

Base Contract for Sale and Purchase of Natural Gas

This Base Contract is entered into as of the following date **XXXX __, 2025**, between Puget Sound Energy (PSE) and King County

The parties to this Base Contract are PSE and King County, Washington.

PARTY A Puget Sound Energy, Inc.	PARTY NAME	PARTY B King County, through its Department of Natural Resources and Parks – Solid Waste Division
355 110 th Ave NE. Bellevue, WA 98004-9734	ADDRESS	201 S. Jackson St, Suite 6400 Seattle, WA 98104
www.pse.com	BUSINESS WEBSITE	https://kingcounty.gov/en/dept/dnrp/waste-services/garbage-recycling-compost/about
	CONTRACT NUMBER	
007942113	D-U-N-S® NUMBER	957152549
☒ US FEDERAL: 91-0374630 ☐ OTHER:	TAX ID NUMBERS	☒ US FEDERAL: 91-6001327 ☐ OTHER:
Washington	JURISDICTION OF ORGANIZATION	Washington
☒ Corporation ☐ LLC ☐ Limited Partnership ☐ Partnership ☐ LLP ☐ Other: _____	COMPANY TYPE	☐ Corporation ☐ LLC ☐ Limited Partnership ☐ Partnership ☐ LLP ☒ Other: A home rule charter county and political subdivision of the State of Washington
	GUARANTOR (IF APPLICABLE)	
CONTACT INFORMATION		
ATTN: <u>RNG Supply</u> TEL#: <u>425-577-4538</u> FAX#: _____ EMAIL: <u>Mike.Ostrowski@pse.com</u>	▪ COMMERCIAL	ATTN: <u>Lindy Honaker</u> TEL#: <u>206-263-6739</u> FAX#: _____ EMAIL: <u>lhonaker@kingcounty.gov</u>
ATTN: <u>Gas Scheduling</u> TEL#: <u>425-457-9013</u> FAX#: _____ EMAIL: <u>Brynn.Gourdin@pse.com</u>	▪ SCHEDULING	ATTN: <u>Lindy Honaker</u> TEL#: <u>206-263-6739</u> FAX#: _____ EMAIL: <u>lhonaker@kingcounty.gov</u>
ATTN: <u>RNG Supply</u> TEL#: <u>425-577-4538</u> FAX#: _____ EMAIL: <u>Mike.Ostrowski@pse.com</u>	▪ CONTRACT AND LEGAL NOTICES	ATTN: <u>Lindy Honaker</u> TEL#: <u>206-263-6739</u> FAX#: _____ EMAIL: <u>lhonaker@kingcounty.gov</u>
ATTN: <u>Energy Risk Control</u> TEL#: <u>425-456-2864</u> FAX#: _____ EMAIL: <u>Hailing.Huang@pse.com</u>	▪ CREDIT	ATTN: <u>Lindy Honaker</u> TEL#: <u>206-263-6739</u> FAX#: _____ EMAIL: <u>lhonaker@kingcounty.gov</u>
ATTN: <u>RNG Supply</u> TEL#: <u>425-577-4538</u> FAX#: _____ EMAIL: <u>Mike.Ostrowski@pse.com</u>	▪ TRANSACTION CONFIRMATIONS	ATTN: <u>Lindy Honaker</u> TEL#: <u>206-263-6739</u> FAX#: _____ EMAIL: <u>lhonaker@kingcounty.gov</u>
ACCOUNTING INFORMATION		
ATTN: <u>Energy Accounting</u> TEL#: <u>425-462-3707</u> FAX#: _____ EMAIL: <u>PwrGas.invoices@pse.com</u>	▪ INVOICES ▪ PAYMENTS ▪ SETTLEMENTS	ATTN: <u>Nebi Tekle</u> TEL#: <u>206-477-0784</u> FAX#: _____ EMAIL: <u>ntekle@kingcounty.gov</u>
BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____	WIRE TRANSFER NUMBERS (IF APPLICABLE)	BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____
BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____	ACH NUMBERS (IF APPLICABLE)	BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____

ATTN: _____ ADDRESS: _____	CHECKS (IF APPLICABLE)	ATTN: _____ ADDRESS: _____
-------------------------------	---------------------------	-------------------------------

Base Contract for Sale and Purchase of Natural Gas

(Continued)

This Base Contract incorporates by reference for all purposes the General Terms and Conditions for Sale and Purchase of Natural Gas published by the North American Energy Standards Board. The parties hereby agree to the following provisions offered in said General Terms and Conditions. In the event the parties fail to check a box, the specified default provision shall apply. Select the appropriate box(es) from each section:

Section 1.2 Transaction Procedure ☐ Oral (default) OR ☒ Written	Section 10.2 Additional Events of Default ☐ No Additional Events of Default (default) ☐ Indebtedness Cross Default ☐ Party A: _____ ☐ Party B: _____ ☐ Transactional Cross Default Specified Transactions: _____ _____ _____
Section 2.7 Confirm Deadline ☒ 2 Business Days after receipt (default) OR ☐ 5 Business Days after receipt	
Section 2.8 Confirming Party ☐ Seller (default) OR ☐ Buyer ☐ PSE _____	
Section 3.2 Performance Obligation ☒ Cover Standard (default) OR ☐ Spot Price Standard	Section 10.3.1 Early Termination Damages ☐ Early Termination Damages Apply (default) OR ☒ Early Termination Damages Do Not Apply
Note: The following Spot Price Publication applies to both of the immediately preceding.	
Section 2.31 Spot Price Publication Not Applicable – see Special Provisions	Section 10.3.2 Other Agreement Setoffs ☒ Other Agreement Setoffs Apply (default) ☒ Bilateral (default) ☐ Triangular OR ☐ Other Agreement Setoffs Do Not Apply
Section 6 Taxes ☒ Buyer Pays At and After Delivery Point (default) OR ☐ Seller Pays Before and At Delivery Point	
Section 7.2 Payment Date ☒ 25 th Day of Month following Month of delivery (default) OR ☐ 20 th Day of Month following Month of delivery	Section 15.5 Choice Of Law <u>Washington</u>
Section 7.2 Method of Payment ☐ Wire transfer (default) ☒ Automated Clearinghouse Credit (ACH) ☐ Check	Section 15.10 Confidentiality ☒ Confidentiality applies (default) OR ☐ Confidentiality does not apply
Section 7.7 Netting ☐ Netting applies (default) OR ☒ Netting does not apply	
☐ Special Provisions Number of sheets attached: _____ ☒ Addendum(s): <u>Renewable Natural Gas Addendum</u>	

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

PSE	PARTY NAME	King County, through its Department of Natural Resources and Parks – Solid Waste Division
-----	------------	---

By:	<i>SIGNATURE</i>	By: _____
	<i>PRINTED NAME</i>	
	<i>TITLE</i>	

General Terms and Conditions

Base Contract for Sale and Purchase of Natural Gas

SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas. The entire agreement between the parties shall be the Contract as defined in Section 2.9.

The parties have selected either the "Oral Transaction Procedure" or the "Written Transaction Procedure" as indicated on the Base Contract.

Oral Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a transaction covered by this Section 1.2 (Oral Transaction Procedure) provided that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement the Base Contract or General Terms and Conditions of this Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section 1.3 but must be expressly agreed to by both parties; provided that the foregoing shall not invalidate any transaction agreed to by the parties.

Written Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of nonconflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3. If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Base Contract, and (iv) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

1.4. The parties agree that each party may electronically record all telephone conversations with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings entered into in accordance with the requirements of this Base Contract.

