of the following design specifications designated as the Producer's responsibility shall be incorporated into the design and construction of the Receipt Point at Producer's sole cost unless waived by Peoples. Excluding Measurement Equipment, for which requirements are set forth in Section 10.01 of the Master Agreement, and Pressure/Flow Control Equipment, for which requirements are set forth in Section 4.01 of the Master Agreement, the Parties specifically agree that the design specifications identified in this Section 1.04 shall not apply to any Existing Facility(ies), unless required by the Pennsylvania Public Utility Commission or in order to address operational, safety or service related issues, in which case Peoples agrees to provide at least sixty (60) days advance notice to Producer documenting the operational, safety or service related issues and detailing required modifications to the existing Receipt Point(s).

RECEIPT POINT SPECIFICATIONS							
STATION EQUIPMENT	REQ-UIRED	DESIGN	INSTALL	OWNER-SHIP	OPERATE	MAINTAIN	SPECIAL PROVISIONS/EQUIPMENT SPECS.
PIPING							
Pipeline-Tap & Valve	Yes	PG	PG	PG	PG	PG	
Inlet & Station Piping	Yes	S/T	S/T	S/T	S/T	S/T	Demarcation PT – TBD
Outlet & Station Piping	Yes	S/T	S/T	S/T	S/T	S/T	Demarcation PT - TBD
GAS CONDITIONING							
Filter Separator	TBD	S/T	S/T	S/T	S/T	S/T	
Liquid Level Shutoff	Yes	S/T	S/T	S/T	S/T	S/T	
MEASUREMENT							
Meter & Meter Runs	Yes	S/T	S/T	S/T	S/T	S/T	
Meter & Flow Control Risers, Valves, etc.	Yes	S/T	S/T	S/T	S/T	S/T	
Electronic Measurement	Yes	S/T	S/T	S/T	S/T	S/T	
GAS QUALITY							
Chromatograph	TBD	TBD	TBD	TBD	TBD	TBD	
Continuous Sampler	TBD	TBD	TBD	TBD	TBD	TBD	
H2O Dew Point Analyzer	TBD	S/T	S/T	S/T	S/T	S/T	
PRESSURE / FLOW CONTROL							
Primary Pressure Control	Yes	S/T	S/T	S/T	PG	S/T	Regulators
Overpressure Device	Yes	S/T	S/T	S/T	PG	S/T	Regulators
Slam Shut Valve	TBD	S/T	S/T	S/T	PG	S/T	
Emergency Valve	TBD	PG	PG	PG	PG	PG	
Flow Control Valve	TBD	TBD	TBD	TBD	TBD	TBD	

Heat	TBD	TBD	TBD	TBD	TBD	TBD	
Check Valve	Yes	S/T	S/T	S/T	S/T	S/T	
ODORIZATION							
Odorizer & Controls	TBD	S/T	S/T	S/T	PG	PG	
MISCELLANEOUS							
Communication service	TBD	PG & S/T	PG & S/T	PG & S/T	PG & S/T	PG & S/T	Each maintain own communication service
Electrical Service	TBD	S/T	S/T	S/T	S/T	S/T	

PG = Peoples; S/T = Producer

TBD = To be determined at the Design Specification Stage per Section 4.01 of the Agreement.

1.05 **Inlet Filter.** Filter/filter-separator facilities installed upstream of the Interconnect Facility at Receipt Point(s) must be considered and based upon specific Gas analysis. This Section 1.05 shall not apply to any Existing Facility, unless required by the Pennsylvania Public Utility Commission or in order to address operational, safety or service related issues, in which case Peoples agrees to provide at least sixty (60) days advance notice to Producer documenting the operational, safety or service related issues and detailing required modifications to the Existing Facility,

1.06 **Freeze Prevention.** In circumstances where heavier hydrocarbons and/or water vapor may be present within the Gas stream, Producer shall incorporate freeze protection measures into the design of the Interconnect Facility. The method and design of the freeze protection measures shall be submitted to the Peoples for approval and no construction shall commence until such time as Producer receives written approval from Peoples. If Producer's freeze protection measures involve the use of Gas for fuel, then the tap for such fuel supply line shall be made upstream of the measuring equipment, such that Producer bears the costs of the fuel. This Section 1.06 shall not apply to any Existing Facility, unless required by the Pennsylvania Public Utility Commission or in order to address operational, safety or service related issues, in which case Peoples agrees to provide at least sixty (60) days advance notice to Producer documenting the operational, safety or service related issues and detailing required modifications to the Existing Facility. Freeze protection measures which may be acceptable to Peoples include the following:

- (a) Methanol Injection – should be installed downstream of meters
- (b) Catalytic heaters / heat trace - for regulator bodies
- (c) Indirect water bath heaters – for large pressure cuts and large flow volumes
- (d) All Gas provided and delivered to Peoples shall have a temperature of no less than 45° F.

1.07 **Regulating and Overpressure Protection.** Peoples may require regulation and shall require over-pressure protection for all Receipt Point(s) under this Master Agreement. Such regulation shall deliver pressures suitable to pressures in Peoples' System. Peoples shall specify and/or approve the type of regulators to be used and shall specify pressure ranges, and operating settings. Producer will contract with a Peoples Approved Vendor to perform annual inspection and lock up test of each regulating and overpressure device and provide inspection reports to Peoples.

