BETWEEN

ROCHESTER GAS AND ELECTRIC CORPORATION

OR

NEW YORK STATE ELECTRIC & GAS CORPORATION

AND

DATED: _____

(January 2021)

THIS NATURAL GAS TAP AGREEMENT made the day of , 20, by and between New York State Electric & Gas Corporation (NYSEG)/Rochester Gas & Electric Corporation (RG&E), a corporation organized and existing pursuant to the laws of the State of New York, with an office located at 89 East Avenue, Rochester, New York 14649-0001 (hereinafter "Operator") and _____ company organized and existing pursuant to the _, a __ State of of laws the with offices located , (hereinafter "Producer"). Producer and Operator may sometimes be referred to herein individually as a "Party" or collectively as "the Parties."

WITNESSETH:

WHEREAS, Producer owns rights to natural gas supplies located in the Town of _____, County of _____, State of New York and wishes to deliver gas produced there to Operator's natural gas transmission system at a connection point located in the ______, State of New York; and

WHEREAS, Operator is willing to permit Producer to connect to the Operator System (as hereafter defined) on the conditions set forth in this Agreement.

NOW, THEREFORE, intending to be legally bound thereby, the Parties hereto agree as follows:

<u>ARTICLE 1.</u> <u>DEFINITIONS</u>. As used herein, the following capitalized terms shall have the meanings ascribed below:</u>

Agreement: This Natural Gas Tap Agreement, as well as any and all amendments or supplements thereto duly authorized by the parties in accordance with the terms hereof.

Applicable Law: Any and all federal, state, local, and/or municipal laws, rules, regulations, orders, policies, or any other act having the force and effect of law relating or applicable to any activity carried out pursuant to this Agreement.

Producer Gas: Natural gas from well production or renewable gas source.

Producer Wells/Renewable Natural Gas (RNG) Source: The natural gas source situated in the Town of ______, _____ County, New York.

Producer Facilities: All buildings, facilities, equipment, and improvements, including the M&R Station, described in Section 3.1(a), below.

Producer Property: The parcel of land owned, leased, or controlled by Producer as shown and/or described on <u>Exhibit "B</u>," attached hereto and made part hereof.

Contract Year: A period consisting of twelve (12) consecutive calendar months beginning on the Commencement Date and each consecutive twelve (12) month period thereafter during the Term.

CPI/SPI: The All U.S. City Average Consumer Price Index/Service Price Index for All Urban Consumers (1982-84 = 100) found in Table 16 of the Consumer Price Index Report published by the Bureau of Labor Statistics of the United States Department of Labor under the Commodity and Service Group. In the event the Bureau of Labor Statistics substitutes some other price index for the CPI/SPI, such substitute index

shall be used. If the CPI/SPI is discontinued and no similar index is substituted therefore, a similar index issued by a comparable agency shall be used.

Date of Operation: The date described in Section 3.7 hereof.

Demarcation Point: The point designated on <u>Exhibit "B</u>," attached hereto and made part hereof, where Producer Gas enters the Operator System.

Downstream: The flow of Producer Gas running generally from Producer Wells/RNG Source in the direction of the end-user.

Facility: Producer Facilities and the Operator Facilities, which connect Producer Wells/RNG Source to the Operator System.

Good Utility Practices: Those natural gas utility practices, methods, selections, and use of equipment, and acts that, at a particular time, in the exercise of reasonable judgment, would have been expected by those in the natural gas utility business to accomplish the desired result expeditiously in a manner consistent with safety, laws, regulations, reliability, environmental protection, and economy; "Good Utility Practice" is not intended to be limited to the optimum or best practice, method, or act to the exclusion of all others, but rather to delineate acceptable practices, methods, or acts generally accepted in the region.

Governmental Approvals: Any permit, consent, authorization, easement, right of way, license, variance, or any similar or related form of approval required from any Governmental Authority as are required in order to perform or exercise any activity, obligation, agreement, and/or right under this Agreement.

Governmental Authority: Any federal, state, local, municipal, or other governmental, legislature, regulatory or administrative agency, commission, official, department, board, or other governmental subdivision, court, tribunal, arbitral body, or other governmental authority.

Inlet Point: The point designated as the "Inlet Point" on <u>Exhibit "B"</u>, attached hereto and made part hereof.

M&R Station: A natural gas metering and regulator station comprised of a building, meters, regulators, flow and pressure controls, equipment, and associated valves and piping, having the dimensions and characteristics shown or described in <u>Exhibit "A"</u>, attached hereto and made part hereof, situated Upstream of the Demarcation Point, and which shall house those Operator Facilities shown or described in <u>Exhibit "A</u>."

Operator Delegated Responsibilities: Those responsibilities or obligations of Producer which are delegated to Operator as shown in "<u>Exhibit C</u>," attached hereto and made part hereof.

Operator Facilities: The pipes, pipelines, valves, meters, equipment, electronic measuring devices and other ancillary and related equipment and materials owned by Operator, including, but not limited to, any of the foregoing situated in, on, or about Producer Property and the M&R Station.

Operator System: The gas transmission/distribution system of Operator situated Downstream of the Demarcation Point.

Out-of-Pocket Costs: Reasonable and actual out-of-pocket expenses incurred by a party in performing an activity or service authorized under this Agreement, including any associated overhead costs (or allocations thereof), reimbursable employee charges (such as lodging, mileage, and meals, etc.), and administrative expenses.

Qualified Issuer: is a rated United States financial institution or a rated domestic branch of a foreign institution, with a rating of at least A- by Standards and Poor (S&P) or A3 by Moody's; if split rated the lower shall apply.

Qualified Guarantor: is a Parent of the party whose obligations are guaranteed with a long term unsecured credit rating of BBB- or better from S&P or Baa3 or better from Moody's; if split rated the lower shall apply.

Receipt Point: The connection point on the Operator System located in the Town of ______, County of ______, and State of New York as shown or described in <u>Exhibit "B"</u>.

Renewable Natural Gas: Gas provided by a resource other than in-ground natural gas production that is from a renewable resource (i.e. biogas, landfill gas, etc.).

Term: The term of this Agreement as set forth in Article 7 hereof.

Upstream: The flow of Producer Gas running generally from the end-user toward the in-ground wells/RNG source.

ARTICLE 2 TAP AGREEMENT

On the condition that Producer or its designated agent complies with the terms and conditions of this Agreement, and continues to so comply during the Term, Operator shall permit Producer to connect to the Operator System for the purpose of delivering Producer Gas into the Operator System. Producer agrees to notify Operator whenever additional wells and/or transmission lines are added upstream of Producer tap.

ARTICLE 3 DESIGN, CONSTRUCTION, OPERATION, AND MAINTENANCE

3.1 **Design and Construction**

- (a) <u>Producer Facilities</u>: Producer shall design, construct, maintain, and, as needed, replace, remove, and relocate:
 - (i) those buildings, facilities, pipes, valves, pipelines, and other improvements from the Inlet Point Downstream to the Demarcation Point, including but not limited to the M&R Station, as are shown and/or described in <u>Exhibit "A"</u> and <u>Exhibit "B</u>," attached hereto and made part hereof, at the locations designated on <u>Exhibit "B</u>," attached hereto and made part hereof, and
 - (ii) any new, additional, replacement, and/or expanded buildings, facilities, pipes, valves, pipelines, and other facilities and improvements as may be required by Applicable Law to maintain the connection between Producer Wells/RNG Source and the Operator System and/or as may be reasonably required by the Operator to maintain the reliability, safety, and/or efficiency of the Operator System.
- (b) Operator Facilities.
 - (i) The Operator shall design, construct, install, and, as needed, replace, remove, and relocate Operator Facilities from the Demarcation Point Downstream to the Operator System, and within the M&R Station, as are required to connect Producer Wells/RNG Source to the Operator System in accordance with this Agreement, as well as any new, additional, replacement, and/or expanded pipes, valves, pipelines, and other facilities and improvements as may be required by Applicable Law to maintain the connection between Producer and the Operator System and/or as may be reasonably required by the Operator to maintain the reliability, safety, and/or efficiency of the Operator System.