SECTION 2. DEFINITIONS

The terms set forth below shall have the meaning ascribed to them below. Other terms are also defined elsewhere in the Contract and shall have the meanings ascribed to them herein.

- 2.1. "Additional Event of Default" shall mean Transactional Cross Default or Indebtedness Cross Default, each as and if selected by the parties pursuant to the Base Contract.
- 2.2. "Affiliate" shall mean, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of at least 50 percent of the voting power of the entity or person.
- 2.3. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.
- 2.4. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.
- 2.5. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).
- 2.6. "Business Day(s)" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S.
- 2.7. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.8. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.9. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation, all of which shall form a single integrated agreement between the parties.
- 2.10. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 2.11. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 2.12. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 2.13. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as cash, an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, guaranty, or other good and sufficient security of a continuing nature.
- 2.14. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.15. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 2.16. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 2.17. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.18. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 2.19. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 2.20. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.

- 2.21. "Guarantor" shall mean any entity that has provided a guaranty of the obligations of a party hereunder.
- 2.22. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 2.23. "Indebtedness Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it or its Guarantor, if any, experiences a default, or similar condition or event however therein defined, under one or more agreements or instruments, individually or collectively, relating to indebtedness (such indebtedness to include any obligation whether present or future, contingent or otherwise, as principal or surety or otherwise) for the payment or repayment of borrowed money in an aggregate amount greater than the threshold specified in the Base Contract with respect to such party or its Guarantor, if any, which results in such indebtedness becoming immediately due and payable.
- 2.24. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.
- 2.25. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.
- 2.26. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.27. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.
- 2.28. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.
- 2.29. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.
- 2.30. "Specified Transaction(s)" shall mean any other transaction or agreement between the parties for the purchase, sale or exchange of physical Gas, and any other transaction or agreement identified as a Specified Transaction under the Base Contract.
- 2.31. "Spot Price " as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.
- 2.32. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.
- 2.33. "Transactional Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it shall be in default, however therein defined, under any Specified Transaction.
- 2.34. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.
- 2.35. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

SECTION 3. PERFORMANCE OBLIGATION

3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as agreed to by the parties in a transaction.

The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.
--

Cover Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s) excluding any quantity for which no replacement is available; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in the amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s) excluding any quantity for which no sale is available; and (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available for all or any portion of the Contract Quantity of Gas, then in addition to (i) or (ii) above, as applicable, the sole and exclusive remedy of the performing party with respect to the Gas not replaced or sold shall be an amount equal to any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the

applicable Delivery Point, multiplied by the quantity of such Gas not replaced or sold. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

Spot Price Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

3.3. Notwithstanding Section 3.2, the parties may agree to Alternative Damages in a Transaction Confirmation executed in writing by both parties.

3.4. In addition to Sections 3.2 and 3.3, the parties may provide for a Termination Option in a Transaction Confirmation executed in writing by both parties. The Transaction Confirmation containing the Termination Option will designate the length of nonperformance triggering the Termination Option and the procedures for exercise thereof, how damages for nonperformance will be compensated, and how liquidation costs will be calculated.

SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s). Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior Notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's receipt of quantities of Gas greater than or less than the Scheduled Gas, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.

SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Seller shall meet the pressure, quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

SECTION 6. TAXES

The parties have selected either “Buyer Pays At and After Delivery Point” or “Seller Pays Before and At Delivery Point” as indicated on the Base Contract.

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority (“Taxes”) on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party’s responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority (“Taxes”) on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party’s responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

SECTION 7. BILLING, PAYMENT, AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month’s billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due under Section 7.1 in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 Days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with this Section 7.2.

7.3. In the event payments become due pursuant to Sections 3.2 or 3.3, the performing party may submit an invoice to the nonperforming party for an accelerated payment setting forth the basis upon which the invoiced amount was calculated. Payment from the nonperforming party will be due five Business Days after receipt of invoice.

7.4. If the invoiced party, in good faith, disputes the amount of any such invoice or any part thereof, such invoiced party will pay such amount as it concedes to be correct; provided, however, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount paid or disputed without undue delay. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section.

7.5. If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under “Money Rates” by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

7.6. A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.

7.7. Unless the parties have elected on the Base Contract not to make this Section 7.7 applicable to this Contract, the parties shall net all undisputed amounts due and owing, and/or past due, arising under the Contract such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with Section 7; provided that no payment required to be made pursuant to the terms of any Credit Support Obligation or pursuant to Section 7.3 shall be subject to netting under this Section. If the parties have executed a separate netting agreement, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 8. TITLE, WARRANTY, AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and assume any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims. EXCEPT AS PROVIDED IN THIS SECTION 8.2 AND IN SECTION 15.8, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE DISCLAIMED.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury (including death) or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury (including death) or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. The parties agree that the delivery of and the transfer of title to all Gas under this Contract shall take place within the Customs Territory of the United States (as defined in general note 2 of the Harmonized Tariff Schedule of the United States 19 U.S.C. §1202, General Notes, page 3); provided, however, that in the event Seller took title to the Gas outside the Customs Territory of the United States, Seller represents and warrants that it is the importer of record for all Gas entered and delivered into the United States, and shall be responsible for entry and entry summary filings as well as the payment of duties, taxes and fees, if any, and all applicable record keeping requirements.

8.5. Notwithstanding the other provisions of this Section 8, as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payment instructions, and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder shall be in writing and may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

9.4. The party receiving a commercially acceptable Notice of change in payment instructions or other payment information shall not be obligated to implement such change until ten Business Days after receipt of such Notice.

SECTION 10. FINANCIAL RESPONSIBILITY

10.1. If either party ("X") has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by the other party ("Y") (including, without limitation, the occurrence of a material change in the creditworthiness of Y or its Guarantor, if applicable), X may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to X, including, but not limited to cash, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or guaranty. Y hereby grants to X a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Y to X pursuant to this Section 10.1. Upon the return by X to Y of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.

10.2. In the event (each an "Event of Default") either party (the "Defaulting Party") or its Guarantor shall: (i) make an assignment or any general arrangement for the benefit of creditors; (ii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iii) otherwise become bankrupt or insolvent (however evidenced); (iv) be unable to pay its debts as they fall due; (v) have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; (vi) fail to perform any obligation to the other party with respect to any Credit Support Obligations relating to the Contract; (vii) fail to give Adequate Assurance of Performance under Section 10.1 within 48 hours but at least one Business Day of a written request by the other party; (viii) not have paid any amount due the other party hereunder on or

before the second Business Day following written Notice that such payment is due; or ix) be the affected party with respect to any Additional Event of Default; then the other party (the "Non-Defaulting Party") shall have the right, at its sole election, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to terminate and liquidate the transactions under the Contract, in the manner provided in Section 10.3, in addition to any and all other remedies available hereunder.

10.3. If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the "Early Termination Date") for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a "Terminated Transaction". On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law ("Excluded Transactions"), which Excluded Transactions must be liquidated and terminated as soon thereafter as is legally permissible, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

The parties have selected either "Early Termination Damages Apply" or "Early Termination Damages Do Not Apply" as indicated on the Base Contract.

Early Termination Damages Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, as defined below, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

For purposes of this Section 10.3.1, "Contract Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price, and "Market Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

Early Termination Damages Do Not Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract.

The parties have selected either "Other Agreement Setoffs Apply" or "Other Agreement Setoffs Do Not Apply" as indicated on the Base Contract.

