



# **Gas Transportation**

## **Operating Procedures Manual (“GTOP”)**

Version 5

September 2021

Liberty Utilities (St. Lawrence Gas) Corp.  
33 Stearns Street  
PO Box 270  
Massena, NY 13662



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## A. INTRODUCTION

Since May 1996, all Liberty Utilities (St. Lawrence Gas) Corp., (“Liberty SLG” or “the Company”) customers have had the option to purchase natural gas supplies from someone other than Liberty SLG. Through the Company’s retail access program, customers may purchase natural gas from Marketers, who have been approved by the New York State Public Service Commission (the “Commission”) and by the Company, to operate in Liberty SLG’s service territory.

Marketers and Direct Customers are responsible for arranging pipeline deliveries of gas to the Company’s distribution system. Once the gas reaches Liberty SLG’s system, the Company transports it on a firm or interruptible basis (in accordance with the terms of the customer’s service classification) to the customer’s facility or home.

This Gas Transportation Operating Procedures Manual (the “GTOP”) contains the procedures to be used by Marketers and Direct Customers. Each Marketer and Direct Customer should review the applicable terms, agreements, and services offered. In addition, the GTOP has been amended to include the requirements parties wishing to produce renewable natural gas (“RNG”) for delivery into the Company’s system are required to meet and a copy of the template agreement such parties and the Company would be required to execute as a condition of access (*i.e.*, the Renewable Natural Gas Interconnection Agreement).

This GTOP should be used in conjunction with the terms and conditions set forth in the Liberty Utilities (St. Lawrence Gas) Corp. P.S.C. No. 1 – Gas Tariff (the “Tariff”).

If a conflict arises between the contents of this GTOP and the Tariff, the Tariff shall govern.

The Company reserves the right to modify these procedures as may be necessary, consistent with requirements of the Commission.

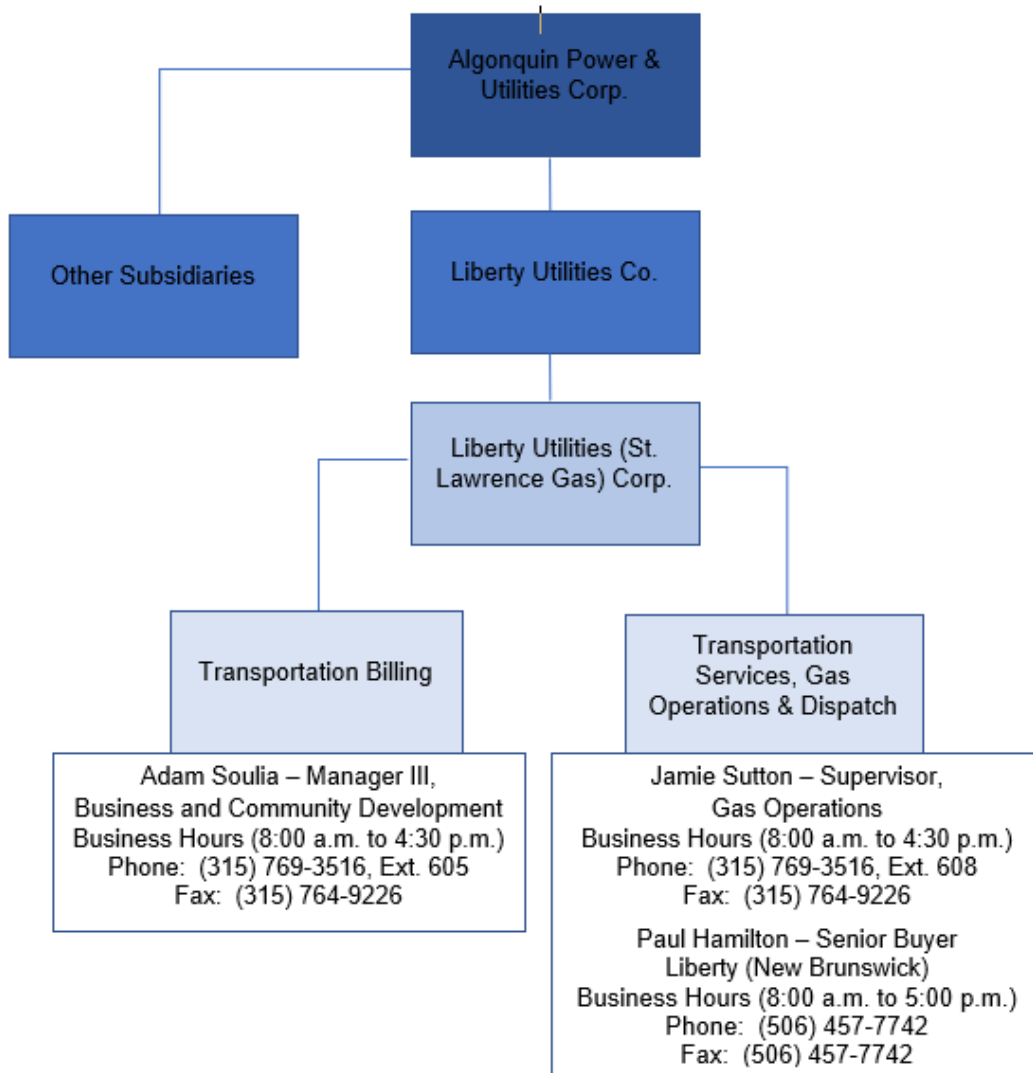
The Uniform Business Practice Rules are incorporated in this document.

Questions about the content of this GTOP should be directed to Kimberly Baxter, Manager, Rates and Regulatory Affairs, Liberty Utilities (St. Lawrence Gas) Corp., 33 Stearns Street, Massena, New York 13662 or by calling (315) 769-3516, Ext. 622. Information relating to the retail access program and RNG standards may also be obtained from the Liberty Utilities (St. Lawrence Gas) Corp. website at <http://www.stlawrencegas.com>.

## B. OVERVIEW OF COMPANY

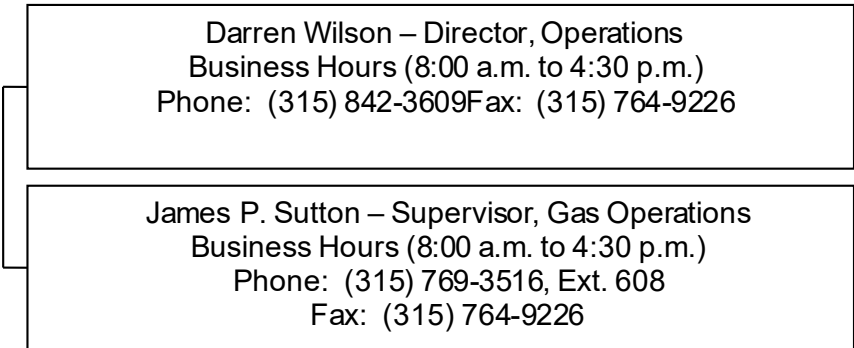
### *Corporate Structure*

#### Table of Organization





**Gas Operations Organization**







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**Transportation Customer and Marketer Support Personnel/Services**

Adam Soulia-Manager III-Gas, Business and Community Development  
Phone: (315) 842-3605  
Fax: (315) 764-9226  
Email: Adam.Soulia@libertyutilities.com



## ***Territory***

### **Narrative Description**

The Company, incorporated in 1957, is a natural gas distribution utility, that was acquired by Liberty Utilities Co. in 2019 following the approval of the Commission. The Company serves approximately 16,000 residential, commercial, industrial and transportation customers in the following communities within New York State:

#### **County of Franklin**

<u>Towns</u>	<u>Villages</u>
Bangor	Burke
Burke	Brushton
Chateaugay	Chateaugay
Moira	Malone
Malone	

#### **County of Lewis**

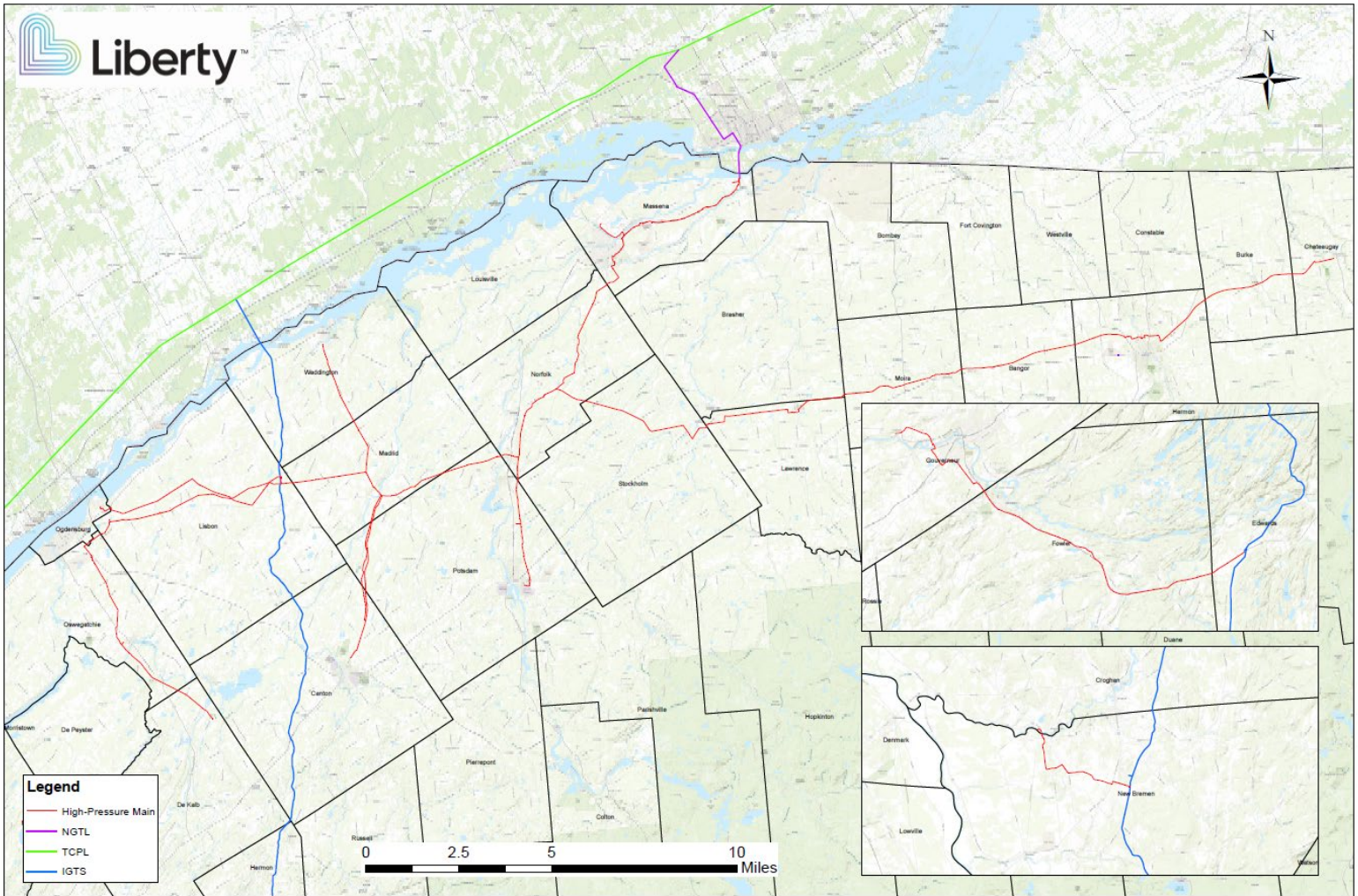
<u>Towns</u>	<u>Villages</u>
Croghan	Croghan
New Breman	

#### **County of St. Lawrence**

<u>Towns</u>		<u>Villages</u>	<u>City</u>
Brasher	Louisville	Canton	Ogdensburg
Canton	Madrid	Gouverneur	
DeKalb	Massena	Heuvelton	
Edwards	Norfolk	Massena	
Fowler	Oswegatchie	Norwood	
Gouverneur	Potsdam	Potsdam	
Lawrence	Stockholm	Waddington	
Lisbon	Waddington		

The main office of the Company is located at 33 Stearns Street in Massena, New York. Both administrative and operations personnel work out of this location. Another operations center is in Ogdensburg, New York, which serves the western section of the Company's service territory. There is also a sales office located in Malone, New York. The Company employs approximately 54 people.

**Territorial Map**



**Pipelines Serving the Franchise Area**

The Company’s distribution system is connected to TransCanada Pipelines Limited via Niagara Gas Transmission Limited at the Cornwall station, and to the Iroquois Gas Transmission System at the Lisbon, Edwards and New Bremen gate stations.



### ***Service Classifications***

Service classifications are included in the Tariff, which is available for public inspection during regular business hours (8:00 a.m. – 4:30 p.m.) at 33 Stearns Street, Massena, New York, 13662. A copy of the Tariff may also be downloaded via the New York State Department of Public Service website at [www.dps.ny.gov](http://www.dps.ny.gov).

The Company's service classifications apply to both sales and transportation service. Customers taking transportation service have three options, i.e., Annual Average Day Transportation, Monthly Average Day Transportation and Maximum Day Transportation. Load balancing services are available to transportation customers.

A Contract Administration Charge of \$125 per month (plus applicable taxes) applies to any transportation customer transporting 50,000 therms or more per year.

Customers or Agents utilizing Annual Average Day Transportation Service shall be charged or credited a monthly carrying cost on the value of the monthly bank balance, i.e., the difference between the amount of gas delivered and the amount of gas consumed.



**Liberty SLG – S.C. 1 & S.C. 2 Rate Summary**

Customer Type	Service Class	Dual Fuel Capability Required		Sales Service Rates	Transportation Service Rates
<b>Residential Service</b>	<b>S.C. 1</b>	<b>No</b>	<b>Customer Charge</b>	<b>\$15.00</b>	<b>\$15.00</b>
			<b>Customer Charge – Low Income Program</b>	<b>\$10.00</b>	<b>\$10.00</b>
			<b>Customer Charge – Low Income Program Enhanced</b>	<b>\$5.00</b>	<b>\$5.00</b>
			<b>Contract Administration Charge:</b>		<b>\$125.00</b>
			<b>Distribution Delivery:</b>		
			<b>First 4 therms, per therm</b>	<b>\$0.0000</b>	<b>\$0.0000</b>
			<b>Next 36 therms, per therm</b>	<b>\$0.5715</b>	<b>\$0.5715</b>
			<b>Over 40 therms, per therm</b>	<b>\$0.2571</b>	<b>\$0.2571</b>
			<b>Surcredits</b>	<b>See Surcredits Statement</b>	<b>See Surcredits Statement</b>
			<b>Tax Cuts and Jobs Act 2017</b>	<b>See TSS Statement</b>	<b>See TSS Statement</b>
			<b>Revenue Decoupling Mechanism</b>	<b>See RDM Statement</b>	<b>See RDM Statement</b>
			<b>Merchant Function Charge/Distribution Rate Adjustment</b>	<b>See MFC Statement</b>	<b>See DRA Statement</b>
			<b>System Benefits Charge</b>	<b>See SBC Statement</b>	<b>See SBC Statement</b>
			<b>Temporary State Assessment</b>	<b>See TSA Statement</b>	<b>See TSA Statement</b>
			<b>Safety and Reliability Surcharge</b>	<b>See SRS Statement</b>	<b>See SRS Statement</b>
			<b>Gas Interconnection: All therms, per therm</b>	<b>See GAC Statement</b>	<b>See GAC Statement</b>



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			<b>Gas Transportation: All therms, per therm</b>		
			<b>Gas Supply: All therms, per therm</b>		
			<b>Load Balancing Commodity Charge: All therms, per therm</b>		
			<b>Imbalance Charge: Per therm of Daily Tolerance</b>	<b>N/A</b>	<b>\$0.09320</b>
			<b>Seasonalized Imbalance Charge:</b>		
			<b>Per therm of Monthly Imbalance</b>		
			<b>December to March</b>	<b>N/A</b>	<b>\$0.11271</b>
			<b>April to November</b>	<b>N/A</b>	<b>\$0.09320</b>
			<b>Monthly Gas Bank Balance Carrying Charge Debit or Credit Applicable to Annual Average Day Transportation Service:</b>		
			<b>Value (See 2.XI.J.) of the Contract year-to- date Bank Balance X</b>	<b>N/A</b>	<b>1/12 of 7.99% per month</b>
			<b>Expansion Area Surcharges (Case 10-G- 0295), per therm Contribution in Aid of Construction Surcharge</b>	<b>\$0.3610</b>	<b>\$0.3610</b>







Customer Type	Service Class	Dual Fuel Capability Required		Sales Service Rates	Transportation Service Rates
<b>Small General Firm Service</b>	<b>S.C. 2</b>	<b>No</b>	<b>Customer Charge</b>	<b>\$ 25.0000</b>	<b>\$ 25.0000</b>
			<b>Contract Admin Charge</b>	<b>-</b>	<b>\$ 125.00</b>
			<b>Distribution Delivery</b>		
			<b>First 4 therms</b>	<b>\$ 0.0000</b>	<b>\$ 0.0000</b>
			<b>Next 66 therms</b>	<b>\$ 0.5246</b>	<b>\$ 0.5246</b>
			<b>Next 4,930 therms</b>	<b>\$ 0.2250</b>	<b>\$ 0.2250</b>
			<b>Next 45,000 therms</b>	<b>\$ 0.0789</b>	<b>\$ 0.0789</b>
			<b>Over 50,000 therms</b>	<b>\$ 0.0460</b>	<b>\$ 0.0460</b>
			<b>Revenue Decoupling Mechanism</b>	<b>See RDM Statement</b>	<b>See RDM Statement</b>
			<b>Merchant Function Charge/Distribution Rate Adjustment</b>	<b>See MFC Statement</b>	<b>See DRA Statement</b>
			<b>System Benefits Charge</b>	<b>See SBC Statement</b>	<b>See SBC Statement</b>
			<b>Temporary State Assessment</b>	<b>See TSA Statement</b>	<b>See TSA Statement</b>
			<b>Safety and Reliability Surcharge</b>	<b>See SRS Statement</b>	<b>See SRS Statement</b>
			<b>Gas Interconnection: All therms, per therm</b>	<b>See GAC Statement</b>	<b>See GAC Statement</b>
			<b>Gas Transportation: All therms, per therm</b>		
			<b>Gas Supply: All therms, per therm</b>		
			<b>Load Balancing Commodity Charge: All therms, per therm</b>		
			<b>Imbalance Charge: Per therm of Daily Tolerance</b>	<b>N/A</b>	<b>\$0.09320</b>
			<b>Seasonalized Imbalance</b>		





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			<b>Charge:</b>		
			<b>Per therm of Monthly Imbalance</b>		
			<b>December to March</b>	<b>N/A</b>	<b>\$0.11271</b>
			<b>April to November</b>	<b>N/A</b>	<b>\$0.09320</b>
			<b>Monthly Gas Bank Balance Carrying Charge Debit or Credit Applicable to Annual Average Day Transportation Service:</b>		
			<b>Value See 2.XI.J.) of the Contract year-to-date Bank Balance X</b>	<b>N/A</b>	<b>1/12 of 7.99% per month</b>
			<b>Expansion Area Surcharge (Case 10-G-0295), per therm Contribution in Aid of Construction Surcharge</b>	<b>\$ 0.5150</b>	<b>\$ 0.5150</b>



**Liberty SLG – S.C. 3 Rate Summary**

	Service Class	Dual Fuel Capability Required		Sales Service Rates	Transportation Service Rates
<b>Large General Firm Service</b>	<b>S.C. 3</b>	<b>No</b>	<b>Contract Admin Charge</b>	<b>N/A</b>	<b>\$ 125.00</b>
			<b>Distribution Delivery Charge:</b>		
			<b>Customer and Demand Charge:</b>		
			<b>Customer Charge:</b>	<b>\$355.00</b>	<b>\$355.00</b>
			<b>Demand Charge: Per Mcf/D of Contract Volume</b>	<b>\$4.328</b>	<b>\$4.328</b>
			<b>Commodity Charge: For all therms through the meter:</b>		
			<b>First 10 therms</b>	<b>\$0.0000</b>	<b>\$0.0000</b>
			<b>First 12 times Contract Volume</b>	<b>\$0.0059</b>	<b>\$0.0059</b>
			<b>Excess therms</b>	<b>\$0.0044</b>	<b>\$0.0044</b>
			<b>Surcredits</b>	<b>See Surcredits Statements</b>	<b>See Surcredits Statement</b>
			<b>Tax Cuts and Jobs Act 2017</b>	<b>See TSS Statement</b>	<b>See TSS Statement</b>
			<b>Merchant Function Charge/Distribution Rate Adjustment</b>	<b>See MFC Statement</b>	<b>See DRA Statement</b>
			<b>Temporary State Assessment</b>	<b>See TSA Statement</b>	<b>See TSA Statement</b>
			<b>Safety and Reliability Surcharge</b>	<b>See SRS Statement</b>	<b>See SRS Statement</b>
			<b>Gas Costs:</b>	<b>See GAC Statement</b>	<b>See GAC Statement</b>
			<b>Gas Interconnection: All therms, per therm</b>		
			<b>Gas Transportation:</b>		



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			<b>All therms, per therm</b>		
			<b>Gas Supply:</b>		
			<b>All therms, per therm</b>		
			<b>Load Balancing</b>		
			<b>Commodity Charge:</b>		
			<b>All therms, per therm</b>		
			<b>Load Balancing Demand</b>		
			<b>Charge, per Mcf</b>		
			<b>Imbalance Charge:</b>		
			<b>Per therm of Daily</b>	<b>N/A</b>	<b>\$0.093200</b>
			<b>Tolerance</b>		
			<b>Seasonalized Imbalance</b>		
			<b>Charge:</b>		
			<b>Per therm of Monthly</b>		
			<b>Imbalance for the</b>		
			<b>billing periods</b>		
			<b>ending in the months</b>		
			<b>of:</b>		
			<b>December to March</b>	<b>N/A</b>	<b>\$0.11271</b>
			<b>April to November</b>	<b>N/A</b>	<b>\$0.09320</b>
			<b>Monthly Gas Bank</b>		
			<b>Balance Carrying Charge</b>		
			<b>Debit or Credit Applicable</b>		
			<b>to Annual Average Day</b>		
			<b>Transportation Service:</b>		
			<b>Value (See 2.XI.J.) of the</b>		
			<b>Contract year-to-date</b>		
			<b>Bank Balance X</b>	<b>N/A</b>	<b>1/12 of 7.99% per</b>
					<b>month</b>
			<b>Backstop Service:</b>		
			<b>All applicable therms,</b>		
			<b>per therm</b>		<b>As determined</b>
					<b>monthly</b>
			<b>Expansion Area</b>		
			<b>Surcharge (Case 10-G</b>		
			<b>0295), per therm</b>		
			<b>Contribution on Aid</b>	<b>\$ 0.3860</b>	<b>\$ 0.3860</b>
			<b>of Construction</b>		
			<b>Surcharge</b>		