(ii) Notwithstanding anything to the contrary contained herein, Producer shall purchase and ship the SCADA/telemetering equipment described in <u>Exhibit "I"</u>, at Producer's expense, to a location designated by Operator. The Operator shall then assemble, configure, and test such equipment prior to shipping such equipment to Producer Property, all at Producer's expense as provided herein. Producer shall be responsible for damage or risk of loss to such equipment prior to final installation and acceptance into the Facility. Upon installation of such equipment into the Facility and acceptance by the Operator, such equipment shall be Operator Facilities.

(c) Design and Construction Matrix.

The delineation of the respective design and construction responsibilities of Producer and the Operator, including identification of the Operator Delegated Responsibilities, are set forth in the responsibility matrix attached hereto and made part hereof, marked <u>Exhibit "C</u>."

Producer delegates, and the Operator assumes, responsibility to perform the Operator Delegated Responsibilities, subject to the remaining terms and conditions of this Agreement.

3.2 Operation and Maintenance

(a) <u>Operator Operation and Maintenance</u>

- (i) Effective upon the Date of Operation, the Operator shall perform those operational and maintenance responsibilities set forth in <u>"Exhibit C"</u> during the Term.
- (ii) The Operator's maintenance obligations shall include scheduled and emergency/call-out repair services pursuant to the <u>Exhibit "C"</u>.
- (iii) Scheduled maintenance shall consist of semi-annual inspection and repair, as needed, to those portions of Producer Facilities which the Operator has agreed to maintain pursuant to the <u>Exhibit "C</u>."
- (iv) Emergency/call-out repair shall consist of emergency repair of Producer Facilities which the Operator has agreed to maintain pursuant to the <u>Exhibit "C</u>," on a 24x7 basis, by the Operator-trained gas personnel located within a reasonable distance of Producer Facilities. The Operator and Producer will designate contacts, phone numbers, and call-out procedures that Producer shall use to effect emergency/call-out repair.
- (v) Odorant type shall be approved by the Operator.

(b) <u>Producer Operation and Maintenance</u>

Effective upon the Date of Operation, Producer shall perform those operational and maintenance responsibilities set forth in <u>Exhibit "C"</u> during the Term. Effective upon the first full day of the first full month following the Date of Operation, and thereafter during the Term in accordance with <u>Exhibit "G"</u> hereto', Producer shall provide the Operator with an analysis report from a reputable gas testing laboratory reasonably acceptable to Operator containing a complete chemical analysis of Producer Gas, including a breakdown of total sulfur components and any other specific data reasonably required by the Operator. Producer Gas delivered to the Operator System during the Term shall conform with the specifications set forth in <u>Exhibit "H</u>," attached hereto and made part hereof.

(c) <u>Gas Pressure</u>

Producer shall not deliver Producer Gas to the Receipt Point at a pressure in excess of **XXXX**_____psig.

(d) Each Party shall be responsible for the proper storage, clean up and disposal of any and all chemicals required for use in or on Facilities for which a party has operational responsibility.

3.3 Easements and Access Rights

(a) <u>Easements and Rights from Producer</u>

- (i) Producer shall grant, and does hereby grant and convey to the Operator, its employees, agents, contractors, consultants, and designees, irrevocable easements, rights-of-way, and connection rights in, on, over, under and across the areas on Producer Property shown on and/or described in <u>Exhibit "B</u>," for the purposes of designing, constructing, operating, maintaining, expanding, replacing, and rebuilding the Operator Facilities on Producer Property, including such Facilities within and upon the M&R Station. To the extent the Operator is authorized or empowered by Applicable Law or this Agreement to perform any action or obligation of Producer upon Producer's default hereunder, Producer shall grant, and does hereby grant to the Operator such additional and/or expanded easements, rights-of-way, or connection rights as are reasonably necessary for the Operator to carry out and exercise such rights without additional cost to the Operator or interference from Producer.
- (ii) Producer shall grant and does hereby grant the Operator, its employees, agents, contractors, consultants, and designees, a permanent and irrevocable right of access in, upon, and over Producer Property for the purposes of performing and carrying out, to the fullest extent, the Operator's rights and obligations set forth in this Agreement or as required by Applicable Law, including the right to transport, park, and operate cars, trucks, vehicles, trailers, heavy machinery, equipment, materials, and all other apparatus and items of the Operator and its employees, agents, contractors, consultants, and designees as are required to carry out any obligation, right, or duty called for hereunder. Producer shall be solely responsible for maintaining unimpeded access for the Operator employees, agents, contractors, consultants, and designees, and necessary equipment, vehicles, and materials, over Producer Property to enable the Operator to perform the Operator's duties, agreements, and obligations, and to exercise any rights held by the Operator hereunder, including but not limited to, removing any obstructions on Producer Property, snow removal, cutting grass and weeds, and removing brush, vegetation, and trees, all at Producer's sole cost and expense.
- (iii) The easements, rights of way, connection rights, and rights of access for the installation, operation, and maintenance of the Operator Facilities includes such additional easements, rights of way, and connection rights as are necessary to maintain in place on Producer Property any and all wires, cables, and devices required to attach such Operator Facilities to the devices, machinery, and equipment which they measure and to sources of power.
- (iv) Producer acknowledges and agrees to execute a Memorandum of this Agreement suitable for recording in the Office of the Clerk of the County where the Facility is located describing the easement and other property rights held by the Operator over Producer Property, at Producer's sole cost and expense.

(b) Easements from Third Persons

Producer, at its sole cost and expense, shall obtain, maintain, and record such easements, rights of way, access, and other rights from third persons as are required by Producer to design, construct, and operate Producer Facilities in accordance with this Agreement, including such easements, rights of way, and other access rights as are required by the Operator to carry out the Operator Designated Responsibilities, and any other responsibility or obligation undertaken by the Operator hereunder regarding activities relating to the Operator Facilities and/or Producer Facilities located on Producer Property or property of third parties, other than those responsibilities set forth in subsection (c), below.

(c) <u>Easements for Operator Facilities</u>

Operator, at Producer's cost and expense, shall be responsible for obtaining any and all easements, rights of way, access, and other rights from third persons required to design, construct, install, operate, and maintain the Operator Facilities Downstream from the Demarcation Point to the Operator System.

(d) <u>Cooperation by Producer</u>

Producer will execute and deliver to Operator any and all other grants, deeds, forms, or transfer documents as the Operator may require to record any of the easements, rights-of-way, access, or connection rights conveyed by Producer hereunder in the Office of the Clerk in the County where the Facility is located.