Other Agreement Setoffs Apply:

Bilateral Setoff Option:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff any Net Settlement Amount against (i) any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; and (ii) any amount(s) (including any excess cash margin or excess cash collateral) owed or held by the party that is entitled to the Net Settlement Amount under any other agreement or arrangement between the parties. **Triangular Setoff Option:**

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option, and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff (i) any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; (ii) any Net Settlement Amount against any amount(s) (including any excess cash margin or excess cash collateral) owed by or to a party under any other agreement or arrangement between the parties; (iii) any Net Settlement Amount owed to the Non-Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Non-Defaulting Party or its Affiliates to the Defaulting Party under any other agreement or arrangement; (iv) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party to the Non-Defaulting Party or its Affiliates under any other agreement or arrangement; and/or (v) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party or its Affiliates to the Non-Defaulting Party under any other agreement or arrangement.

Other Agreement Setoffs Do Not Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract.

10.3.3. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 10.3.2 is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 10.3.2 shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

10.4. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the Net Settlement Amount, and whether the Net Settlement Amount is due to or due from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of the Net Settlement Amount, provided that failure to give such Notice shall not affect the validity or enforceability of the liquidation or give rise to any claim by the Defaulting Party against the Non-Defaulting Party. The Net Settlement Amount as well as any setoffs applied against such amount pursuant to Section 10.3.2, shall be paid by the close of business on the second Business Day following such Notice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount as adjusted by setoffs, shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

10.5. The parties agree that the transactions hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that Buyer and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code.

10.6. The Non-Defaulting Party's remedies under this Section 10 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Contract.

10.7. With respect to this Section 10, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of Firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars, or acts of terror; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price than the Contract Price, Buyer's ability to purchase Gas at a lower or more advantageous price than the Contract Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Contract; (iv) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in Section 11.2; or (v) the loss or failure of Seller's gas supply or depletion of reserves, except, in either case, as provided in Section 11.2. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written Notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

11.6. Notwithstanding Sections 11.2 and 11.3, the parties may agree to alternative Force Majeure provisions in a Transaction Confirmation executed in writing by both parties.

SECTION 12. TERM

This Contract may be terminated on 30 Day's written Notice, but shall remain in effect until the expiration of the latest Delivery Period of any transaction(s). The rights of either party pursuant to Section 7.6, Section 10, Section 13, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any transaction.

SECTION 13. LIMITATIONS

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

SECTION 14. MARKET DISRUPTION

If a Market Disruption Event has occurred then the parties shall negotiate in good faith to agree on a replacement price for the Floating Price (or on a method for determining a replacement price for the Floating Price) for the affected Day, and if the parties have not so agreed on or before the second Business Day following the affected Day then the replacement price for the Floating Price shall be determined within the next two following Business Days with each party obtaining, in good faith and from nonaffiliated market participants in the relevant market, two quotes for prices of Gas for the affected Day of a similar quality and quantity in the

geographical location closest in proximity to the Delivery Point and averaging the four quotes. If either party fails to provide two quotes then the average of the other party's two quotes shall determine the replacement price for the Floating Price. "Floating Price" means the price or a factor of the price agreed to in the transaction as being based upon a specified index. "Market Disruption Event" means, with respect to an index specified for a transaction, any of the following events: (a) the failure of the index to announce or publish information necessary for determining the Floating Price; (b) the failure of trading to commence or the permanent discontinuation or material suspension of trading on the exchange or market acting as the index; (c) the temporary or permanent discontinuance or unavailability of the index; (d) the temporary or permanent closing of any exchange acting as the index; or (e) both parties agree that a material change in the formula for or the method of determining the Floating Price has occurred. For the purposes of the calculation of a replacement price for the Floating Price, all numbers shall be rounded to three decimal places. If the fourth decimal number is five or greater, then the third decimal number shall be increased by one and if the fourth decimal number is less than five, then the third decimal number shall remain unchanged.

SECTION 15. MISCELLANEOUS

15.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party (and shall not relieve the assigning party from liability hereunder), which consent will not be unreasonably withheld or delayed; provided, either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, or (ii) transfer its interest to any parent or Affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any such assignment, transfer and assumption, the transferor shall remain principally liable for and shall not be relieved of or discharged from any obligations hereunder.

15.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

15.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

15.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective transaction(s). This Contract may be amended only by a writing executed by both parties.

15.5. The interpretation and performance of this Contract shall be governed by the laws of the jurisdiction as indicated on the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

15.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provisions thereof.

15.7. There is no third party beneficiary to this Contract.

15.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

15.9. The headings and subheadings contained in this Contract are used solely for convenience and do not constitute a part of this Contract between the parties and shall not be used to construe or interpret the provisions of this Contract.

15.10. Unless the parties have elected on the Base Contract not to make this Section 15.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, (iv) to the extent necessary to comply with a regulatory agency's reporting requirements including but not limited to gas cost recovery proceedings; or (v) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure, and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

15.11. The parties may agree to dispute resolution procedures in Special Provisions attached to the Base Contract or in a Transaction Confirmation executed in writing by both parties

15.12. Any original executed Base Contract, Transaction Confirmation or other related document may be digitally copied, photocopied, or stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement, if introduced as evidence on paper, the Transaction Confirmation, if introduced as evidence in automated facsimile form, the recording, if introduced as evidence in its original form, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of the recording, the Transaction Confirmation, or the Imaged Agreement on the basis that such were not originated or maintained in documentary form. However, nothing herein shall be construed as a waiver of any other objection to the admissibility of such evidence.

DISCLAIMER: The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. **NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.**

TRANSACTION CONFIRMATION

EXHIBIT A
FOR IMMEDIATE DELIVERY

Date: _____, _____
Transaction Confirmation #: _____

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated _____. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.

SELLER:

King County, through its Department of Natural Resources and Parks – Solid Waste Division

Attn: Lindy Honaker

Phone: 206-263-6739

Fax: _____

Base Contract No. _____

Transporter: _____

Transporter Contract Number: _____

BUYER:

Puget Sound Energy, Inc.

Attn: Mike Ostrowski

Phone: 425-577-4538

Fax: _____

Base Contract No. _____

Transporter: _____

Transporter Contract Number: _____

Contract Price: \$ _____ /MMBtu or _____

Delivery Period: Begin: September 1, 2025 _____ End: October 31, 2035 _____

Performance Obligation and Contract Quantity: (Select One)**Firm (Fixed Quantity):**

_____ MMBtus/day

☐ EFP

☐ Buyer or ☐ Seller

Firm (Variable Quantity):

_____ MMBtus/day Minimum

_____ MMBtus/day Maximum

subject to Section 4.2. at election of

Interruptible:

Up to _____ MMBtus/day

Delivery Point(s): Cedar Hills Meter Station of Northwest Pipeline, Section 28, T-23N, R-6E, King County, Washington

(If a pooling point is used, list a specific geographic and pipeline location):

Special Conditions:

Seller: _____

By: _____

Title: _____

Date: _____

Buyer: _____

By: _____

Title: _____

Date: _____

Base Contract for Sale and Purchase of Natural Gas

Renewable Natural Gas Addendum

This Renewable Natural Gas Addendum ("RNG Addendum") is entered into as of the following date: [REDACTED] (the "Effective Date") by and between Party A and Party B as set forth below, subject to and governed by the Base Contract for Sale and Purchase of Natural Gas indicated in the table below ("Base Contract").