## Liberty SLG – S.C. 4 Rate Summary

Customer Type	Service Class	Dual Fuel Capability Required			
<b>Interruptible Service</b>	<b>S.C. 4</b>	<b>Yes</b>			
<p><b>Sales Service</b>            Company may adjust the rate to any rate between the price Company pays for its Incremental gas plus \$0.01 per therm (adjusted for gross revenue tax) and the cap price, determined as follows:</p> <ol style="list-style-type: none"> <li>1. The monthly cost of SC-3 sales gas (including the Interconnection gas cost), plus</li> <li>2. The monthly SC-3 Load Balancing Charge, plus</li> <li>3. The margin calculated from the average load factor for interruptible sales customers</li> </ol>					
<p><b>Transportation Service</b>            Company may adjust the rate to any rate between \$0.01 per therm (adjusted for gross revenue tax) and the cap price, determined as follows:</p> <ol style="list-style-type: none"> <li>1. The monthly distribution gas cost (including the Interconnection gas cost), plus</li> <li>2. The monthly SC-3 Load Balancing Charge, plus</li> <li>3. The margin calculated from the average load factor for interruptible transportation customers</li> </ol>					

Customer Type	Service Class	Dual Fuel Capability Required			
<b>Interruptible Transportation Service</b>	<b>S.C. 4 A</b>	<b>Yes</b>			
<p>The maximum rate per month shall be \$0.01 per therm less than the posted price for transportation service under S.C. No. 4 but shall not be less than \$0.01 per therm.</p>					



Customer Type	Service Class	Dual Fuel Capability Required			
<b>Interruptible Transportation Service</b>	<b>S.C. 5</b>	<b>Yes</b>			
<p>Interruptible transportation of customer-owned gas to customers operating cogeneration facilities as that term is defined in the Public Utility Regulatory Policies Act or the Public Service Law, or for any other customer who qualifies for an individually negotiated agreement, when Company has facilities available and adequate for the load. To qualify under this service classification a customer must have a load in excess of 2 billion cubic feet per year. A customer requesting service under this Service Classification must have contracted to purchase gas from an alternate source and must have complete standby equipment and a supply of fuel for such equipment available to use in the event of curtailment or interruption of service. Company, in its sole discretion, shall determine the volume of interruptible gas which it will be able to transport each day.</p>					

Customer Type	Service Class	Dual Fuel Capability Required			
<b>Interruptible Transportation Service For Generators of Electricity</b>	<b>S.C. 9</b>	<b>Yes</b>			
<p>Transportation of customer-owned gas to dual fueled facilities where such gas will be used in the production of electricity in generators having an electrical output capacity greater than fifty (50) megawatts (MW).</p> <p>The rate for service shall be as negotiated in the Transportation Service Agreement.</p>					



**Customer Breakdown**

As of December 31, 2020:

<b>Sales</b>	<b># of Customers</b>	<b>Annual Consumption (Dt)</b>
Residential	14,826	1,485,240
Small General Firm	1,614	1,114,460
Large General Firm	3	103,075
Interruptible	0	0
Total Sales	16,443	2,702,775
<b>Transportation</b>		
Residential	61	46,463
Small General Firm	146	861,374
Large General Firm	17	3,217,642
Interruptible	0	0
Subtotal Transportation	226	4,125,479
Cogeneration/Special Contracts	2	174,674
Total Transportation	226	4,300,153
<b>TOTAL</b>	<b>16,042</b>	<b>7,002,928</b>

**C. BUSINESS RULES GENERIC TO AGGREGATION AND LARGE VOLUME TRANSPORTATION CUSTOMERS**

***Creditworthiness***

A. Applicability

These standards apply to Marketers selling natural gas to retail customers and to retail customers procuring their own gas supplies (Direct Customers). Each entity must qualify on an individual basis. No security is required in situations where, and to the extent, the Company bills customers on behalf of a Marketer and has the right to retain funds collected by the billing to offset utility charges (e.g., imbalance charges). The Company may require security for its delivery charges in situations where a Marketer bills for delivery service.

The Marketer's/Direct Customer's participation in the Company's retail access program is contingent upon the Marketer/Direct Customer satisfying a credit appraisal based on

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independent bond/credit ratings and supplying any security that may be found necessary to meet the Company's credit requirements. Credit appraisals and security requirements will be reviewed by the Company annually, at a minimum.

**B. Creditworthiness Determinants for Marketers**

(See Section E below for credit requirements for Direct Customers)

1. A Marketer can satisfy the Company's credit requirement by:

- it or its guarantor having a minimum rating of "BBB" from S&P's, "Baa2" from Moody's, or "BBB" from Fitch ("Minimum Rating"); or
- posting security in an acceptable form as listed in Section D below;

but the Company will have the option to require the Marketer having the Minimum Rating to post security:

- for the amount by which the company's Credit Exposure (see Section C below) for any Marketer exceeds 5% of the Company's total monthly revenues for the type of service provided (e.g., 5% of total monthly gas revenues for bundled gas sales, gas transportation and gas retail access); or
  - for the full amount of the Credit Exposure if (1) the Marketer or its guarantor is at the Minimum Rating and is placed on credit watch with negative implications by any of the three designated rating agencies or the Company receives information that indicates that the Marketer's or its guarantor's credit rating could be downgraded below the Minimum Rating (which security requirement will be lifted if the Marketer or its guarantor's credit rating is not downgraded during the ensuing 60 days), or (2) the Marketer's status as a Billing Agent is terminated by another New York utility for failing to render timely bills to customers or to make timely payments to the utility.
2. The Company may require a Marketer with credit ratings below Minimum Rating to provide financial information for the sole purpose of verifying financial information, such as equity levels that are reported to Dun & Bradstreet.
  3. The Company may, at its discretion, reduce or eliminate any security requirements as long as this standard is applied equitably to all Marketers existing and new.
  4. The Company may require Marketers that act as Billing Agents to post security to cover the Company's delivery charges, as set forth in Section C.1 "Credit Exposure/Security Calculation" below.

5. The Company's evaluation must be completed within ten (10) calendar days after receiving the application. The Company must provide the rationale for its determination and the calculation supporting the credit limit and any resulting security requirement (as discussed in Section C below). The Company must perform its credit evaluation and associated security calculation in a non-discriminatory manner.

C. Credit Exposure/Security Calculation

If the Marketer meets the credit requirements in Section B, or a Direct Customer receives a waiver as set forth in Section E below, no security may be required. If the Marketer does not meet the credit requirements in Section B, or the requirements of Section E cannot be met for Direct Customers, security in an amount equal to the credit exposure may be sought and provided in a form as set forth in Section D below.

The maximum security amounts identified below are associated with the risk of the failure of a Marketer, (1) delivering a single bill for delivery and commodity service to the retail customer, to pay the company (Paragraph 1 below): (2) the failure of a Marketer to pay the Company for underdeliveries when that Marketer has underdelivered by up to 100% of its customers' needs (Paragraph 2 below): and, (3) the failure of a Marketer to pay the Company amounts due for Reserved Capacity.

1. Delivery

The maximum security associated with the natural gas balancing and settlement risk, where the Marketer bills customers for both delivery and commodity services, may be no more than 60 days of a Marketer's customers' projected peak period energy requirements over the coming twelve (12) months priced at the Company's applicable delivery tariff rate, including customer charges.

The maximum security associated with the natural gas delivery risk, where the Marketer is acting as the customer's Billing Agent, may be no more than forty-five (45) days of a Marketer's customers' projected peak period energy requirements over the coming twelve (12) months priced at the Company's applicable delivery tariff rate, including customer charges. The amount of security may be reduced to the extent the Marketer's customers maintain direct debit agreements with Liberty SLG.

2. Gas Imbalances

The maximum security associated with natural gas balancing and settlement risk will be determined for each season. The seasons are defined as Summer (April 1 - October 31) and Winter (November 1 - March 31). This credit exposure may be no more than as determined by: (a) the maximum daily quantity (MDQ) of a



Marketer's customers' projected aggregate consumption (or Direct Customer's projected consumption), based on the appropriate season of the past year; (b) priced at the highest month's average daily closing NYMEX price, at the Henry Hub, plus upstream capacity charges to the city gate, for the appropriate season of the past year; and (c) times 30 days. The Marketer may, at its option, elect to have the security determined annually, rather than seasonally in which case it will be based on the winter season.

3. Reserved Capacity

The maximum security associated with amounts due for Reserved Capacity may be no more than as determined by: (a) Annual Peak Day Quantity of a Marketer's customers' projected aggregate consumption (or Direct Customer's projected consumption); (b) priced at the highest month's upstream capacity charges; and (c) times 30 days.

D. Security Instruments

Upon notification by the company that a Marketer/Direct Customer has failed to satisfy the credit requirements or, subsequently, while providing service to retail customers, no longer satisfies the credit requirements, such Marketer/Direct Customer may still obtain or retain credit approval from the Company if it pays any outstanding balance due the Company for services rendered and elects to provide one of the following, as mutually agreed by the parties:

1. an advance deposit or prepayment;
2. a standby irrevocable letter of credit issued by a bank, insurance company or other financial institution with at least an "A" bond rating;
3. security interest in collateral found to be satisfactory to the company;
4. a guarantee, acceptable to the company, by another party or entity with a satisfactory credit rating of at least "BBB" by S&P, "Baa2" by Moody's or "BBB" by Fitch;
6. a surety bond from a bank, insurance company or other financial institution with at least an "A" bond rating; or,
7. other mutually acceptable means of providing or establishing adequate security (e.g., escrow accounts, loss pooling, etc.).

If the rating of a bank or insurance company or other financial institution from whom a Marketer/Direct Customer has obtained a letter of credit or surety bond falls below an "A" rating, the Marketer/Direct Customer shall have five (5) calendar days to obtain a substitute letter of credit or surety bond from an "A" rated bank or insurance company or other financial institution.

If the Marketer's/Direct Customer's credit standing ceases to meet the Company's credit requirements or if its financial exposure changes due to increased usage during the period of service, then the Company has the right to require security or prepayment as specified herein. The Company, however, may not request additional security unless the credit exposure increases by at least 10%, or a reasonable Company specified threshold. If the security is not tendered within five (5) calendar days after such request, then the Company may initiate a process to discontinue retail access service to the Marketer/Direct Customer. Deposits received in cash will accumulate interest at the applicable rate per annum approved by the New York State Public Service Commission for Other Customer Capital. If the Marketer/Direct Customer subsequently satisfies the credit appraisal without the need for some or all of the security requirement, the Company will return the appropriate portion of the Marketer's/Direct Customer's advance deposit with accumulated interest. Similarly, if the Company's credit risk is determined to decrease by at least 10%, or a reasonable Company specified threshold, relative to the amount of security on deposit, the excess will be refunded with accumulated interest within five (5) calendar days of such determination.

E. Retail Customers Procuring Their Own Energy (Direct Customers)

The aforementioned creditworthiness standards shall be waived for a customer procuring its own energy, provided that such customer's accounts are current and have been maintained current for twelve (12) months, and provided that the customer's long-term unsecured debt securities are, and remain, rated a minimum of BBB, Baa2 or BBB by S&P's, Moody's or Fitch, respectively. If the customer's debt is not rated, its account with the Company must be current, and it must not have a poor payment history with the Company for the past twenty-four (24) months.

G. Calling on Security

The Company may call upon the security posted by a Marketer/Direct Customer after providing five (5) days notice to the Marketer/Direct Customer whenever the Marketer/Direct Customer fails to pay the Company within the specified time frame, unless the Marketer/Direct Customer makes payment in full within the five (5) day notice period.

The Company may call upon the security posted by a Marketer/Direct Customer without prior notice if the Marketer/Direct Customer files a petition in bankruptcy (or equivalent, including the filing of an involuntary petition in bankruptcy against the Marketer/Direct

Customer) or if for any reason the Marketer ceases to provide service to its customers under the Company's retail access program.

If a Marketer, acting as a billing agent, has posted security with the Company, the Company will apply the security to the customers' delivery charges and customer late payment charges (if applicable) for any unpaid amounts due from customers.

### ***Customer Information***

#### **A. Historical**

The Company will provide, free of charge to customers or their authorized designees, at least twenty-four (24) consecutive months (or for the life of the account or for the period currently stored electronically by the company, if less) of the customer's most recent usage and billing information for each of the customers' accounts. A fee of \$15 may be charged for each year of data beyond the twenty-four (24)- month period and for any third request for the twenty-four (24) months of data in any twelve (12)- month period. Information not identified below will be supplied, if available, at the Company's incremental cost. The usage and billing information will be made available in the manner(s) the Company currently uses until the appropriate transaction protocols are established and implemented in the EDI proceeding.

The usage and billing information to be provided free of charge shall include: meter reading dates, consumption (MCF/CCF, DT/Therms, as appropriate), total dollars billed for the billing period, service classification, currently listed tax district, current meter number (where applicable) and type of meter reading (by the Company, by customer, or estimated). Where more than one meter is associated with an account, the applicable information will be provided for each meter, where available.

Credit information will be made available free of charge for the most recent twelve (12)-month period, but only upon written authorization from the customer. A fee of \$15 may be charged for each year of credit information beyond the twelve (12)- month period. Credit information to be provided, shall be limited to whether or not the customer had late payments and/or had been disconnected during the past twelve (12) months.

All free information will be available at the time requested until EDI mechanisms are functional. If additional information (as defined above) is requested a response will be provided within five (5) calendar days of the request, either supplying the requested information, specifying when such information will be provided, or advising that such information does not exist.

All historical customer information obtained from the Company by a Marketer must be kept confidential and not disclosed to others, unless otherwise authorized by the customer. All other customer information, such as account numbers (and any passwords used, if



applicable), telephone numbers and service addresses shall also be kept confidential and not disclosed to others, unless otherwise authorized by the customer.

The Company will not disclose a customer's billing, usage and credit history to a Marketer if that customer has notified the Company, in writing, that such information should not be disclosed or, regarding credit history information, has not provided written authorization for its release. The information may thereafter be disclosed to a Marketer only with the customer's written authorization.

B. Current

Liberty Utilities (St. Lawrence Gas) Corp. will make available to Marketers/Direct Customers all data recorded by and currently retrieved from its customer meters and all other information necessary to compute the customer's most recent bill. All such information to be furnished by the Company will be provided electronically (on a best-efforts basis), at no charge, to Marketers/Direct Customers when the data is acceptable by the Company to bill its customers. Where estimated meter readings are used, the estimates will be provided free of charge to Marketers/Direct Customers when the data is acceptable by the Company to bill its customers. All subsequent changes or corrections and adjustments to previously supplied data and metering equipment will be made available to Marketers/Direct Customers when the data is acceptable to be used for its customers.

### ***Billing and Collection Services and Charges***

A. Invoices

Liberty Utilities (St. Lawrence Gas) Corp. will issue invoices to Marketers/Direct Customers monthly for imbalances, charges for extraordinary customer data provided on request, i.e., over and above the information provided without charge, special meter reading charges, adjustments to prior invoices and other retail tariff services provided at the request of the Marketers/Direct Customers. Services requested directly by customers will be billed directly to the customers unless Marketers request that those charges be billed to them instead. The provisions described below relate only to retail access billing and collection services and charges to be paid by Marketers/Direct Customers. The costs of any payment defaults that occur due to mutually agreed-upon terms between the Company and a Marketer/Direct Customer may not be borne by any other customers/ratepayers or other Marketers/Direct Customers.



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B. Invoice Payments

1. Terms of Payment

Bills are payable upon presentation and are subject to late payment charges. Marketers/Direct Customers will pay the full amount stated in the invoice, without deduction, set-off or counterclaim, within twenty (20) calendar days from the date of the invoice transmittal. On the first day following the grace period, late payment charges at the rate of 1.5% per month will be applicable to all overdue billed amounts, including arrears and unpaid late payment charges. (Note: Payment of customers' charges, on behalf of customers, by a Billing Agent, are due within twenty-five (25) calendar days of the Billing Agents' receipt of the customers' billing information, subject to the requirements under "Billing Agency Requirements" herein). Because a Marketer/Direct Customer or the Company may request expeditious resolution by the New York Department of Public Service of a complaint or dispute, bills will not be suspended as a consequence of a complaint filed. The Company and Marketers/Direct Customers are permitted to develop, by mutual agreement, customized billing and collection arrangements.

Claims that invoices are not correct must be made in writing and postmarked no later than three (3) months after the disputed invoice was mailed or provided electronically.

2. Payment Form

Payment for services will be rendered to the Company by electronic funds transfers. The Company and Marketers/Direct Customers are permitted to establish, by mutual agreement, other forms of payment.

3. Application of Payments

Unless otherwise agreed to by the Company and the Marketer/Direct Customer, payments will be applied to arrears first and then to current charges.

4. Failure to Make Payment

Upon failure of the Marketer/Direct Customer to make any payment when due, the Company may draw down on any security that may be available (as described in the Creditworthiness section).

C. Billing Questions and Disputes

1. Access to Billing Back-up Information

Upon implementation of the Company's EDI system, Marketers/Direct Customers will have access to data elements that will enable them to perform necessary billing back-up calculations.

2. Inquiries

- (a) All questions concerning invoices should be directed to:

Billing Department  
Phone: (800) 454-2201, Option 3

This department will direct such inquiries to the appropriate areas of responsibility which will be available to explain how the invoice amounts were determined.

- (b) Responses to billing inquiries will be acknowledged in writing or by electronic transmission promptly, but no later than five (5) calendar days from the Company's receipt of the inquiry. The company will investigate and respond to the complainant, in writing, no later than twenty (20) calendar days from the Company's receipt of the inquiry.

3. Overpayments

- (a) Overpayments made by a Marketer/Direct Customer as a result of an inaccurate invoice or as determined through the Dispute Resolution Process will be credited to the Marketer's account if a prior shortage exists or will be refunded otherwise. Such credit or refund will occur within five (5) calendar days of a determination that an overpayment occurred. Such overpayments will earn interest at the rate of 1.5% per month from the date of the overpayment until the date of the credit or repayment, whichever applies. The refund will be rendered to the Marketer by electronic funds transfers or other means as may be mutually agreed upon by the Marketer and the Company.
- (b) Overpayments made voluntarily by a Marketer/Direct Customer will be credited to the Marketer's/Direct Customer's account and will not earn interest unless the overpayment is applied to the security deposit account.

D. Charges to Marketers from the Company

The Company may charge Marketers/Direct Customers for the following:

1. Gas imbalances, based on the Tariff or operating agreement.



2. Late payment charges, at a rate of 1.5% per month, applicable to all overdue billed amounts, including arrears and unpaid late payment charges and to underbillings, as determined through the Dispute Resolution Section, herein. Interest on the latter is only payable when associated with a finding of deficiency on the part of the party holding the funds determined to be due the other party.
3. Additional historical customer usage, billing and credit information available upon request under the "Historic Customer Information" section requirements.
4. Special meter reading charges, as described in the "Switching Requirements" section.
5. Other rates and charges approved by the Commission and set forth in the Tariff, including, but not limited to, transportation or distribution rates, miscellaneous surcharges and taxes.

### ***New Delivery Customer Requirements***

- A.** Process Required for Marketers/Direct Customers to Notify the Company of New Delivery Customers (e.g., customers that are initiating delivery service)
1. New delivery customers may initiate service by contacting the Company and/or a Marketer. The Marketer/Direct Customer must provide the Company with the application for service of new delivery customers choosing the Marketer for supply with the Marketer's/Direct Customer's authorized signatures or unique identifiers. The Company will acknowledge receipt of the customer's application for service within five (5) calendar days.
  2. Applications for service for new residential service for applicants whose previous utility bills, if any, have been paid or are covered by a deferred payment plan, and that do not require construction, must be submitted at least five (5) business days prior to the requested service date; other applications for service must be submitted at least ten (10) calendar days prior to the requested service date. All applications for service will contain the information identified in Section B below.
  3. A uniform statewide format will be used for the applications for service once EDI is operational.
  4. The notices should be submitted to:  
Community and Business Development  
Liberty Utilities (St. Lawrence Gas) Corp.  
33 Stearns Street  
PO Box 270  
Massena, NY 13662  
Fax: (315) 764-9226



**B.** Information to Be Submitted by Marketer/Direct Customer

1. Marketers/Direct Customers must provide the name, service address, mailing address, telephone number and account number, when established, of new customers that will need delivery service from the Company, as specified in the Tariff.
2. Marketers acting as the customer's agent in establishing utility delivery service must provide the information about the customer that the Company needs to establish service.
3. Marketers/Direct Customers must also provide information about the customer's special needs, if any, including life support equipment.

**C.** Commencement of Service

For new delivery customers, services will commence after all connections are complete in accordance with provisions of the Tariff. A special meter reading, as applicable, will then be performed at no charge.

New delivery customers must be accepted by the Company before service may commence; any conditions set forth in the Tariff for the initiation of service to such new delivery customers apply.

**D.** Initiation of Service Fees, Deposits, or Other Requirements

Any fees, deposit requirements, or other charges identified in the Tariff will apply to initiation of service to new delivery customers.

**E.** Special Meter Reading Fees

There will be no fees charged by the Company for special meter readings if performed in conjunction with the initiation of new delivery service.

***Switching Requirements***

**A.** Process Required for Marketers/Direct Customers to Notify the Company of Switches (subject to revision as a result of the EDI proceeding)

1. Marketers/Direct Customers must provide to the Company notices of requested switches, with the Marketer's/Direct Customer's signatures or unique identifiers. The





notices to the Company must be submitted at least ten (10) calendar days prior to the requested switch dates and contain the information identified below.