3.4 Governmental Approvals

(a) <u>Producer Approvals</u>

Producer, at its sole cost and expense, shall be responsible for obtaining and maintaining in effect during the Term, on terms that are reasonably acceptable to Producer and Operator, any and all Governmental Approvals as are required for the design, construction, installation, operation, maintenance, and repair of Producer Facilities and the Operator Facilities located on Producer Property.

(b) Operator Approvals

The Operator, at Producer's cost and expense, shall be responsible for obtaining and maintaining in effect during the Term, on terms that are reasonably acceptable to the Operator, any and all Governmental Approvals as are required for the design, construction, installation, operation, maintenance, and repair of the Operator Facilities between the Demarcation Point Downstream to the Operator System.

3.5 Schedule and Standards

(a) <u>Schedule</u>

Producer Facilities and the Operator Facilities will be installed in accordance with the project plan and schedule attached hereto and made part hereof, marked <u>Exhibit "D</u>."

(b) <u>Standards</u>

Producer acknowledges and agrees that, as a condition to the Operator's obligation to accept Producer Facilities and to connect Producer Wells/RNG Source to the Operator System, and as a continuing condition to such consent, Producer Facilities shall be designed, installed, operated, and maintained in accordance with:

- (i) The construction, operation, and maintenance standards set forth in <u>Exhibit "E,</u>" attached hereto and made part hereof, as the same may be modified hereafter by the Operator from time to time.
- (ii) Applicable Laws.
- (iii) Any and all policies, rules, and requirements issued by the Operator in connection with the safe and reliable operation of the Operator System or for the protection of persons or property which are in effect as of the Effective Date and as the same may be supplement, modified, or expanded during the Term.

(iv) Good utility practices.

(c) Inspection and Acceptance

(i) <u>Plans</u>

Where Producer is responsible for the development of any design, construction, or other plans related to any Producer Facilities pursuant to <u>Exhibit "C</u>," such plans shall be subject to prior approval and acceptance by Operator. Producer shall submit drafts of such plans to the Operator and shall afford the Operator no less than twenty (20) business days within which to review and comment on the plans. The Operator shall provide Producer with comments and suggested revisions to the plans within such twenty (20) day period which Producer will incorporate into modified plans without charge or responsibility to the Operator; Producer shall repeat the cycle outlined in this sentence and in the preceding sentence until the Operator issues written confirmation to Producer that the plans are approved without additional changes or conditions.

(ii) Inspection

Where Producer is responsible for completing construction of any Producer Facilities pursuant to <u>Exhibit "C</u>," the construction, testing, and operation of such Producer Facilities shall be subject to the Operator's acceptance in accordance with this paragraph. Producer shall permit the Operator and its representatives to be present during construction and testing of such Facilities and to monitor same. When Producer Facilities are completed, Producer shall provide the Operator with written notice that such Producer Facilities are ready for the Operator's inspection for purposes of the Operator's acceptance. The Operator shall inspect Producer Facilities within a reasonable period of time after the Operator in the Operator's inspection of Producer. Producer shall cooperate with the Operator in the Operator's inspection of Producer Facilities. Producer will alter and modify the Facilities as necessary following the Operator's inspection so that they conform to the requirements of this Agreement at Producer's sole cost and expense.

(iii) No Warranty

The Operator's inspection, review, and acceptance of plans and Facilities developed or constructed by Producer as provided herein shall not be construed as confirming or endorsing the design of, or as any warranty as to the safety, durability, usefulness, or reliability of such plans or Facilities. The Operator does not, and shall not, by reason of such inspection, review and acceptance, or failure to inspect, review and accept, be responsible for the strength, details of design, adequacy, safety, or usefulness of the plans and Facilities, nor shall the Operator's acceptance thereof be deemed an endorsement of such plans and Facilities.

3.6 Utilities

Producer shall be responsible for obtaining and securing the installation of electric and telephone service to serve Producer Facilities, at Producer's sole cost and expense.

3.7 Date of Operation

The Operator shall not be obligated to connect the Facility to the Operator System until the date when:

(i) All Governmental Approvals necessary for the construction, operation, and maintenance of the Facility have been secured in accordance with this Agreement.

- (ii) Producer has constructed and tested, and the Operator has accepted, the Facility in accordance with the applicable provisions of this Article 3.
- (iii) All easements and other rights required to be obtained under Section 3.3 have been secured on the terms provided therein.
- (iv) The Facility conforms with Good Utility Practices and is otherwise safe and reliable in the Operator's reasonable determination.
- (v) Producer is not in default under this Agreement.

ARTICLE 4 COSTS, FEES, AND PAYMENT

4.1 **Producer's Payment Obligation**

Unless otherwise expressly stated herein to the contrary,

- (i) Producer shall pay the Operator for any and all work, services, and other activities which the Operator has agreed to perform hereunder, or which the Operator is required to perform in order to fulfill any obligation or agreement of the Operator hereunder, including any Out-of-Pocket Costs incurred by the Operator in connection therewith.
- (ii) Producer shall be solely responsible for any third party utility charges of any kind imposed upon the Operator or Producer in connection with the construction, operation, or maintenance of Producer Facilities or such portion of the Operator Facilities situated Upstream from the Demarcation Point.
- (iii) Producer shall be solely responsible for any and all costs, expenses, and/or fees of any kind or form associated with any work or services performed by Producer hereunder.

4.2 Design and Construction

- (a) In connection with design and construction, services performed by the Operator hereunder, Producer shall pay the Operator as follows for such services:
 - (i) Design and construction performed by the Operator's personnel or Operator's contractors as estimated in Exhibit "F".
 - (ii) Services performed by the Operator's personnel and equipment, Producer shall pay the hourly rate designated by title for the appropriate Operator personnel as set forth in <u>Exhibit</u> <u>"G</u>," attached hereto and incorporated herein.
 - (ii) Any Out-of-Pocket Costs incurred by the Operator in connection with performing such work and services, including any and all third party contractor, material, and equipment costs in connection therewith.

4.3 Maintenance Work

In connection with any and all maintenance and repair work performed by the Operator hereunder, Producer shall pay Operator:

- (i) **XXXX** per Contract Year for scheduled maintenance and repairs as stated in Exhibit "G".
- (ii) The Operator's hourly rate designated in Exhibit "G" for emergency/call-out repairs.

(iii) For any Out-of-Pocket Costs incurred by the Operator in connection with performing such scheduled maintenance and emergency/call-out repairs services.

4.4 Other Work

In connection with any and all work or services performed by the Operator hereunder for which Producer has agreed or is obligated to pay the Operator other than as provided in Section 4.2 and Section 4.3, above, Producer shall pay the Operator:

- (i) The Operator's hourly rates designated in <u>Exhibit "G</u>," based upon the level and experience of the Operator personnel performing such work.
- (ii) Any Out-of-Pocket Costs incurred by the Operator in connection with such work and services.