The parties to this RNG Addendum are the following:

PARTY A Puget Sound Energy, Inc.	PARTY NAME	PARTY B King County, through its Department of Natural Resources and Parks -- Solid Waste Division
	BASE CONTRACT NUMBER	
	BASE CONTRACT DATE	

WHEREAS Party A and Party B are parties to the Base Contract; and

WHEREAS the parties desire to set forth the additional terms and conditions related to RNG Transaction Confirmations for the purchase and sale of Renewable Natural Gas ("RNG") whereby one party will be purchasing and receiving the RNG and the other party will be selling and delivering the RNG.

NOW, THEREFORE, in consideration of the premises and agreements set forth hereinafter, the sufficiency of such consideration being acknowledged by the parties, the parties hereby agree as follows:

This RNG Addendum constitutes an addendum to the Base Contract and supplements and amends the Base Contract for RNG transactions. Capitalized terms used in this RNG Addendum which are not herein defined will have the meanings ascribed to them in the Base Contract or, if not defined in the Base Contract or defined differently in an RNG Transaction Confirmation, in the RNG Transaction Confirmation.

For the purchase and sale of RNG under the Contract and an RNG Transaction Confirmation, the parties agree the following Sections shall supersede and apply in lieu of or in addition to, as applicable, the like-numbered Sections of the Base Contract.

- 1.1 These General Terms and Conditions are intended to facilitate purchase and sale transactions of RNG on a Firm or Interruptible basis. "Buyer" refers to the party receiving RNG and "Seller" refers to the party delivering RNG. The entire agreement between the parties shall be the Contract as defined in Section 2.9.
- 1.3 If a sending party's RNG Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via ECS by the Confirm Deadline, unless such receiving party has previously sent an RNG Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party by ECS or in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's RNG Transaction Confirmation; provided, for an RNG Transaction Confirmation using NAESB WGQ Standard No. 6.4.2 RNG dataset sent via ECS, the receiving party shall notify the sending party via ECS of receiving party's acceptance or dispute of the RNG Transaction Confirmation. If there are any material differences between timely sent RNG Transaction Confirmation governing the same transaction, then neither RNG Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the RNG Transaction Confirmation. In the event of a conflict among the terms of (i) a binding RNG Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Special Provisions to the Base Contract, if applicable, (iv) this RNG Addendum, (v) other addendums to the Base Contract executed between the parties, and (vi) the General Terms and Conditions of the Base Contract and the selections of the parties on its cover pages, the terms of the documents shall govern and have priority in the sequence listed in this sentence.
- 2.17 "ECS" shall mean a secure electronic communication exchange of (i) this Contract, (ii) RNG Transaction Confirmations, or (iii) invoices under Section 7. ECS may be performed using: (a) encryption of the exchanged document, (b) encryption of the exchanged communication, (c) secured through a secure login via NAESB WGQ EBB/EDM, (d) a facsimile sent through a secured fax server, or (e) an e-mail sent through a secured e-mail server. ECS may be implemented by the parties or by using one or more third-party service providers. It is the responsibility of each of the counterparties to ensure the selected third-party service provider(s) communicates in a secure or encrypted manner.
- 2.20 "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. Except as otherwise provided in an RNG Transaction Confirmation, "Gas" refers to the physical gas component of RNG independent of the associated Environmental Attributes. In addition, under an RNG Transaction Confirmation, references to "Gas" under Section 3.2 to calculate the payment due also means "RNG" that complies with the Applicable Program.

- 2.27 “Payment Date” shall mean a date, as indicated on the Base Contract, on or before which payment is due.
- 2.36 “Applicable Program” shall mean the regulatory program or voluntary program agreed to between the parties specified in an RNG Transaction Confirmation.
- 2.37 “Applicable Law” means any foreign, federal, state, tribal or local law, statute, regulation, code, ordinance, license, permit, compliance requirement, decision, order, writ, injunction, directive, judgment, policy, decree, including any judicial or administrative interpretations thereof, or any agreement, concession or arrangement with any governmental authority, applicable to either party, their facilities, this RNG Addendum, or either party’s performance under an RNG Transaction Confirmation, and any amendments or modifications to the foregoing.
- 2.38 “Attestation” shall mean the Attestation and Transfer Certificate as agreed to by the parties separate and apart from the RNG Transaction Confirmation. The RNG Exhibit B attached to this RNG Addendum is an example.
- 2.39 “Biogas” shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state produced by non-fossilized and biodegradable organic waste.
- 2.40 “Certification” shall mean, if applicable, the certification by a Certification Authority of the RNG under an Applicable Program.
- 2.41 “Certification Authority” shall mean an entity that certifies the eligibility of RNG under an Applicable Program, which may include, as applicable, a governmental authority, one or both of the parties, an independent auditor, or other third-party.
- 2.42 “Certification Identifier” shall mean a unique identifier for a certain volume of RNG or a Facility assigned by a Certification Authority specified in an RNG Transaction Confirmation.
- 2.43 “Delivery”, “Deliver”, or “Delivered” shall mean Seller’s delivery of RNG to Buyer as specified in the RNG Transaction Confirmation.
- 2.44 “Disqualified RNG” shall mean Gas that was Delivered as RNG but subsequently becomes disqualified as RNG or ineligible to generate the intended RNG Credits because it does not comply with the requirements of the Applicable Program.
- 2.45 “Environmental Attribute(s)” shall mean the aspects, elements, and benefits that determine the type and extent of impact to the environment, and that are associated with, and attributable to the Gas. Further, Environmental Attributes include the aspects, elements, and benefits attributable to, created by, or caused by: (i) distinguishing RNG from geological natural gas; (ii) the capture or avoidance of GHG emissions; (iii) the capture or avoidance of emissions of pollutants to air, soil, or water; (iv) the character of the feedstock source of the Gas, including whether it is renewable, sustainable, cellulosic, advanced, biogenic, biomass-based and/or waste-derived; (v) the displacement of another fuel or energy source by RNG; and (vi) any attributes which are a necessary prerequisite to the creation of RNG certificates, RNG Credits, offsets or allowances specified in the RNG Transaction Confirmation. Environmental Attributes do not include: (i) tax credits; (ii) any Environmental Attributes specified as excluded in an RNG Transaction Confirmation; (iii) grants, loans, or subsidies; or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.
- 2.46 “Facility” shall mean the place, buildings, equipment, and technology specified in the RNG Transaction Confirmation that captures Biogas and cleans and conditions such Biogas into RNG.
- 2.47 “GIS” shall mean generation information system, generation attribute tracking system, or other equivalent system for registering, reporting, credit banking, transfer, and retirement of Environmental Attributes as specified in an RNG Transaction Confirmation.
- 2.48 “GIS Account” shall mean a party’s company account in the GIS system as specified in an RNG Transaction Confirmation.
- 2.49 “Program Administrator” shall mean the entity responsible for oversight of the Applicable Program.
- 2.50 “Regulatorily Continuing” means if the parties specify Regulatorily Continuing in the RNG Transaction Confirmation, then unless a Regulatory Event or Regulatory Cessation has occurred, the Seller has the obligation to ensure that the RNG delivered under an RNG Transaction Confirmation complies with the requirements of Applicable Program during the Delivery Period, including, if necessary, providing replacement RNG. If the parties do not specify Regulatorily Continuing in the RNG Transaction Confirmation, then, unless otherwise provided in the Contract, the Seller is obligated to Deliver and the Buyer is obligated to receive any RNG during the Delivery Period that complied with the requirements of Applicable Program as of the Effective Date of the RNG Transaction Confirmation.
- 2.51 “Regulatory Cessation” means a change under the Applicable Program where the regulatory obligation related to RNG or RNG Credits generated from the RNG under the Applicable Program is repealed, stayed, enjoined, or ended, and performance under the RNG Transaction Confirmation is impossible, and such change under the Applicable Program continues for at least 30 Business Days.
- 2.52 “Regulatory Event” is defined in Section 15.2.
- 2.53 “Renewable Natural Gas” or “RNG” shall mean bundled Gas and Environmental Attributes that is: (i) derived from Biogas; (ii) measured in MMBtu; and (iii) meets the applicable pressure, quality and heat content requirements of the Receiving Transporter. RNG includes all Environmental Attributes unless otherwise excluded in an RNG Transaction Confirmation.
- 2.54 “Reporting Party” shall mean the party specified in the RNG Transaction Confirmation.
- 2.55 “RNG Credit(s)” shall mean a credit, number or certificate generated from, attributable to, or representing RNG under an Applicable Program, including without limitation: RIN; Q-RIN; LCFS; RTC; or other equivalent regulatory or voluntary credits.
- 2.56 “RNG Transaction Confirmation” shall mean a document evidencing the terms of a specific transaction between the parties similar to the form of RNG Exhibit A attached to this RNG Addendum.