- (a) A primary pressure-limiting device shall be required whenever the Peoples' System has the possibility of realizing pressures exceeding the Peoples' pipeline MAOP.
- (b) Overpressure protection devices shall be set such that pressures may not exceed the maximum allowable operating pressure for the facility into which Producer is delivering Gas.

- (c) Overpressure protection devices must be designed to prevent a single incident from affecting the operation of the Interconnect.
- (d) Security valves, monitor regulators, or control valves should be used for overpressure protection.
- (e) Overpressure protection devices shall consist of a stand-alone valve operating on a pneumatic signal taken directly from the pipeline.
- (f) If pilot loaded valves are used, the pilots shall not bleed when they are not operating. Pilot bleeds should be routed to downstream piping.

1.08 **Control Valves**

- (a) Control valves shall be sized using the highest flow rate compounded with the lowest delivery pressure.
- (b) All flow control valves should be installed to fail in the open position or in the last set positions, as applicable.
- (c) Peoples shall approve the type and brand of control valve.
- (d) Downstream taps for pressure control valves shall be noted on detail drawings and shall also possess a pressure transducer for stations designed with telemetry.

1.09 **Miscellaneous Valves and Piping**

- (a) Blow-down valves shall be installed to provide for venting of all sections.
- (b) Meter header piping shall be sized for 1.5 times the total combined area of the total meter runs.
- (c) Isolation valves will be installed on either side of regulators, meters, and control valves.
- (d) Piping shall be Standard Weight unless approved otherwise by Peoples.

1.10 **Emergency Valve.** The design and installation shall include an emergency valve (ball valve preferred) located at least twenty-five (25) lineal feet (point to point) but not to exceed fifty (50) lineal feet from the tie-in with Peoples' System. The emergency valve shall be readily accessible, easily operated, and sufficiently marked for quick identification.

1.11 **Peoples Tie-in and Tap Sizing.** Peoples shall provide for the sizing and actual installation of tap for tie-in of a New Facility to Peoples' System. Producer shall provide data necessary for the sizing of the tap.

1.12 **Gas Chromatograph.** Auxiliary equipment may be required for measurement of Btu variations. Peoples shall have the final decision as to the type of Gas analysis required.

1.13 **Dehydration.** Gas received by Peoples at Receipt Point(s) shall be consistent with the requirements in Appendix B, Schedule 1 and contain no free liquids. In accordance with Section 7.01 of the Master Agreement, Peoples has the right to discontinue and/or terminate any Receipt Point(s) where Gas delivered contains free liquids.

1.14 **Dew Point Tester.** When deemed necessary by Peoples, Producer shall incorporate an on-line dew point tester as part of the Interconnect Facility. The unit shall be set such that any Gas volumes detecting

water content levels in excess of contractual specifications shall result in the automatic closure of an in-line valve thereby preventing further delivery of Gas into system. Valve shall remain closed until an acceptable water moisture content of the Gas can be provided. This Section 1.14 shall not apply to any Existing Facility, unless required by the Pennsylvania Public Utility Commission or in order to address operational, safety or service related issues, in which case Peoples agrees to provide at least sixty (60) days advance notice to Producer documenting the operational, safety or service related issues and detailing required modifications to the Existing Facility.

1.15 **Corrosion Coupon Tap.** When specified by Peoples, Producer shall provide for an in-line valve tap for installing corrosion coupons.

1.16 **Check Valve.** All Interconnect Facilities shall be installed with a check valve of some type so as to assure Gas flows in the direction proposed by this Master Agreement. Producer will contract with a Peoples Approved Vendor to perform annual inspection of each check valve and, in accordance with Appendix B, Section 1.07, shall provide the inspection report to Peoples.

1.17 **Building, fences, and site security**

- (a) Buildings, or shelters, shall be provided to protect electronic Gas measurement and control equipment, as well as to act as noise barriers, protection from damage, and for meeting compliance with local ordinances. All buildings, shelters, fences, or the like, shall be designed to permit safe access around all facility piping and equipment. Designs for buildings, shelters, fences, or the like shall be submitted to Peoples' approval prior to installation or modification.
- (b) Unless waived by Peoples in its reasonable discretion, all Interconnect Facility shall be fenced, consisting of chain link fencing eight feet (8') in height complete with three (3) strands of barbed wire, and at a minimum; one pedestrian gate and one truck gate installed at opposing ends of the site. This sub-section 1.17(b) shall not apply to any Existing Facility, unless required by the Pennsylvania Public Utility Commission or in order to address operational, safety or service related issues, in which case Peoples agrees to provide at least sixty (60) days advance notice to Producer documenting the operational, safety or service related issues and detailing required modifications to the Existing Facility.
- (c) The site selected must be large enough to hold all equipment and accommodate all activities required for normal and maintenance operations.

1.18 **Power and telephone.** If required, Producer shall provide electric power and telephone at site.

SECTION II
INSTALLATION, TESTING, and INSPECTION

2.01 **Testing**

- (a) All measurement equipment shall be tested in accordance with specifications provided by Peoples. Peoples shall specify minimum test pressure and test duration. Tests shall be conducted using a recording chart of which Peoples shall receive the original or a clear copy of the original test chart.
- (b) Peoples shall not activate the New Facility and Interconnect until a copy (or original) of the test chart has been received and approved.

2.02 **Inspection**

- (a) Peoples reserves the right to inspect all New Facilities during construction.

