

RIDER 448
GAS LENDING SERVICE (GLS) RIDER

No. 1 of 3 Sheets

TO WHOM AVAILABLE

This Rider for Lending Service is available to all Zone A and Zone B Customers receiving service under Rider Rates 428 or 438, Firm Distribution Transportation Service (FDTS), Firm Transportation Service (FTS) and suppliers and marketer aggregators utilizing Supplier Aggregation Service (Qualifying Customers), who shall execute a Service Agreement with the Company for service hereunder.

CHARACTER OF SERVICE

Service hereunder shall be available, at the sole discretion of the Company, to any Qualifying Customer, who from time to time, desires to borrow certain quantity of natural gas for a designated period of time, and then repay the borrowed quantity of natural gas to the Company. Lending Service will not be provided for more than thirty (30) consecutive days, unless otherwise agreed to by the Company.

Company shall provide this service to Qualifying Customers on a transaction by transaction basis subject to mutually agreeable terms and conditions. Each transaction hereunder will be individually negotiated by the Qualifying Customer and the Company and set forth in the request to initiate service.

Service under this Rider shall be nominated on a daily basis, as provided in the applicable Lending Service Agreement hereunder, and is subject to interruption by the Company, in its sole discretion, as it deems necessary to meet its contractual and operational obligations.

SERVICE AGREEMENT

As a condition for receiving service hereunder, Qualifying Customer shall be required to execute a Lending Service Agreement, prior to initiating requests for transactions and the commencement of service hereunder.

REQUEST TO INITIATE A TRANSACTION

For each transaction under the lending Service Agreement, Qualifying Customer shall submit a request to initiate a transaction with the Company. Such request will include information required to determine whether Company's available service can accommodate Qualifying Customer's transaction requirements. This information may include, but is not limited to:

- a. The total and daily volume of natural gas Qualifying Customer desires to borrow;
- b. The date Qualifying Customer requests to commence borrowing gas and the dates Qualifying Customer will repay the volume of borrowed gas;
- c. The daily rate at which Qualifying Customer will repay the total borrowed volume of natural gas;

Issue Date:
November 5, 2010

ISSUED PURSUANT TO

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DATE: _____ / _____ / _____
INDIANA UTILITY REGULATORY COMMISSION

Effective Date:
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REQUEST TO INITIATE A TRANSACTION (continued)

- d. The location where the Qualifying Customer desires the borrowed gas to be delivered:
1. Company's City Gate, or
 2. Into the supply basins served by one of the seven (7) interstate pipelines physically connected to Company's transmission system.
- e. The location Qualifying Customer desires to repay the borrowed gas volumes:
1. Company's City Gate, or
 2. Into the supply basins served by one of the seven (7) interstate pipelines physically connected to Company's transmission system.

Based on the information provided by the Qualifying Customer in the request to initiate a transaction hereunder, the Company will, in its sole discretion, determine whether it can provide the requested transaction consistent with its other contractual commitments and its overall operational requirements. Once the request is executed by the Company, its terms and conditions will be incorporated in the Lending Service Agreement, and service will commence hereunder.

Requests for transactions shall be considered on a first-come, first-served basis. In the event that requests for transactions under Lending Service are received simultaneously and exceed available capacity, the requests yielding the greatest economic benefit to the Company as determined by the Company, shall be granted first. As used in this paragraph, "economic benefit" shall be determined, on a net present value basis, based upon: 1) the proposed contract rate to be paid for the GLS service, 2) the proposed term of the GLS service agreement and, 3) the proposed MDQ for the GLS service. In the event the net present value is equal among requests, then available capacity will be allocated on a pro rata basis among requesting Qualifying Customers. Allocation of capacity pursuant to this section shall not change the otherwise applicable curtailment priority of GLS service.

Company shall notify Qualifying Customer whether it can provide the requested Lending Service.

RATE

Upon electing GLS, and a determination by the Company that service to the Qualifying Customer hereunder is available, Qualifying Customer will be billed and obligated to pay the following charges for service, such charges to be stated in the Qualifying Customer's Service Agreement:

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RATE (continued)

Service Charge

\$250.00 per transaction. The Service Charge shall be the minimum amount charged per transaction. The Service Charge shall offset the first \$250.00 of Commodity Charges incurred per transaction under this Rider.

Commodity Charge

The Commodity Charge will be comprised of a Lending Fee and Transportation Fee.

The Lending Fee component is the cost of borrowing the gas from the Company. The Lending Fee shall be determined by multiplying (i) the previous day's NYMEX close adjusted by a mutually agreeable basis differential for the location the Qualifying Customer borrows the gas by (ii) the previous day's Federal Reserve Bulletin prime interest rate as reported in the Wall Street Journal; prorated by the total number of days from the first date that gas is borrowed until the borrowed quantity of natural gas are repaid to the Company. The Lending Fee shall apply to remaining unpaid balances throughout the borrowing period.

The Transportation Fee will be billed to the Qualifying Customer in the event Qualifying Customer repays the gas at a different location(s) than the location(s) where the gas was borrowed provided that the Company agrees, in its sole discretion, to receive the gas at the different location(s). The applicable Transportation Fee shall be mutually agreed upon by the parties at the time of the transaction, and will include reservation, commodity, surcharge and fuel rates of the transportation capacity utilized, whether upstream or on-system, by the Company in implementing the transactions. A negotiated administrative fee will also be applied to all quantity of natural gas transported.

IMBALANCE PENALTIES

In the event that Customer does not repay loaned gas quantity of natural gas pursuant to the time table agreed to in the executed Lending Service Agreement, such "unpaid" quantity of natural gas shall be treated as unauthorized use of gas subject to a charge of \$60.00 per Dth per month multiplied by the quantity of natural gas that remain unpaid.

MINIMUM PAYMENT

The Qualifying Customer's minimum payment per transaction under this Rider shall be the Service Charge.

RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.

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