4.5 Timing of Payments

- (a) The Operator will commence design and procurement of materials upon receipt of payment in advance for an initial invoice of **\$XXXXXX**. Operator will commence construction upon receipt of payment in advance for a second invoice of **\$XXXXXXX**.
- (b) If total design and construction costs incurred by the Operator are less than the amount received as set forth in Article 4.5a, then within thirty (30) days of Operator's project closeout, the Operator shall reimburse the Producer the positive difference, if any. If total costs incurred by the Operator are greater than the amount received, then within thirty (30) days of Operator's project closeout, the Operator shall invoice the Producer the negative difference, if any.
- (c) Producer shall pay the scheduled maintenance charges in two (2) equal, semi-annual payments within thirty (30) days following the date of the Operator's invoice therefore, which invoices shall issue on:
 - (i) The Date of Operation and each anniversary thereof during the Term.
 - (ii) Six (6) months following the Date of Operation and each anniversary thereof during the Term.
- (d) Producer shall pay for all other work and services performed by the Operator, and any Out-of-Pocket Costs, within thirty (30) days following the date of Operator's invoice therefore, which invoice shall issue following completion of the relevant work or services unless otherwise agreed on a case by case basis.

4.6 Late Payment

Any payment due the Operator which is not paid within the time frame(s) set forth in Section 4.5 shall commence to bear interest at the rate of eighteen percent (18%) per annum, from the date due until fully paid.

4.7 Annual Adjustment

The annual scheduled maintenance charge set forth in Section 4.3, above, and the Operator rates set forth in <u>Exhibit "G"</u> hereto, shall be adjusted annually throughout the Term as of the anniversary of the first day of the first calendar month following the Effective Date to the extent of any percentage change which occurred in the CPI/SPI during the preceding twelve (12) months. The annual scheduled maintenance fee and the <u>Exhibit "G"</u> rates shall be increased by multiplying such fees then in effect by a fraction, the numerator of which is the CPI/SPI in effect two (2) months before the applicable adjustment date, and the denominator of which is the CPI/SPI in effect as of the calendar month fourteen (14) months before the applicable adjustment date. In no event shall the scheduled maintenance fee and the <u>Exhibit "G"</u> rates resulting from an annual CPI/SPI adjustment increase by

less than three percent (3%). The Operator shall promptly notify Producer of each annual adjustment.

4.8 Financial Assurance

If Payment in Advance Option is not elected as described in 4.5a above, Producer shall, within 5 business days of contract execution, provide NYSEG / RG&E with collateral in the amount of \$XXXXXX in the form of either an irrevocable standby letter of credit issued by a Qualified Issuer, or a Parent Guarantee issues by a Qualified Guarantor. Collateral must be in a form acceptable to NYSEG / RG&E. If the issuer or guarantor is down-graded below the minimum rating requirement, or is no longer acceptable to NYSEG / RG&E, the Producer will provide a replacement form of collateral within 20 business days of notice.

ARTICLE 5 OWNERSHIP, TAXES, AND LIENS

5.1 Ownership

Producer shall own Well/RNG Source Producer Facilities and the Operator shall own the Operator Facilities and each party shall be responsible for all personal property taxes and assessments assessed against its respective Facilities.

5.2 Real Property Taxes

Producer shall be responsible for all real property taxes and all other taxes, fees, and assessments ("Real Property Taxes) attributable to Producer Facilities and the Operator will be responsible for all Real Property Taxes attributable to the Operator Facilities situated downstream from the Demarcation Point.

5.3 Mechanics Liens

Neither party (the "First Party") shall permit any mechanics', materialmens', or other liens to be filed against the other party's (the "Second Party") Facilities. Each First Party hereto covenants and agrees that any lien filed against the Second Party's Facilities based upon work claimed to have been done for, or materials claimed to have been furnished to the First Party, will be discharged by the First Party, by bond or otherwise, within fifteen (15) days after the filing thereof, at the sole cost and expense of the First Party. The Second Party shall have the right at all reasonable times to post and keep posted on its Facilities any notices which it deems necessary for the protection from such liens. If any such liens are filed and are not released within the aforementioned fifteen (15) day period, the Second Party may, without waiving its rights and remedies based upon breach by the First Party and without releasing the First Party shall deem proper, including payment in satisfaction of the claim giving rise to such liens. The First Party shall pay to the Second Party, at once, upon notice to the First Party, any sum paid by the Second Party to remove such liens, together with interest at the rate set forth in Section 4.6, above, from the date of payment by the Second Party.

Nothing herein shall prevent the Operator from filing liens against Producer Facilities due to Producer's breach of the provisions of this Agreement.

ARTICLE 6 REPRESENTATIONS, WARRANTIES, AND COVENANTS

6.1 Producer makes the following representations, warranties and covenants which shall be construed as covenants continuing during the Term:

- (a) Producer is a ______ company duly organized, validly existing and in good standing under the laws of the State of ______, and qualified to do business under the laws of the State of New York. Producer has the power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- (b) Producer is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement; the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement will not conflict with or constitute a breach of, or a default under, any of the terms, conditions, or provisions of any law, any order of any court or other agency of government, the certificate of incorporation or by-laws of Producer; or any contractual limitation, corporate restriction or outstanding trust indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which Producer is a party or by which it or any of its property is bound, or result in a breach of or a default under any of the foregoing; and this Agreement is the legal, valid and binding obligation of Producer enforceable in accordance with its terms, except as it may be rendered unenforceable by reason of bankruptcy or other similar laws affecting creditors' rights, or general principles of equity.
- (c) Producer shall, during the Term, be in compliance with all Applicable Laws with respect to the construction, ownership, operation and maintenance of Producer Facilities.
- (d) All action required on the part of Producer to execute and deliver this Agreement has been completed.
- (e) Effective upon the first full day of the first full month following the Date of Operation, and quarterly thereafter during the Term, Producer shall provide Operator with an analysis report from a reputable gas testing laboratory reasonably acceptable to Operator containing a complete chemical analysis of Producer Gas, including a breakdown of total sulfur components and any other specific data reasonably required by Operator.
- (f) Producer Gas delivered to the Operator System during the Term shall conform with the specifications set forth in <u>Exhibit "H"</u>, attached hereto and made part hereof.
- (g) If the Operator at any time during the Term is required for any reason to relocate any of the Operator Facilities, whether situated on Producer Property or on property owned by third parties, Producer shall be responsible for, and hereby agrees to:
 - (i) Locate an alternative site for the Operator Facilities reasonably acceptable to Operator.
 - (ii) Obtain any and all Governmental Approvals and other easements, rights of way, permits, licenses, and other agreements and consents from third parties and/or Governmental Authorities necessary, in the Operator's reasonable judgment, to relocate and to design, construct, operate, and maintain such relocated Operator Facilities in the new location, all on terms reasonably acceptable to the Operator.
 - (iii) Complete any surveys and/or environmental, geologic, or other soil or topographical tests or studies as the Operator may require, using reputable consulting and testing firms and sound testing, scientific, and analytical methods, to insure that the new site is suitable for use by the Operator in its reasonable judgment.
 - (iv) convey without charge or expense to the Operator any and all additional deeds, grants, easements, rights of way, permits, licenses, and other agreements over Producer Property as are necessary, in the Operator's reasonable judgment, to relocate and to design, construct,

operate, and maintain such relocated the Operator Facilities in the new location, all on terms reasonably acceptable to the Operator.