- (b) Prior to startup of construction, Producer shall provide three (3) days' notice to Peoples.
- (c) All girth welds must be 100% radiographically inspected and approved.
- (d) Producer shall be responsible for all expenses, including inspection by Peoples, relative to construction inspections of the New Facilities.

**APPENDIX B TO MASTER AGREEMENT
INSPECTIONS AND GAS QUALITY**

**SECTION I
ROUTINE INSPECTIONS OF INTERCONNECT FACILITIES**

1.01 **Interconnect Facility(ies) Maintenance.** Peoples shall have the right to periodically inspect Producer's records and the Interconnect facilities to verify that all operating and maintenance functions are being performed effectively. If Producer cannot provide adequate documentation, or if Producer's operating and maintenance procedures are inadequate as determined by Peoples, Producer will have seventy-two (72) hours to produce proper documentation and/or revise inadequate procedures. If, after the seventy-two-hour period, documentation is not provided and/or procedures are not modified, Peoples retains the right to take further action as it deems necessary including the right to shut-in the Interconnect until adequate documentation/procedures have been verified and secured.

1.02 **Changes to Interconnect Facility.** The Producer has an obligation to notify Peoples in writing 24 hours prior to changes to Producer Interconnect facilities that would require modifications to an Interconnect, Peoples' System or Gas composition, and Peoples shall have the right to reject changes to the Interconnect Facility. Peoples retains the right to take action as it deems necessary in its reasonable discretion, including the right to shut-in the Interconnect, in the event notification does not occur. The cost of any damages as a result of changes to Producer's Interconnect Facility will be borne entirely by the Producer; provided, that if Peoples or its designee accesses and operates Producer's Interconnect Facility, Peoples shall indemnify and hold harmless Producer for any and all environmental, health and safety liabilities directly resulting from Peoples' or its designee's access or operation of the Producer's Interconnect Facility. Peoples shall replace, fix and repair, at its cost, any portion of Producer's Interconnect Facility that Peoples or its designee intentionally or negligently harms, damages or breaks as a result of Peoples' accessing or operating the Facility.

1.03 **Interconnect Facility Operations.** Peoples shall have the right to shut-in the Interconnect immediately if meter set equipment is not operating properly, an overpressure condition exists, design limitations are exceeded, or safe operating conditions are compromised. Furthermore, Peoples has the right to keep the Interconnect shut-in until the Producer makes the necessary provisions to rectify the situation. If the abnormal conditions repeatedly arise, Peoples has the right to shut-in the Interconnect indefinitely.

1.04 **Interconnect Facility Inspections.** Peoples shall have the right to inspect the Interconnect Facility including, but not limited to, the following: calibrate the meter; inspect regulators; inspect valves; and inspect and calibrate Gas quality facilities. If during the course of these inspections, Peoples determines, using commercially reasonable discretion, that installation procedures were not followed, equipment was not maintained, or equipment was modified to not comply with specifications established in this Master Agreement, Peoples has the right to shut-in the Interconnect until corrective actions by the Producer occur and additional inspections performed. If continued inspection violations occur, Peoples has the right to shut-in the Interconnect indefinitely. Peoples shall indemnify and hold harmless Producer for any and all environmental, health and safety liabilities directly resulting from Peoples' or its designee's inspection in calibrating the meter, inspecting regulators, inspecting valves, and inspecting and calibrating gas quality equipment within the Producer's Interconnect Facility. Peoples shall replace, fix and repair, at its cost, any portion of Producer's Interconnect Facility that Peoples or its designee intentionally or negligently harms, damages or breaks as a result of the activities described above.

1.05 **Reserved.**

1.06 **Reserved.**

1.07 **Annual Measurement Equipment Testing.** All measurement equipment shall be inspected and tested by a Peoples Approved Vendor once each calendar year not to exceed fifteen (15) months from the previous inspections at Producer's expense. This annual inspection must be completed by technicians trained to operate pressure regulating equipment in accordance with the manufacturer's procedures and specifications. Peoples reserves the right to request documentation for regular testing and technician training. The annual testing shall include, but is not limited to the following equipment: Check Valve, Regulator(s) Lock-up test, electronic corrector (EGM) calibration, meter calibration and spot sample Gas analysis (frequency according to section 2.01 of this Appendix B) at the Interconnect. Inspection reports shall be submitted, within 30 days after the yearly inspection date, to Peoples. In the event the Producer fails to submit the yearly inspection reports, Peoples shall have the right to periodically inspect Producer's records to determine if measuring equipment has been inspected and tested, as required by the Master Agreement. If Producer cannot provide documentation, within five (5) days of Peoples' request, Producer is required to immediately shut-in the Interconnect at which measurement and testing records are deficient, for a period of one week, or until the Producer can provide proof that the measuring equipment has been inspected and tested, and is working properly, whichever is longer. If Producer cannot provide documentation that its measuring equipment has been inspected and tested on additional occasions, Peoples retains the right to take further action at its discretion, including the right to require the shut-in of the applicable Interconnect for additional time periods. If Producer repeatedly violates this provision, Peoples has the right to permanently discontinue accepting Gas from wells that Producer has dedicated to said Interconnect Facility.