2. The Company will acknowledge receipt of the switch notices within five (5) calendar days.
  3. A uniform statewide format will be used for the notices once EDI is operational.
  4. The notices should be submitted to:  
Community and Business Development  
Liberty Utilities (St. Lawrence Gas) Corp.  
33 Stearns Street  
PO Box 270  
Massena, NY 13662  
Fax: (315) 764-9226
- B. Information to Be Submitted by Marketer/Direct Customer (subject to revision as a result of the EDI proceeding):
1. Marketers must provide the name, service address, meter number, mailing address and account number, of the customers to be switched.
  2. Marketers/Direct Customers must also provide information about the customers' Special Needs, if any (mandatory if reselling delivery services, optional otherwise). The Company reserves the right to verify the information on an existing customer who had not previously advised the Company that he or she, or a member of his or her household, had Special Needs.
- C. Notice Period Required and Switch Date (subject to revision as a result of the ongoing EDI proceeding)
1. The notice for a switch must be submitted at least ten (10) calendar days before the customer's regular meter reading date.
  2. The switch will then occur on the customer's regular meter reading date.
- D. Frequency of Switches Allowed
1. No restrictions, except as may result from the notice period requirement, or as may be specified in contracts between Marketers and customers, or as may result from Company requirements for bundled service. Customers voluntarily returning to Company bundled service will be required to remain with the Company for twelve (12) months. The twelve (12)-month requirement will not apply to a customer that returns to Company service as a result of a supplier's failure to deliver.

2. If the Company can show that the frequency and/or pattern of switches is having negative impacts on the system, the Company, or other customers, it can propose measures to address such impacts at that time.

E. Switching Fees

1. There may be no charge for a customer's switch from Company bundled service at any time, i.e., each switch away from the Company.
2. There may be no charges for involuntary switches. Involuntary switches are those initiated by a Marketer rather than the customer, when for example, the Marketer goes out of business, assigns its customers to another supplier, or decides to no longer serve a customer.
3. There will be no charge for the first voluntary switch from a Marketer to another Marketer or back to the Company during the first twelve (12) months following a customer's initial participation with retail access. A voluntary switch is one initiated by the customer.
4. A switching fee of \$10 may be charged for all other voluntary switches.

F. Special Meter Reading Fees

\$20 will be charged to the party (Marketer/Direct Customer or retail access customer) requesting a (physical) special meter reading. A special meter reading is a meter reading performed on a date other than the customer's regularly scheduled meter reading date.

G. Verification of Accounts

1. The Company shall provide notice of receipt of a switching request to the current Marketer, if any, as discussed further in the "Slamming Prevention Process" section.
2. To enable the parties to verify accounts, the Company, upon the request of a Marketer shall provide, by the fifth calendar day of each calendar quarter, a listing of the Marketer's customers that were receiving its retail access service as of the first calendar day of the quarter.

H. Budget Billing Adjustments

The Company's budget billing will be adjusted at the switch dates as required to reflect changes in Company service and will be reflected in the customers' next bill.

***Slamming Prevention Process***

- A. Slamming, defined as a switch of a retail customer from one provider to another without the customer's authorization (except as may be allowed under the "Discontinuance of Service" provisions, discussed later), is not permitted. To minimize the chance of slamming, the following process must be used:
1. To request a switch, Marketers must notify the Company of the switch using the process outlined under the "Switching Requirements" section.
  2. Upon receipt of the switch request from a Marketer, the Company will send a verification letter, at least five (5) calendar days prior to the switch date, to the affected customer and notify the incumbent Marketer, if any, that is serving the customer at that time. After EDI becomes available, the Company will notify incumbent Marketers about customer enrollment information electronically.
  3. The verification letter must advise the customer of the switch request and ask that he/she contact the Company within five (5) calendar days if the switch request information is incorrect. The general content of the letter must be filed with the New York State Department of Public Service for review before it is used for this purpose.
  4. If the customer notifies the Company that the request is not valid, the switch will not be made or will be reversed.
  5. The Company must report all unauthorized switches to the New York State Department of Public Service.
- B. Marketers that switch customers without the customers' authorizations will be fully responsible for all wrongful charges applied to the customers' bills and for all reasonable costs incurred by the Company. Such Marketers' eligibility to serve retail customers in New York State may also be terminated by the New York State Public Service Commission and/or a monetary penalty may be imposed.
- C. Marketers must retain for six (6) years documentation of a customer's authorizations to switch. Such documentation must be in the form of one of the following:
1. written agreements signed by the customers;
  2. written statements by independent third parties that witnessed or heard verbal commitments by the customers;
  3. tape recordings made by Marketers of the customers' verbal commitments; and
  4. electronic transmittals that can be shown to have originated with the customers.



### ***Partial Requirements Customers***

The Company, at this time, has the option of allowing eligible retail customers to select more than one Marketer at a time per customer account, except those customers currently with more than one Marketer may continue that practice. Eligible customers who have a designated portion of their load supplied by the Company, at an economic development discount or any other discount authorized by the Tariff, regulation or law, with the remaining portion of their load provided at the Company applicable Tariff provisions, will be permitted retail access for the portion of their load served at the applicable Tariff rates. Also, unless prohibited by a prior settlement agreement, retail customers that receive an economic development discount for all their standard load may continue to receive a discount and take retail access unless the discount was specified as a result of rate design differences. Retail customers with discounts on delivery services will not be required to forego such discounts to participate in retail access for the commodity portion of their service.

### ***Billing Agency Arrangements***

- A. Marketers and the Company may elect to offer customers a “Billing Agency” arrangement in which the customer will authorize a Marketer to act as a Billing Agent, hereafter Marketer/Billing Agent, to receive the customer’s bills from the Company, consolidate them with the Marketer’s/Billing Agent’s charges, rebill the entire amount to the customer, receive payments from the customer and then remit payments to the Company for its services, with the balance being retained by or transmitted to the Marketer. The customer must choose the Billing Agency arrangement before it may be used as the mechanism to bill the customer. If the Marketer/Billing Agent and the customer use such an arrangement, the Marketer/Billing Agent must comply with the conditions listed below.
1. The Marketer/Billing Agent must apply all customer payments, unless otherwise directed by the customer, first to Company charges, past due and current, then to Marketer/Billing Agent charges, past due and current. If the customer has entered into a deferred payment agreement with the Company, customer payments must be applied, first to current Company charges, including the agreed-upon installment payment under the deferred payment agreement, then to Marketer/Billing Agent charges, past due and current. If a customer with a deferred payment agreement pays more than the current bill and agreed upon installment payment charges, payments should be allocated first to all current plus agreed upon deferred charges and the balance first to the Company and then to the Marketer/Billing Agent account, unless otherwise directed by the customer.
  2. Marketers/Billing Agents can negotiate deferred payment arrangements or intercede on behalf of a customer on other related utility matters provided it can demonstrate that the customer has given it the authority to do so.

3. Marketers must include a clear, plain language explanation of the Billing Agency arrangement and its implications in their standard contract/disclosure statements, if such an arrangement is to be offered.
  4. Marketers must distribute annually to each customer the “Summary of Customer Rights Notice” and to each gas customer the “Annual Gas Safety Notice”, which will be provided, in bulk, by the Company.
- B. Where the Company and the Marketer elect to offer a Billing Agency arrangement, the Company must comply with the following requirements.
1. The Company must provide the Marketer/Billing Agent with the “Summary of Customer Rights Notice” and the “Annual Gas Safety Notice”, in bulk, for distribution by the Marketer/Billing Agent to customers annually.
  2. The Company should incorporate bill messages regarding a customer’s specific bill (e.g., messages regarding adjustments, level billing plan) into the billing information transmitted electronically.
  3. The Company must send all disconnection-related notices and deferred payment agreements directly to the customer.
  4. The Company should inform customers of what communications to expect from them and what to expect from Billing Agents, upon customers’ elections of Billing Agents.
  5. The Company may assess late payment charges on Marketers only if payment is not received within twenty-five (25) calendar days of the Billing Agent’s receipt of the customers’ billing information. Until EDI is implemented and fully operational, no late payment charges will be assessed to a Marketer/Billing Agent, provided the Marketer/Billing Agent uses the dispute resolution procedure and can demonstrate that the payment to the Company was late due to the fault of the Company (Once EDI is implemented, the grace period may be modified.)
  6. Any delays in transmitting billing data caused by the Company must be reflected as a comparable adjustment in the corresponding due date for both the Marketer/Billing Agency and the customer.
  7. Security may be collected from the Marketer as specified by the Creditworthiness requirements described elsewhere.
  8. The Company must continue to accept payment of company charges at all agencies where payments for customers who have not selected Billing Agency are accepted.
  9. The Company and Marketers/Billing Agents are permitted, by mutual agreement, to develop customized billing and collection arrangements.

10. Upon the failure of a Marketer/Billing Agent to remit the customer's payment to the Company on time, the Company must notify the customer of that failure.
  11. The Company may not attempt to collect such payments directly from customers who have previously paid their Billing Agent.
  12. Any losses that may result from such nonpayments will be recovered from available security and any remaining balances will be deferred.
- C. The Company may terminate a Billing Agency arrangement and send its invoices for delivery charges directly to the Marketer's customers after providing five (5) calendar days' notice to the Marketer/Billing Agent if:
1. the Billing Agent has not paid the Company on a timely basis for its delivery charges, unless such payment is made in full before the expiration of the five (5) calendar day notice period (note: untimely payments may be a basis for a termination if a pattern of such payments develops); or
  2. the Marketer's credit rating or security is no longer adequate and the Marketer fails to post the necessary additional security within the five (5) calendar day notice period; or
  3. the Company draws on the Marketer's security deposit and the Marketer does not reinstate the required security within five (5) calendar days; or
  4. the Marketer has on several occasions failed, after notice from the Company, to meet its other obligations as Billing Agent, as set forth in the Tariff, operating procedures and/or agreement(s) with the Company (if applicable).

### ***Metering***

Unless and until such time as the Commission determines otherwise, the following metering provisions will apply. Except for customers in service classification 3, customers that choose to take part in retail access programs may continue to use the same metering equipment that is in place at the time of their applications for retail access. Such customers, however, may request the installation of a different Commission-approved meter, with the cost of such meter and installation to be borne by the customer and with the Company retaining sole control of the meter and responsibility for the installation, maintenance and compliance with Commission regulations. Customers electing to have such meters installed will be billed, for retail access purposes, based on the data collected from these meters. The Company shall own such meters.

Customers utilizing the Company's Monthly Average Day Transportation Service or Maximum Day Transportation Service may be required to install a Commission-approved meter upgrade with the cost of such upgrade and installation to be borne by the customer and with the Company

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retaining sole control of the meter and responsibility for the installation, maintenance and compliance with Commission regulations.

### ***Discontinuance of Service***

#### **A. Voluntary Discontinuance of Marketer Operations in the Company's Service Area.**

1. A Marketer may discontinue operations (in whole or significant part) in the Company's service territory at will (subject to any penalties or sanctions that may arise due to contractual obligations), upon submission of a written notice to the Company and the Marketer's customers at least fifteen (15) calendar days prior to the discontinuance date. The notice to retail customers shall inform them:
  - (a) that the discontinuance will occur at the first meter reading date of the month after the notice period expires, or the Company may estimate the readings at the discontinuance date or provide a special reading;
  - (b) of their option either to select another Marketer to be their energy service provider or to return to Liberty SLG sales service;
  - (c) that if they do select another Marketer, that Marketer will file a switch request with the Company on their behalf, and there will be no fee charged by the Company for the switch;
  - (d) that after the discontinuance and unless/until a new Marketer is selected and the switch is completed, service will be provided by the Company under its applicable tariff rate, unless the Company has notified the customer that delivery services will be terminated on or before the discontinuance date; and
  - (e) that there will be no switching fee charged by the company to the customer for a switch back to the Company, whether as an interim measure until a new Marketer is selected or as a permanent action.
2. The Company will also send, within five (5) calendar days of receipt of the notice from the Marketer, a notice to the Marketer's customers containing the same information as required above, but also providing a list with names and telephone numbers of eligible Marketers who have indicated a willingness to serve retail customers in the Company's service area.
3. If the Company learns that a Marketer has discontinued operations in its service territory without giving the proper notice to retail customers and to the Company in accordance with the above requirements prior to discontinuing operations, the Company will immediately inform the Commission and then, voluntarily or if directed, notify all of the Marketer's customers as required above. In the notification, the



Company will also advise the customers that, effective immediately, their service is being provided by the Company under the standard tariff rate and that payment for such service from the date of the notice until a subsequent switch takes place must be made to the Company.

4. If the Marketer does not give notice to its retail customers and to the Company in accordance with the above requirements prior to discontinuing operations, the Marketer may be determined ineligible by the New York State Public Service Commission to sell natural gas to retail customers in New York State and/or may be assessed a monetary penalty by the New York State Public Service Commission.
5. Upon the discontinuance of a Marketer, the Marketer will remain responsible for payment or reimbursement of any and all sums owed under the Tariff on file with the Commission, and service agreements relating thereto, or under any agreements between the Marketer and the Company. The Marketer will also remain obligated to customers to the extent provided for in any contracts with them.
6. Upon receipt of a switch request from a subsequent Marketer following the discontinuance notice, the Company will verify the intended switch with the customer in accordance with the “Slamming Prevention Process” section, e.g., the Company will notify the customer within five (5) calendar days of the switch request.
7. If a more expeditious discontinuance process is judged to be needed in a specific situation, the Marketer may request such expedited treatment upon a showing of need to the Commission or its designee, which will have the authority to grant such a request. The Commission or its designee may also, for good cause, initiate an expeditious discontinuance process on its own motion. The Company will also have standing in any such processes.
8. Sample copies of the form of the notices to customers under this process will be provided to the New York State Department of Public Service for review at least five (5) calendar days before the letters are sent to customers.

**B. Discontinuance of Sales by Marketer to Individual Retail Customer**

1. A Marketer may discontinue sales to individual retail customers in the Liberty SLG service territory at will (except as may be otherwise limited by contracts with customers), upon submission of a notice to those individual customers and to the Company at least fifteen (15) calendar days prior to the discontinuance date. The notice to retail customers must inform them:
  - (a) of the date of the discontinuance (which should be at each customer’s next meter read date);
  - (b) of their option either to select another Marketer to be their energy service provider or to return to regulated utility service;



- (c) that if they do select another Marketer, that Marketer will file a switch request with the Company on their behalf, and there will be no fee charged by the Company for the switch; and
    - (d) that after the discontinuance and until a new Marketer is selected and the switch is completed, service will be provided by the Company under its applicable service tariff unless the Company has notified the customer that delivery services will be terminated on or before the discontinuance date.
  - 2. Sample copies of the form of the notices to customers under this process will be provided to the New York State Department of Public Service for review at least five (5) calendar days before the letters are sent to customers.
  - 3. If the Marketer does not give the required notice to its retail customers and to the Company, the Marketer may be determined ineligible by the New York State Public Service Commission to sell natural gas to retail customers in New York State and/or may be assessed a monetary penalty by the New York State Public Service Commission.
  - 4. Upon receipt of a switch request from a subsequent Marketer following the discontinuance notice, the company will verify the intended switch with the customer in accordance with the “Slamming Prevention Process” section, e.g., the Company will notify the customer within five (5) calendar days of the switch request.
- C. Involuntary Discontinuance of a Marketer’s/Direct Customer’s Right to Provide Service to Retail Customers
- 1. The Company will have the right to initiate a process to discontinue a Marketer’s/Direct Customer’s participation in the Company’s retail access program:
    - (a) where the Company determines that it is necessary or desirable for safety or for system reliability reasons (including, but not limited to, the proper scheduling and delivery of natural gas to meet the needs of customers), which will include an understanding that:
      - (1) actual scheduled deliveries must not deviate consistently and unreasonably beyond a pre-determined percentage (to be set forth in the Tariff) of the Marketer’s/Direct Customer’s day ahead forecast schedule of supply requirements; and
      - (2) day ahead forecast schedules must not deviate consistently and unreasonably beyond a pre-determined percentage (to be set forth in the Tariff) of the Marketer’s/Direct Customer’s actual aggregate customer load in the service territory, unless balancing service is provided by the Company;



- 
- (b) where the Marketer/Direct Customer fails to comply with the terms and conditions of the Tariff or distribution operating agreement;
  - (c) where there is a continued pattern of attempts to transfer retail customers without proper customer authorization (slamming).
  - (d) where a court of competent jurisdiction issues an order authorizing discontinuance of the Marketer/Direct Customer;
  - (e) where the New York State Public Service Commission has determined that the Marketer is not eligible to sell natural gas to retail customers in the state, for reasons including:
    - (1) a Marketer's failure to adhere to the policies and procedures described in its disclosure to customers;
    - (2) failure to comply with prescribed consumer protections;
    - (3) an unacceptably high volume of customer complaints;
    - (4) failure of a Marketer to comply with applicable ISO requests;
    - (5) failure to comply with prescribed reporting requirements;
    - (6) failure to comply with oversight requirements;
    - (7) failure to apprise the New York State Public Service Commission of all material changes in the information in the applicant's initial filing;
    - (8) failure to comply with the voluntary discontinuance requirements set forth above; or,
    - (9) failure to comply with other applicable requirements of the New York State Public Service Commission, including those in the Order Clarifying Consumer Protections, issued October 25, 1996, in Cases 93-G-0932, et al.; or
  - (f) where the Marketer/Direct Customer fails to pay a bill for delivery services or an imbalance charge when due, does not pay the bill within ten (10) calendar days after being notified of the non-receipt of payment, and the available security is or will be insufficient to cover the amount of default.
2. The Company may initiate the process to discontinue a Marketer/Direct Customer by providing the Marketer/Direct Customer a notice (with a copy to the New York State Public Service Commission) that advises the Marketer/Direct Customer that its right to

switch additional customers is suspended immediately. The notice shall also state that unless the stated cause for the discontinuance is corrected within a designated period (not less than ten (10) calendar days) from the Marketer's receipt of the notice, or the New York State Public Service Commission, or its designee, requires otherwise, the Marketer's existing customers will be notified that the Marketer will be discontinued. The discontinuance will take place no longer than fifteen (15) calendar days after the end of the designated period to cure the problem except that in cases of non-payment of invoices, the discontinuance will take place at the end of the designated period. Discontinuance of Direct Customers may be initiated by a similar notice stating that unless the identified cause is corrected within the designated period, (e.g., not less than ten (10) calendar days), or the New York State Public Service Commission, or its designee, requires otherwise, the Direct Customer will no longer be allowed to procure its own energy supplies. The discontinuance process will stop if the Marketer/Direct Customer corrects the problem within the ten (10) day period, unless otherwise directed by the Public Service Commission. If a more expedited process is deemed necessary for any discontinuance, the process outlined in Subsection 6 below may be followed.

3. The Company may suspend or discontinue a Marketer/Direct Customer immediately if an imminent risk exists that compromises the safety or operational reliability of the Company's system. Notices shall be sent to customers as specified in Subsection 4 below.
4. The notices to be sent to customers by the Company will advise them:
  - (a) that the discontinuance will (or did) occur at the first meter reading date, or another date where the company may estimate the readings at the discontinuance date or provide for a special meter read;
  - (b) of their option either to select another Marketer to be their energy service provider or to return to regulated utility service;
  - (c) of the names and telephone numbers of eligible Marketers that have indicated a willingness to serve retail customers in the Company's service territory;
  - (d) that if they do select other Marketers, those entities will file switch requests with the Company on their behalf, and there will be no fee charged by the Company for the switches; and
  - (e) that after the discontinuance and unless/until new Marketers are selected and the switches are completed, service will be provided by the Company under its applicable tariff rate, unless the Company has notified the customers that delivery services will be terminated on or before the discontinuance date.

5. Sample copies of the form of the notices to customers will be submitted to the Department of Public Service for review at least five (5) calendar days before the letters are sent to customers.
6. If a more expeditious discontinuance process is judged to be needed in a specific situation, the Company may request such expedited treatment upon a showing of need to the Public Service Commission or its designee, which will have the authority to grant such a request. The Commission or its designee may also, for good cause, initiate an expeditious discontinuance process without a request by the Company. The Marketer/Direct Customer will have standing in any such process.
7. Marketers may contest any suspension or proposed discontinuance by use of the "Dispute Resolution Process" if that process is initiated in a timely manner.
8. Upon any discontinuance of a Marketer, the Marketer will remain responsible for payment or reimbursement of any and all sums owed under the Tariff on file with the Public Service Commission, and service agreements relating thereto, or under any agreements between the Marketer and the Company. The Marketer will also remain obligated to customers to the extent provided for in any contracts with them.
9. Upon receipt of a switch request from a subsequent Marketer following the discontinuance notice, the Company will verify the intended switch with the customer in accordance with the provisions under the "Slamming Prevention Process" section, e.g., the Company will notify customers within five (5) calendar days of the switch request.

D. Discontinuance of a Direct Customer

A Direct Customer may voluntarily discontinue securing its own natural gas supplies by notifying the Company of its intent to discontinue acting as a Direct Customer and to switch to another supplier or to return to Liberty SLG service in accordance with the provisions under the "Switching Requirements" section previously presented. A Direct Customer may be involuntarily discontinued for the reasons, and in the same manner, as a Marketer would be discontinued, to the extent applicable (see Section C above), except that notices to customers are not required where the Direct Customer is a single customer.

E. Assignment of Marketer Contracts

1. A Marketer may assign customer contracts to other eligible Marketers, and transfer the rights to serve those customers, provided that the Marketer's contracts and disclosure statements clearly state that such assignments and transfers may occur. The assignment and transfer may be initiated upon submission of a notice to the Company, the Public Service Commission and the Marketer's customers at least fifteen (15) calendar days prior to the transfer date. The notice to the Company and the Public Service Commission will include a copy of the assignment document(s) executed by



officers of all the involved Marketers and a copy of the notice being sent to customers. The notice to retail customers will inform them:

- (a) of the date(s) of the assignments;
  - (b) that service will be provided by the assigned Marketer;
  - (c) of any changes in the contract or disclosure statement terms (to the extent permitted by the existing contracts or disclosure statements), including ministerial changes such as telephone numbers, mailing addresses, etc.
2. The Company will also send a notice, within five (5) calendar days of the notice from the Marketer, to the Marketer's assigned customers advising them that transfer requests have been received and will be executed.
  3. Sample copies of the form of the notice to customers will be submitted to the New York State Department of Public Service for review at least five (5) calendar days before the letters are sent to customers.
  4. If the Company learns that a Marketer has assigned customers and transferred service to other Marketers without giving the required notices (in contracts and/or disclosure statement and in the letters to be sent at least fifteen (15) calendar days prior to the transfer of service) to retail customers and to the Company in accordance with the above requirements, the Company will immediately inform the New York State Department of Public Service and then, if directed, notify all of the Marketer's customers in accordance with the procedures noted above.
  5. If a Marketer does not give the required notices to its retail customers, the Company and the Public Service Commission in accordance with the above requirements prior to transferring customers, the Marketer may be determined ineligible by the New York State Public Service Commission to sell natural gas to retail customers in New York State and/or may be assessed a monetary penalty by the New York State Public Service Commission.
  6. The assignment document(s) (copies of which will be provided to the Company and the Public Service Commission) will indicate which party will be responsible for payment or reimbursement of any and all sums owed under the Tariff on file with the Public Service Commission, and service agreements relating thereto, or under any agreements between the Marketer and the Company and between the Marketer and customers.
  7. If a more expeditious transfer process is needed in a specific situation, the Marketer may request such expedited treatment upon a showing of need to the New York State Public Service Commission or its designee, which will have authority to grant such a request. The Company will have standing in any such process.