- (v) Pay or reimburse, at the Operator's option, all associated design, construction, and implementation costs associated with such relocation, and all of such costs incurred by the Operator (including Operator personnel charges at the rates set forth in <u>Exhibit "G</u>," as adjusted), including all costs, fees, and expenses associated with any of the activities set forth in subsections (i), (ii), (iii), and (iv) of this Section 6.1(g).
- **6.2** The Operator makes the following representations, warranties and covenants which shall be construed as covenants continuing during the Term:
- (a) The Operator is a corporation duly organized, validly existing and in good standing under the laws of the State of New York, and qualified to do business under the laws of the State of New York. The Operator has the power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- (b) The Operator is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement; the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement will not conflict with or constitute a breach of, or a default under, any of the terms, conditions, or provisions of any law, any order of any court or other agency of government, the certificate of incorporation or bylaws of the Operator; or any contractual limitation, corporate restriction or outstanding trust indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Operator is a party or by which it or any of its property is bound, or result in a breach of or a default under any of the foregoing; and this Agreement is the legal, valid and binding obligation of Operator enforceable in accordance with its terms, except as it may be rendered unenforceable by reason of bankruptcy or other similar laws affecting creditors' rights, or general principles of equity.
- (c) All action required on the part of the Operator to execute and deliver this Agreement has been completed.
- (d) With respect to any work or services performed by Operator hereunder:
 - (i) The Operator warrants that such work or services will be performed in accordance with Good Utility Practices;
 - (ii) EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, OPERATOR MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO ANY WORK OR SERVICES TO BE PERFORMED HEREUNDER BY OPERATOR, AND OPERATOR HEREBY WAIVES AND DISCLAIMS ALL OTHER WARRANTIES, WHETHER ORAL, WRITTEN, EXPRESS, IMPLIED, OR STATUTORY INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR OR INTENDED PURPOSE;
 - (iii) Without limiting the generality of the foregoing:
 - (a) The Operator makes no warranty or representation with respect to any maintenance and/or repair procedures set forth in this Agreement, or developed hereafter, or any advice or other recommendations, written or verbal, supplied to Producer or its contractors by or on behalf of the Operator regarding the maintenance, repair, operation, alteration, replacement, and/or use of Producer Facilities.

- (b) The Operator makes no warranty or representation that any maintenance and/or repair procedures set forth in this Agreement, or developed hereafter, or any advice or other recommendations, written or verbal, supplied to Producer or its contractors by or on behalf of the Operator regarding the maintenance, repair, operation, alteration, replacement, and/or use of Producer Facilities, are adequate to maintain and/or operate Producer Facilities to any level of performance, or that such procedures will prevent breakage or malfunction, or otherwise maintain any level of operational performance of any such Facilities.
- (c) Producer disclaims any responsibility or liability on the part of Operator associated with Producer's use of, or reliance upon, any maintenance and/or repair procedures set forth in this Agreement, or developed hereafter, or any advice or other recommendations, written or verbal, supplied to Producer or its contractors by or on behalf of Operator regarding the maintenance, repair, operation, alternation, replacement, and/or use of Producer Facilities and/or the Operator facilities.

ARTICLE 7 TERM AND TERMINATION

7.1 Term

This Agreement shall become effective when executed by Producer and the Operator (the "Effective Date") and shall continue in full force and effect for a term of two (2) years commencing upon the Date of Operation, and shall automatically renew on the year anniversary of the Date of Operation for successive one (1) year terms thereafter, unless terminated by a party in accordance with this Agreement.

7.2 Termination

At any time following the initial two (2) year term of this Agreement, the Producer may terminate this Agreement for any or no reason upon sixty (60) days prior written notice to the other party hereto served in accordance with the terms of this Agreement. Upon the effective date of such termination, all obligations, agreements, and rights of the parties hereto shall cease and terminate, other than those expressly stated herein to survive termination or expiration, and further provided that any remaining or outstanding amounts required to be reimbursed by Producer to the Operator under this Agreement shall be due and payable within ten (10) days of the date of said written notice of termination.

ARTICLE 8 DISCONNECTION OF THE FACILITY AND SHUTDOWN RIGHTS

8.1 No Liability

Consistent with, and as provided in, the Operator's filed tariff, in the event that the connection between the Facility and the Operator System is disconnected, interrupted, abandoned, or defective or fails from causes beyond the control of Operator or because of the ordinary negligence of the Operator, its officers, directors, agents, or employees, the Operator shall not be liable therefore.

8.2 Disconnecting the Facility

In the event of, or for reasons of, repair, connection of other customers or suppliers of gas, Operator System emergency, physical constraints of the Operator System, safety, outage of facilities, the Operator may direct that the Facility be disconnected from the Operator System. Said disconnection shall be temporary to allow for the issue giving rise to the disconnection to be addressed. The Operator may also direct that the Facility be disconnected from the Operator System in the event Producer fails to maintain the insurance policies and coverage's required by this Agreement or otherwise materially breaches this Agreement, in which event, upon providing proof of insurance the Facility may be reconnected and if the breach is cured and the Operator has not terminated pursuant to Section 11, the Facility may be reconnected.

8.3 Notice of Disconnection

The Operator shall give Producer advance notice, as circumstances permit, of the need for such disconnection. Upon receipt of notice directing disconnection, Producer shall carry out the required action without undue delay. Where circumstances do not permit such advance notice to Producer, the Operator may disconnect the Facility from the Operator System. During any period of disconnection, the Operator and Producer shall endeavor to reconnect the Facility and resume the operation of the Facility as promptly as is reasonably practicable in accordance with Good Utility Practice.

8.4 Cost of Disconnection

Producer shall bear any extraordinary cost reasonably incurred by the Operator as a result of any such disconnection or re-connection of the Facility. An extraordinary cost is a cost that would not be incurred by the Operator absent the existence of the Facility.

8.5 Shut-Down Rights and Procedures

Producer acknowledges and agrees that the Operator shall have the right, in its sole and absolute discretion, to shut down the Facility and the supply of Producer Gas (both manually and remotely) into the Operator System if Producer Gas does not meet the gas specifications set forth in <u>Exhibit</u> <u>"H"</u>, attached hereto and made part hereof. Subject to the Operator's right to modify, suspend, and/or avoid compliance in the event of a bona fide emergency, or when, in the Operator's sole judgment, the safety, integrity, and/or security of the Operator System is at risk, the Operator shall comply with the following procedures in shutting down the Facility:

- (i) The Operator shall notify Producer and/or Producer's superintendent or designated operations personnel that Producer Gas is out of specification;
- (ii) An authorized representative of the Operator shall remain at the Facility to determine if the superintendent of Producer Well/RNG Source can rectify the problem, or if the superintendent of Producer Well is unavailable or if the problem cannot be expeditiously corrected to bring Producer Gas into compliance with this Agreement, then Producer shall be informed by the Operator that the Facility is to be shut down until the problem is rectified to the Operator's satisfaction.
- (iii) An authorized representative of the Operator shall be called out and shall shut down the Facility as soon as possible under the circumstances;
- (iv) The Facility shall remain shut down until Producer Gas is determined by the Operator to comply with the specifications set forth in "Exhibit G;"
- (v) Producer shall notify the Operator when Producer has corrected the problem, which it believes resulted in Producer Gas being out of specification. An authorized representative of the Operator shall schedule a test of Producer Well/RNG Source at the Operator's earliest convenience and at Producer's cost and expense. Producer Wells/RNG Source shall be tested using the Operator-approved testing methods and procedures. The Operator will authorize bringing the Facility back on line when the test results demonstrate, in Operator's sole judgment, that Producer Gas complies with the specifications set forth in "Exhibit H;"
- (vi) Producer shall be solely responsible for insuring that Producer Gas meets the requirements of this Agreement and for notifying Producer customers in the event of a shut-down.