SECTION II **GAS QUALITY REQUIREMENTS**

2.01 **General.** Before Peoples permits the flow of Gas from a New Facility into the Peoples' System, Producer will provide a Gas sample analysis by a Peoples Approved Vendor and Peoples shall review the Gas sample analysis to verify that it is of marketable quality. Producer will contract with a Peoples Approved Vendor to perform an initial (within one (1) year of the execution of this Agreement) Gas quality sample analysis and provide inspection report to Peoples for each Interconnect Facility that have not otherwise been tested by Producer or Peoples within the year prior to the execution of this Agreement. Receipt Point(s) with daily volumes at or above 1,000 mcf/day will be required to have a Gas quality sample analysis conducted on an annual basis. Receipt Point(s) with daily volumes below 1,000 mcf/day will be required, after obtaining the initial analysis, to have a Gas quality sample analysis' conducted every five (5) years thereafter, unless the Gas sample analysis does not meet Peoples specifications, requirements and/or standards, as set forth in this Agreement, including any Appendixes, Exhibits, Addendums, Schedules and Amendments, in which case, Peoples will require the Interconnect to be shut in until Gas sample meets Peoples specifications. Peoples reserves the right to require more frequent Gas quality sample analyses in order to address operational, safety or service-related issues. The initial and ongoing Gas sample analyses shall include testing for water vapor, N₂, O₂, CO₂, CH₄ (methane through pentane), heating value (BTU - dry and saturated), specific gravity by a certified tester using GPA 2261-13 and GPA 2172-09 standards and shall conform with the following specifications:

- (a) **Liquids** – The Gas shall be free of water and hydrocarbons in liquid form at the temperature and pressure at which the Gas is delivered.
- (b) **Moisture Content** – The Gas shall not have water content in excess of seven (7) pounds of water per million cubic feet of Gas measured at standard conditions of 14.73 psia and 60°F, unless otherwise approved by an authorized representative of Peoples or as set forth in Schedule 1. The moisture content of the Gas shall be such that it is of marketable quality, and does not cause any safety or operational problems or other adverse effects on Peoples' System or any downstream systems to which the Gas may flow. Producer will be advised of any additional or specific moisture content limits for the Interconnect, or of any changes in such limits, should they be required.

- (c) Water Vapor – Peoples will authorize water content according to the chart attached as Schedule 1 to this Appendix B. However, Peoples maintains the right to require a lower (more stringent) water vapor content than the level set forth in Appendix B if the water vapor levels at specific Receipt Point(s) are detrimentally affecting customer service or creating operational issues.
- (d) Carbon Dioxide and Other Inerts – The Gas shall not contain more than four percent (4%) by volume of total combined inerts such as carbon dioxide, nitrogen, argon, and helium; provided that the total carbon dioxide content shall not exceed two percent (2.0%) by volume.
- (e) Dust, Gums and Solid Matter – The Gas shall be commercially free of dust, gums, gum-forming constituents, or other liquid or solid matter which might become separated from the Gas in the course of transportation through pipeline.
- (f) Heating Value – Unless otherwise approved, in writing, by Peoples, the Gas delivered shall contain not less than 967 BTU per standard cubic foot and shall not exceed 1,100 BTU per standard cubic foot of Gas calculated as the gross saturated value at 14.73 psia and 60° Fahrenheit, and a utilization factor of one thousand three hundred (1,300) plus or minus six percent (6%), the utilization factor being defined as that number obtained by dividing the heating value of the Gas by the square root of its specific gravity. Gas accepted by the Company that contains less than 967 BTU per cubic foot will be enhanced to ensure that Gas delivered by the Company to its end-use customers shall meet the heating value requirements set forth in applicable regulations, orders or laws. The Producer may be responsible for the costs of such enhancement.
- (g) Temperature – The temperature of the Gas delivered into the Peoples’ System shall not exceed 100°F unless approved by an authorized representative of Peoples. The temperature shall not be less than 40°F as delivered to Peoples’ System after passing through all regulation, measuring and over protection equipment.
- (h) Oxygen – The Gas shall not contain more than 2,000 parts per million (0.2% of one percent) of oxygen by volume.

Should circumstances warrant more in-depth Gas sample analyses, such as the suspected or known presence of other constituents, Peoples reserves the right to require testing for additional compounds including not limited to the following:

- (a) Hydrogen Sulfide – The Gas shall not contain more than four (4) parts per million on a volumetric basis, or three-tenths (0.3) of a grain of hydrogen sulfide per one hundred (100) cubic feet.
- (b) Total Sulfur – The Gas shall not contain more than 170 parts per million, on a volumetric basis, or ten (10.0) grains of total sulfur per one hundred (100) standard cubic feet.
- (c) Carbon Monoxide – The Gas shall not contain more than one-tenth percent (0.1%) by volume of carbon monoxide.
- (d) Gasoline - Not contain more than two-tenths (0.2) of a gallon of gasoline per one thousand (1,000) standard cubic feet unless otherwise approved by an authorized representative of Peoples.
- (e) Bacteria – The Gas, including any associated liquids, shall not contain any microbiological organism, active bacteria, or bacterial agent capable of causing or contributing to: (i) injury to Peoples’ pipelines, meters, regulators, or other facilities and appliances through which Producers Gas flows; or (ii) interference with the proper operation of Peoples’ System. Microbiological organisms, including, but not limited to, sulfate reducing bacteria (SRB) and acid producing bacteria (ACB), when considered as a possibility, shall be tested for their existence utilizing the

American Petroleum Institute test method API-R38 or other acceptable test method as determined by both Parties.