### ***Dispute Resolution Process***

It is the desire and intent of the Company to resolve disputes between itself and the Marketers/Direct Customers through informal means, such as telephone conversations or meetings. Should those good-faith efforts fail, the following process is to be followed to address all retail access disputes/complaints between Marketers/Direct Customers and the Company with respect to retail access program issues. This process does not address disputes involving retail customers, of either the Marketer or of the Company. Each Marketer/Direct Customer and the Company will designate specific personnel to be responsible for responding to complaints and disputes under this process. The parties may also pursue other legal mechanisms to address complaints and disputes.

- A. A Marketer/Direct Customer or the Company may initiate the dispute resolution process by presenting a written description of the dispute/complaint, and a proposed resolution to the other party(ies) involved in the dispute, sent in a manner that will verify its receipt.
- B. The other party(ies) must, as soon as possible, but in no case more than fifteen (15) calendar days following receipt of the complaint, provide a written response to the complaining party(ies), with an alternative resolution proposal if the complaining party's(ies)' proposed resolution is deemed unacceptable; or, with the results of any informal resolution that may have been reached with the other party(ies) prior to that date.
- C. If the initial exchange of written material (and perhaps verbal discussions) does not resolve the dispute, the complaining party(ies) may request a meeting(s) to discuss the matter further. The responding party(ies) must agree to such a meeting(s) to be held within fifteen (15) calendar days following the request.
- D. The parties may agree to use alternative dispute resolution techniques and mutually agreed-upon time frames that may differ from those defined in the dispute resolution process.
- E. If a resolution is not obtained within forty-five (45) calendar days after the initial complaint letter or the mutually agreed-upon time frame, either party may file the complaint with the New York State Department of Public Service for resolution.
- F. If the Marketer/Direct Customer or the Company believes that special circumstances (such as an emergency involving public safety, system reliability or significant financial risk) exist that would require more expeditious resolution of a dispute or complaint than might be expected under the process described here, it may submit its complaint to the New York State Department of Public Service, with a copy provided to the other party(ies) involved in the dispute. The Department will respond to such a filing by:
  - 1. expeditiously resolving the dispute; or

2. advising that the standard dispute resolution process described above be followed.
- G. If a dispute involves the accuracy of invoiced charges, the invoiced charges must be paid, subject to refund with the applied interest (1.5% per month). This interest is only payable when associated with a finding of deficiency on the part of the party holding the funds determined to be due the other party.
  - H. If any reasonable resolution between a Marketer/Direct Customer, including a Company affiliate, and the Company results in generic competitive benefits, those benefits should also be available on a prospective basis to other Marketers/Direct Customers, including the affiliate of the company, where applicable, in the Liberty Utilities (St. Lawrence Gas) Corp. service territory.
  - I. All correspondence or documents to be delivered from one party to another under this process must be sent in a manner that provides verification that it is received within the time periods specified by this dispute resolution process.



## **D: GAS DELIVERY MANAGEMENT PROCEDURES FOR RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS**

### **Aggregation Service**

#### ***Marketer Eligibility***

Any potential Marketer will need to provide information to both the Department of Public Service Consumer Services Division and the local utility in whose service territory it plans to serve customers.

#### **Department of Public Service Approval**

All Marketers must file a copy of their standard contract with the Department of Public Service Consumer Services Division. A separate standard contract is required for residential and commercial customers. Staff initially reviews the contract to determine if the Commission's requirements have been met. A Marketer will be contacted if additional information or changes to the contract need to be made.

The Marketer will then forward the revised contract for further review. If all compliance elements are met, a compliance letter will be sent to the Marketer advising that the contract is in compliance with the Commission's requirements. The Marketer will then present the Department of Public Service compliance letter to the local utility company before it can offer service.

After utility acceptance, Marketer information will be placed on the Department's Website and made available to any consumer upon demand. Consumers will also be able to obtain Marketer information from the local utility.

Marketers must provide the Department of Public Service updates of changes of corporate names, addresses, telephone numbers and the contact person.

#### **Liberty SLG Approval**

In order to become an eligible Marketer for the Liberty SLG Retail Access Program the applicant shall submit:

1. A Department of Public Service compliance letter,
2. A "Marketer Application Form" located on the Liberty Utilities (St. Lawrence Gas) Corp. web site under Marketer Info (<http://www.stlawrencegas.com/forms>),
3. Marketers will provide to the Company documentation to verify that the Marketer has primary firm capacity for the five winter months of November 1 – March 31. The documentation may be in the form of an affidavit, signed by a Company officer, stating that primary firm capacity is being provided. The Company may also request a copy of





- redacted contracts if it needs to verify the statements made in the affidavit. The affidavit should state that the contract will be in place throughout the winter period, and
4. Financial information to demonstrate creditworthiness as defined by the Company. Credit requirements can be found in Section C. Business Rules Generic to Aggregation and Large Volume Transportation Customers, Creditworthiness. The applicant shall also send to the Company its two most current years of audited financial statements. The applicant shall indicate the credit rating of its senior unsecured debt and provide its Dun & Bradstreet number, if it has one.

If the applicant does not have Internet access, forms can be acquired from, completed and returned to:

Adam Soulia  
Manager III-Gas, Business and Community Development  
Liberty Utilities (St. Lawrence Gas) Corp.  
33 Stearns Street, PO Box 270  
Massena, New York 13662  
Phone: (315) 769-3516 Ext. 622  
Fax: (315) 764-9226  
E-mail: [Adam.Soulia@libertyutilities.com](mailto:Adam.Soulia@libertyutilities.com)

Once the Marketer has received acceptance from both the Department of Public Service and the Company, the Company will then notify the Department of Public Service Consumer Services Division and the Marketer that the Marketer is now eligible to participate in the Company's Retail Access Program.

The name of the Marketer is then added to the Company's list of approved Marketers. on the Liberty Utilities (St. Lawrence Gas) Corp. website ([http://www.stlawrencegas.com/quicklinks/st\\_lawrence\\_county\\_approved\\_marketers](http://www.stlawrencegas.com/quicklinks/st_lawrence_county_approved_marketers)). This list is updated as changes are made or new Marketers are added to the list. Please make sure that the information posted is correct. If a Marketer wants to make a change, please contact Adam Soulia (see above).

The Marketer shall then submit to the Company an "Agency Gas Transportation Service Agreement" located on the Liberty Utilities (St. Lawrence Gas) Corp. website (<http://stlawrencegas.com/forms.htm>).

If, for any reason, a Marketer is removed from the PSC's list, the Marketer will automatically and immediately be removed from the Company's eligible Marketer list.



### ***Customer Eligibility***

In the Liberty Utilities (St. Lawrence Gas) Corp. service territory all Residential (Service Classification #1), Small General Firm Service (Service Classification #2) and Large General Firm Service (Service Classification #3) customers who have met the term provisions of their respective service classifications are eligible to participate in the Liberty SLG Retail Access Program.

Under the Retail Access Program, a customer may:

- Choose a Marketer from among eligible Marketers and authorize the Marketer to act as its agent in connection with the supply of natural gas on the customer's behalf to the Liberty SLG distribution system.
- Designate only one Marketer to serve an individual gas account.
- Authorize Liberty SLG to provide a Marketer information on its Liberty SLG billing history.
- Switch Marketers or apply for Sales Service from Liberty SLG.

### ***Enrollment Procedures***

Customers may be enrolled in the Liberty SLG Retail Access Program as described below:

- A list of approved Marketers is available on the Liberty Utilities (St. Lawrence Gas) Corp. web site ([http://www.stlawrencegas.com/quicklinks/st\\_lawrence\\_county\\_approved\\_marketers](http://www.stlawrencegas.com/quicklinks/st_lawrence_county_approved_marketers))
- Liberty Utilities (St. Lawrence Gas) Corp. will provide to a Marketer information regarding the customer's billing history. This billing history will include usage, billing, and credit information as described in the Customer Information section of this GTO . The customer can provide authorization by using the "**Customer Credit History Authorization Form**" located on the Liberty Utilities (St. Lawrence Gas) Corp. website (<http://www.stlawrencegas.com/forms> ). If the customer does not have Internet access the authorization form can be acquired from the Liberty Utilities (St. Lawrence Gas) Corp. billing department at (800) 459-2201. A Marketer will be required to sign an "**Agency Gas Transportation Service Agreement**", located at (<http://www.stlawrencegas.com/forms> ), and have the Marketer's customers appoint the Marketer as their representative. The Marketer will deliver the customer's natural gas requirements to the Liberty Utilities (St. Lawrence Gas) Corp. city gate.
- The customer may be required to sign a "**Backstop Agreement**", located at (<http://www.stlawrencegas.com/forms> ), to assure a continuous supply of natural gas in the event of a failure of the Marketer to deliver the customer's daily gas supply requirements.
- A customer may only begin taking service from a Marketer on the date the Company obtains an actual meter read.
- The notice for a switch must be submitted at least ten (10) calendar days before the customer's regular meter reading date.

- The Company will acknowledge receipt of the switch notices to the Marketer within five (5) calendar days.
- The Company will send a verification letter, at least five (5) calendar days prior to the switch day, to the affected customer. The verification letter will advise the customer of the switch request and ask that he/she contact the Company within 5 calendar days if the switch request information is incorrect.
- Customers calling in to stop the transfer are sent a letter confirming that the transfer has been cancelled. Customers calling in after the 5-day period may be transferred to the Marketer and must remain with the Marketer for at least one monthly billing cycle.

### ***Daily Delivery Quantity (DDQ) Determination Procedures***

The Marketer's or Direct Customer's DDQ may be determined each day, monthly or annually depending on the type of transportation service elected. The Company and the Marketer/Direct Customer will mutually agree upon the DDQ.

Where a flat monthly DDQ or annual DDQ process is used, the Company and the Marketer/Direct Customer will mutually agree on the DDQ and it will be provided by the Marketer to the Company at least 4 days prior to the start of the month or the start of the contract period. The Marketer then sets a nomination to commence on the first day of the month/contract period, which remains constant until changed either to reflect a change other than volume (i.e., a different contract or pipeline), a change in volume (if allowed by contract), or to reflect the next period's DDQ.

Marketers or Direct Customers may request a change in the specified DDQ if the Marketer or Direct Customer has specific knowledge that the customer's or customer group's consumption will be different than anticipated. For example, the Marketer or Direct Customer may be aware of a partial shut down of process gas.

During business hours (e.g. non-holiday periods, Monday - Friday, 8 a.m. – 5 p.m.) Marketers and Direct Customers are responsible for checking the Liberty Utilities (St. Lawrence Gas) Corp. website and e-mail for notices that may affect daily gas delivery requirements. During off-hours Company, Marketer and Direct Customer contacts need not be at their ordinary work sites but must be available by telephone or pager.

### ***Capacity Assignment/Use Procedures - Comparability***

Marketers/Direct Customers have three options for delivery to the Liberty Utilities (St. Lawrence Gas) Corp. city gate:

1. A Marketer/Direct Customer can accept assignment of TransCanada Pipelines Limited capacity from Company for the term of the Agency Transportation Agreement in order to ship customers' natural gas commodity requirements to the Company's city gate. The assignment of the Company's capacity will be offered at the sole discretion of the Company when sufficient capacity is available within the requirements of specific upstream pipeline contracts.

2. A Marketer/Direct Customer can contract with company to utilize a portion of Company's upstream pipeline capacity on TransCanada PipeLines Limited for the term of the Agency Transportation Agreement in order to ship customers' natural gas commodity requirements to the Company's city gate (Reserved Capacity).
  - Agent shall pay Company for all charges associated with the use of such Reserved Capacity, including (without limitation) demand charges, commodity charges, taxes, surcharges, fuel allowances, imbalance and overrun charges and/or penalties.
  - At any time one or more parties may wish to change agents or may wish to have Company supply such parties' natural gas requirements. In such event, Company shall have the right to recall from Agent such volume of Reserved Capacity as Company shall require for transmission of customers' natural gas requirements.
  - Any capacity recalled from Agent shall be assigned by Company to customers or to customers' new agent, if customers so direct, or in the alternative shall be used by Company to transport such volume of gas as is required for Company's resale to customers.
3. A Marketer/Direct Customer can deliver it's natural gas requirements to the Liberty Utilities (St. Lawrence Gas) Corp. city gate using it's own upstream pipeline capacity for the term of the Agency Transportation Agreement.

#### **Requirement for Firm, Non-recallable, Primary Delivery Point Capacity**

A Marketer must have firm non-recallable, primary delivery point capacity to the Company's city gate for the term November 1 through March 31 each year equal to their pool's average day use in the Company's peak winter month plus the Company's system losses and pipeline fuel, if any. Capacity must be secured to at least the nearest liquid trading point on the upstream pipeline. Marketers must provide an affidavit to the company by October 1 of each year to demonstrate that they have obtained such capacity for the period. An affidavit is not required for any portion of a Marketer's winter capacity requirement for which the Marketer has taken a capacity release from the company.

The intentional falsification of an affidavit will result in the termination of the business relationship between the Company and the Marketer and could result in civil and criminal penalties.

If, during the winter period, a Marketer or Direct Customer adds new customers, the Company will calculate the quantity of additional capacity requirement and provide that information to the Marketer or Direct Customer. If the additional amount is greater than 10% of their current winter requirement, the Marketer or direct customer must provide an affidavit for the additional quantity.

Any dispute that arises regarding winter requirements or associated affidavits will be handled in accordance with the Dispute Resolution Process described in Section C of this GTOP .

## ***Nominating Procedures***

### **GISB Standards**

Transaction schedules and procedures upstream of the LDC city gate are controlled by the FERC Regulations and GISB Standards. To the extent there are revisions to the GISB nomination timing cycles adopted by the Federal Energy Regulatory Commission, each LDC shall revise its nomination timing cycles accordingly, within sixty days. For example, the current GISB Standard Nomination Cycles for interstate pipelines are (all times are Eastern clock time):

- The gas day is 10 a.m. to 10 a.m.
- The Timely Nomination Cycle: Nomination due 2:00 p.m. for gas flow beginning at 10 a.m. the following day.
- The Evening Nomination Cycle: Nomination due by 7 p.m. for gas flow beginning at 10 a.m. the following day.
- The Intra-day 1 Nomination Cycle: Nomination due by 11am on the gas day for gas flow beginning at 6 p.m. on the gas day.
- The Intra-day 2 Nomination Cycle: Nomination due by 3:30 p.m. on the gas day for gas flow beginning at 10 p.m. on the gas day. An intra-day 2 nomination may not cause another gas supplier's gas to be bumped.

### **Weekend Nomination Procedures**

The procedure for placing weekend nominations will be similar to the weekday procedure but the company and the Marketer will establish after hour contact numbers. Where the Marketer or Direct Customer is required to match daily deliveries and daily consumption, daily and intra-day nominations should be provided for on weekends.



## ***Balancing/Reconciliation/Load Balancing***

### **Daily Bank Credit and Balancing Provision**

Monthly and Daily Bank Credit and Balancing at the Receipt and Delivery Point:

For customers utilizing transportation service Company shall keep a record (Banked Gas Account) of the volume of gas received by Company from customer, or from the Marketer on behalf of a group of customers (credits), and of the volume of gas consumed by customer(s) (debits). Any volume of gas sold by Company to customer(s) shall not be debited to the Banked Gas Account. Any volume of gas received from customer or Marketer and purchased by Company as allowed or required by the Company's PSC No. 1 - Gas Tariff shall not be credited to the Banked Gas Account. Company shall report monthly to customer, or to the Marketer on behalf of a group of customers, the net balance in customer's(s') Banked Gas Account.

If or when Marketer's/Direct Customer's banked gas account contains a debit balance equal to or greater than the volume consumed by customer, or by the customers aggregated and served by a Marketer, in the month of Marketer's/Direct Customer's highest consumption, Company may demand, and if so demanded customer shall provide, security under one of the following options:

- a) A deposit in the amount of three times the average monthly usage for the peak season; or
- b) A letter of credit, drawn on a bank acceptable to company, in a face amount of three times the average monthly usage for the peak season; or
- c) A guarantee provided by another entity, acceptable to Company, that satisfies the credit criteria; or
- d) Other security acceptable to Company.

Any required security deposit shall be refunded to Marketer when it is determined that Marketer meets the level of credit criteria that no longer requires a security deposit.

All security deposits held shall accrue interest at the Commission's established rate.

Marketers/Direct Customers delivering the Annual Average Day Transportation Volume shall be deemed to be in balance at the Receipt Point unless otherwise notified by Company. Disposition of Banked Gas Account balance is set forth below.

Marketers/Direct Customers utilizing Annual Average Day Transportation Service shall be charged or credited a monthly carrying cost at an annual interest rate equal to 1/12 of the pretax allowed rate of return on the value of the monthly bank balance, i.e., the difference between the amount of gas delivered and the amount of gas consumed valued at the Avoided Cost of Gas including upstream transmission costs calculated at 100% load factor.

Marketers/Direct Customers utilizing Annual Average Day Transportation Service shall be required to clear any net imbalance in Marketer's/Direct Customer's Banked Gas Account as at the end of each contract year, as set forth under Disposition of Banked Gas Account below.

Marketers/Direct Customers utilizing Monthly Average Day or Maximum Day Transportation Service shall be required to settle their accounts with Company on a monthly basis as provided under Disposition of Banked Gas Account below.

For Marketers/Direct Customers utilizing transportation services under the terms of Monthly Average Day Transportation Service, Marketers'/Direct Customers' Banked Gas Account shall record differences between the Nominated Volumes of gas (less volumes retained by company for unaccounted for gas) and the daily volumes of gas consumed by Marketer's/Direct Customer's customers at the Point(s) of Delivery each Day in a month. A Seasonalized Imbalance Charge shall be payable by Marketer/Direct Customer to company for the sum of the monthly aggregated daily overdeliveries and the monthly aggregated underdeliveries. The disposition of imbalances is more fully described under Disposition of Bank Gas Account below.

For Marketer/Direct Customer contracting for transportation service under the terms of Maximum Day Transportation Volume, who do not purchase Load Balancing Service, a daily allowance (the "Daily Tolerance") of plus or minus 10% will be allowed as the difference between the daily nomination (excluding the allowance for Unaccounted For Gas) and the daily consumption at the delivery point. However, in no case shall the imbalance at the end of any month exceed 10% of the aggregated daily Nominated Volumes for such month. The disposition of daily and month-end imbalances is set forth below.

**Disposition of Banked Gas Account:**

1. For Marketer/Direct Customer receiving Annual Average Day Transportation Service:

At the end of each contract year, disposition of any net debit or credit balance in the Banked Gas Account shall be made as follows.

Company will notify Marketer/Direct Customer within 30 days of the end of the contract year as to the debit or credit status of the Banked Gas Account.

Credit Volumes shall be purchased from Marketer/Direct Customer by the Company at a rate equal to the average of the lowest commodity cost of gas (excluding capacity charges) for each month of the contract year.

Debit volumes shall be billed to Marketer/Direct Customer by Company at a rate equal to the average of the highest commodity cost of gas (including capacity charges) for each month of the contract year.

- (e) For Marketers/Direct Customers receiving Monthly Average Day Transportation Service:

The aggregate of customer's daily underdeliveries for a month shall be added to the aggregate of customer's daily overdeliveries for a month. The total so determined shall be used to determine customer's bill for load balancing for the month at issue by multiplying such total volume by the applicable Seasonalized Imbalance Charge.



Any net imbalance as at a month end shall be purchased from or sold to customer, as applicable. Overdeliveries shall be deemed to be Tolerable Overdeliveries; underdeliveries shall be deemed to be Tolerable Underdeliveries. Such Tolerable Overdeliveries and Tolerable Underdeliveries shall be cashed out monthly in the same manner as described below for net Tolerable Overdeliveries and net Tolerable Underdeliveries.

(f) For Marketers/Direct Customers receiving Maximum Day Transportation Service:

Overdeliveries or Underdeliveries per day shall be aggregated each month separately.

Tolerable Underdeliveries: Between 0% and 5% less than daily nomination

Underdeliveries: Over 5% to 10% less than daily nomination Excess

Underdeliveries: Over 10% to 20% less than daily nomination Super Excess

Underdeliveries: Over 20% less than daily nomination

Tolerable Overdeliveries: Between 0% and 5% greater than daily nomination

Overdeliveries: Over 5% to 10% greater than daily nomination Excess

Overdeliveries: Over 10% to 20% greater than daily nomination Super Excess

Overdeliveries: Over 20% greater than daily nomination

Super Excess Underdeliveries, and Excess Underdeliveries, and Underdeliveries, shall be deemed to have been sold by Company to customer. The penalty price to be charged to and paid by customer for such volumes sold shall be:

Super Excess Underdeliveries

For the period December 1 to March 31:

140 percent of Company's weighted average cost of gas purchased for such month;

For the period April 1 to November 30:

130 percent of Company's weighted average cost of gas purchased for such month;

Excess Underdeliveries:

120 percent of Company's weighted average cost of gas purchased for each month;

Underdeliveries:

110 percent of Company's weighted average cost of gas purchased for each month.

Tolerable Underdeliveries:

Customer can adjust subsequent day volume.





Super Excess Overdeliveries, Excess Overdeliveries, and Overdeliveries, shall be purchased by Company from customer. The penalty price to be paid by Company to customer for such volumes purchased shall be:

Super Excess Overdeliveries:

For the period December 1 to March 31:

60 percent of the Company's weighted average cost of gas for such month;

For the period April 1 to November 30:

70 percent of Company's weighted average cost of gas purchased for such month;

Excess Overdeliveries:

80 percent of the Company's weighted average cost of gas for each month;

Overdeliveries:

90 percent of the Company's weighted average cost of gas for each month.

Tolerable Overdeliveries:

Customer can adjust subsequent day volume.

The aggregated Tolerable Overdeliveries and aggregated Tolerable Underdeliveries shall be summed each month and the resultant volume multiplied by the Imbalance Charge to determine the monthly bill to be rendered to customer for balancing customer's daily requirements at the Point of Delivery.

