

# CONNECTICUT NATURAL GAS CORPORATION

## RATE STO (OPTIONAL STORAGE SERVICE RIDER)

### 1. Availability

Service under this ancillary service rider is available to any legal entity acting as an authorized agent for gas supply and transportation services to commercial, industrial, and/or multi-family dwelling (where the number of dwellings supplied through one meter is six (6) or more) end-users, served by the natural gas system of Connecticut Natural Gas Corporation which:

- (a) Receives service under the Company's Rate TRS and has executed a TRS Operator Agreement under Rate TRS setting forth their initial Pool entitlement to transportation under Rate TRS and applicable ancillary service entitlement provided under this Rate STO.

The Company will act as agent for the Operator under this Rider to provide natural gas storage service. The Company reserves its right to limit the total amount of service offered under this Rider subject to the availability of seasonal natural gas storage capacity and daily storage injection and withdrawal entitlements.

### 2. Applicability

This Rate STO shall apply to any legal entity acting as an authorized agent to supply gas to the Company at the designated receipt point(s), or to provide ancillary service, for Customers that comprise the Operators Pool(s) and has executed a TRS Operator Agreement that states, among other things, that they meet all eligibility criteria under Rate TRS.

Storage service offered under this schedule is optional for Operators.

### 3. Definitions

The definitions contained in Rate TRS in conjunction with the following definitions shall apply to this rate, the incorporated general terms and conditions, and any written document(s) between the Company and the Operator related to service under this rider.

- (a) The term "Seasonal Storage Quantity" or "SSQ" shall mean the maximum seasonal quantity of Company's leased gas storage capacity that the Company is obliged to provide on a firm basis for Operator's use as a nominated storage service.
- (b) The term "Maximum Daily Injection Quantity" or "MDIQ" shall mean the maximum daily quantity of Operator's leased gas storage redelivery volumes that the Company is obliged to accept at the receipt point(s) on a firm basis.

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- (c) The term "Maximum Daily Withdrawal Quantity" or "MDWQ" shall mean the maximum daily quantity of Operator's leased gas storage delivery entitlement that the Company is obliged to provide at the redelivery point(s) on a firm basis.
- (d) The term "contract storage year" shall mean the one-year period commencing on April 1 and terminating on March 31<sup>st</sup>.

### 4. Rate: Monthly Charges as Applicable:

- (a) *Storage Capacity Reservation Charge* based upon costs incurred by the Company to reserve firm gas storage capacity for its Customers. This charge shall be determined by the current FERC approved pipeline tariff rates for the storage facilities made available during the open season and will be applied to the Operator's SSQ.
- (b) *Storage Delivery Demand Charge* based upon costs incurred by the Company to reserve firm storage gas delivery capability for its Customers. This charge shall be determined by the current FERC approved pipeline tariff rates for the storage facilities made available during the open season and will be applied to the Operator's MDWQ.
- (c) *Storage Injection/Withdrawal Commodity Charge* based upon costs incurred by the Company to inject and/or withdraw gas from its leased storage facilities. This charge shall be determined by the current FERC approved pipeline tariff rates for the storage facilities made available during the open season. The charge will be applied to the volume of gas delivered into or out of storage on behalf of Operator.

### 5. Storage Service

The Company will provide storage service under this rate on a firm but recallable basis for those Operators who elect service under this rate. The Company will provide, subject to the system supply requirements of its firm sales customers, gas storage service by acting as agent for Operators. The Company reserves its right to recall any portion of this storage service as necessary to insure the integrity of its firm system supply to meet firm sales customer requirements or to comply with storage restrictions imposed by the pipeline owner-operator of the storage facilities.

### 6. Annual Open Season

The Company will hold an annual open season during the month of March during which it will notify all Operators of the quantities of storage service available under this tariff for the upcoming contract storage year. The Company will provide the daily injection, daily withdrawal, and seasonal storage capacity to be made available for the contract storage year.

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If the available storage service becomes oversubscribed during the open season period, the Company will prorate each Operator's election versus the total of all Operator elections to allocate the level of available storage service for the contract storage year.

### 7. Storage Scheduling

At least two (2) business days prior to the beginning of the calendar month, and for each gas day during the month, Operator shall notify the Company of the volumes to be tendered for injection into storage or the volumes to be withdrawn from storage by the Company on its behalf. Storage scheduling, nominations, and confirmations shall be made in accordance with the Nomination Services provisions of Rate TRS (Section 13).

Gas supplies nominated under this storage service will be added to transportation service nominations under Rate TRS for application of balancing (Rate BAL), standby (Rate STB) and penalty charges, where applicable.

### 8. Force Majeure

- (a) Effect of Force Majeure - If either the Company or the Operator is rendered unable by force majeure to wholly or in part carry out its obligations under the provisions of this Rate STO, the obligations of the party affected by such force majeure, other than the obligation to make payments thereunder, shall be suspended during the continuance of any inability so caused but for no longer period; and such cause shall, insofar as possible, be remedied with all reasonable dispatch.
- (b) Definition of Force Majeure - The term "Force Majeure" as employed herein shall include acts of God, strikes, lockouts, wars, riots, insurrections, epidemics, landslides, lightening, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, interruptions by government or court orders, civil disturbances, explosions, and any other cause whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which, by the exercise of reasonable foresight, such party is unable to avoid and, by the exercise of due diligence, such party is unable to overcome.

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### 9. Failure to Comply

Failure of the Operator to comply with or perform any of its obligations under this schedule or the agreement shall constitute grounds for termination or suspension of service. Failure to comply shall include actions of Operator which cause the Company or any individuals receiving gas related services from the Company, either as a class or

individually, to incur costs in any form which are not paid for through the charges under this rate schedule. Except in cases of willful or repeated failure to comply or perform, termination or suspension of service shall be preceded by written notice followed by a cure period of five business days during which time the Operator shall have the opportunity to correct the failure to comply or perform as specified in the written notice. If such failure is not cured within such five business-day period or if the Operator had been notified in writing that a particular course of conduct constituted willful or repeated failure to comply or perform, the Company may terminate or suspend service immediately. Suspension or termination of such service for any such cause shall be a cumulative remedy as to the Company, and shall not release the Operator from its obligation to make payment of any amount or amounts due or to become due from the Operator to the Company under the applicable schedule. In order to resume service under this tariff STO after termination of service hereunder, the Operator must demonstrate to the Company's satisfaction that appropriate action has been taken to ensure future compliance with tariff rider STO.

### 10. Service Regulations

The Company's Service Rules and Regulations shall apply to service under this Rate STO, to the extent not inconsistent with the terms and conditions of this Rate STO.

### 11. Laws, Regulations, and Orders

All contracts and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules, and regulations of any legislative body, or duly constituted authority now or hereafter having jurisdiction and shall be varied and amended to comply with or conform to any valid rule, regulation, order, or direction of any board, tribunal, or administrative agency.

### 12. Successors and Assigns

Any party which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of any Operator shall be subject to the obligations and entitled to the rights of its predecessor in title under a contract. No other assignment of a contract or any of the rights or obligations thereunder by the Operator shall be effective without the written consent of the Company, which consent shall not be unreasonably withheld.

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