- (f) Siloxane – All Gas delivered through an Interconnect into Peoples’ System that includes Gas from landfill well(s) or gathering lines fed by landfill Gas sources shall meet the following on-going testing protocol:

Test Results, mg of SI / Nm ³	Action
≤ 0.4	November through February = once per week March through October = twice per month
0.40 - 0.60	Test daily until results are below 0.40
3 consecutive results ≥ 0.60 or a single test ≥ 1.0	Shut in gas until start-up conditions are re-established

2.02 **Gas Odorant.** Peoples will perform Gas odorant tests to confirm that the Gas delivered at the Producer’s Interconnect Facility is properly odorized. If is found to have insufficient odor, then Producer will be required to purchase and install odorizing units and monitoring equipment according to Peoples’ specifications and as set forth herein. The Producer is also responsible for the maintenance of this facility including the costs of odorant supply needed to maintain a sufficient odor in all Gas delivered at the Producer’s Interconnect Facility. Odorizing units and monitoring equipment specifications

- (a) Equipment and Ownership. The Producer will own the odorizer with associated equipment necessary to operate and deliver odor (odorizer system) and is responsible for all costs associated with operating the system. Peoples will approve the design of the odorizer system, whereinafter the Producer will purchase and install the odorizer system. Peoples may choose to be present for the installation and shall have the right to test the system after its installation. Thereafter, Peoples will operate and maintain the odorizer systems and, where applicable, a thermal electric generator (unless a public electric power supply can be made available to the site), together with necessary valves, tubing and fittings, in order to properly odorize Gas delivered to measurement equipment. If the odorizer system is located outside of the Interconnect Facility location, the Producer shall provide site access to Peoples, as described in Section 1.03 of Appendix A, for the site where the odorization system is located. Peoples shall indemnify and hold harmless Producer for any and all environmental, health and safety liabilities directly resulting from Peoples’ or its designee’s accessing or operating Producer’s odorizer system. Peoples shall also replace, fix and repair, at its cost, any portion of Producer’s odorizer system that Peoples, or its designee intentionally or negligently harms, damages or breaks as a result of operating the odorizer system.
- (b) Upgrades. If Producer should desire to upgrade or replace any of the currently existing odorizers or generators, all equipment must be subject to the review and approval of Peoples.
- (c) Refill. Peoples will manage the filling and refilling (or tank exchange) of the odorant to make sure, that sufficient odorant is available for Gas delivered to the measurement equipment.
- (d) Odorant Cost. Producer will reimburse Peoples, upon receipt of its invoices, for the cost of odorant, including all future tank refills.
- (e) Odorizer Site. Producer will provide and maintain, at its own cost, perimeter fencing around the Odorizer sites to enclose and protect the odorizers and related equipment.

- (f) Communication Cost. Producer will reimburse Peoples, upon receipt of its invoices, for the monthly cost of public telephone or cellular service for the communications equipment used to monitor the operation of the odorizers and the odorant level and for the monthly cost of electrical service used to operate and maintain the odorizers, if electric power is provided to the odorizers from a public supplier.
- (g) Maintenance Cost. Producer will reimburse Peoples, upon receipt of its invoices, for the cost of any regular, periodic, and other odorizer maintenance service, including all labor and necessary replacement parts or equipment, to assure the continued efficient operation of the odorizers. This includes reserve parts held in Peoples' stock to enable timely and proficient resolutions.

2.03 **Gas Quality Inspections.** If Gas sample analysis indicates that any of the Gas quality specifications, requirements and/or standards set forth in this Master Agreement have not been met, Peoples may refuse deliveries until the Producer makes the necessary provisions to fully comply with the Gas quality requirements.

2.04 **Gas Quality Inspections.** After initial deliveries are received, Peoples reserves the right to periodically sample Gas at the measurement equipment to validate the Gas quality. If the analysis indicates that Gas quality specifications, requirements and/or standards set forth in this Master Agreement are not met, Peoples has the right to shut in the Interconnect indefinitely until the Producer makes the necessary provisions to fully comply. Peoples shall indemnify and hold harmless Producer for any and all environmental, health and safety liabilities directly resulting from Peoples' or its designee's accessing Producer's measurement equipment. Peoples shall also replace, fix and repair, at its cost, any portion of Producer's measurement equipment that Peoples or its designee intentionally or negligently harms, damages or breaks as a result of accessing the equipment.

2.05 **Remedies.** Should any of the above substances enter Peoples' System and cause damage to metering, regulating and/or other equipment, or interruption of service, Producer shall reimburse Peoples for the costs to repair such damage and for any related costs which Peoples may incur to restore service to, and/or repair facilities of, its customers, including payments made by Peoples to customers in settlement of claims arising out of interruption of Gas service; provided that Producer was notified that Peoples was invoking indemnification under Section 13.03 and Producer was given the opportunity to defend against the claim prior to such settlement agreement. Any such costs may be deducted from payments due Producer for Gas delivered. In addition, if the Gas delivered fails, in Peoples' reasonable opinion, using commercially reasonable discretion, to meet the quality specifications set forth herein, Peoples may elect to refuse to take all, or any portion of such Gas until the Producer bring the Gas into conformity with such specifications. In the case of any such refusal, Producer agrees to exercise all due diligence to bring such Gas into conformance with the specifications set forth herein. Peoples has the right to shut in the Interconnect indefinitely until the Producer makes the necessary provisions to meet the Gas quality standards. Peoples may also elect to require continuous Gas quality monitoring with fail safe shut off as a provision to accept existing or new deliveries. Damages as a result of Gas quality violations are the responsibility of the Producer and the Interconnect shall be shut-in until damages are paid in full.