Any net imbalance at any month end shall be purchased by Company or sold to customer as follows:

Tolerable Underdeliveries exceed Tolerable Overdeliveries by:

a. Less than or equal to 2 percent: Company shall sell such volume to customer at Company's weighted average cost of gas purchased for such month;

b. Greater than 2 percent: Company shall sell such volume to customer at 120 percent of Company's weighted average cost of gas for such month;

Tolerable Overdeliveries exceed Tolerable Underdeliveries by:

a. Less than or equal to 2 percent: Company shall purchase such volume from customer at Company's weighted average cost of gas purchased for such month;



b. Greater than 2 percent: Company shall purchase such volume from customer at the lesser of 100 percent of the lowest price paid by Company for gas purchased and delivered to Company's distribution system for such month and 80 percent of Company's weighted average cost of gas purchased for such month;

(g) At the date a Marketer/Direct Customer Gas Transportation Service Agreement terminates or is terminated, the disposition of any net debit or credit balance in the Banked Gas Account shall be made as follows:

Company will notify customer or Marketer/Direct Customer within 30 days of the end of the contract year as to the debit or credit status of the Banked Gas Account.

Credit volumes shall be purchased from Marketer/Direct Customer by Company at a rate equal to the average of the lowest commodity cost of gas for each month of the contract year.

Debit volumes shall be billed to Marketer/Direct Customer by Company at a rate equal to the average of the highest commodity cost of gas for each month of the contract year.

(h) Nothing contained in the foregoing provisions shall preclude customers, except for Annual Average Day Transportation Service customers, from trading amongst themselves their daily and month-end imbalance positions. Annual Average Day Transportation Service customers may trade their end of contract year imbalance positions. The overdelivered customer shall pay company a minimum transfer fee of \$100, or \$0.05 per Mcf, whichever is greater. Daily imbalance trading will be allowed among any group of firm transportation customers or among any group of interruptible transportation customers. Trading between Firm and Interruptible customers will not be allowed. Such groups must appoint a manager with whom Company can deal in respect to all matters pertaining to customers' transportation requirements and who will be ultimately responsible to Company for the group's imbalance cash out obligations. Any manager so appointed must be acceptable to Company, including without limitation, meeting Company's creditworthiness criteria. Daily imbalance trading groups must establish their own trading arrangements, reporting processes, accounting procedures and reconciliation methodologies for customer-owned gas. Company will require that all daily trades be reported to the Company by noon of the second day following the trade. The group manager shall provide the following data to SLG by the designated time:

1. the names of the customers who traded imbalances,
2. the volume expressed in therms and ccf,
3. the day and date of the trade which must comport to the gas day, currently 10 a.m. to 10 a.m.

Trading for the month must be within the monthly meter reading cycle. Customers who wish to engage in daily imbalance trading must have installed electronic metering and a dedicated telephone line connecting the metering to the Company's monitoring equipment.



**Meter Reading**

All customers will have their meters read at the regularly scheduled meter reading date. Transportation service shall be deemed to be in effect from the date of the regularly scheduled meter reading immediately following the date of the Agency Agreement to the date of the regularly scheduled meter reading immediately following the termination date of the Agency Agreement.

Residential and small commercial meters are read every other month. In alternate months bills are based on estimated readings. A schedule identifying the calendar data upon which meter cycles are read is posted on the website.

The Company will use either the actual or the estimated read for transfers of customers who are read on a bimonthly basis. An estimate will be used if there was an actual read the previous month. For customers who have had two or more estimates in a row, an actual read must be obtained to affect the transfer. A customer read is acceptable so long as there has been an actual read by the Company within the past twelve (12) months and the read passes the Company's high-low parameters. A special read requested by the Marketer is also an alternative.

**Summary of Applicable Fees, Charges and Penalties**

Description	Rate / US Dollars	Conditions
Additional Usage History	\$15.00	Charged on each year of data beyond the 24-month period and for any third request in any 12-month period.
Additional Credit History	\$15.00	Charged on each year of data beyond the 12-month period.
Voluntary Switching Fee	\$10.00	Applies to any voluntary switch after the first switch.
Special Meter Reading	\$20.00	Meter reading performed on a date other than the customers regularly scheduled meter reading.
Gas imbalances	Dependant upon type of service taken.	See applicable service classification in the Tariff
Backstop Charges	As determined monthly	See applicable service classification in the Tariff
Bank balance carrying charge	Pre-tax rate of return	See applicable service classification in the Tariff
Late payment charges	SC #1 & #2 – 1 1/2% per month SC #3, #4, #5, and #9 – 0.06% per day	See applicable service classification in the Tariff
Contract Administration Charge	\$125.00/month	See applicable service classification in the Tariff

## **E: GAS DELIVERY MANAGEMENT PROCEDURES FOR LARGE COMMERCIAL AND INDUSTRIAL FIRM CUSTOMERS**

### **Aggregation Service**

#### ***Marketer Eligibility***

Any potential Marketer will need to provide information to both the Department of Public Service Consumer Services Division and the local utility in whose service territory it plans to serve customers.

#### **Department of Public Service Approval**

All Marketers must file a copy of their standard contract with the Department of Public Service Consumer Services Division. A separate standard contract is required for residential and commercial customers. Staff initially reviews the contract to determine if the Commission's requirements have been met. A Marketer will be contacted if additional information or changes to the contract need to be made.

The Marketer will then forward the revised contract for further review. If all compliance elements are met, a compliance letter will be sent to the Marketer advising that the contract is in compliance with the Commission's requirements. The Marketer will then present the Department of Public Service compliance letter to the local utility company before it can offer service.

After utility acceptance, Marketer information will be placed on the Department's Website and made available to any consumer upon demand. Consumers will also be able to obtain Marketer information from the local utility.

Marketers must provide the Department of Public Service updates of changes of corporate names, addresses, telephone numbers and the contact person.

#### **Liberty Utilities (St. Lawrence Gas) Corp. Approval**

In order to become an eligible Marketer for the Liberty SLG Retail Access Program the applicant shall submit:

1. A Department of Public Service compliance letter,
2. A "Marketer Application Form" located on the Liberty SLG web site under Marketer Info ([http://www.stlawrencegas.com/quicklinks/st\\_lawrence\\_county\\_approved\\_marketers](http://www.stlawrencegas.com/quicklinks/st_lawrence_county_approved_marketers)),
3. Marketers will provide to the Company documentation to verify that the Marketer has primary firm capacity for the five winter months of November 1 – March 31. The documentation may be in the form of an affidavit, signed by a Company officer, stating that primary firm capacity is being provided. The Company may also request a copy of



- redacted contracts if it needs to verify the statements made in the affidavit. The affidavit should state that the contract will be in place throughout the winter period, and
4. Financial information to demonstrate creditworthiness as defined by the Company. Credit requirements can be found in Section C. Business Rules Generic to Aggregation and Large Volume Transportation Customers, Creditworthiness. The applicant shall also send to the Company its two most current years of audited financial statements. The applicant shall indicate the credit rating of its senior unsecured debt and provide its Dun & Bradstreet number, if it has one.

If the applicant does not have Internet access, forms can be acquired from, completed and returned to:

Adam Soulia  
Manager III-Gas, Business and Community Development  
Liberty Utilities (St. Lawrence Gas) Corp.  
33 Stearns Street, PO Box 270  
Massena, New York 13662  
Phone: (315) 842-3605  
Fax: (315) 764-9226  
E-mail: [Adam.Soulia@libertyutilities.com](mailto:Adam.Soulia@libertyutilities.com)

Once the Marketer has received acceptance from both the Department of Public Service and the Company, the Company will then notify the Department of Public Service Consumer Services Division and the Marketer that the Marketer is now eligible to participate in the Company's Retail Access Program.

The name of the Marketer is then added to the Company's list of approved Marketers on the Liberty Utilities (St. Lawrence Gas) Corp. web site ([http://www.stlawrencegas.com/quicklinks/st\\_lawrence\\_county\\_approved\\_marketers](http://www.stlawrencegas.com/quicklinks/st_lawrence_county_approved_marketers) ) This list is updated as changes are made or new Marketers are added to the list. Please make sure that the information posted is correct. If a Marketer wants to make a change, please contact Adam Soulia (see above).

The Marketer shall then submit to the Company an "Agency Gas Transportation Service Agreement" located on the Liberty Utilities (St. Lawrence Gas) Corp. website (<http://stlawrencegas.com/forms.htm> ).

If, for any reason, a Marketer is removed from the PSC's list, the Marketer will automatically and immediately be removed from the Company's eligible Marketer list.

### ***Customer Eligibility***



In the Liberty Utilities (St. Lawrence Gas) Corp. service territory all Residential (Service Classification #1), Small General Firm Service (Service Classification #2) and Large General Firm Service (Service Classification #3) customers who have met the term provisions of their respective service classifications are eligible to participate in the Liberty SLG Retail Access Program.

Under the Retail Access Program, a customer may:

- Choose a Marketer from among eligible Marketers and authorize the Marketer to act as its agent in connection with the supply of natural gas on the customer's behalf to the Liberty Utilities (St. Lawrence Gas) Corp. distribution system.
- Designate only one Marketer to serve an individual gas account.
- Authorize Liberty Utilities (St. Lawrence Gas) Corp. to provide a Marketer information on its Liberty SLG billing history.
- Switch Marketers or apply for Sales Service from Liberty Utilities (St. Lawrence Gas) Corp.

### ***Enrollment Procedures***

Customers may be enrolled in the Liberty SLG Retail Access Program as described below:

- A list of approved Marketers is available on the Liberty SLG website ([http://www.stlawrencegas.com/for\\_homes/deregulation](http://www.stlawrencegas.com/for_homes/deregulation))
- Liberty Utilities (St. Lawrence Gas) Corp. will provide to a Marketer information regarding the customer's billing history. This billing history will include usage, billing, and credit information as described in the Customer Information section of this GTO. The customer can provide authorization by using the "**Customer Credit History Authorization Form**" located on the Liberty SLG website (<http://www.stlawrencegas.com/forms.htm>). If the customer does not have Internet access the authorization form can be acquired from the Liberty SLG billing department at (800) 459-2201. A Marketer will be required to sign an "**Agency Gas Transportation Service Agreement**", located at (<http://www.stlawrencegas.com/forms.htm>), and have the Marketer's customers appoint the Marketer as their representative. The Marketer will deliver the customer's natural gas requirements to the Liberty Utilities (St. Lawrence Gas) Corp. city gate.
- The customer may be required to sign a "**Backstop Agreement**", located at (<http://www.stlawrencegas.com/forms.htm>), to assure a continuous supply of natural gas in the event of a failure of the Marketer to deliver the customer's daily gas supply requirements.
- A customer may only begin taking service from a Marketer on the date the Company obtains an actual meter read.
- The notice for a switch must be submitted at least ten (10) calendar days before the customer's regular meter reading date.
- The Company will acknowledge receipt of the switch notices to the Marketer within five (5) calendar days.

- The Company will send a verification letter, at least five (5) calendar days prior to the switch day, to the affected customer. The verification letter will advise the customer of the switch request and ask that he/she contact the Company within 5 calendar days if the switch request information is incorrect.
- Customers calling in to stop the transfer are sent a letter confirming that the transfer has been cancelled. Customers calling in after the 5-day period may be transferred to the Marketer and must remain with the Marketer for at least one monthly billing cycle.

### ***Daily Delivery Quantity (DDQ) Determination Procedures***

The Marketer's or Direct Customer's DDQ may be determined each day, monthly or annually depending on the type of transportation service elected. The Company and the Marketer/Direct Customer will mutually agree upon the DDQ.

Where a flat monthly DDQ or annual DDQ process is used, the Company and the Marketer/Direct Customer will mutually agree on the DDQ and it will be provided by the Marketer to the Company at least 4 days prior to the start of the month or the start of the contract period. The Marketer then sets a nomination to commence on the first day of the month/contract period, which remains constant until changed either to reflect a change other than volume (i.e., a different contract or pipeline), a change in volume (if allowed by contract), or to reflect the next period's DDQ.

Marketers or Direct Customers may request a change in the specified DDQ if the Marketer or Direct Customer has specific knowledge that the customer's or customer group's consumption will be different than anticipated. For example, the Marketer or Direct Customer may be aware of a partial shut down of process gas.

During business hours (e.g. non-holiday periods, Monday - Friday, 8 a.m. – 5 p.m.) Marketers and Direct Customers are responsible for checking the Liberty Utilities (St. Lawrence Gas) Corp. website and e-mail for notices that may affect daily gas delivery requirements. During off-hours company, Marketer and Direct Customer contacts need not be at their ordinary work sites but must be available by telephone or pager.

### ***Capacity Assignment/Use Procedures - Comparability***

Marketers/Direct Customers have three options for delivery to the Liberty Utilities (St. Lawrence Gas) Corp. City Gate:

1. A Marketer/Direct Customer can accept assignment of TransCanada Pipelines Limited capacity from Company for the term of the Agency Transportation Agreement in order to ship customers' natural gas commodity requirements to the Company's city gate. The assignment of the Company's capacity will be offered at the sole discretion of the Company when sufficient capacity is available within the requirements of specific upstream pipeline contracts.
2. A Marketer/Direct Customer can contract with Company to utilize a portion of Company's





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upstream pipeline capacity on TransCanada PipeLines Limited for the term of the Agency Transportation Agreement in order to ship customers' natural gas commodity requirements to the Company's city gate (Reserved Capacity).

- Agent shall pay Company for all charges associated with the use of such Reserved Capacity, including (without limitation) demand charges, commodity charges, taxes, surcharges, fuel allowances, imbalance and overrun charges and/or penalties.
  - At any time one or more parties may wish to change agents or may wish to have Company supply such parties' natural gas requirements. In such event, Company shall have the right to recall from Agent such volume of Reserved Capacity as Company shall require for transmission of customers' natural gas requirements.
  - Any capacity recalled from Agent shall be assigned by Company to customers or to customers' new agent, if customers so direct, or in the alternative shall be used by Company to transport such volume of gas as is required for Company's resale to customers.
3. A Marketer/Direct Customer can deliver its natural gas requirements to the Liberty Utilities (St. Lawrence Gas) Corp. city gate using its own upstream pipeline capacity for the term of the Agency Transportation Agreement.

### **Requirement for Firm, Non-recallable, Primary Delivery Point Capacity**

A Marketer must have firm non-recallable, primary delivery point capacity to the Company's city gate for the term November 1 through March 31 each year equal to their pool's average day use in the Company's peak winter month plus the Company's system losses and pipeline fuel, if any. Capacity must be secured to at least the nearest liquid trading point on the upstream pipeline. Marketers must provide an affidavit to the Company by October 1 of each year to demonstrate that they have obtained such capacity for the period. An affidavit is not required for any portion of a Marketer's winter capacity requirement for which the Marketer has taken a capacity release from the Company.

The intentional falsification of an affidavit will result in the termination of the business relationship between the Company and the Marketer and could result in civil and criminal penalties.

If, during the winter period, a Marketer or Direct Customer adds new customers, the Company will calculate the quantity of additional capacity requirement and provide that information to the Marketer or Direct Customer. If the additional amount is greater than 10% of their current winter requirement, the Marketer or direct customer must provide an affidavit for the additional quantity.

Any dispute that arises regarding winter requirements or associated affidavits will be handled in accordance with the Dispute Resolution Process described in Section C of this GTO.



## ***Nominating Procedures***

### **GISB Standards**

Transaction schedules and procedures upstream of the LDC city gate are controlled by the FERC Regulations and GISB Standards. To the extent there are revisions to the GISB nomination timing cycles adopted by the Federal Energy Regulatory Commission, each LDC shall revise its nomination timing cycles accordingly, within sixty days. For example, the current GISB Standard Nomination Cycles for interstate pipelines are (all times are Eastern clock time):

- The gas day is 10 a.m. to 10 a.m.
- The Timely Nomination Cycle: Nomination due 2:00 p.m. for gas flow beginning at 10 a.m. the following day.
- The Evening Nomination Cycle: Nomination due by 7 p.m. for gas flow beginning at 10 a.m. the following day.
- The Intra-day 1 Nomination Cycle: Nomination due by 11am on the gas day for gas flow beginning at 6 p.m. on the gas day.
- The Intra-day 2 Nomination Cycle: Nomination due by 3:30 p.m. on the gas day for gas flow beginning at 10 p.m. on the gas day. An intra-day 2 nomination may not cause another gas supplier's gas to be bumped.

### **Weekend Nomination Procedures**

The procedure for placing weekend nominations will be similar to the weekday procedure but the Company and the Marketer will establish after hour contact numbers. Where the Marketer or Direct Customer is required to match daily deliveries and daily consumption, daily and intra-day nominations should be provided for on weekends.

## ***Balancing/Reconciliation/Load Balancing***

### **Daily Bank Credit and Balancing Provision**

Monthly and Daily Bank Credit and Balancing at the Receipt and Delivery Point:

For customers utilizing transportation service Company shall keep a record (Banked Gas Account) of the volume of gas received by Company from customer, or from the Marketer on behalf of a group of customers (credits), and of the volume of gas consumed by customer(s) (debits). Any volume of gas sold by Company to customer(s) shall not be debited to the Banked



Gas Account. Any volume of gas received from customer or Marketer and purchased by Company as allowed or required by the Company's PSC No. 1 - Gas Tariff shall not be credited to the Banked Gas Account. Company shall report monthly to customer, or to the Marketer on behalf of a group of customers, the net balance in customer's(s') Banked Gas Account.

If or when Marketer's/Direct Customer's banked gas account contains a debit balance equal to or greater than the volume consumed by customer, or by the customers aggregated and served by a Marketer, in the month of Marketer's/Direct Customer's highest consumption, Company may demand, and if so demanded customer shall provide, security under one of the following options:

- a) A deposit in the amount of three times the average monthly usage for the peak season; or
- b) A letter of credit, drawn on a bank acceptable to Company, in a face amount of three times the average monthly usage for the peak season; or
- c) A guarantee provided by another entity, acceptable to company, that satisfies the credit criteria; or
- d) Other security acceptable to Company.

Any required security deposit shall be refunded to Marketer when it is determined that Marketer meets the level of credit criteria that no longer requires a security deposit.

All security deposits held shall accrue interest at the Commission's established rate.

Marketers/Direct Customers delivering the Annual Average Day Transportation Volume shall be deemed to be in balance at the Receipt Point unless otherwise notified by Company. Disposition of Banked Gas Account balance is set forth below.

Marketers/Direct Customers utilizing Annual Average Day Transportation Service shall be charged or credited a monthly carrying cost at an annual interest rate equal to 1/12 of the pretax allowed rate of return on the value of the monthly bank balance, i.e., the difference between the amount of gas delivered and the amount of gas consumed valued at the Avoided Cost of Gas including upstream transmission costs calculated at 100% load factor.

Marketers/Direct Customers utilizing Annual Average Day Transportation Service shall be required to clear any net imbalance in Marketer's/Direct Customer's Banked Gas Account as at the end of each contract year, as set forth under Disposition of Banked Gas Account below. Marketers/Direct Customers utilizing Monthly Average Day or Maximum Day Transportation Service shall be required to settle their accounts with Company on a monthly basis as provided under Disposition of Banked Gas Account below.

For Marketers/Direct Customers utilizing transportation services under the terms of Monthly Average Day Transportation Service, Marketers'/Direct Customers' Banked Gas Account shall record differences between the Nominated Volumes of gas (less volumes retained by Company for unaccounted for gas) and the daily volumes of gas consumed by Marketer's/Direct Customer's customers at the Point(s) of Delivery each Day in a month. A Seasonalized Imbalance Charge shall be payable by Marketer/Direct Customer to Company for the sum of the monthly aggregated



daily overdeliveries and the monthly aggregated underdeliveries. The disposition of imbalances is more fully described under Disposition of Bank Gas Account below.

For Marketer/Direct Customer contracting for transportation service under the terms of Maximum Day Transportation Volume, who do not purchase Load Balancing Service, a daily allowance (the "Daily Tolerance") of plus or minus 10% will be allowed as the difference between the daily nomination (excluding the allowance for Unaccounted For Gas) and the daily consumption at the delivery point. However, in no case shall the imbalance at the end of any month exceed 10% of the aggregated daily Nominated Volumes for such month. The disposition of daily and month-end imbalances is set forth below.

**Disposition of Banked Gas Account:**

1. For Marketer/Direct Customer receiving Annual Average Day Transportation Service:

At the end of each contract year, disposition of any net debit or credit balance in the Banked Gas Account shall be made as follows.

Company will notify Marketer/Direct Customer within 30 days of the end of the contract year as to the debit or credit status of the Banked Gas Account.

Credit Volumes shall be purchased from Marketer/Direct Customer by the Company at a rate equal to the average of the lowest commodity cost of gas (excluding capacity charges) for each month of the contract year.

Debit volumes shall be billed to Marketer/Direct Customer by Company at a rate equal to the average of the highest commodity cost of gas (including capacity charges) for each month of the contract year.

2. For Marketers/Direct Customers receiving Monthly Average Day Transportation Service:

The aggregate of customer's daily underdeliveries for a month shall be added to the aggregate of customer's daily overdeliveries for a month. The total so determined shall be used to determine customer's bill for load balancing for the month at issue by multiplying such total volume by the applicable Seasonalized Imbalance Charge.

Any net imbalance as at a month end shall be purchased from or sold to customer, as applicable. Overdeliveries shall be deemed to be Tolerable Overdeliveries; underdeliveries shall be deemed to be Tolerable Underdeliveries. Such Tolerable Overdeliveries and Tolerable Underdeliveries shall be cashed out monthly in the same manner as described below for net Tolerable Overdeliveries and net Tolerable Underdeliveries.

3. For Marketers/Direct Customers receiving Maximum Day Transportation Service:



Overdeliveries or Underdeliveries per day shall be aggregated each month separately.

Tolerable Underdeliveries: Between 0% and 5% less than daily nomination

Underdeliveries: Over 5% to 10% less than daily nomination Excess

Underdeliveries: Over 10% to 20% less than daily nomination Super Excess

Underdeliveries: Over 20% less than daily nomination

Tolerable Overdeliveries: Between 0% and 5% greater than daily nomination

Overdeliveries: Over 5% to 10% greater than daily nomination Excess

Overdeliveries: Over 10% to 20% greater than daily nomination Super Excess

Overdeliveries: Over 20% greater than daily nomination

Super Excess Underdeliveries, and Excess Underdeliveries, and Underdeliveries, shall be deemed to have been sold by Company to customer. The penalty price to be charged to and paid by customer for such volumes sold shall be:

Super Excess Underdeliveries

For the period December 1 to March 31:

140 percent of company's weighted average cost of gas purchased for such month;

For the period April 1 to November 30:

130 percent of Company's weighted average cost of gas purchased for such month;

Excess Underdeliveries:

120 percent of Company's weighted average cost of gas purchased for each month;

Underdeliveries:

110 percent of Company's weighted average cost of gas purchased for each month.