ARTICLE 9 INDEMNIFICATION AND LIABILITY

9.1 **Producer Indemnification**

Producer shall, to the fullest extent permitted by law, indemnify, save harmless and defend the Operator, its affiliates, directors, officers, agents and employees against all direct claims, indirect claims, demands, liabilities, judgments, costs, and expenses (including reasonable attorneys' fees) related to property damage, bodily injuries or death suffered by Producer, its employees, agents, and contractors, or by third parties resulting from any act or failure to act by Producer and its employees, agents, contractors in the performance of this Agreement, including Producer's construction, installation, ownership, operation or maintenance of the Facility or the Interconnection Facilities. This Article shall survive any termination of this Agreement.

9.2 Operator Indemnification

Except as, and to the extent, limited by Section 8.1 of this Agreement and the terms of the Operator's filed tariff, the Operator shall indemnify, save harmless and defend Producer, its directors, officers, agents and employees against all direct claims, indirect claims, demands, liabilities, judgments, costs, and expenses (including reasonable attorneys' fees) related to property damage, bodily injuries or death suffered by the Operator, its employees, agents, and contractors, third parties resulting from any act or failure to act by the Operator and its employees, agents, contractors in the performance of this Agreement. This Article shall survive any termination of this Agreement.

9.3 Liability Restrictions

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IN NO EVENT SHALL THE OPERATOR BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS OF ANY KIND, EVEN IF OPERATOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, NOR SHALL OPERATOR BE LIABLE FOR EXEMPLARY OR PUNITIVE DAMAGES.

ARTICLE 10 INSURANCE

10.1 Producer Insurance

Producer, at its cost and expense, shall maintain and keep in full force and effect, during the Term, the following insurance in such form and with such insurance companies as are acceptable to the Operator:

- (a) Worker's Compensation Insurance, including occupational illness or disease coverage, or other similar social insurance in accordance with the laws of the country, state, or territory exercising jurisdiction over the employee and Employer's Liability Insurance with a minimum limit of \$1,000,000 per occurrence;
- (b) Comprehensive General Liability Insurance, including Contractual Liability, and Broad Form Property Damage Liability coverage for damages to any property with a minimum combined single limit of \$5,000,000 per occurrence. This policy shall be endorsed to name the Operator as "additional insured";
- (c) Automotive Liability Insurance covering use of all owned, non-owned, and hired automobiles with a minimum combined single limit of \$1,000,000 per occurrence for bodily injury and property damage liability. This policy shall be endorsed to name the Operator as "additional insured";

- (d) Property Damage Insurance equal to the replacement value of any and all Producer Facilities and Operator Facilities. This policy shall be endorsed to name the Operator as "additional insured";
- (e) Umbrella Liability Insurance with a minimum limit of \$5,000,000 in excess of the policies indicated in the above subsections. This policy shall be endorsed to name the Operator as "additional insured."

10.2 Additional Insured

For all insurance required hereunder, other than Workers' Compensation, Operator, its affiliates, directors, officers and employees, shall be named as additional insured's.

10.3 Non-Contributory

All of the insurance required hereunder shall be primary to any and all other insurance coverage and shall not contribute with similar insurance in effect for the Operator.

10.4 Insurance Terms

All insurance where the Operator is an additional insured must contain provisions stating that the policy will respond to claims or suits by the Operator against Producer or any other insured there under.

10.5 Insurers

All insurance required here shall be issued by an insurer authorized to do business in the State of New York and shall have a Best's Rating of not less than "A" and a net surplus of not less than \$50,000,000.

10.6 Change

Producer's insurance carrier shall notify the Operator of any material change in, or cancellation of, any of the insurance required hereunder at least thirty (30) days prior to the effective date of any such change or cancellation.

10.7 Certificate of Insurance

No later than thirty (30) days following the Effective Date, and on or before July 1 of each year during the Term, Producer shall provide, for the Operator's review and approval, a certificate of insurance verifying the existence of insurance coverage's in compliance with the requirements of this Agreement, from insurance companies acceptable to the Operator. Unless otherwise modified by the Operator, the certificate of insurance shall be mailed to:

Rochester Gas & Electric Corporation / New York State Electric & Gas Corporation 89 East Avenue Rochester, NY 14649 Attn: Manager, System Planning - Gas Engineering

ARTICLE 11 BREACH AND TERMINATION

11.1 Breach

Any one or more of the following events shall constitute a breach of this Agreement. This Article does not describe all possible events that could constitute a breach of this Agreement, nor all the rights or remedies of the parties in case of a breach:

- (a) Failure of either party to observe and perform any covenant, condition or agreement on its part to be performed under this Agreement and continuance of such failure for a period of thirty (30) days after written notice to the defaulting party specifying the nature of such default and requesting that it be remedied, or if by reason of the nature of such default the same cannot be remedied within such thirty (30) day period, failure of the defaulting party to proceed promptly to institute corrective action to cure the same and thereafter prosecute the curing of such default with due diligence;
- (b) Failure of Producer to complete construction of the Facility or Interconnection Facilities, or to commence operation of the, on or before the date specified in <u>Exhibit "D"</u>, other than any delay directly attributable to actions, failure to act, or other fault of the Operator;
- (c) Failure of Producer to maintain the insurance coverage's required by this Agreement, or Producer's failure to provide the Operator with the certificates of insurance as required by this Agreement;
- (d) Producer's assignment of this Agreement in contravention of Article 12;
- (e) The dissolution or liquidation of either party; and
- (f) The determination by a party that a material representation or warranty made by or on behalf of the other party, or such other party's assignee, was false or incorrect in any material respect at the time made and which shall have been made willfully, knowingly or with a reckless disregard for its truth or correctness.

11.2 Termination for Breach

Whenever any breach of this Agreement shall occur under Article 11 and shall be continuing, regardless of the tendency of any proceeding that has or might have the effect of preventing the parties from complying with any term of this Agreement, the non-defaulting party may, upon thirty (30) days prior written notice to the defaulting party, terminate this Agreement and, unless said breach is cured to the satisfaction of the non-defaulting party within such thirty (30) day period. this Agreement shall cease and terminate at the expiration of such thirty (30) day period; provided, however, that other than a breach involving non-payment of money, if such breach is not capable of cure within thirty (30) days, then the defaulting party shall be granted a reasonable time, not to exceed one hundred and eighty (180) days from the date of notice from the non-defaulting party, within which to cure such breach to the satisfaction of the non-defaulting party, and this Agreement will remain in effect until the expiration of such reasonable notice period provided the defaulting party commences to cure and continues to expend best efforts to cure such breach and such breach is cured during such reasonable notice period; further provided that any remaining amounts required to be reimbursed by Producer to the Operator under this Agreement shall be due and payable within ten (10) days of the defaulting party's receipt of said written notice of termination.

11.3 No termination of this Agreement shall relieve the defaulting party of any liability for its default hereunder, and the non-defaulting party may take whatever action at law or in equity as may be necessary or desirable to enforce performance and observance of any obligations, or covenants

under this Agreement, and the rights given hereunder shall be in addition to all other remedies available to the parties, either in law, at equity or otherwise, for the breach of this Agreement

ARTICLE 12 ASSIGNMENT AND TRANSFER

Neither this Agreement nor any rights hereunder shall be assigned or transferred, by operation of law or otherwise, by Producer without the prior written consent of Operator, provided such consent shall not be unreasonably withheld, unless said assignment or transfer is the result of a merger or sale of substantially all of the assets of Producer

ARTICLE 13 AMENDMENT

This Agreement shall not be amended unless such amendment shall be in writing and signed by the Operator and Producer.