- 2.57 “Vehicle Fuel Producer” shall mean an entity converting RNG into and dispensing RNG as fuel for transportation vehicles as defined by the Applicable Program.
- 7.6.1 A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract and for compliance with the Applicable Program. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to by ECS or in writing, with adequate explanation and/or documentation, within two years after the Month of RNG delivery, or such later date required for compliance with an Applicable Program. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.
- 15.2 If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction or regulatory agency or deemed unlawful because of a statutory change (individually or collectively, such events being referred to herein as a “Regulatory Event”), such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.
- 15.13 Notwithstanding Section 15.5, if the Applicable Program is a regulatory program, the interpretation of the Applicable Program shall be governed by, subject to, and construed in all aspects in accordance with the substantive laws of the state, province or federal body that promulgated the Applicable Program.

Section 16. Renewable Natural Gas Additional Terms and Conditions

In addition to the terms and conditions set forth in the Base Contract, the following terms and conditions will govern the purchase and sale of RNG.

16.1 Specific Terms for a Purchase and Sale Transaction

16.1.1 Environmental Attributes Associated with RNG. For all RNG sold and purchased under an RNG Transaction Confirmation, Seller represents and warrants that: (i) the Environmental Attributes delivered to Buyer hereunder are from the Facility, if a Facility is specified in the RNG Transaction Confirmation; (ii) Seller has the rights to all Environmental Attributes associated with the RNG, unless specifically stated otherwise in the RNG Transaction Confirmation; (iii) upon sale of the RNG by Seller to Buyer, Seller shall transfer the Environmental Attributes associated with the RNG as provided in the applicable RNG Transaction Confirmation; (iv) the RNG shall be delivered to Buyer in accordance with the requirements of the Applicable Program; (v) following transfer to Buyer, Buyer shall have the exclusive right to report, retire, make ownership claims, hold, sell or transfer such Environmental Attributes, which may be evidenced by, or may be components of, or a precondition to create, RNG certificates, RNG Credits, offsets or allowances; and (vi) as of the Effective Date of the RNG Transaction Confirmation, Seller has not, and will not, sell, trade, remarket, give away, make ownership claims with respect to, or otherwise sell separately the Environmental Attributes transferred to Buyer.

16.1.2 Disqualified RNG. Either party will provide Notice to the other party if such party determines any RNG delivered under an RNG Transaction Confirmation is Disqualified RNG, including sufficient evidence supporting such determination. The parties agree to utilize commercially reasonable efforts to resolve the adverse impact of the disqualification under the RNG Transaction Confirmation.

16.1.3 Registration. The Reporting Party as specified in the RNG Transaction Confirmation shall submit to the Program Administrator, or other entity, as required under an Applicable Program and within 30 Days following the last day of the Month in which RNG subject to the RNG Transaction Confirmation is Delivered, any and all documentation required by the Applicable Program with respect to eligibility of the RNG, or any RNG Credits, or certificates generated therefrom following receipt of any information required for such registration in a GIS, as applicable. Within 60 Days of such registration, the Reporting Party will transfer the RNG Credits to Buyer. The party responsible to pay for the initial costs associated with registration under the Applicable Program(s) is the Reporting Party unless otherwise specified in the RNG Transaction Confirmation. Seller and Buyer agree to cooperate to provide all necessary information required to complete registration. The party responsible for any ongoing reporting and costs associated with registration under the Applicable Program is the Reporting Party unless otherwise specified in the RNG Transaction Confirmation.

16.1.4 Further Assurances. Each party will provide the other party such cooperation, additional documentation, certifications or other information as may be reasonably necessary to carry out the purposes of this RNG Addendum and the RNG Transaction Confirmations thereunder (including pursuant to any audit of this RNG Addendum and/or the RNG Transaction Confirmation by a third-party) and in order for all rights to vest in the Buyer for the conveyed Environmental Attributes associated with the purchase and sale of the RNG.

16.2 Responsibilities Related to Vehicle Fuel Producers

16.2.1 If the parties agree as specified in an RNG Transaction Confirmation that this section applies and Buyer specifies RNG will be used for vehicle fuel, then the parties agree Buyer will receive the Environmental Attributes from Seller bundled with Gas deemed to have been delivered by Seller and received by Buyer at the Contract Price. Additionally, the Parties agree Buyer will be deemed to have delivered to Seller, an equivalent quantity of Gas at the Buyer's delivery point specified in the RNG

Transaction under this section and pursuant to same terms and conditions applicable to the Gas and Environmental Attributes delivered by Seller. Buyer shall retain the Environmental Attributes to be sourced to its use of Gas as vehicle fuel as specified in the RNG Transaction Confirmation (collectively the "Gas-Sale Protocol").

16.2.2 In the event Buyer's obligation to purchase RNG from Seller, or Seller's obligation to sell RNG to Buyer, is contingent upon Buyer obtaining and maintaining a RNG supply agreement with a Vehicle Fuel Producer, as specified in the RNG Transaction Confirmation, and Buyer does not meet or maintain the Vehicle Fuel Producer requirement, then: (i) Buyer shall take commercially reasonable steps to store pursuant to Section 17.1 all delivered RNG under the RNG Transaction Confirmation; and (ii) in the event Buyer is unable to secure dispensing capacity for the RNG with a Vehicle Fuel Producer within 60 Days, then Seller may request in writing that Buyer transfer such RNG back to Seller and Buyer agrees to effect such transfer in accordance with the Applicable Program, as soon as practicable, following receipt of such request and shall continue to store the RNG prior to such transfer.

16.3 RNG Delivery Conditions

16.3.1 If an Attestation is either specified in the RNG Transaction Confirmation or required under an Applicable Program, Seller shall promptly provide to Buyer a completed Attestation.

16.3.2 If prepayment is elected in the RNG Transaction Confirmation, Buyer's payment for any RNG or part thereof to be Delivered pursuant to the terms of an RNG Transaction Confirmation will be due in immediately available funds from Buyer prior to Delivery, and Seller shall not be required to make Delivery of RNG to Buyer until Seller is in receipt of the total payment under the relevant RNG Transaction Confirmation. Within one Business Day of receipt of the Buyer's payment for any RNG, Seller shall Deliver the RNG to Buyer under the relevant RNG Transaction Confirmation.

Section 17. RNG Additional Miscellaneous Terms and Conditions

In addition to the terms and conditions set forth in the Base Contract, the following terms and conditions will govern the purchase and sale of RNG.

17.1 Storage of RNG. The cost of any storage of RNG following Delivery shall be allocated between the Parties in accordance with the selections specified in the RNG Transaction Confirmation.