Tolerable Underdeliveries:

Customer can adjust subsequent day volume.

Super Excess Overdeliveries, Excess Overdeliveries, and Overdeliveries, shall be purchased by Company from customer. The penalty price to be paid by Company to customer for such volumes purchased shall be:

Super Excess Overdeliveries:

For the period December 1 to March 31:

60 percent of the Company's weighted average cost of gas for such month;

For the period April 1 to November 30:

70 percent of Company's weighted average cost of gas purchased for such month;



Excess Overdeliveries:

80 percent of the Company's weighted average cost of gas for each month;

Overdeliveries:

90 percent of the Company's weighted average cost of gas for each month.

Tolerable Overdeliveries:

Customer can adjust subsequent day volume.

The aggregated Tolerable Overdeliveries and aggregated Tolerable Underdeliveries shall be summed each month and the resultant volume multiplied by the Imbalance Charge to determine the monthly bill to be rendered to customer for balancing customer's daily requirements at the Point of Delivery.

Any net imbalance at any month end shall be purchased by Company or sold to customer as follows:

Tolerable Underdeliveries exceed Tolerable Overdeliveries by:

a. Less than or equal to 2 percent: Company shall sell such volume to customer at Company's weighted average cost of gas purchased for such month;

b. Greater than 2 percent: Company shall sell such volume to customer at 120 percent of Company's weighted average cost of gas for such month;

Tolerable Overdeliveries exceed Tolerable Underdeliveries by:

a. Less than or equal to 2 percent: Company shall purchase such volume from customer at Company's weighted average cost of gas purchased for such month;

b. Greater than 2 percent: Company shall purchase such volume from customer at the lesser of 100 percent of the lowest price paid by Company for gas purchased and delivered to Company's distribution system for such month and 80 percent of Company's weighted average cost of gas purchased for such month;

4. At the date a Marketer/Direct Customer Gas Transportation Service Agreement terminates or is terminated, the disposition of any net debit or credit balance in the Banked Gas Account shall be made as follows:

Company will notify customer or Marketer/Direct Customer within 30 days of the end of the contract year as to the debit or credit status of the Banked Gas Account.

Credit volumes shall be purchased from Marketer/Direct Customer by company at a rate equal to the average of the lowest commodity cost of gas for each month of the contract year.

Debit volumes shall be billed to Marketer/Direct Customer by company at a rate equal to the average of the highest commodity cost of gas for each month of the contract year.

5. Nothing contained in the foregoing provisions shall preclude customers, except for Annual Average Day Transportation Service customers, from trading amongst themselves their daily and month-end imbalance positions. Annual Average Day Transportation Service customers may trade their end of contract year imbalance positions. The overdelivered customer shall pay Company a minimum transfer fee of \$100, or \$0.05 per Mcf, whichever is greater. Daily imbalance trading will be allowed among any group of firm transportation customers or among any group of interruptible transportation customers. Trading between Firm and Interruptible customers will not be allowed. Such groups must appoint a manager with whom Company can deal in respect to all matters pertaining to customers' transportation requirements and who will be ultimately responsible to Company for the group's imbalance cash out obligations. Any manager so appointed must be acceptable to Company, including without limitation, meeting Company's creditworthiness criteria. Daily imbalance trading groups must establish their own trading arrangements, reporting processes, accounting procedures and reconciliation methodologies for customer-owned gas. Company will require that all daily trades be reported to the Company by noon of the second day following the trade. The group manager shall provide the following data to Liberty Utilities (St. Lawrence Gas) Corp. by the designated time:

1. the names of the customers who traded imbalances,
2. the volume expressed in therms and ccf,
3. the day and date of the trade which must comport to the gas day, currently 10 a.m. to 10 a.m.

Trading for the month must be within the monthly meter reading cycle. Customers who wish to engage in daily imbalance trading must have installed electronic metering and a dedicated telephone line connecting the metering to the Company's monitoring equipment.

### ***Meter Reading***

Meters are read on a calendar month basis. Transportation service shall be deemed to be in effect from the date of the regularly scheduled meter reading immediately following the date of the Agency Agreement to the date of the regularly scheduled meter reading immediately following the termination date of the Agency Agreement.

Customer meters are read daily by the customer and the reading is called in to the Company, or the daily reading is done by using automatic meter reading equipment. Customers are responsible for the cost of the automatic meter reading equipment, charges associated with the installation



and maintenance of power and telephone lines to the equipment and for monthly telephone charges.

Customers are billed by the Company for transportation charges on a calendar month basis. On a monthly basis the company will provide a report to each Marketer with total usage for the month for each customer.

**Summary of Applicable Fees, Charges and Penalties**

<b>Description</b>	<b>Rate / US Dollars</b>	<b>Conditions</b>
Additional Usage History	\$15.00	Charged on each year of data beyond the 24-month period and for any third request in any 12-month period.
Additional Credit History	\$15.00	Charged on each year of data beyond the 12-month period.
Voluntary Switching Fee	\$10.00	Applies to any voluntary switch after the first switch.
Special Meter Reading	\$20.00	Meter reading performed on a date other than the customers regularly scheduled meter reading.
Gas imbalances	Dependant upon type of service taken.	See applicable service classification in the Tariff
Backstop Charges	As determined monthly	See applicable service classification in the Tariff
Bank balance carrying charge	Pre-tax rate of return	See applicable service classification in the Tariff
Late payment charges	SC #1 & #2 – 1 1/2% per month SC #3, #4, #5, and #9 – 0.06% per day	See applicable service classification in the Tariff
Contract Administration Charge	\$125.00/month	See applicable service classification in the Tariff

## F. REQUIREMENTS OF POOL OPERATIONS

### *List of Marketer Contact Personnel*

- ***Nominations***

Mark Summerfield  
Gas Scheduler Supervisor  
Daytime Phone: 603-216-3546  
Fax: 315-764-9226  
E-mail: [Mark.Summerfield@libertyutilities.com](mailto:Mark.Summerfield@libertyutilities.com)

- ***Billing***

Billing Department  
Phone: (800) 454-2201  
Fax: 315-764-9226

- ***Retail Access Program Information***

Adam Soulia  
Manager III-Gas, Business and Community Development  
Phone: 315-854-3605  
Fax: 315-764-9226  
E-mail: [adam.soulia@libertyutilities.com](mailto:adam.soulia@libertyutilities.com)



## G. Renewable Natural Gas

Gas that is produced from the anaerobic decomposition of organic material may be delivered into the Company's system provided that it is appropriately processed and upgraded into merchantable RNG. Raw biogas is known to contain constituents such that it would not be considered merchantable and therefore unacceptable for delivery. In addition to meeting the generally applicable gas quality standards specified in the Tariff, parties wishing to produce RNG for delivery into the Company's system (individually, an "RNG Operator," collectively, "RNG Operators") are required to meet supplemental Renewable Natural Gas Quality Standards provided in Exhibit B of the company's Renewable Natural Gas Interconnection Agreement ("RNG-IA"). RNG Operators wishing to produce RNG for delivery into Company's system are required to execute an RNG-IA as a condition of access. A standard form RNG-IA is included in the appendices of this GTO.

If the Company is going to purchase RNG from an RNG Operator for incorporation into its supply, the parties will enter into a supply agreement.

The Company uses the Northeast Gas Association and Gas Technology Institute's *Interconnect Guide for Renewable Natural Gas (RNG) in New York State* as a guidance document for its procedures applicable to RNG. RNG Operators should familiarize themselves with the processes outlined in that document, available here [\[provide link to document uploaded onto SLG website\]](#), as the Company hereby incorporates that document by reference.

The Company may, but is not required to, accept RNG into its system if it determines, in its sole discretion, that:

- (1) The RNG is free from bacteria, pathogens and any other substances deleterious to utility facilities or people, or other constituents that would cause the gas to be unmarketable;
- (2) The RNG can be delivered into the Company's existing high-pressure system at a point with sufficient flows and pressures to enable blending necessary to ensure proper dilution of constituents;
- (3) Delivery of the RNG into the Company's system will not negatively impact the integrity or normal operations of the Company's system or otherwise adversely affect the Company's customers; and
- (4) The RNG complies with any gas quality specifications including those set forth above and any additional specifications required by the Company.

There are four sources of RNG that may be accepted into the Company's system:

- (1) Landfill
- (2) Dairy, Swine
- (3) Waste Water Treatment Plant ("WWTP")
- (4) Food Waste
- (5) Any Combination of Above

In addition, wood-waste feedstock processed into RNG by a gasifier, or other Syngas, may also be accepted into the Company's system.

While the threshold levels provided in the RNG-IA are intended to be applicable to all Constituents of Concern ("COC"), testing of individual COC will vary by source of RNG. The Company may, however, change which COC are tested based upon its experience or that of others in the gas industry as applicable to RNG. Further, the Company may change the frequency or equipment used for testing based upon its experience or that of others in the gas industry as applicable to RNG. Finally, if a mixed feedstock is utilized by the RNG Operator, the Company may test for all COCs.

Additionally, if the Company determines that it will accept an RNG Operator's RNG into its system, the RNG Operator shall pay for any initial and ongoing testing and/or monitoring of the RNG, as well as any baseline and/or ongoing monitoring of the Company's system that the Company, in its sole discretion, deems necessary, appropriate, or convenient.

Hazardous waste landfills ("Hazardous Waste Landfills") include all contiguous land and structures, and other appurtenances and improvements, on the land used for the treatment, transfer, storage, resource recovery, disposal, or recycling of hazardous waste. The facility may consist of one or more treatment, transfer, storage, resource recovery, disposal, or recycling hazardous waste management units, or combinations of these units. The Company will not accept or transport RNG from Hazardous Waste Landfills, including landfills permitted by the Department of Toxic Substances Control. Before the Company will interconnect with the RNG Operator's system, the RNG Operator must demonstrate and certify to the Company's satisfaction that the biogas was not collected from a Hazardous Waste Landfill.

To ensure that raw biogas is appropriately processed and upgraded into merchantable RNG, the following additional testing protocols will be administered:

#### **Renewable Natural Gas - Pre-Interconnection Testing**

- (1) Prior to the delivery of RNG to the Company, the RNG Operator shall conduct two tests over a two to four week period for the constituents identified in Exhibit B of the RNG-IA for the applicable RNG source.
- (2) Pre-interconnection testing shall be performed by the RNG Operator using Company-approved independent certified third-party laboratories qualified to perform testing in accordance with the following methods: EPA Method 29, EPA 200.8, EPA Method 8270, TO-15, TO-11A, as well as those identified in Exhibit B of the RNG-IA, as applicable. The Company shall be notified of the RNG sampling and tests and have the option to observe the samples being taken. Test results will be shared with the Company within five calendar days of the test results being received by the RNG Operator.

- (3) If any COCs are found to be above the threshold level during pre-interconnection testing, the RNG cannot be accepted by the Company. The RNG Operator shall make necessary modifications to lower applicable COC levels below the threshold level and restart pre-interconnection testing. If those pre-interconnection COC sample test results are below threshold levels, then the RNG Operator may be authorized to commence delivering RNG to the Company's receipt point, specified in Exhibit A of the RNG-IA.

### **Renewable Natural Gas – RNG Periodic Testing**

- (1) COC testing shall be conducted quarterly upon deliveries of approved RNG (at least once during every three-month period in which deliveries occur) or any time the RNG Operator changes feedstock unless otherwise agreed upon by the parties. The Company shall be permitted to require more frequent testing or to require continuous monitoring of some parameters if such testing or monitoring is necessary, in Company's sole discretion, to protect the safety and reliability of its gas distribution system or the safe and reliable operation of its retail customers' equipment. Notice of any increase in testing or monitoring shall be provided in accordance with Article 9 of the RNG-IA. Testing shall be conducted in accordance with the "RNG Testing Procedures" outlined below.

If testing demonstrates that any COC levels exceed threshold levels, then the Company shall cease RNG deliveries by shutting off the RNG interconnect, pursuant to Article 4 of the RNG-IA and the RNG Interconnect Shut-Off and Restart Procedures section below.

### **Renewable Natural Gas – RNG Interconnect Shut-Off and Restart Procedures**

The RNG interconnect may be shut off when one or both of the following occur:

- (1) The RNG Operator or the Company determines that a change in the biogas source at the facility or a change in the RNG Operator's process or treatment equipment will potentially increase the level of any COC over the previously measured baseline levels.
- (2) COC sample results indicate that one or more COCs exceed their allowable concentration threshold levels.

If the RNG interconnect has been shut off, deliveries of RNG may be recommenced and continued only after the following occur:

- (1) The RNG Operator fulfills the requirements set forth in Article 4 of the RNG-IA. The RNG Operator must conduct testing of the RNG at its own expense using Company-approved independent certified third-party laboratories qualified to perform testing in accordance with the following methods: EPA Method 29, EPA 200.8, EPA Method 8270, TO-15, TO-11A, as well as those identified in Exhibit B of the RNG-IA, as applicable.
- (2) Once deliveries of RNG resume, the RNG shall be subject to the periodic testing requirements set forth in the RNG Periodic Testing section above if the test indicates the following:

- a. the RNG complies with the gas quality specifications contained in applicable Tariffs, contract(s) or agreement(s); and
- b. the levels of all COCs are below threshold levels. Thereafter, the RNG Operator shall reevaluate COCs to determine if the RNG is eligible for less frequent testing.

### **Renewable Natural Gas – RNG Testing Procedures**

The RNG Operator shall collect samples at the interconnect receipt point identified in Exhibit A of the RNG-IA. Samples will be analyzed by Company-approved independent certified third-party laboratories qualified to perform EPA 200.8 testing. Testing shall be by methods approved as, or considered to be, industry standard, and shall generally be conducted using the protocols outlined in Exhibit B of the RNG-IA. The Company shall be notified of the RNG sampling and tests and have the option to observe the samples being taken. Test results will be shared with the Company within five calendar days of the test results being received by the RNG Operator. Re-sampling or Retesting shall be allowed to verify and validate the results. The cost of retesting shall be borne by the entity requesting the retest.

### **Renewable Natural Gas – Continuous Monitoring of Upgrading Process Integrity**

Absent an agreement otherwise, the RNG Operator's continuous monitoring of and compliance with applicable gas quality specifications shall be used as an indicator that the upgraded equipment or process system is effectively conditioning and upgrading the biogas to acceptable RNG standards. If the indicator(s) used to continuously monitor RNG constituent levels indicates the RNG has not been sufficiently conditioned and upgraded, the RNG Operator may accelerate the RNG periodic testing schedule and initiate immediate testing. Accelerated periodic testing shall satisfy the recommended periodic testing requirements described in the RNG Periodic Testing section above.

Unless otherwise agreed upon by the parties, RNG Operator must notify the Company no later than thirty (30) days prior to any change in the biogas upgrade process, feedstock change or disruptions, expected system shut-downs, and scheduled servicing. Such notice shall be provided pursuant to Article 9 of the RNG-IA.

## **G. COMMUNICATIONS PROTOCOLS**

The Company shall develop, with input from market participants, a communication protocol. The objective of this protocol is to enhance communications among the Company, Pipelines, Marketers and Direct Customers bringing gas to the Company's system.

Communication should be two way, with numerous ways of communicating and in a manner that is clear and understandable. Each party must accept responsibility for clarifying and understanding the messages being exchanged.

Communication among the Company, Marketers and Direct Customers can occur on a regular basis (daily, monthly, seasonally), and on an as-needed basis (clarifications, alerts, operational flow orders, etc.). Different ways of communicating (telephone, fax, internet website, e-mail, mail, and face-to-face meetings) can be utilized depending upon the circumstances and the message which must be conveyed. The method and number of communications utilized should be responsive to the evolving needs of all market participants as the industry changes.

### ***The Role of the Company***

The Company has the obligation to maintain the reliable operation of the gas distribution system.

During periods of normal operation, the Company will work with Marketers and Direct Customers to provide efficient service to customers and to coordinate the flow of information on a multitude of issues including the nomination and confirmation process among Pipelines, Marketers, Direct Customers and the Company.

During Critical Periods the role of the Company becomes more demanding and includes the decision as to whether to issue System Alerts (SAs), or Operational Flow Orders (OFOs) to protect the integrity and the reliability of the gas system. In more extreme cases the Company may have to institute curtailment procedures to protect service to core customers.

All parties shall at all times be treated evenhandedly. No long or short-term benefit shall be conferred to a party that is not available on an equal basis to others that are similarly situated. As the restructured natural gas industry evolves, the Company's procedures need to be responsive. Reliable delivery of gas will also require communication from Marketers, Direct Customers and Pipelines.

To ensure the reliable delivery of gas to all customers in a seamless manner, the Company will communicate with all market participants so that parties can exchange information.

### **Contact Information**

The Company will post on its internet website the names of the Company contact persons responsible for various gas transportation functions. During Critical Periods it is essential that Marketers and Direct Customers are able to reach the Company's emergency contact persons and that the Company personnel are able to adjust nominations in accordance with the nomination cycles required.

Each Marketer and Direct Customer shall provide the Company with up-to-date names, address, e-mail address, fax number and telephone numbers of its personnel responsible for gas deliveries to the Company and for responding to System Alerts and OFOs. In addition, as a matter of general communication, Marketers/Direct Customers should also provide the Company with additional contacts such as:

- Retail sales contacts
- Billing contacts
- Regulatory contacts
- Credit contact
- Media relations contact

It is critical that the Company, Marketers and Direct Customers possess emergency contact information and there be established procedures for reaching a responsible person at all times.

The Company, Marketers and Direct Customers are responsible for the delivery of gas to the Company city gate and must maintain communication systems that support a 7-day-a-week, 24-hour-a-day communication process.

The Company will post (when it has the ability to do so) on its website each Marketer's and Direct Customer's contact personnel.<sup>1</sup> It is the Marketer's and Direct Customer's responsibility to inform the Company if the information is not up-to-date and once notified the Company has the responsibility to update the information accordingly.

The Company will conduct, at least twice a year, a test of communication procedure to verify e-mail and telephone contact numbers.

### **Company Contacts**

#### **Mailing Address:**

Liberty Utilities (St. Lawrence Gas) Corp.  
33 Stearns Street

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<sup>1</sup>This information will be posted in a secure area accessible only to each individual Marketer or Direct Customer.



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PO Box 270  
Massena, New York 13662

Phone: (315) 769-3516  
Fax: (315) 764-9226  
Website: <http://www.stlawrencegas.com/>

**Questions about this GTOP:**

Kimberly Baxter  
Manager, Rates and Regulatory Affairs  
Phone: (315) 769-3516 Ext. 622  
Fax: (315) 764-9226  
E-mail: [Kim.Baxter@libertyutilities.com](mailto:Kim.Baxter@libertyutilities.com)

**Retail Access Program:**

Information relating to the Retail Access Program may be obtained from the company's website at [www.stlawrencegas.com](http://www.stlawrencegas.com).

Gas Operations Organization: (Business Hours: 8:00 a.m. to 4:30 p.m.)

Adam Soulia  
Manager III-Gas, Business and Community Development  
Phone: (315) 842-3605  
Fax: (315) 764-9226  
E-mail: [Adam.Soulia@libertyutilities.com](mailto:Adam.Soulia@libertyutilities.com)

James P. Sutton  
Supervisor, Gas Operations  
Phone (315) 769-3516 Ext. 608  
Fax: (315) 764-9226  
E-mail: [James.Sutton@libertyutilities.com](mailto:James.Sutton@libertyutilities.com)

**Transportation Customer and Marketer Support Personnel/Services:**

Adam Soulia  
Manager III-Gas, Business and Community Development  
Phone: (315) 842-3605  
Fax: (315) 764-9226  
E-mail: [Adam.Soulia@libertyutilities.com](mailto:Adam.Soulia@libertyutilities.com)

**Credit Requirements:**

Adam Soulia Manager III-Gas, Business and Community Development  
Phone: (315) 842-3605





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Fax: (315) 764-9226  
E-mail: [adam.soulia@libertyutilities.com](mailto:adam.soulia@libertyutilities.com)

**Collections:**

Chelcie Lomasney  
Supervisor, Customer Service  
Phone: (315) 842-4517  
Fax: (315) 764-9226  
E-mail: [Chelcie.Lomasney@libertyutilities.com](mailto:Chelcie.Lomasney@libertyutilities.com)

**To Initiate Service/Historical Customer Information/ Billing/Switching:**

Laura Sasso  
Manager, Billing and Collections  
Phone: (603) 216-8029  
Fax: (315) 764-9226  
E-mail: [Laura.Sasso@libertyutilities.com](mailto:Laura.Sasso@libertyutilities.com)

***Regular Communication***

To assure the delivery of gas to the Company city gate each day, operational information needs to be communicated. Marketers and Direct Customers must have computer internet access and the Company, Marketers and Direct Customers should exchange via the Liberty SLG website, e-mail, telephone or Fax; the information needed to properly schedule gas deliveries. This information will include where applicable:

- Monthly, daily, or annual delivery quantities
- Pipeline contract numbers
- Specified maximum daily quantities
- Maximum daily quantities
- Reconciliation of differences picked up by the Company in the confirmation process
- Daily consumption where there are daily meter reads
- Customer or customer group consumption formulas
- Forecast degree days
- System alert notices
- Operational flow orders (OFO's)
- Any other information required by Liberty SLG and/or the Marketer/Direct Customer.

The Company will regularly update its internet website with the best available information.

***Electronic Bulletin Boards (EBB)***

The Company does not currently use electronic bulletin boards; information will be exchanged via the Liberty SLG website, e-mail, telephone or Fax.



### ***Conference Calls***

In order to foster improved lines of communication the Company will set up operational conference calls on a regular basis. These calls will be open to participation by all Marketers and Direct Customers operating on the Liberty SLG system. All participants shall share the cost for these conference calls. The Company will determine the frequency of the calls and it is expected that the frequency of calls will increase during the winter heating season. It is anticipated that the party hosting the meeting will seek input from other parties in formulating the agenda.

### ***Regular Meetings***

The Company will set up regular meetings to be open to participation by all Marketers and Direct Customers operating on the Liberty SLG system. All participants shall share the cost for these meetings. These meetings will be held prior to the heating season, after the heating season, and at other times as conditions may require. The meetings are intended to address issues of concern to the Company as system operator and Marketers and Direct Customers as gas suppliers. The party hosting the meeting will seek input from other parties in formulating an agenda.