**SCHEDULE 1 TO
APPENDIX B TO MASTER AGREEMENT
WATER VAPOR CONTENT**

PEOPLES NATURAL GAS

ALLOWABLE WATER VAPOR LEVEL (#/MMSCF) VS. REGULATOR SET PRESSURE (PSI)

<i>PSI</i>	<i>#/mmscf</i>	<i>PSI</i>	<i>#/mmscf</i>	<i>PSI</i>	<i>#/mmscf</i>
1	543	51	133	105	75
2	511	52	131	110	72
3	482	53	129	115	70
4	457	54	128	120	67
5	434	55	126	125	65
6	413	56	124	130	63
7	394	57	122	135	61
8	377	58	121	140	59
9	361	59	119	145	57
10	347	60	118	150	56
11	334	61	116	155	54
12	321	62	115	160	53
13	310	63	113	165	52
14	299	64	112	170	50
15	289	65	111	175	49
16	280	66	109	180	48
17	271	67	108	185	47
18	263	68	107	190	46
19	256	69	106	195	45
20	248	70	104	200	21
21	241	71	103	205	21
22	235	72	102	210	20
23	229	73	101	215	20
24	223	74	100	220	20
25	218	75	99	225	19
26	212	76	98	230	19
27	207	77	97	235	19
28	203	78	96	240	18
29	198	79	95	245	18
30	194	80	94	250	18
31	190	81	93	255	17
32	186	82	92	260	17
33	182	83	91	265	17
34	178	84	90	270	16
35	175	85	89	275	16
36	171	86	88	280	16
37	168	87	88	285	16
38	165	88	87	290	16
39	162	89	86	300	15
40	159	90	85	310	15
41	156	91	85	320	14
42	154	92	84	330	14
43	151	93	83	350	13
44	149	94	82	375	13
45	146	95	82	400	12
46	144	96	81		
47	142	97	80		
48	139	98	80		
49	137	99	79		
50	135	100	78		

Peoples reserves the right to require more stringent water vapor standards in limited and specific situations where Peoples has determined through water vapor testing that the water vapor levels at identified production meter points are affecting customer service or creating operational issues.

EXHIBIT A-
to
Master Agreement

Additional Terms and Conditions Governing Transportation of Gas

This Exhibit A (“Exhibit”) is made part of and is subject to the terms and conditions of the Master Agreement made and entered into by and between **Peoples Natural Gas Company LLC**, with an office located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212 (hereinafter referred to as “Peoples”), and **[Producer]** with an office at [Address] (hereinafter referred to as “Producer”). Producer and Peoples are also referred to herein individually as a "Party" and collectively as the "Parties."

This Exhibit A- shall supersede, in its entirety, and terminate without cause, any the previously executed Agreement(s) between the Parties for the transport of Gas for the Receipt Point(s) identified herein including, but not limited to, prior Transportation Agreements, Gas Purchase Agreements, Production Enhancement Agreements, Field Purchase Agreements, Measurement Operating Agreements and Interconnection Agreements; however agreements related to blending and compression requirements, such as Gathering Interconnect Compression Agreements and Blending Service and Operation Agreements, shall not be terminated and shall continue pursuant to their terms and conditions.

The Service Term Start Date for each individual Receipt Point shall be the latter of _____ or the first day of the immediately succeeding Production Period in which Producer delivers Gas to Peoples at the Receipt Point. The Service Term End Date for each individual Receipt Point shall be _____. After this initial term, this Exhibit will automatically renew for month-to-month periods unless either Producer or Peoples provides written notice of termination to the other party at least (thirty) 30 days prior to the expiration date. If either party terminates a Receipt Point, the Producer’s Interconnect Facility(ies) will be disconnected, and the Interconnect shall be abandoned unless a subsequent Exhibit is executed within thirty (30) calendar days.

The Rates for Gathering are subject to the applicable tariff in effect at the time of delivery into the Peoples’ System. These charges are subject to change. Rates for certain qualifying incremental conventional production, and for unconventional horizontal production and landfill production shall be determined by Peoples based on supporting information provided to Peoples by the Producer and in accordance with the applicable tariff and shall be specified in Schedule 1 to this Exhibit. On behalf of PIOGA, Peoples will charge an optional \$0.01/Mcf retention fee for Producer Sales Volumes associated with the Receipt Point(s) identified in this Exhibit; said fee will be remitted directly to PIOGA by Peoples. Producer specifically authorizes Peoples to provide the Producer Sales Volumes associated with the Receipt Point(s) identified in this Exhibit to PIOGA, in writing, on a regular basis in order to verify the remitted retention fee. Should Producer decline the optional retention fee, no Producer Sales Volumes associated with the Receipt Point(s) identified in this Exhibit will be provided to PIOGA.

The Receipt Point(s) and applicable Retainage Percentage and Gathering Rate shall be identified in Schedule 1 to Exhibit A- , which is attached hereto and made a part hereof.

This Exhibit shall become effective upon its execution by both Peoples and Producer and shall continue in full force and effect through the end of the latest Service Term End Date set forth herein, including any extensions thereof. The obligations of Producer to make payment hereunder and the obligation of Producer to indemnify Peoples, and Peoples to indemnify Producer, pursuant hereto shall survive the termination or cancellation of the Master Agreement and this Exhibit. Peoples shall have the right to terminate this Exhibit, upon thirty (30) days advance written notice to Producer, if Gas has not flowed for the previous period of twelve (12) consecutive months, or if Peoples or its designee has caused the Interconnect Facilities to be disconnected or removed.