17.2 The parties may specify in an RNG Transaction Confirmation whether Regulatorily Continuing applies. In addition, the parties may specify in an RNG Transaction Confirmation how damages are determined if the RNG Transaction Confirmation is terminated pursuant to Section 17.3 when either a Regulatory Event or Regulatory Cessation occurs.

17.3 If a Regulatory Event or a Regulatory Cessation occurs, the parties agree to use commercially reasonable efforts to reform the affected RNG Transaction Confirmation in order to give effect to the original intent of the parties. The affected party may send a Notice to the other party that it desires in good faith to reform the affected RNG Transaction Confirmation in order to address the material adverse impacts of the Regulatory Event or Regulatory Cessation; provided however, that, a change in the market value of the RNG after the Effective Date of an RNG Transaction Confirmation shall not by itself constitute a material adverse impact. Such Notice shall state how the Regulatory Event or Regulatory Cessation impacts the affected RNG Transaction Confirmation and the proposed terms upon which the affected party would like to continue to perform the affected RNG Transaction Confirmation with respect to any RNG not yet delivered after the non-affected party's receipt of Notice. If the parties fail to renegotiate the material terms or conditions within 30 Days of the Notice either party shall have the right by Notice to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as the date for termination of the affected RNG Transaction Confirmation. Notwithstanding the foregoing, if the impact of the Regulatory Event or Regulatory Cessation is one that can be overcome with increased expenditures and the non-affected party is willing to incur those costs to the reasonable satisfaction of the affected party, acting in a commercially reasonable manner, then the parties shall continue to perform under the terms of the RNG Transaction. To the extent the affected RNG Transaction Confirmation is terminated, the parties shall select either Alternative A or Alternative B in an RNG Transaction Confirmation the manner in which damages will be determined as specified in the RNG Transaction Confirmation.

17.3.1 Alternative A: On the termination date for the applicable RNG Transaction Confirmation (i) if there is one affected party, damages shall be determined in accordance with Sections 10.2 and 10.3 of the Contract, except that references to the Defaulting Party and to the Non-Defaulting Party will be deemed references to the affected party and to the non-affected party, respectively, or (ii) if there are two affected parties, each party shall determine damages in accordance with Section 10.3 of the Contract with the Market Value being the arithmetic average of the amounts so determined. The Market Value for each terminated transaction shall be determined by using the mid-market quotations or values for RNG without regard to the creditworthiness of the party performing the calculations.

17.3.2 Alternative B: On the termination date for the Affected Transactions, damages will be determined in accordance with Section 10.3.1, Early Termination Damages Do Not Apply.

IN WITNESS WHEREOF, and with the intent to be legally binding, the parties hereto have caused this RNG Addendum to be executed in duplicate by their duly authorized officers or representatives as of the Effective Date.

PARTY A Puget Sound Energy, Inc.	PARTY NAME	PARTY B King County, through its Department of Natural Resources and Parks -- Solid Waste Division
SIGNATURE		
By:_____	SIGNATURE	By:_____
	PRINTED NAME	
	TITLE	



RENEWABLE NATURAL GAS TRANSACTION CONFIRMATION (RNG Transaction Confirmation)

RNG EXHIBIT A

FOR IMMEDIATE DELIVERY **REPLACE WITH REVISED TRANSACTION CONFIRMATION**

Letterhead/Logo	Date: _____ (the "Effective Date") RNG Transaction Confirmation#: _____ Base Contract # _____
This RNG Transaction Confirmation is subject to and governed by the Base Contract for Sale and Purchase of Natural Gas dated _____ [DATE] between [COUNTERPARTY] ("Party A"), and [COUNTERPARTY] ("Party B"). The terms of this RNG Transaction Confirmation are binding unless disputed by ECS or in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract. This RNG Transaction Confirmation is also subject to an RNG Addendum dated _____. The terms of this RNG Transaction Confirmation are binding. Capitalized terms not otherwise defined in this RNG Transaction Confirmation shall have the meaning given in the Base Contract or the RNG Addendum.	
SELLER: [Party A or Party B] _____ _____ Attn: _____ Phone: _____ Email: _____	BUYER: [Party A or Party B] _____ _____ Attn: _____ Phone: _____ Email: _____
Contract Price: The Contract Price shall be: (select one) ☐ Fixed at: _____ per MMBtu for RNG Delivered ☐ Percentage at: _____ % of ☐ NET or ☐ GROSS (default) of Gas Commodity Revenue; AND Percentage at: _____ % of ☐ NET or ☐ GROSS (default) RNG Credit Revenue; NET- equals GROSS less direct expenses (for example, transport costs, dispensing fee, storage for shaped flows). ☐ Mixed, with a base Price at: _____ per MMBtu for RNG Delivered, AND Percentage at: _____ % of ☐ NET or ☐ GROSS (default) of Gas Commodity Revenue; AND Percentage at _____ % of ☐ NET or ☐ GROSS (default) RNG Credit Revenue; NET- equals GROSS less direct expenses (for example, transport costs, dispensing fee, storage for shaped flows). or ☐ Other: _____.	
Delivery Period: The Delivery Period shall be: (select one) ☐ Begin: _____ ("Start Date"), and End: _____ ("End Date"), or ☐ Beginning on the first Business Day following the date upon which the Facility is delivering RNG at the Delivery Point (the applicable date or the "Commencement Date") and continue through and until _____ ("End Date") unless earlier terminated in accordance with the Base Contract. The parties anticipate that the Facility's Commencement Date will be _____. Seller shall provide Buyer with at least 60 Days prior Notice of the anticipated firm Commencement Date. If the Facility's Commencement Date has not occurred by _____, then Buyer may terminate this RNG Transaction Confirmation upon Notice to the Seller.	

Section 3. Performance Obligation and Contract Quantity: Seller shall sell and Buyer shall purchase the Contract Quantity on the following basis: (Select Contract Quantity Units, insert Contract Quantity under applicable Performance Obligation, and complete Sections 16.2.1, 16.2.2, and prepayment under Section 16.3.2.)

Contract Quantity Units: ☐ MMBtu (default) or ☐ Other _____

Firm (Fixed Quantity):

_____ MMBtu/day

Firm (Variable Quantity):

_____ MMBtu/day Minimum

_____ MMBtu/day Maximum

subject to Section 4.2 at election of

☐ Buyer or ☐ Seller (default)

Interruptible:

Up to _____ MMBtu/day

Contract Quantity Conditions

The Contract Quantity shall be subject to the following conditions: (Select One) Yes ☐ No ☐ (default)

If yes, (Check all that apply) (Complete with a specific quantity, percentage, and/or priority, if applicable)

☐ _____ of RNG

☐ Only Environmental Attributes corresponding to _____ of RNG

☐ _____ of RNG Credits

or

☐ Other: _____

Section 16.2.1 Gas-Sale Protocol

Buyer and Seller agree to the Gas-Sale Protocol set forth in Section 16.2.1 related to Buyer's third-party transaction with a Vehicle Fuel Producer: ☐ Yes ☐ No (default)

If yes, Buyer's delivery point to Seller shall be: _____

(If a pooling point is used, list a specific geographic and transporter location)

Section 16.2.2 Vehicle Fuel Obligation

Buyer's obligation to purchase RNG from Seller is contingent upon Buyer obtaining and maintaining a supply agreement with a Vehicle Fuel Producer: ☐ Yes ☐ No (default)

Seller's obligation to sell RNG to Buyer is contingent upon Buyer obtaining and maintaining a supply agreement with a Vehicle Fuel Producer: ☐ Yes ☐ No (default)

If yes under either selection above, Buyer to provide Seller with applicable information. (See Special Conditions below if any).