ARTICLE 14 MISCELLANEOUS PROVISIONS

14.1 Binding Effect

This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns.

14.2 Severability

If any article, phrase, provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, phrase, provision, or portion so adjudged shall be deemed separate, distinct, and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

14.3 Counterparts

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14.4 Notices

All notices, certificates or other communications hereunder (other than routine operational communications) shall be in writing and shall be sufficiently given and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows: (or to such other and different address as may be designated by the parties):

(a) To Producer:

(b) To Operator: NYSEG/RG&E 89 East Avenue Rochester, NY 14649 Attn: Manager, System Planning - Gas Engineering

14.5 Prior Agreements Superseded

This Agreement contains the entire understanding and agreement of Producer and the Operator relating to the subject matter hereof and this Agreement shall completely and fully supersede all other prior understandings or agreements, both written and oral, between the parties relating to the subject matter hereof.

14.6 Applicable Law

This Agreement shall be governed by and construed in accordance with the law of the State of New York, except its conflict of laws provisions.

14.7 Payment of Attorneys' Fees and Expenses

If either party defaults on or breaches its obligations, covenants and agreements under this Agreement and the other party employs attorneys or incurs other expenses for the collection of amounts payable hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the parties agree that they will, on demand therefore, pay to the other party as the case may be, the reasonable fees and disbursements of such attorneys and such other reasonable expenses so incurred.

14.8 Waiver

No delay or omission in the exercise of any right under this Agreement shall impair any such right or shall be taken, construed or considered as a waiver or relinquishment thereof, but any such right may be exercised from time to time and as often as may be deemed expedient. In the event that any agreement or covenant herein shall be breached and thereafter waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

14.9 No Further Obligations

Nothing in this Agreement shall be construed as creating either any obligation or right on the part of the Operator:

- (i) To purchase any Producer Gas.
- (ii) To transmit any Producer Gas to a purchaser of said Gas.

14.10 Financial Difficulty

Producer shall promptly provide written notice to the Operator of Producer's involvement in financial difficulties as evidenced by:

- (i) Producer's commencement of a voluntary case under the United States Bankruptcy Code.
- (ii) The filing against Producer of a petition commencing an involuntary case under said United States Bankruptcy Code.
- (iii) Producer making an assignment for the benefit of, or entering into a composition with, its creditors.

14.11 Headings

The headings contained in this Agreement are used solely for convenience and do not constitute a part of this Agreement, nor should the headings be used in any manner in the construction of this Agreement.

14.12 Third Parties

This Agreement is intended solely for the benefit of the parties hereto. Nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or any liability to, any person not a party to this Agreement.

14.13 Agency

This Agreement is not intended, and shall not be construed, to create any association, joint venture, agency relationship or partnership between the parties or to impose any such obligation or liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or otherwise bind, the other party.

14.14 Force Majeure

- (a) No party shall be liable for any default or delay in the performance of its obligations under this Agreement:
 - (i) If and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; unusually severe weather; riots, civil disorders, rebellions or revolutions in any county; or any other cause beyond the reasonable control of such party.
 - (ii) Provided the non-performing Party is without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means.
- (b) In such event the non-performing party shall be excused from further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such Party continues to use its commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. Any party so delayed in its performance shall immediately notify the party to whom performance is due by telephone (to be confirmed in writing within two (2) days of the inception of such delay) and describe at a reasonable level of detail the circumstances causing such delay.

14.15 Survival

Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this Agreement, including Articles 4, 5, 6, 9, 10, and 11, and Sections 3.3, 14.7, and 14.15, shall survive any termination or expiration of this Agreement and shall continue in full force and effect.

IN WITNESS WHEREOF, Producer and the Operator have caused this Agreement to be executed by their proper officers there under duly authorized as of the date first written above.

NYSEG / RG&E (Operator)

Ву: _____

Name:			
ivanie.			

Director – Gas Engineering

|--|

Name:	
-------	--

Manager – Vice President Networks Control

STATE OF NEW YORK)
) ss.:

COUNTY OF BROOME OR MONROE

On the ______ day of ______ in the year 20__ before me the undersigned, a Notary Public in and for said State, personally appeared ______, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

On the ______ day of ______ in the year 20__ before me the undersigned, a Notary Public in and for said State, personally appeared ______, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

Producer

			Ву:
			Name:
			Title:
			Producer
			Ву:
			Name:
			Title:
STATE OF)) ss.:	
COUNTY OF			
On the	day of	in t	he year 20, before me, the undersigned officer,

personally appeared ______ who acknowledged himself to be the ______ of Producer, and that he as such ______ being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as ______.

In Witness Whereof, I hereunto set my hand and Official Seal.

Notary Public

Schedule of Exhibits

- Layout of M&R Station & Bill of Materials Exhibit "A"
- Exhibit "B" Layout of Facility
- Exhibit "C"
- Responsibility Matrix Project Plan and Schedule Exhibit "D"
- NYSEG Standards Exhibit "E"
- Exhibit "F"
- NYSEG Construction Charges NYSEG Maintenance Work & Charges Exhibit "G"
- Exhibit "H" Gas Quality Specifications
- SCADA/Telemetering Equipment Exhibit "I"

Exhibit "A"

Layout of M&R Station & Bill of Materials

Exhibit "B"

Layout of Facility

Exhibit "C"

Responsibility Matrix

Please see following page

Exhibit "D"

Project Plan and Schedule (To Be Determined)

Date – Producer to begin permitting activity.

- Date -Producer receives permits to construct and operate Producer Facilities
- Date Producer begins construction of Producer Facilities.
- **Date –**Producer facility is complete.
- **Date –** Operator facility is complete including connection to Producer's station outlet piping and makes tap on existing gas distribution main.
- Date Construction complete. Facilities placed in operation.

Exhibit "E"

Operator Standards

OPERATOR TO PROVIDE

Exhibit "F"

Operator Design and Construction Charges

- Operator Facilities The total estimated cost to design and construct the Operator's facilities including: XX main and all pipe & fittings up to the outlet flange of Producer's M&R Station, including the installation of the outlet relief valve is estimated to be \$XXXXXXXX. ("Work Cost Estimate") exclusive of any applicable taxes. The Work Cost Estimate is an estimate only and shall not limit Producer's obligation to pay Operator for all reimbursable costs actually incurred by the Operator. The Operator intends to invoice Producer for the actual costs incurred to perform this work.
- 2. SCADA/Telemetering It is the Operator's intent to have Producer purchase the SCADA/telemetering equipment that is described on Exhibit "I". This equipment shall be shipped to the Operator so that we may assemble, configure and test the telemetering equipment before it is shipped to the field for installation. The estimated cost for the Operator to assemble, configure, test, install, startup and verify proper operation is estimated to be \$XXXXXXXX ("Work Cost Estimate") exclusive of any applicable taxes. The Work Cost Estimate is an estimate only and shall not limit Producer's obligation to pay Operator for all reimbursable costs actually incurred by the Operator. The Operator intends to invoice Producer for the actual costs incurred to perform this work. There is a significant lead-time associated with procuring these materials.
- 3. Inspection It is the Operator's intent to have an inspector available during the prefabrication and/or as construction is ongoing at the job site. The estimated cost to have an Operator inspector available for up to approximately 100 hours is \$XXXXXXXX ("Work Cost Estimate") exclusive of any applicable taxes. The Work Cost Estimate is an estimate only and shall not limit Producer's obligation to pay Operator for all reimbursable costs actually incurred by the Operator. The Operator intends to invoice Producer for the actual costs incurred to perform this work.