### ***Semi-Annual Reliability Forum***

A reliability forum will be established as a vehicle for ongoing communication among the Company, Marketers, Pipelines and others. The reliability forums will meet at least twice a year (pre- and post-winter) and address expected market requirements and supplies to meet those requirements.

### ***Electronic Data Interchange (EDI)***

All communications between Company and Marketer/Direct Customer will be through existing mechanisms (telephone, fax, e-mail, meetings) until EDI mechanisms are functional.

### ***Holidays Observed by Liberty Utilities (St. Lawrence Gas) Corp.***

- New Year's Day
- Good Friday
- Memorial Day
- 4<sup>th</sup> of July
- Labor Day
- Columbus Day
- Veterans Day
- Thanksgiving Day
- 1<sup>st</sup> day following Thanksgiving Day
- Christmas Eve
- Christmas Day

## H. Operational Flow Orders (OFO's)

### *Critical Day Simulation Exercise*

To improve all parties' understanding of roles during Critical Periods and to test communications procedures the Company will conduct, each year, a critical day simulation exercise.

### *Guideline for Instituting an OFO*

#### Operational Flow Orders

A Critical Day occurs when the Company issues an OFO. An OFO is issued at the sole discretion of the Company. An OFO is an action taken by the Company to alleviate particular conditions, that threaten the operational integrity of its system, or to prevent a short-term curtailment. OFO's are instituted when other actions have not eliminated reliability concerns. Economic considerations shall not be a basis for declaring one. Other channels of communication are available for mitigating economic disparities. In maintaining system integrity, the Company will first try to correct any problem through other options available to them.

Except in circumstances where an immediate response is needed there will be at least 24 hours notice for an OFO. When an SA precedes an OFO, the 24-hour notice begins with the issuance of the SA; however, there should still be a minimum of 8 hours notice when an SA is changed to an OFO.

Marketers/Direct Customers will be notified of an OFO by a posting on the Company's website and/or by telephone, fax or e-mail.

It is impossible to detail all the conditions under which the Company may find it necessary to initiate an OFO. The following rules apply to OFO's and OFO notifications:

1. The OFO notice shall meet minimum time requirements to designated Marketer or Direct Customer personnel and shall provide as much advance notice as possible. The date and time of issuance, date and time the OFO takes effect, and the estimated duration shall be included in the OFO notice.
2. The OFO notice should communicate clearly to designated Marketer or Direct Customer personnel the actions required as well as the reason for the required actions and provide periodic updates to enable parties to continue their planning functions.
3. Actions required by the OFO should be limited both in duration and scope to meet the required objective.

4. The required actions should be as localized as possible.
5. The OFO should be applied on a nondiscriminatory basis to all similarly situated parties.
6. The Company should respond to reasonable requests for information by parties within a reasonable time after the OFO event.
7. The OFO shall not be issued to mitigate economic disparities.
8. The Company shall notify the Director of the Office of Gas and Water of the Department of Public Service when an OFO is declared and when the situation returns to normal.

Some of the actions required by an OFO may include:

Require marketers to deliver gas to a specific point.

Require marketers to balance daily or to deliver a specified quantity of gas.

Change daily nominations for customer groups being served with a flat monthly nomination.

Upon notice that an OFO will be issued, and for the duration of the OFO, the company must make authorized personnel available on a 24-hour-a-day, 7-day-a-week basis to handle the submission and processing of evening cycle and intraday nominations to facilitate the Marketer's and Direct Customer's response to the OFO.

If, during an OFO period, the Company is aware of Marketers or Direct Customers that are not responding to the required actions, it should make all reasonable efforts to inform the non-responding Marketers and Direct Customers that required actions are not being taken. Lack of such notice shall not relieve any Marketer or Direct Customer of its obligations.

The Marketer, if necessary, should communicate with its customers to secure compliance with the conditions of a utility directed OFO. If the Marketer is aware of noncompliance of one or more of its customers, it shall notify the utility of the name(s), address and account number(s) of the end user(s). During an OFO the application of penalties should be constructed so as to not penalize Marketers or Direct Customers whose imbalances work to benefit the integrity of the gas system.

At the next meeting of the Company, Marketers and Direct Customers, there should be a review of any OFO's that may have been declared by the Company. However, any party that has a grievance concerning the necessity for, or individual treatment during, an OFO, may address those concerns immediately with the Company. If after such discussions the party still is



dissatisfied, it may bring its concerns to the attention of the staff of the Department and, if necessary, to the Commission.

### **System Alerts (SA's)**

SA's are announcements of actual or pending events that, if unchecked, may result in an OFO being issued. The SA advises Marketers and/or Direct Customers what actions are requested and what actions may be mandated if the voluntary response is not adequate. SA's may be directed to specific Marketers or Direct Customers, subject to the Company's obligation not to unduly discriminate, or to all Marketers and Direct Customers operating on the system. Marketers and Direct Customers are expected to respond to SA's as soon as practical, giving notice to the Company of their intended actions.

The Company is not obligated to issue an SA before an OFO, but will endeavor to do so and will be required to document why it was not able to do so.

Marketers/Direct Customers will be notified of an SA by a posting on the Company's website, and/or by telephone, fax, or e-mail.



## **Appendices**

### ***Forms***

1. Marketer Application Form
2. Customer Credit History Authorization Form
3. Marketer Affidavit
4. Agency Gas Transportation Service Agreement
5. Backstop Service Agreement
6. Temporary Partial Reservation Firm Transportation (FT) Service Contract
7. Additional Information to be Provided by Marketer



**1. Marketer Application Form**

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.**

**Marketer Application Form**

**Applicant hereby requests authorization from Liberty Utilities (St. Lawrence Gas) Corp. to offer aggregation services to customers located within the Liberty Utilities (St. Lawrence Gas) Corp. service territory.**

**Submit the form below to begin application:**

Applicant Name:	
Contact Person:	
Mailing Address:	
City:	
State/Province:	
Phone Number:	
Fax Number:	
E-mail Address:	
Dun & Bradstreet No:	
New York State Department of Public Service Approval:	<input type="checkbox"/> Yes <input type="checkbox"/> No



Comments:	
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You will be contacted by Liberty Utilities (St. Lawrence Gas) Corp. promptly, for credit information once this information has been submitted.

In order to gain approval to operate in the Liberty Utilities (St. Lawrence Gas) Corp. system a marketer must first provide to Liberty Utilities (St. Lawrence Gas) Corp. documentation of approval by the New York State Public Service Commission to operate in New York State. The Marketer must then apply to Liberty Utilities (St. Lawrence Gas) Corp. for credit approval (See the Liberty Utilities (St. Lawrence Gas) Corp. "GTOP").

Once credit approval is obtained, the forms of agreement to operate in the Liberty Utilities (St. Lawrence Gas) Corp. system must be completed.

Please call Adam Soulia at (315)-842-3605 or e-mail [Adam.Soulia@libertyutilities.com](mailto:Adam.Soulia@libertyutilities.com) if you have any questions.



**2. Customer Credit History Authorization Form**

**Liberty Utilities (St. Lawrence Gas) Corp.**

**Customer Credit History Authorization Form**

I hereby give consent for the Marketer listed below to receive 12 months payment history for my account located at the address listed below.

<b>Marketer Information:</b>	
Marketer Name:	
Street Address:	
City:	
Zip Code:	
<b>Account information as it appears on your Liberty Utilities (St. Lawrence Gas) Corp. invoice:</b>	
Account Number	
Customer Name:	
Street Address:	
City/Town:	
<b>Customer Contact Information:</b>	
Phone Number:	
E-mail Address:	
<b>Customer Signature and Date</b>	





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Customer Signature:	
Date:	

After you fill in the above information print the form, sign and date it, then send it back to Liberty Utilities (St. Lawrence Gas) Corp.

By submitting this form, you are authorizing Liberty Utilities (St. Lawrence Gas) Corp. to provide the Marketer with 12 months of payment history. The payment history will be limited to whether or not you had late payments and/or had been disconnected during the past twelve months.



**3. Marketer Affidavit**

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.**

**MARKETER AFFIDAVIT**

Date: \_\_\_\_\_

Marketer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Marketer Delivering to (LDC): \_\_\_\_\_

Interstate Pipeline: \_\_\_\_\_

Rate Schedule: \_\_\_\_\_

Receipt Point(s): \_\_\_\_\_

Delivery Point(s): \_\_\_\_\_

Are Delivery Points  
Firm Primary:      Yes:                       No:

Contract Terms: \_\_\_\_\_

Contract Number: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_



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Meter Number: \_\_\_\_\_

Is Capacity Recallable?      Yes:       No:

If Yes, Under Which Terms? \_\_\_\_\_

Maximum Daily  
Quantity at City Gate: \_\_\_\_\_ dth/d

Pipeline Pressure  
Delivery to City Gate \_\_\_\_\_ psi



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**4. Agency Gas Transportation Service Agreement**

**Liberty Utilities (St. Lawrence Gas) Corp.**

**Agency Gas Transportation Service Agreement**

THIS AGREEMENT is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

AMONG:

Liberty Utilities (St. Lawrence Gas) Corp., a New York corporation  
(hereinafter called "Company")

and

\_\_\_\_\_, a \_\_\_\_\_  
(name) (state)

\_\_\_\_\_  
(type of organization)  
(hereinafter called "Agent")

and

THOSE CUSTOMERS of Company who have agreed to acquire their natural gas commodity requirements from Agent and whose names appear in Schedule A hereto (hereinafter called "Customers")

WHEREAS Agent has contracted with Customers to supply to Customers their natural gas commodity requirements for the location(s) ("Service Locations") shown in Schedule A hereto in conjunction with each of Customers' names;

WHEREAS Agent herein contracts with Company to utilize a portion of Company's upstream pipeline capacity on TransCanada PipeLines Limited, or Agent utilizes its own capacity, for the term of this agreement in order to ship Customers' natural gas commodity requirements to the Point of Receipt;



WHEREAS Customers do herein appoint Agent as their representative to do all things necessary and associated with their acquiring their natural gas commodity requirements from Agent;

WHEREAS Customers require Company to transport their gas acquired from Agent from the Point of Receipt to the Point of Delivery, each as shown in Schedule A hereto in conjunction with each of Customers' names;

THE PARTIES AGREE AS FOLLOWS:

### **1.0 GENERAL**

- 1.1 Headings contained in this Service Agreement are inserted for convenience of reference only and shall not affect the construction or interpretation of this Service Agreement.
- 1.2 Words and phrases having specialized meanings in the context of this Agreement are recognizable by the first letter of such word or of such words in a phrase being capitalized. Such words and phrases are defined herein or in Company's Tariff, P.S.C. No. 1 - Gas.

### **2.0 INCORPORATION OF TARIFF**

- 2.1 This Service Agreement is made pursuant to Company's Tariff, P.S.C. No. 1 - Gas ("Tariff"), on file with the New York State Public Service Commission ("NYSPSC"), as modified and amended from time to time, and the terms and conditions specified in such Tariff as they may pertain to this Service Agreement are expressly incorporated herein by reference.

### **3.0 AGENCY RELATIONSHIP**

- 3.1 Customers do hereby appoint and duly constitute Agent as their representative (agent) to act on their behalf, including but not limited to, acting in respect to their rights and obligations under this Service Agreement for transportation of Customers' or Agent's gas by Company. Customers agree that Agent shall perform all nominating, scheduling, and all other gas control functions specified in Company's Tariff.
- 3.2 Company shall be entitled to deal exclusively with Agent in respect to the rights and obligations of Customers under this Service Agreement.
- 3.3 Agent does hereby accept appointment as Customers' agent to act on their behalf in respect to the rights and obligations of Customers under this Service Agreement.
- 3.4 Agent, by executing this Service Agreement, agrees to be bound by all applicable provisions of Company's Tariff for gas services. In the event Agent commits any material breach of the terms and conditions of such Tariff or this Service Agreement, Company reserves the right to refuse to receive further deliveries of gas from Agent.



- 3.5 Company does hereby accept Customers' appointment of Agent as their agent to act on their behalf, including with respect to but not limited to, their rights and obligations under this Service Agreement in connection with Company's transportation of Customers' or Agent's gas.
- 3.6 Agent hereby represents and warrants to Company as follows:
- i. Agent is the duly appointed agent of Customers whose names and Service Locations are set out in Schedule A hereto and, in such capacity, is entitled to enter into this Agreement and to act on behalf of Customers hereunder; and
  - ii. Company is entitled to rely on anything done or any document signed by Agent in respect of this Agreement as if the action had been taken or the document had been signed by Customers.

#### **4.0 BASIC AGREEMENT**

- 4.1 On the Date of First Deliveries and on each Day during the Term of this Agreement:
- i. Unless otherwise advised by Company by notice given to Agent, Agent shall Nominate and deliver to Company and Company shall receive from Agent at the Point of Receipt the aggregated Daily Transportation Volume required by Customers;
  - ii. Company shall transport for such Day from the Point of Receipt to each of Customers' Service Locations (the Point of Delivery), or otherwise make available, Customers' natural gas requirements at the Point of Delivery for such Day. Customers shall receive such gas from Company at such Point(s) of Delivery, all in accordance with Company's Tariff.
- 4.2 For any contract year, Company shall only be responsible to Customers for the redelivery of volumes of gas received, net of volumes retained in respect to Lost and Unaccounted For Gas.
- 4.3 Customers agree to pay Company for transportation services provided hereunder in accordance with this Service Agreement and with the Service Classification of Company's Tariff, the provisions of which are incorporated herein and made a part hereof by reference, as set out in Schedule A hereto in conjunction with each of Customers' names.
- 4.4 Subject to the conditions set forth in 4.5 below, Company hereby contracts with Agent to transport \_\_\_\_\_ Gigajoules per day (Reserved Capacity) of Customers' or Agent's gas utilizing Company's rights under its agreement(s) with its provider(s) ("Provider") of pipeline capacity.
- 4.5 Agent shall pay Company for all charges associated with the use of such Reserved Capacity, including (without limitation) demand charges, commodity charges, taxes, surcharges, fuel allowances, imbalance and overrun charges and/or penalties.



- 4.6 Company, acting reasonably, may require Agent to provide financial guarantees to assure its payments of the amounts due to Company for Reserved Capacity. Failure of Agent (or any permitted assignee) to pay any of such charges shall give Company the right to demand from Agent the reimbursement of such amounts as Company may have paid in respect to charges otherwise payable by Agent; in the absence of Agent reimbursing Company in accordance with this clause, Company shall be entitled to terminate this Service Agreement.
- 4.7 Agent shall be responsible for:
- i. monitoring its deliveries of gas on behalf of Customers and its receipts from Providers;
  - ii. avoiding, eliminating, or paying for imbalances payable to Provider in respect to Reserved Capacity.
- 4.8 Company shall not be liable to Agent or to Customers, in any way, for interruptions of service by Provider(s).
- 4.9 Agent warrants that:
- i. For Residential service, Agent has no knowledge that the attached documents labeled \_\_\_\_\_ do not meet the following requirements of the NYPSC:
    - a. Agent has advised Customers of protections that Customers have waived in the transaction. Agent has filed with the staff of NYPSC's Consumer Services Division a copy of its standard contract.
    - b. Agent has established a system to handle Customer complaints that is operational and has provided the NYPSC's help and hotline numbers to Customers.
    - c. Bills rendered by Agent to Customers will be clear and in plain language, and the staff of the NYPSC's Consumer Services Division has received a sample copy.
    - d. Agent has established procedures to ensure Customers and Company will receive adequate prior notice of termination of gas supply services. Such procedures provide that notifications will be sent at least 15 days before discontinuation of supply service and will advise Customers of the opportunity to pay the overdue bill or to request service from another provider.
  - ii. For Non-residential service, Agent has no knowledge that the following requirements of the NYPSC have not been met:
    - a. Agent has advised Customers of protections that have been waived in the transaction. Agent has filed with the staff of the NYPSC's Consumer Services Division a copy of its standard contract.

- b. A reasonable dispute resolution process has been established with respect to Agent's service.

## 5.0 TERM

- 5.1 This Agreement shall have an initial term of \_\_\_\_\_ months and shall end at 0900 hours CST on \_\_\_\_\_, 20\_\_.
- 5.2 The term of this Agreement shall be automatically extended for successive terms of one year each ending one year after the termination date specified in 5.1 above unless any party terminates this Agreement at the end of the initial term or at the end of any year of the extended term by written notice of termination given to the other parties at least 60 days prior to the end of any term.

## 6.0 VOLUMES

- 6.1 Company, Customers and Agent hereby agree that the Annual Transportation Volume set out opposite each Service Location in Schedule A is a reasonable estimate of the volume of gas required for such Service Location.
- 6.2 The Average Daily Transportation Volume for purposes of this Agreement is derived from the sum of the Annual Transportation Volumes set out in Schedule A and is \_\_\_\_\_ Gigajoules of gas, or  
  
The Monthly Average Day Transportation Volume will be provided monthly by the Agent to the Company, or  
  
The Daily Transportation Volume will be provided daily by the Agent to the Company.
- 6.3 Company shall not be obliged to receive from Agent in any Day a quantity of gas in excess of the Average Daily Transportation Volume, the Monthly Average Day Transportation Volume, or the Daily Transportation Volume, as applicable.

## 7.0 RECALL RIGHTS

- 7.1 The parties to this Agreement acknowledge that at any time one or more parties may wish to change agents or may wish to have Company supply such parties' natural gas requirements. In such event, Company shall have the right to recall from Agent such volume of Reserved Capacity as Company shall require (as determined from such Customers' Annual Transportation Volume as set out in Schedule A) for transmission of Customers' natural gas requirements.
- 7.2 Any capacity recalled from Agent shall be assigned by Company to Customers or to Customers' new agent, if Customers so direct, or in the alternative shall be used by Company to transport such volume of gas as is required for Company's resale to Customers.



- 7.3 Any changes required as discussed in 7.1 and 7.2 above shall be effective no sooner than 60 days from receipt of a written notice properly given pursuant to this Agreement and shall only be effective as of the regularly scheduled meter reading date following receipt of next such notice.

## **8.0 BANKED GAS ACCOUNT**

- 8.1 In accordance with Company's Tariff, Company shall maintain a Banked Gas Account in Agent's name to record differences between the volumes of gas delivered by Agent on behalf of Customers and the volumes of gas consumed by Customers.
- 8.2 With respect to Customers whose meters are not read as at the end of a month, each year of service shall be deemed to run from the date of the regularly scheduled meter reading immediately succeeding the date of this Agreement to the date of the regularly scheduled meter reading immediately succeeding the termination date of this Agreement.
- 8.3 Agent shall be responsible to Company for the settlement of any debit imbalance as provided in Company's Tariff.
- 8.4 Company shall pay Agent in respect to any credit imbalance as provided in Company's Tariff.

## **9.0 BILLING**

- 9.1 Company shall determine the appropriate Service Classification pursuant to which each Customer supplied by Agent shall be billed.
- 9.2 Customers shall be billed by Company in accordance with Company's appropriate Service Classification(s) for transportation service.
- 9.3 Customers agree that they remain the Customers of record and, accordingly, they shall be billed by Company in accordance with applicable law and filed regulations for all monies due for assignment of services. Further, Customers hereby agree that, notwithstanding the existence of this Service Agreement, they remain responsible to Company for all services provided and for any and all acts performed by Agent, including any costs, fees, penalties or imbalances incurred for assignment of services provided by Providers.

## **10.0 ADMINISTRATION CHARGE**

- 10.1 Agent shall pay to Company the Administration Charge as specified in Company's Tariff.

## **11.0 INDEMNIFICATION**

- 11.1 Company hereby saves harmless and indemnifies Agent and Customers for any and all losses, costs, damages, claims, suits or actions that Agent or Customers may suffer or incur as a consequence of the negligence or willful misconduct of Company.



- 11.2 Agent hereby saves harmless and indemnifies Company for any and all losses, costs, damages, claims, suits or actions that Company may suffer or incur as a consequence of the negligence or willful misconduct of Agent or Customers.
- 11.3 Customers hereby save harmless and indemnify Company for any and all losses, costs, damages, claims, suits or actions that Company may suffer or incur as a consequence of the negligence or willful misconduct of Agent or Customers.

### **12.0 SUCCESSORS AND ASSIGNS**

- 12.1 This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns but shall not be assignable or be assigned by Agent to another party (“Party”) without first obtaining the consent in writing of Company, which consent shall not be unreasonably withheld in the case where all Customers acknowledge, in writing, their agreement to the assignment of their rights hereunder to Party.
- 12.2 Customers acknowledge that their consent to the assignment to Party of Agent’s responsibilities hereunder includes their assignment to Party of any rights obtained from Company and assigned to Agent.
- 12.3 This Agreement may be executed in several counterparts, each counterpart being deemed to be an original, and such counterparts together shall constitute one instrument and notwithstanding their date of execution shall be deemed to be made and dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

### **13.0 HUMAN NEEDS**

- 13.1 Facilities providing for HUMAN NEEDS are those requiring gas for space heating for overnight accommodation of human beings, excluding hotels and motels.
- 13.2 Customers replying to the question in Schedule A hereto: “Human Needs?” with the answer: “Yes” in Schedule A hereto in conjunction with each of Customers’ names in such schedule agree to be bound by the Backstop Service provisions of the Service Classification pursuant to which each of Customers is served.
- 13.3 In the event that Agent fails on any Day to tender gas to Company at the Point of Receipt, Company shall provide the Human Needs Customers’ gas requirement and Agent shall pay Company for such Backstop Service in accordance with the Tariff provisions of the Service Classification as set forth in conjunction with each of Customers’ names in Schedule A hereto.



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IN WITNESS WHEREOF the parties have executed this Agreement.

LIBERTY UTILITIES (ST. LAWRENCE  
GAS) CORP.

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(agent)

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

CUSTOMERS

---

By: \_\_\_\_\_ (See Schedule A.)



**SCHEDULE A**

to the

**AGENCY GAS TRANSPORTATION SERVICE AGREEMENT**

Between

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.**

and

\_\_\_\_\_ ("Agent")

and

**"CUSTOMERS" listed below**

Customer	Service Location	Human Needs	SC No.	Annual Transportation Volume	Signature (1)	SS#	Account #

(1) Please provide either:  
 Signature, or  
 SS# and Account #.