Sections 16.3.2

Seller's obligation to deliver RNG to Buyer is contingent upon Buyer's prepayment

☐ Yes

☐ No (default)

If yes, see Special Conditions below.

Delivery Point(s): The Delivery Point shall be _____, Meter # _____.

(If a pooling point is used, list a specific geographic and transporter location)

Applicable Program: The Applicable Program for RNG sold by Seller and purchased by Buyer shall be governed by the following entity: (select at least one)

- ☐ US EPA Renewable Fuel Standard
- ☐ Low Carbon or Clean Fuel Standard – State: _____ (insert State or Governing Jurisdiction)
- ☐ Renewable Thermal Credit - _____ (insert State or Governing Jurisdiction)
- or
- ☐ Other: _____

Program Administrator (Complete this section if not identified in the Applicable Program):

Name: _____

Mailing Address: _____

Email Address: _____

Phone Number: _____

Sections 17.2 and 17.3 Regulatory Conditions: Under the Applicable Program, the parties agree the following regulatory conditions apply:

- 17.2 Regulatorily Continuing ☐ Yes (default) ☐ No
- 17.3 Manner of determination of damages for Regulatory Event or Regulatory Cessation: (Select the alternative to apply under Section 17.3)
- ☐ Section 17.3.1 Alternative A (default)
- ☐ Section 17.3.2 Alternative B

RNG and Environmental Attributes: The RNG sold by Seller and purchased by Buyer shall include all Environmental Attributes unless otherwise excluded: (select and identify all that apply)

- ☐ RNG with all Environmental Attributes (default),
- ☐ List of Environmental Attributes excluded from RNG,
- ☐ _____
- ☐ _____
- ☐ _____
- ☐ _____

or

☐ Other: _____

Facility Information: The Performance Obligation for the Contract Quantity shall be fulfilled from the following facilities:

- ☐ Yes (default) or ☐ No

If yes, complete the following information for each facility:

Facility Name: _____

Address: _____, or Latitude/Longitude: _____

City: _____

County or Parish: _____

State or Province: _____

Country: _____

Anticipated Commencement Date: _____

Generation Information System: The GIS of the Applicable Program:-(select parties' mutually agreed GIS and insert GIS name)

☐ GIS: _____

☐ Attestation: _____

or

☐ Other: _____

Section 16.1.3 Reporting Party

☐ Seller (default)

☐ Buyer

Section 16.1.3 Registration

Party responsible for percentage of initial registration costs and fees

Buyer Percentage at _____%

Seller Percentage at _____%

Party responsible for percentage of ongoing registration costs and fees

Buyer Percentage at _____%

Seller Percentage at _____%

Section 17.1 – Storage of RNG. If RNG is stored by Buyer after Delivery by Seller, the cost of such storage will be allocated as follows: (Select one alternative under 17.1.1 and one alternative under 17.1.2 below)

17.1.1 If RNG is stored by Buyer prior to the RNG becoming eligible to generate RNG Credits under any Applicable Program:

☐ Buyer percentage at: _____%

☐ Seller percentage at: _____%

☐ Other (please specify): _____

☐ Not Applicable (default)

17.1.2 If RNG is stored by Buyer for any other reason than specified in Section 17.1.1 above:

☐ Buyer percentage at: _____%

☐ Seller percentage at: _____%

☐ Other (please specify): _____

☐ Not Applicable (default)

Carbon Intensity: The RNG delivered by Seller hereunder has expected carbon intensity of _____ gCO_{2e}/MJ ("Baseline CI"). The parties agree to negotiate in good faith an adjustment to the Contract Price if the actual carbon intensity is either 10% higher or 10% lower than the Baseline CI. In the event the parties fail to agree on an adjustment to the Contract Price within 5 Business Days, the RNG will be Disqualified RNG under Section 16.1.2.

Special Conditions:

☐ Yes or

☐ No (default)

If yes, insert terms and conditions agreed to by the parties.

Seller: _____

By: _____

Title: _____

Date: _____

Buyer: _____

By: _____

Title: _____

Date: _____

RNG Exhibit B

RENEWABLE NATURAL GAS ATTESTATION AND TRANSFER CERTIFICATE

I, _____, as the authorized representative of _____ (Seller) declare that Seller hereby sells, transfers and delivers to Buyer RNG produced from the Facility as identified below, as more specifically described in the RNG Transaction Confirmation No. _____, and dated _____, between Buyer and Seller, and:

1. RNG was generated by the following Facility and sold, subject to receipt of payment, to Buyer;
2. RNG was certified (or are capable of Certification) by the following Certification Authority, if applicable;
3. RNG was solely and exclusively owned by Seller;
4. RNG has not been used by Seller or any third-party to meet any Applicable Program obligations or similar mandates;
5. RNG was not sold to any third-party other than Buyer;
6. RNG was not used on-site for generation by the facility owner to make environmental claims; and
7. RNG does not constitute a double environmental claim between Seller and Buyer by Seller transferring, selling to, or an environmental attribute ownership or rights claim by, any third-party.

Description of RNG

Facility Name	Delivery Period	Quantity	RNG source	Facility Identifier, if any	Certification Authority, if applicable	Certification Identifier, if applicable

As an authorized representative of Seller, I state that the above statements are true and correct. This attestation may serve as a bill of sale to confirm, in accordance with the RNG Transaction Confirmation, the transfer from Seller to Buyer all of Seller's right, title and interest in and to the RNG as set forth above.

Signature: _____
Printed Name: _____

Date: _____
[notarize if required]

This attestation may be disclosed by Seller and Buyer to others, including the Certification Authority, Applicable Program administrator or any other authority having jurisdiction over Buyer with respect to Buyer's obligation to obtain RNG, to substantiate and verify the accuracy of the parties' compliance, advertising and public environmental attributes claim.

RENEWABLE NATURAL GAS TRANSACTION CONFIRMATION
(RNG Transaction Confirmation)



Date: [] (the "Effective Date")

RNG Transaction Confirmation#: _____

Base Contract # _____

This RNG Transaction Confirmation is subject to and governed by the Base Contract for Sale and Purchase of Natural Gas between King County, Washington ("**Seller**"), and Puget Sound Energy Inc. ("**Buyer**"), including all addendums thereto. The terms of this RNG Transaction Confirmation are binding unless disputed by in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract. The terms of this RNG Transaction Confirmation are binding. Capitalized terms not otherwise defined in this RNG Transaction Confirmation shall have the meaning given in the Base Contract or the RNG Addendum.

SELLER:

King County, through its Department of Natural Resources and Parks – Solid Waste Division

Attn: Lindy Honaker

Email: lhonaker@kingcounty.gov

BUYER:

Puget Sound Energy Inc.

Attn: Mike Ostrowski

Email: Mike.Ostrowski@pse.com

Contract Price: The Contract Price shall be: (select one)

☒ Fixed at: \$ _____ per MMBtu for the Environmental Attributes of RNG Delivered, escalated by % starting on 11/1/2026 and an additional % each 12 months thereafter,

☐ Percentage at: _____ % of ☐ NET or ☐ GROSS (default) of Gas Commodity Revenue; **AND**

Percentage at: _____ % of ☐ NET or ☐ GROSS (default) RNG Credit Revenue;

NET- equals GROSS less direct expenses (for example, transport costs, dispensing fee, storage for shaped flows).