SIGNATURE PAGE IMMEDIATELY FOLLOWS

IN WITNESS WHEREOF, Peoples and Producer have duly executed this Exhibit on this _____ day of _____, 20____.

PEOPLES NATURAL GAS COMPANY LLC

[PRODUCER]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**SCHEDULE 1 TO
EXHIBIT A- [REDACTED] TO MASTER AGREEMENT
RECEIPT POINT(S), RETAINAGE PERCENTAGE AND GATHERING RATE**

Unless otherwise set forth below, the Retainage Percentage and the Gathering Rate for the following Receipts Point(s) are subject to the applicable tariff in effect at the time of Gas delivery into the Peoples' System and are subject to change.

Receipt Point(s)	Special Terms for Unconventional Wells

EXHIBIT A-
to
Master Agreement

Additional Terms and Conditions Governing the Purchase of Gas

This Exhibit A ("Exhibit") is subject to the terms and conditions of the Master Agreement made and entered into by and between **Peoples Natural Gas Company LLC**, with an office located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212 (hereinafter referred to as "Peoples"), and **[Producer]** with an office at [Address] (hereinafter referred to as "Producer"). Producer and Peoples are also referred to herein individually as a "Party" and collectively as the "Parties."

This Exhibit A- shall supersede, in its entirety, and terminate without cause, the previously executed Agreement(s) between the Parties for the purchase of Gas for the Receipt Point(s) identified herein, including, but not limited to, prior Transportation Agreements, Gas Purchase Agreements, Production Enhancement Agreements, Field Purchase Agreements, Measurement Operating Agreements and Interconnection Agreements; however agreements related to blending and compression requirements, such as Gathering Interconnect Compression Agreements and Blending Service and Operation Agreements, shall not be terminated and shall continue pursuant to their terms and conditions.

The following sets forth the additional terms and conditions whereby Peoples shall purchase Gas from Producer at the specific Receipt Point(s) identified in this Exhibit.

1. **Sale and Purchase Obligations.** Producer shall produce and sell to Peoples, and Peoples shall take and pay for, quantities of Gas delivered to the Receipt Point(s) set forth below. Peoples shall have no obligation to pay for any Gas until such time as it has been produced and delivered to the designated Receipt Point(s). Except in instances where Peoples and Producer agree otherwise, Producer's sale shall be a full requirements sale where all Gas produced shall be delivered to Peoples. Notwithstanding the foregoing, Peoples may reduce or suspend its purchases under this Master Agreement in the event that Peoples has insufficient pipeline capacity or insufficient market demand to facilitate the sale and/or use of Producer's Gas. Upon notice to Producer, Producer shall promptly comply with Peoples' reduction or suspension request. As provided for in Section 6.07 of the Master Agreement, in the event Peoples should ever cease, in whole or in part, to sell Gas directly to end-use customers (otherwise known as providing merchant or sales service), then Peoples may, in its sole discretion, terminate this Exhibit, or the Master Agreement, upon at least sixty (60) days written notice to Producer.
2. **Agency.** Peoples reserves the right to act as Producer's agent to market the production dedicated hereunder while continuing to pay Producer the price set forth in this Exhibit. All other terms and conditions of the agreement shall remain in full force and effect.
3. **Title to Gas.** Producer warrants that it will have good and merchantable title to or will have the right to sell all Gas delivered under this Master Agreement and that such Gas will be free and clear of all liens, encumbrances, and adverse claims by third parties. Producer shall indemnify and hold Peoples harmless from any and all suits, claims, actions, debts, levies, accounts, damages, costs, losses, and expenses of any nature arising from or out of any adverse claims of any kind or nature asserted by any person or entity concerning such Gas, including, but not limited to any claims, suits, actions, or demands that may arise due to the nonpayment of any landowner royalties, overriding royalties, or rentals.
4. **Possession, Control, and Liability.** Title to all Gas purchased under this Master Agreement shall pass from Producer to Peoples at the Receipt Point(s). As between the Parties to this Master Agreement, Producer shall be deemed to be in possession and control of the Gas to be delivered to Peoples until

Producer delivers the Gas to Peoples at the Receipt Point(s), and Peoples shall be deemed in possession and control thereafter.

5. **Peoples' Monthly Production Statement and Payment.** On or before the last business day of each calendar Month during the term of this Master Agreement, Peoples shall: (i) send Producer a Production Statement, in either hardcopy or electronic form, reflecting the Producer Sales Volume(s) during the relevant Production Period; and (ii) make payment to Producer by check or by automated clearinghouse (ACH) direct deposit pursuant to a separate ACH direct deposit agreement.
6. **Producer's Agent.** Although the terms of this Master Agreement extend to and are binding upon all Parties hereto, their respective heirs, successors, personal representatives and assigns, in no event will Peoples remit, or be required to remit, payment to more than one (1) payee per month in exchange for the Gas produced and sold hereunder. Accordingly, Producer hereby appoints the following Agent to receive all statements and payments hereunder:

Name: _____ (the "Agent")

Address: _____

The Agent is authorized to give the necessary receipts and acquaintances to Peoples and to make adjustments and settlements under this Master Agreement, and Peoples shall have no obligation with respect to, or responsibility for, the application of any Gas purchase proceeds paid to the Agent. If at any time the Agent shall resign or be discharged or shall otherwise be unable or unwilling so to act, Peoples may withhold further payment of money for purchase of Gas hereunder, without liability for interest, until Peoples is furnished by Producer with the necessary documentation (properly executed and acknowledged by all necessary parties) designating a new agent, as the case may be, to receive such payment, for all parties interested in such payment.