**5. Backstop Service Agreement**

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.**

**BACKSTOP SERVICE AGREEMENT**

THIS AGREEMENT is made as of the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_  
AMONG

LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP., a New York Corporation  
(hereinafter called Company)

and

\_\_\_\_\_, located at \_\_\_\_\_  
\_\_\_\_\_,  
New York \_\_\_\_\_  
(hereinafter called Customer)

WHEREAS Customer has entered into a gas supply agreement with a provider other than the Company:

WHEREAS Customer has been designated a "Human Needs" customer under the rules and regulations of the Company: and

WHEREAS Customer by order(s) of the New York Public Service Commission is required to contract for Backstop Service from the Company

THE PARTIES AGREE AS FOLLOWS:

**1.0 GENERAL**

1.1 Headings contained in the Agreement are inserted for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.2 Words and phrases having specialized meanings in the context of this agreement are recognizable by the first letter of such word or of such words in a phrase being capitalized. Such words or phrases are defined herein or in the Company's Tariff P.S.C.



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No. 1-Gas.



**2.0. INCORPORATION OF TARIFF**

2.1 This Agreement is made pursuant to Company's Tariff P.S.C. No. 1-Gas, and the terms and conditions specified in such Tariff as they may pertain to this Agreement and are expressly incorporated herein by reference.

**3.0. SERVICE**

3.1 Backstop Service under this Agreement will be provided as set forth in Company's Tariff at Service Classification Nos. 1, 2 and 3 under the provisions of Backstop Service. Backstop Service will be provided under this agreement upon the failure of the Customer's gas supply provider to deliver to the Company for Redelivery to the Customer, the customers daily gas supply entitlement, customers average daily, monthly average day, or daily consumption as set forth in the Agency Gas Transportation Service Agreement. The Customers Gas supply provided (Supplier) is

\_\_\_\_\_ (Providers Name)

located at \_\_\_\_\_ (Providers Address)

and is made a part to the Agreement. Backstop Service will be provided by the Company on a no notice basis from the Customer or the gas supply Provider (Supplier). In addition to the charges set forth in the respective rate schedules failure to deliver by the gas supply Provider may cause unauthorized overrun penalties to be incurred by the gas supply Provider.

By: \_\_\_\_\_  
The Customer

By: \_\_\_\_\_  
Gas Supply Provider

\_\_\_\_\_  
Title



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**6. Temporary Partial Reservation Firm Transportation (FT) Service Contract**

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.  
TEMPORARY PARTIAL RESERVATION  
FIRM TRANSPORTATION (FT) SERVICE CONTRACT**

This Reservation made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

BY AND BETWEEN:

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.**  
a New York corporation ("Contractor")

OF THE FIRST PART

- and -

\_\_\_\_\_  
("Contractee")

OF THE SECOND PART

WITNESSES THAT, WHEREAS:

- A. TransCanada PipeLines ("TransCanada") and Contractor are parties to a Firm Service Contract for Firm Transportation Service to the Cornwall Delivery Point (as therein defined) made as of the 4th day of November 1992, as amended, that currently specifies a Contract Demand of \_\_\_\_\_ Gigajoules (the "FT Contract").
- B. Contractee has requested Contractor to reserve part of Contractor's rights and obligations as shipper under the FT Contract to Contractee, and Contractor has agreed to do so subject to the terms and conditions of this Reservation.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties mutually covenant, agree and declare as follows:





1. During the operative term of this Reservation, Contractor reserves for Contractee, and Contractee accepts from Contractor, and agrees to utilize a part of Contractor's service entitlement as shipper under the FT Contract equal to \_\_\_\_\_ Gigajoules per day (the "Reserved Capacity").
2. This Reservation shall come in to full force and effect at 0900 hours CST on \_\_\_\_\_, 20\_\_\_\_ (provided that, for the purpose of Contractee nominating service for that day, this Reservation shall be effective at the same time on the preceding day). Subject to paragraph 4, this Reservation shall be operative for a term ending at 0900 hours CST on \_\_\_\_\_, 20\_\_\_\_. Notwithstanding the foregoing, the operative term of this Reservation will not extend beyond the term of the FT Contract.
3. Contractee declares that all notices, nomination authorizations, requests, invoices, and other written communications may be given by Contractor to Contractee as follows:
  - (a) Mailing address:
  - (b) Delivery address:
  - (c) E-mail address:
  - (d) Nominations:
    - Attention:
    - Facsimile:
    - Telephone:
    - E-mail:
  - (e) Invoices:
    - Attention:
    - Facsimile:
    - Telephone:
    - E-mail:
  - (f) Other matters:



Attention:  
Facsimile:  
Telephone:  
E-mail:

4. Contractee will indemnify Contractor for and will hold Contractor harmless for all charges that TransCanada may be entitled to collect from Contractor under the FT Contract in regard to the Reserved Capacity. The scope of this indemnity shall include all gas imbalances (as defined in Section XXII, paragraph 2 of the General Terms and Conditions in TransCanada's Transportation Tariff) and energy-in-transit balances associated with the Reserved Capacity, to the extent that Contractor is held responsible therefor by TransCanada except to the extent caused by the actions of Contractor or its agent(s).
5. Contractee shall be entitled to sub-assign all or part of the service entitlement related to the Reserved Capacity to a third party by assigning the corresponding rights and obligations under this Reservation; provided that no such assignment will relieve Contractee of its obligations to Contractor hereunder without Contractor's prior written consent, which shall not be unreasonably withheld. Contractee shall promptly give Contractor a copy of each such sub-assignment.
6. Contractor represents and warrants to Contractee that, using its service entitlement under the Transportation Service Agreement made 30 October 1992 with Niagara Gas Transmission Limited, Contractor will transport and deliver to Contractor's distribution system. Contractor further warrants that it has all necessary legal and contractual authority to permit Contractee to ship gas on TransCanada pursuant to this Agreement using transportation capacity reserved by Contractor. Nominations by Contractee will be given to Contractor pursuant to the terms of the Gas Transportation Service Agreement agreed to by Contractor and Contractee dated \_\_\_\_\_, 20\_\_ for service commencing \_\_\_\_\_, 20\_\_.



- 
7. Contractee represents and warrants to Contractor as follows:
    - a) Contractee and/or its supplier(s) has (have) obtained the authorizations necessary for the lawful removal of gas from Alberta and/or another province of production, export of gas from Canada, and import of gas into the United States of America at the level of the Reserved Capacity during the operative term of this Reservation, as indicated in Exhibit 1 hereto; and
    - b) Contractee and/or its supplier(s) has (have) arranged a firm transportation service entitlement corresponding to the Reserved Capacity with NOVA Gas Transmission Ltd. and/or any other upstream transporter during the operative term of this Reservation.
  8. This Reservation and the rights and obligations of the parties hereunder are subject to all valid and applicable present and future laws, rules, regulations, and orders of any governmental or regulatory authority having jurisdiction or control over the parties hereto, the FT Contract, TransCanada Transportation Tariff, and the assignment or sub-assignment of all or part of the service entitlement thereunder.
  9. This Reservation may be executed in counterparts, and when so executed it shall have the same effect as if both parties had executed the same document. A party that executes a counterpart of this Reservation shall deliver one copy of such counterpart to the other party.
  10. This Reservation shall be construed in accordance with and governed by the laws of the State of New York and the laws of New York applicable therein.
  11. This Reservation shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have duly executed and delivered this Reservation as of the day, month, and year first above written.

CONTRACTOR:

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.**

By: \_\_\_\_\_



\_\_\_\_\_  
(Title)

CONTRACTEE:

\_\_\_\_\_  
By: \_\_\_\_\_

\_\_\_\_\_  
(Title)



**Exhibit 1**

**TEMPORARY PARTIAL RESERVATION**

Contractee: \_\_\_\_\_

Reserve Volume: \_\_\_\_\_ Gigajoules per day

Term - start: \_\_\_\_\_

- end: \_\_\_\_\_

Receipt Point: \_\_\_\_\_

Upstream Transporter: \_\_\_\_\_

Delivery Point: \_\_\_\_\_

Downstream Transporter: \_\_\_\_\_

**Authorization:**

Alberta - Energy Resources Conservation Board

- Permit No. \_\_\_\_\_

- Term - start: \_\_\_\_\_

- end: \_\_\_\_\_

Canada - National Energy Board

- Order No. \_\_\_\_\_

- Term - start: \_\_\_\_\_

- end: \_\_\_\_\_

United States - Department of Energy (Office of Fossil Energy)

- Docket No. \_\_\_\_\_

- Order No. \_\_\_\_\_

- Term - start: \_\_\_\_\_

- end: \_\_\_\_\_



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**7. Additional Information to be Provided by Marketer**

**BUSINESS INFORMATION**

Supplier Federal Tax ID: \_\_\_\_\_ or S.S. No: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Business Contact Name (Title): \_\_\_\_\_

Phone : \_\_\_\_\_ FAX: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_ Internet Site: \_\_\_\_\_

How do you want to be represented on our approved suppliers list that goes to customers?

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Markets Served: (select all that apply)

Residential: \_\_\_\_\_

Commercial \_\_\_\_\_

Industrial \_\_\_\_\_

Contact Person for Regulatory Issues: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Contact Person for Media Relations: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Contact Person For Dispute Resolution: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

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**OPERATIONS**

A. Contact person responsible for gas scheduling: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_



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**CUSTOMER BILLING**

- A. Person responsible for Receiving Customer  
Meter Readings: \_\_\_\_\_  
Phone Number \_\_\_\_\_ Fax Number \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

---

**BALANCING AND SETTLEMENT**

- A. Contact person responsible for Balancing and Settlement: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_
- B. Billing Information:  
  
Send Bills To: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_
- C. Send Statement To: \_\_\_\_\_  
Address: \_\_\_\_\_
- D. Send Check (If a Credit is Due) To: \_\_\_\_\_  
Address \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

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**SUPPLIER CREDIT**

- A. Contact person responsible for financial information: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

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**NEW YORK STATE TAX INFORMATION**

- A. Contact Person Responsible for Tax Information: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_



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B. New York State Resale Certificate # \_\_\_\_\_

C. New York State Certificate of Authority # \_\_\_\_\_

**Signature** \_\_\_\_\_ **Date:** \_\_\_\_\_

**WHEN THIS FORM IS COMPLETED, PLEASE MAIL IT TO:**

Adam Soulia  
Manager III-Gas, Business and Community Development  
Liberty Utilities (St. Lawrence Gas) Corp.  
PO Box 270  
Massena, NY 13662



## ***Glossary of Terms***

**Aggregated Daily Delivery Quantity (ADDQ)** - the city gate delivery requirements amounting to the sum of the DDQ's for all customers in a Marketer's aggregation group. The quantity that the LDC requires a Marketer to deliver on any Gas Day to meet the Marketer's group forecast daily requirement.

**Aggregation Group** - a group of customers who have contracted with a specific Marketer who combines the customers' load for purposes of nominations, scheduling, reconciliation of monthly imbalances and supplemental supply billing.

**Aggregator (or Supplier)** - any party (such as a Marketer) that is approved by the LDC to deliver gas supplies to an Aggregation Group.

**Annual Period** - the 12 months beginning with the month in which the customer first receives service under the applicable service classification and each succeeding 12-month period.

**Annual Transportation Quantity** - the annual quantity of gas, including an amount to be retained as an allowance for losses, for which transportation service is requested in the customer's service application.

**Avoided Cost of Gas** – The cost of TransCanada Gas Services commodity, fuel and TransCanada PipeLines and Nova capacity at 100% load factor.

**Balancing** - a process that reconciles actual customer use with the amount of natural gas delivered to the LDC city gate. The difference between these two is called an imbalance.

**Baseload** - the portion of a customer's or group of customers' load that does not vary seasonally or in response to variation in temperature.

**Billing Agency** - a legal arrangement between a customer and a Marketer ("Billing Agency Agreement") in which a "Billing Agent" is authorized by a customer to: receive the customer's bills from the utility; consolidate those bills with the Marketer's charges; rebill the entire amount to the customer in a single bill format; receive payments from the customer; and remit the appropriate part of payments to the utility. A Marketer offering Billing Agency services may perform those services itself or obtain a third party to perform the services, but in either case, the Marketer is considered to be the customer's Billing Agent. Customers may also individually establish arrangements with third parties to perform similar services on their behalf, but those arrangements are not the subject of the Uniform Business Practices.

**Capacity Release Service** - the release of a utility entitlement to interstate pipeline transportation capacity to a Converting Customer or a new customer for Firm Transportation Service.

**City gate** - the point of interconnection between a pipeline and a local distribution company where gas is delivered to the LDC. Some LCD's have multiple city gates served by the same or different pipelines.

**Consumption Algorithm** - a mathematical formula used to calculate a customer's daily consumption based on a customer's historical base load and heat use per effective degree-day factors.

**Cramming** - the addition of unauthorized charges to a customer's bill.

**Critical Day** - a critical day exists when the LDC declares an OFO.

**Critical Period** - a period of operational stress or impending potential stress that may impact the integrity of the LDC's gas distribution system or a force majeure event.

**Curtailment** - the reduction of gas deliveries caused by a shortage of supply or a lack of pipeline capacity. Usually there is a stated priority of customers on the pipeline for the purposes of curtailing deliveries. Service to industrial customers, for example, is usually curtailed before service to residential customers.

**Daily Delivery Quantity (DDQ)** - the quantity of gas delivered by the utility to the customer's meter and consumed by the customer on any day.

**Daily Load Following Service Quantity** - (applicable to Load Following Service) means daily quantity of gas that a Firm Transportation customer, or a Seller to a Firm Transportation customer or Firm Group, is obligated to deliver to the City gate Receipt Point for the account(s) of its Firm Transportation customer(s).

**Daily Transportation Quantity** - the confirmed scheduled quantity of gas delivered to the Receipt Point for the customer's account on any day. For an aggregated group of two or more customers, the Seller is required to submit to the utility one confirmed scheduled quantity of gas representing deliveries to all customers in the group.

**Deficiency Imbalance** - means: (i) For Daily Balancing Service, the Daily Cashout Service, and Monthly Balancing Service, the amount by which the Daily Transportation Quantity, exclusive of the allowance for losses, is less than the customer's Daily Delivery Quantity. (ii) For Load Following Service, the amount by which the customer's Daily Transportation Quantity, exclusive of the allowance for losses, is less than the customer's Daily Load Following Service Quantity

**Design Day** - a 24-hour period of demand that is used as a basis for planning gas capacity requirements.

**Direct Customer** - a customer that purchases and schedules delivery of natural gas for its own consumption and not for resale. A Direct Customer does not have to file an application with the New York State Department of Public Service to become eligible as a Marketer, but must comply with certain operating requirements established by the utilities and, when available, the Independent System Operator (ISO). A Direct Customer may aggregate and schedule load for itself and other Direct Customers, each of which would continue to be responsible individually for meeting requirements placed on Direct Customers.

**Gas Day** – the twenty-four (24)-hour period beginning at 10:00 am ET, and ending at 9:59 am ET the next calendar day.

**Gas Week (Bid Week)**- usually the last full week each month when all parties (LDC's, Marketers, Shippers, etc.) firm up and finalize their required gas purchases and transportation arrangements for the upcoming month.

**Gas Confirmation Process**- the process by which a gas supplier's nomination to the LDC city gate is verified by the pipelines and the LDC upstream and downstream along the path of the gas suppliers.

**Gas Industry Standards Board (GISB)**- a nonprofit North American industry association whose mission is "to develop and promote standards to simplify and expand electronic communications, and to simplify and streamline business practices that will lead to a seamless marketplace for natural gas."

**Human Needs Customer** - one who receives service under a firm service classification: (i) for the customer's own or another's residential uses and purposes whether involving temporary or permanent occupancy, which includes residential hotels, single room occupancies, prisons and living facilities of clergy, or (ii) in buildings having no alternate energy facilities that are acute care or nursing home providers housing patients or residents on an overnight basis including, nursing homes, hospitals, community residences, and shelters.

**Imbalance Aggregation Group** - two or more customers for whom a Seller is aggregating deliveries and consumption for purposes of calculating its responsibility for imbalance charges and cashout charges and credits.

**Interruptible Service**- transportation service that is subject to interruption for lack of gas supply or pipeline capacity at the insistence of the gas seller or the pipeline as the case may be. (In the context of a gas purchase contract, it is sometimes referred to as "best efforts" service.) Rates for interruptible service are lower than those for firm service.

**Involuntary Switch** - a process or situation where a Customer's gas supply provider is changed from one provider, e.g., a Marketer or utility, to another provider without the customer's authorization. (See "Slamming" and the section entitled "Discontinuance of Service.")

**Line Loss**- the amount of gas lost in a distribution system or pipeline.

**Line Pack** – inventory of gas in a pipeline or in a gas distribution system.

**Load Factor**- the ratio of the average consumption to maximum consumption for the same time period. Most commonly the average annual daily consumption divided by the maximum daily consumption during a 12-month period.



**Local Distribution Company (LDC)** - the company whose primary function is to distribute gas supply procured by it or by Marketers or Direct Customers, to retail gas users. LDC's also provide transportation service to retail end users as well as other services.

**Lost and Unaccounted for Gas (LUFG)** - the difference between the quantity of gas available from all sources (purchased, transported, and locally produced) and the quantity accounted for by sales or company uses. Lost and unaccounted for gas is primarily associated with leakage, metering inaccuracies and theft.

**Marketer** - any non-utility entity that is determined eligible by the New York State Department of Public Service to provide or arrange to provide gas supply and other services on behalf of end use customers in New York State using the local utility's distribution system.

**Market Participants** - LDC's, Marketers or their agents, Direct Customers and Pipelines involved in bringing gas to an LDC's city gate.

**Maximum Allowable Operating Pressure (MAOP)** - the maximum quantity at which a gas system may be operated.

**Maximum Daily Delivery Quantity (MDQ)** - the maximum quantity of gas that a gas supplier may deliver to the LDC city gate in a day.

**Maximum Daily Transportation Quantity** - the highest Daily Transportation Quantity that the utility is obligated to accept at the Receipt Point(s) on any day.

**Monthly Load Following Service Quantity** - the monthly quantity that a Seller must deliver or cause to be delivered in equal daily increments to its Receipt Point(s) for a Firm customer's account on every day of the month.

**New Delivery Customer** – a customer initiating delivery service.

**New York Mercantile Exchange (NYMEX)**- the commodity exchange based in New York City where the natural gas futures and options contract and other energy futures are traded.

**Nomination**- a shipper's request to move a certain volume of gas on a pipeline during a given period. Most nominations are made on a daily basis, although intraday nominations are required by GISB standards and hourly nominations are possible on some pipeline systems.

**Normal Degree Day**- estimated (normalized) degree-days for a given day based on historical average.

**Normalized**- adjusted for weather using weather normalization (degree-day) factors.

**Operational Flow Order ("OFO")** - a directive by the utility to a customer(s) and/or its gas supplier(s) to adjust City gate deliveries of gas to alleviate conditions that threaten the integrity of the system.

**Peak Day**- the day in which the highest volume of gas is delivered into the utility's system in order to meet usage demands. Related to operational deliverability of the entire system.

**Peak Month**- the month in which the highest volume of gas is delivered into the utility's system in order to supply usage demands.

**Pooling Point**- a physical or logical point where gas is aggregated from many receipt points to serve a number of contracts without tying a particular receipt point to a particular contract. Pooling points have traditionally been thought of as mainline pipeline receipt points. Under Order 636 that definition was expanded to include places where title passes from the gas merchant to the shipper, or where aggregation, balancing and penalties are determined. Order 636 prohibits tariffs that inhibit the developments of pooling points.

**Pro Rata Allocation**- methodology that allows all customers within a defined group or pool to receive the same proportion of gas available as their portion of total volumes under contract (as opposed to first-come, first served).

**Receipt Point**- the point at which gas is delivered into a pipeline, such as the interconnection between a producer's production (or processing) facilities and the pipeline system.

**Renewable Natural Gas or "RNG"** - the product of anaerobic digestion or gasification of a wide variety of waste products. These include dairy/animal residuals (e.g., manure, etc.), landfill biomass material, wastewater treatment produced gases; digestion of agricultural wastes and, in advanced systems, co-digestion of mixed biomass substrates. Fully interchangeable with natural gas, i.e. pipeline quality, it comes from raw biogas after the biogas is cleaned of impurities.

**Replacement Capacity Release Customer** - a person who succeeds a Capacity Release customer as the holder of a capacity entitlement under a Capacity Release Service Agreement.

**RNG Interconnection Agreement or "RNG-IA"** - an agreement, between the company and an RNG Operator for the interconnection of Operator's RNG Plant and the company's gas distribution system.

**RNG Operator or "Operator"** - a party operating an RNG Plant directly connected to the company's gas distribution system and authorized to deliver RNG into the company's gas distribution system.

**RNG Plant or "Plant"** - an anaerobic digester and related upgrading and processing facilities used to produce biomethane, which shall be limited to non-Hazardous Waste Landfills, wastewater treatment plants and facilities processing organic waste acceptable to the company (e.g., sludge and food, yard and livestock waste).



**RNG Quality Standards** - the standards and specifications, including testing protocols, set forth in each RNG Operator's Interconnection Agreement, the company's Tariff and this GTOP. For the avoidance of doubt, in the event of a discrepancy or conflict between the RNG Quality Standards specified in the RNG Interconnection Agreement (including, but not limited to, Exhibit B of such Agreement) and the gas quality standards specified in the GTOP and/or Company's Tariff, the gas quality standards specified in this GTOP and/or Company's Tariff shall prevail.

**Seller** - a non-utility entity that is determined eligible by the Department of Public Service to provide or arrange to provide natural gas supply and other services to a customer or Group. The term "Seller" means a "Marketer" and is used interchangeably elsewhere in the Tariff and Operating Procedures. .

**Slamming** - an Involuntary Switch that is not in accord with the "Discontinuance of Service" provision set forth in the Uniform Retail Access Business Practices.

**Small Customer Aggregation Group ("Group")** - two or more customers who purchase gas from the same supplier(s), and are generally treated as a single customer for transportation service under the Tariff.

**Special Meter Read** - a service provided to obtain an actual meter reading on a date that is different than the utility's regularly scheduled meter read date.

**Special Needs** - as defined by the Home Energy Fair Practices Act (HEFPA) and included in 16 New York Code of Rules and Regulations ("NYCRR") Section 11.5, those conditions of a customer who requires electrically operated life-sustaining equipment, has a medical emergency, or is elderly, blind or disabled.

**Summer Period** - the period commencing at 10:00 am on April 1 and ending at 10:00 am on the following November 1.

**System Alert** - an announcement of actual or pending events that if unchecked may result in an OFO.

**Throughput** - the volume of gases flowing through a pipeline or distribution system.

**Voluntary Switch** - a process or situation where a customer's gas supply provider is changed from one provider, e.g., Marketer or utility, to another provider with the customer's direct authorization.

**Winter Period** - the period commencing at 10:00 am on November 1 and ending at 10:00 am on the following April 1.