☐ Mixed, with a base Price at: _____ per MMBtu for RNG Delivered, **AND**

Percentage at: _____ % of ☐ NET or ☐ GROSS (default) of Gas Commodity Revenue; **AND**

Percentage at _____ % of ☐ NET or ☐ GROSS (default) RNG Credit Revenue;

NET- equals GROSS less direct expenses (for example, transport costs, dispensing fee, storage for shaped flows).

Or

☐ Other: _____.

Delivery Period:

The Parties' obligations with respect to the purchase and sale of Environmental Attributes under this Transaction Confirmation shall commence on September 1, 2025 and shall continue thereafter until October 31, 2035 (such cumulative period being the "**Delivery Period**").

Section 3. Performance Obligation and Contract Quantity: Seller shall sell and Buyer shall purchase, subject to the Facility's ability to produce such volumes, the Environmental Attributes for the following estimated volumes of Biogas that Seller produces at the Facility (the "Contract Quantity"). Estimated annual volumes are as follows:

Term Period	Volumes (MMBTU)
9/1/2025 thru 10/31/2025	
11/1/2025 thru 10/31/2026	
11/1/2026 thru 10/31/2027	
11/1/2027 thru 10/31/2028	
11/1/2028 thru 10/31/2035	per 12-month period

Notwithstanding anything in this RNG Transaction Confirmation, the Seller retains the rights to any and all 45Z Federal Tax Credit (Clean Fuel Production Credit) for all Biogas produced at the Facility, including the above estimated Contract Quantity volumes.

Notwithstanding anything in this RNG Transaction Confirmation, Seller also retains the right, during the term of this RNG Transaction Confirmation, to all the Environmental Attributes for all Biogas produced at the Facility, in excess of the above estimated Contract Quantity.

Starting on 11/1/2025, on a monthly basis, Seller will Deliver to Buyer % of the Environmental Attributes for the actual volume of Biogas produced that month, up to and until the above estimated Contract Quantity volumes for the relevant Term Period are met, by transferring RNG Credits and all other Environmental Attributes to Buyer pursuant to Section 16.1.3 of the RNG Addendum, unless Buyer and Seller separately agree otherwise. Nothing in the foregoing sentence releases Seller from its obligation to Deliver the entire Contract Quantity within each Term Period identified above.

The Buyer and Seller may, by mutual agreement through recording an updated binding RNG Transaction Confirmation, increase the volume for the period 11/1/2028 thru 10/31/2035 up to MMBtu per 12-Month period. Such updated RNG Transaction Confirmation will specify when Delivery of such increased volumes will take effect. The Buyer and Seller will attempt in good faith to record this updated RNG Transaction Confirmation by 01/01/2028.

Section 16.2.1 Gas-Sale Protocol

Buyer and Seller agree to the Gas-Sale Protocol set forth in Section 16.2.1 related to Buyer's third-party transaction with a Vehicle Fuel Producer: ☐ Yes ☒ No (default)

If yes, Buyer's delivery point to Seller shall be: _____

(If a pooling point is used, list a specific geographic and transporter location)

Section 16.2.2 Vehicle Fuel Obligation

Buyer's obligation to purchase RNG from Seller is contingent upon Buyer obtaining and maintaining a supply agreement with a Vehicle Fuel Producer: ☐ Yes ☒ No (default)

Seller's obligation to sell RNG to Buyer is contingent upon Buyer obtaining and maintaining a supply agreement with a Vehicle Fuel Producer: ☐ Yes ☒ No (default)

If yes under either selection above, Buyer to provide Seller with applicable information. (See Special Conditions below if any).

Sections 16.3.2

Seller's obligation to deliver RNG to Buyer is contingent upon Buyer's prepayment

☐ Yes

☒ No (default)

If yes, see Special Conditions below.

Delivery Point(s): The Delivery Point shall be:

Cedar Hills Meter Station of Northwest Pipeline

Section 28, T-23N, R-6E

King County, Washington

Applicable Program: The Applicable Program for RNG sold by Seller and purchased by Buyer shall be governed by the following entity: (select at least one)

- ☐ US EPA Renewable Fuel Standard
☐ Low Carbon or Clean Fuel Standard – State: _____ (insert State or Governing Jurisdiction)
☐ Renewable Thermal Credit – [_____] (insert State or Governing Jurisdiction)

or

- ☒ Other M-RETS- Renewable Thermal Certificate, recognized by State of Washington

Program Administrator (Complete this section if not identified in the Applicable Program):

Name: _____

Mailing Address: _____

Email Address: _____

Phone Number: _____

Sections 17.2 and 17.3 Regulatory Conditions: Under the Applicable Program, the parties agree the following regulatory conditions apply:

17.2 Regulatorily Continuing ☒ Yes (default) ☐ No

17.3 Manner of determination of damages for Regulatory Event or Regulatory Cessation: (Select the alternative to apply under Section 17.3)

- ☐ Section 17.3.1 Alternative A (default)
☒ Section 17.3.2 Alternative B

RNG and Environmental Attributes: The RNG sold by Seller and purchased by Buyer shall include all Environmental Attributes unless otherwise excluded: (select and identify all that apply)

- ☒ RNG with all Environmental Attributes (default),
☒ List of Environmental Attributes excluded from RNG,
☒ None _____

- ☐ _____
☐ _____
☐ _____

or

- ☐ Other: _____

Facility Information: The Performance Obligation for the Contract Quantity shall be fulfilled from the following facilities (or such other facility as Seller may designate from time to time):

- ☒ Yes (default) or ☐ No PLUG IN INFO

If yes, complete the following information for each facility:

Facility Name: Cedar Hills Landfill

Location: King County, Washington

Generation Information System: The GIS of the Applicable Program:-(select parties' mutually agreed GIS and insert GIS name)

☐ GIS: _____

☐ Attestation: _____

or

☒ Other: M-RETS _____

Section 16.1.3 Reporting Party

☒ Seller (default)

☐ Buyer

Section 16.1.3 Registration

Party responsible for percentage of initial registration costs and fees

Buyer Percentage at 0%

Seller Percentage at 100%

Party responsible for percentage of ongoing registration costs and fees

Buyer Percentage at 0%

Seller Percentage at 100%

Party responsible for percentage of retirement costs and fees

Buyer Percentage at 100%

Seller Percentage at 0%

Section 17.1 – Storage of RNG. If RNG is stored by Buyer after Delivery by Seller, the cost of such storage will be allocated as follows: (Select one alternative under 17.1.1 and one alternative under 17.1.2 below)

17.1.1 If RNG is stored by Buyer prior to the RNG becoming eligible to generate RNG Credits under any Applicable Program:

☐ Buyer percentage at: _____%

☐ Seller percentage at: _____%

☐ Other (please specify): _____

☒ Not Applicable (default)

17.1.2 If RNG is stored by Buyer for any other reason than specified in Section 17.1.1 above:

☐ Buyer percentage at: _____%

☐ Seller percentage at: _____%

☐ Other (please specify): _____

☒ Not Applicable (default)

Carbon Intensity (CI): Seller shall provide Buyer with the carbon intensity of the Facility within 90 days of first delivery. Seller shall provide Buyer with a copy of any carbon intensity study performed of the Facility during the Delivery Period.

Special Conditions:

☒ Yes or

☐ No (default)

1. Seller shall provide buyer with copies of pipeline volume reports or other documentation used by Seller to provide support to MRETS.

Seller: <u>King County, through its Department of Natural Resources and Parks – Solid Waste Division</u> By: _____ Title: _____ Date: _____	Buyer: <u>Puget Sound Energy Inc.</u> By: _____ Title: _____ Date: _____
---	--