NATURAL GAS TAP AGREEMENT <u>Exhibit "G"</u> <u>Operator Maintenance Work and Charges</u>

Scheduled Maintenance payable in the flat fee amount billed bi-annually :

Daily Inspection:

Remote monitoring

Monthly Inspection:

- Gas Quality Analysis Performed by the Operator's Chem Lab, (the Operator to obtain and send sample bottle to the Operator Chem Lab) performed with Operator's portable gas chromatograph & moisture analyzer
- Odorometer Reading one of the four monthly tests (weekly tests)

Semi-Annual Inspections:

- Spin test turbine meter
- Station spot check / inspection

Annual Inspection (or as needed):

- Calibration of electronics and transmitters
- Gas Quality Analysis laboratory analysis (energy, composition, sulfur, liquids ...etc.)
- Inspect cathodic protection equipment

The Operator shall invoice Producer for the total **\$XXXX**_____ annual cost to perform these "routine" operations and maintenance items. These invoices will be sent bi-annually at **\$XXXX**_____ each.

Non-Scheduled Emergency or Call-Out Maintenance billed on a Time and Materials Basis:

- Valve On Valve Off
- Replacement of failed equipment
- Call outs for Operational/Quality/Telemetering problems
- Additional Monitoring of Gas Quality and/or moisture problems

Schedule of Hourly Rates (will be available at time of construction):

<u>Title</u> System Protection & Control Technician Systems Engineer (SCADA) Gas Fitter 2/c Equipment Operator "B" Equipment Operator "A" Gas Fitter 1/c Welder Chief Gas Fitter	Hourly Rate (subject to change) \$XXXX \$XXXX \$XXXX \$XXXX \$XXXX \$XXXX \$XXXX \$XXXX \$XXXX \$XXXX \$XXXX
Equipment Trailer Trouble Truck Crew Truck/Van Dump Truck Backhoe	\$XXXX/hour \$XXXX/hour \$XXXX/hour \$XXXX/hour \$XXXX/hour

Note: After hours (weekdays, 4:30 p.m. to 8:00 a.m.) and Saturday, multiply above by 1.5; Sunday multiply by 2.0; holidays multiply by 2.0. Overtime may include meals and rest charges per Labor Agreement.

Exhibit "H"

Gas Quality Specifications

- I. All gas delivered by Producer to the Operator shall have a total dry heating value of not less than 1000 BTU per cubic foot, and not more than 1100 BTU per cubic foot. The gas delivered shall be commercially free from objectionable odors, except as set forth in paragraph III, dust or other solid or liquid matters which might interfere with the merchantability of the gas or cause injury to or interference with proper operation of the lines, regulators, meters, or other appliances through which the gas flows.
- II. At a pressure of 14.73 psia and a temperature of Fahrenheit (60°F), gas received by the Operator shall not contain more than the following:
 - (a) <u>Hydrogen Sulfide</u>: One quarter (1/4) grain per one hundred (100) cubic feet.
 - (b) Total Sulfur: One (1) grain per one hundred (100) cubic feet.
 - (c) <u>Carbon Dioxide</u>: Three percent (3%) by volume
 - (d) <u>Ammonia</u>: Shall not exceed 5 grains of ammonia per one hundred (100) cubic feet
 - (e) <u>Water Content</u>: Seven (7) pounds per one million (1,000,000) cubic feet.
 - (f) <u>Flowing Gas</u> <u>Temperature</u>: Not to be less than thirty degrees Fahrenheit (30°F) or more than one hundred and ten degrees Fahrenheit (110°F).
 - (g) <u>Hydrocarbon Dewpoint</u>: Shall not exceed fifteen degrees Fahrenheit (15°F) at any pressure between one hundred (100) psia and one thousand (1000) psia as calculated from gas composition or otherwise determined.
 - (h) <u>Oxygen Content</u>: Two tenths percent (0.2%) by volume.
 - (i) <u>Total non-combustible gases (Carbon Dioxide, Nitrogen, Oxygen)</u>: Five percent (5%) by volume.
 - (j) <u>Hydrogen (H2):</u> Two tenths percent (0.2%) by volume.
 - (k) <u>Siloxanes (Si)</u>: Five tenths (0.5) milligram per cubic meter.
 - (I) Mercury: less than six-hundredths (0.06) micrograms per cubic meter.
 - (m) Volatile Metals: less than two hundred (200) micrograms per cubic meter.
 - (n) <u>PCB/Pesticides:</u> less than one part per billion by volume.
 - (o) Mercaptans: (prior to odorization) less than 1 part per million by volume.
 - (p) <u>Dust, Gums, etc.</u>: Shall be free of objectionable odors, dust, dirt, gum-forming constituents, water, and other liquid or solid mater, or water and hydrocarbons in liquid form at the temperature and pressure at which it is received by the Operator, which might interfere with its marketability or cause injury to or interference with proper operation of the lines, regulators, meters and other equipment of the Operator.
 - (q) <u>Toxic</u> <u>Substances</u>: No toxic or other substances including volatile and semi-volatile organics and Aldehydes and Ketones commonly associated with biogas odors that are not ordinarily part of a natural gas stream.

- (r) <u>Total Bacteria:</u> less than two tenths (0.2) microns removed utilizing appropriate filtration equipment.
- III. All gas delivered by Producer to the Operator shall be adequately odorized in accordance with the specifications attached to this Exhibit. Producer shall use the Operator compatible odorant so as to render it readily detectable by the public and employees of Operator at all gas-in-air concentrations of one-tenth of the lower explosive limit and above, unless otherwise specified in Schedule 1, as modified. Producer shall indemnify the Operator against any claims associated with any failure to adequately odorize said gas.
- IV. Gas interchangeability: The gas shall be interchangeable with the gas in the receiving pipeline. Interchangeability shall be in accordance with NYCRR Part 229.
- V. Gas quality constituents and flow rates must be monitored to ensure the gas is meeting the agreed-upon quality specifications utilizing on-line instrumentation for essential parameters. Producer shall prepare a gas quality management plan containing a mutually agreeable sampling and constituents of concern (COC) testing schedule prior to placing Producer's facility in-service, while facilities are in-service and actions if COCs values rise above specification limits. The plan should also include monitoring requirements, procedures, test methods and detection thresholds to ensure compliance, response actions and corrective actions and data retention schedules. COC testing, when required should be performed by a mutually agreed upon third party analytical laboratory service provider using mutually agreeable standard sampling and testing methods at the full expense of Producer.
- VI. Non-conformance: If the gas offered for delivery shall fail at any time to conform to any of these quality provisions, then Operator shall notify Producer, and Operator may, at its option, refuse to accept delivery pending correction.
- VII. This Exhibit may be modified at the Operator's discretion to meet the quality specifications needed to effectively and safely operate the Operator's System.

Exhibit "I"

Gas SCADA/Telemetering Equipment

OPERATOR TO PROVIDE