7. **Royalties.** In no event will Peoples be obligated to make royalty, over-riding royalty or working interest payments for Gas purchased under this Master Agreement.
8. **Regulatory Authorities.** Peoples shall use reasonable efforts to obtain the necessary regulatory approvals from the Commission to recover the prices paid to Producer for Gas purchased under this Master Agreement. If the Commission issues an order, opinion, act, regulation, or rule that prohibits Peoples from recovering as part of Peoples' Gas cost recovery proceeding the full price paid to Producer for Gas purchased under this Master Agreement, then Peoples may at any time: (i) credit the difference between the price paid for Gas under this Master Agreement and the amount permitted to be recovered through Peoples' rates against amounts due Producer; or (ii) receive a refund of such amounts directly from Producer upon request by Peoples.
9. **Taxes.** Producer shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas upstream of Receipt Point(s) and all Taxes at the Receipt Point(s). Peoples shall pay or cause to be paid all Taxes on or with respect to the Gas downstream of Receipt Point(s). If a party is required to remit or pay Taxes which are the other Party's responsibility hereunder, the Party responsible for such Taxes shall promptly reimburse the other Party for such Taxes. Any Party entitled to an exemption from any such Taxes or charges shall furnish the other Party any necessary documentation thereof.
10. **Service Term.** The Service Term Start Date for each individual Receipt Point shall be the latter of the _____ or the first day of the immediately succeeding Production Period in which Producer delivers Gas to Peoples at the Receipt Point. The Service Term End Date for each individual transaction shall be _____. After this initial Service Term, this Exhibit will automatically renew

from month-to-month periods unless either Producer or Peoples provides written notice of termination to the other party at least thirty (30) days prior to the expiration date. If either party terminates a Receipt Point Exhibit, the Producer will be disconnected, and the Interconnect shall be abandoned unless a subsequent Exhibit is executed within thirty (30) calendar days.

11. **Receipt Point(s).** The Receipt Point(s), Retainage Percentage, Gathering Rate and Purchase Price shall be identified in Schedule 1 to Exhibit A- , which is attached hereto and made a part hereof.
12. **Rates.** The rates for gathering charges are subject to the applicable tariff in effect at the time of delivery into the Peoples system. These charges are subject to change. Rates for certain qualifying incremental conventional production, and for unconventional horizontal production and landfill production shall be determined by Peoples based on supporting information provided to Peoples by the producer and in accordance with the applicable tariff. On behalf of PIOGA, Peoples will charge an optional \$0.01/Mcf retention fee for Producer Sales Volumes associated with the Receipt Point(s) identified in this Exhibit; said fee will be remitted directly to PIOGA by Peoples. Producer specifically authorizes Peoples to provide the Producer Sales Volumes associated with the Receipt Point(s) identified in this Exhibit to PIOGA, in writing, on a regular basis in order to verify the remitted retention fee. Should Producer decline the optional retention fee, no Producer Sales Volumes associated with the Receipt Point(s) identified in this Exhibit will be provided to PIOGA.

The Receipt Point(s) and applicable Retainage Percentage and Gathering Rate shall be identified in Schedule 1 to Exhibit A- , which is attached hereto and made a part hereof.

This Exhibit shall become effective upon its execution by both Peoples and Producer and shall continue in full force and effect through the end of the latest Service Term End Date set forth herein, including any extensions thereof. The obligations of Peoples to make payment hereunder for Gas which has been delivered and the obligation of Producer to indemnify Peoples, and Peoples to indemnify Producer, pursuant hereto shall survive the termination or cancellation of the Master Agreement and this Exhibit. Peoples shall have the right to terminate this Exhibit, upon thirty (30) days advance written notice to Producer, if Gas has not flowed for the previous period of twelve (12) consecutive months, or if Peoples or its designee has caused the Interconnect facilities to be disconnected or removed.

SIGNATURE PAGE IMMEDIATELY FOLLOWS

IN WITNESS WHEREOF, Peoples and Producer have duly executed this Exhibit on this _____ day of _____, 20 ____.

PEOPLES NATURAL GAS COMPANY LLC

[PRODUCER]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

AGENT
Acknowledged as to the obligations of Agent only

By: _____

Name: _____

Title: _____

Date: _____

**SCHEDULE 1 TO
EXHIBIT A- [] TO MASTER AGREEMENT
RECEIPT POINT(S), CONTRACT PRICE, RETAINAGE PERCENTAGE AND GATHERING RATE**

Unless otherwise set forth below, the Retainage Percentage and the Gathering Rate for the following Receipts Point(s) are subject to the applicable tariff in effect at the time of Gas delivery into the Peoples' System and are subject to change.

Receipt Point(s)	Contract Price	Special Terms for Unconventional Wells
xxxx	____ % Inside F.E.R.C. First of the Month Eastern Gas Appalachia Index* \$/xxx	
xxxx	____ % Inside F.E.R.C. First of the Month Eastern Gas Appalachia Index* \$/xxx	