RIDER TO RATES 311, 315, 316, 317, 321 AND 325
PRICE PROTECTION SERVICE RIDER

TO WHOM AVAILABLE

Service under this Rider shall be available to Customers who are otherwise eligible for service under Rate Schedule 311, 315, 316, 317, 321 and 325 and are eligible for service under the SCDS Rider. Provided, however, in the first year this Rider is made available it shall be available to up to an additional 50,000 residential customers who are not eligible for SCDS. An eligible Customer electing to receive service under this optional Rider shall have the ability to chose either a fixed price or a price cap, as provided in this Rider, which price shall apply to all gas supply commodity delivered under this Rider. The elected price shall apply in lieu of the otherwise applicable gas supply commodity charge included in the base rate schedule under which the Customer takes service (e.g. Rate Schedule 311, 315, 316, 317, 321 or 325).

The initial term of this Rider shall be for a term of two years upon approval of the Commission and shall be available thereafter as extended by the Company in its sole discretion. The number of customers eligible for service under this Rider shall be subject to limitation by the Company, in its sole discretion, based upon operational and administrative considerations that may affect its ability to provide the described service options.

CHARACTER OF SERVICE

A Customer who elects to receive service under this Rider shall receive firm gas sales service. Election to receive service under this Rider shall be made by submitting a Notice of Election in the form attached to this Rate Schedule. Election to receive service under this Rider shall be for a minimum term of one (1) year and a maximum term of two (2) years which term will automatically extend year-to-year unless the Customer notifies the Company at least thirty (30) days prior to the end of the term that it no longer wants service under this Rider or the Rider is terminated by the Company. Each annual automatic extension shall be deemed to be a new service term for purposes of this Rider. Provided, however, during the first year that this Rider is in effect, the term of service for residential customers who are not eligible for SCDS shall be for up to one (1) year as offered by the Company, and shall be

RIDER TO RATES 311, 315, 316, 317, 321 AND 325
PRICE PROTECTION SERVICE RIDER

CHARACTER OF SERVICE (continued)

extended only upon the submission of a new service election form. In the event service under this Rider is terminated for any reason then electing Customers shall automatically return to the base rate schedule under which they are eligible to receive sales service (e.g. Rate Schedule 311, 315, 316, 317, 321 or 325).

GAS COMMODITY PRICE OPTIONS

A Customer electing service under this Rider shall choose one of the following gas commodity pricing options at the time it submits its Notice of Election:

Fixed Price Option

This price option guarantees the electing Customer a fixed price for its gas supply commodity charges for the term of its service. The applicable fixed price for the initial election shall be that price posted by the Company as its "Fixed Price" for the month in which the Customer makes its service election. In the event the service is automatically extended as provided in this Rider, the applicable Fixed Price for each annual extension shall be the price posted by the Company as its Fixed Price in the month prior to the first month of the new service term.

To the extent the Company offers a series of fixed prices which vary based on customer consumption patterns, the electing Customer shall receive the Fixed Price based upon the consumption pattern that best approximates its consumption pattern in the prior twelve months. The "Fixed Price" shall apply throughout the service term.

RIDER TO RATES 311, 315, 316, 317, 321 AND 325
PRICE PROTECTION SERVICE RIDER

GAS COMMODITY PRICE OPTIONS (continued)

Price Cap Option

This price option guarantees the electing Customer a "not-to-exceed" price ("Price Cap") which price sets the maximum price that the Customer will be charged for gas supply commodity charges for the term of its service. The applicable Price Cap shall be that price posted by the Company as its "Price Cap" for the month in which the Customer makes its service election. In the event the service is automatically extended as provided in this Rider, the applicable Price Cap for each annual extension shall be the price posted by the Company as its Price Cap in the month prior to the first month of the new service term.

To the extent the Company offers a series of price caps which vary based upon customer consumption patterns, the electing Customer shall receive the Price Cap based on the consumption pattern that best approximates their consumption pattern in the prior twelve months. The Price Cap shall be the maximum price that can be charged for gas supply throughout the service term. However, in those months in which the otherwise applicable commodity cost component of the Gas Supply Cost of the rate schedule under which the Customer receives basic service is less than the Price Cap, the Customer shall be billed for their gas supply commodity charges at the lower commodity cost. In those months in which the otherwise applicable commodity cost component of the Gas Supply Cost is higher than the Price Cap, the Price Cap shall apply.

Monthly gas supply prices set by the Company under this section may include a fixed price component and a commodity price component, as deemed appropriate and reasonable by the Company.

RATE

Commencing with the month in which service begins under this Rider and each month thereafter, Company will bill and the Customer will pay the following charges for its sales service:

RIDER TO RATES 311, 315, 316, 317, 321 AND 325
PRICE PROTECTION SERVICE RIDER

RATE (continued)

Administrative Charge
1.00 cent per therm for all therms used per month.

Delivery Charge
For applicable Rate Schedules other than Rate Schedule 311, the Delivery Charge will be comprised of 1) the rates and charges, including the Gas Cost Adjustment, and adjustments for surcharges to recover take-or-pay costs, transition costs or any similar costs applicable to this Rider, as set forth in the Rate Schedule under which the Customer receives basic service (Rate Schedule 315, 316, 317, 321 or 325); and 2) a credit for the commodity cost component of Gas Supply Cost as stated in Rate Adjustment below.
For Rate Schedule 311, the Delivery Charge shall be comprised of the rate components contained in the Rate section of Rate Schedule 311.

Gas Purchase Charge
Applicable charges for gas volumes delivered under this Rider shall be determined based upon the price option elected by the Customer as provided in this Rider, inclusive of all gas supply costs and brokerage fees. Such gas supply costs may include a fixed price component and a commodity price component, as determined by the Company.

Applicable Fixed Price
or
Applicable Cap Price

Early Termination Fee
In the event a Customer receiving service under this Rider desires to terminate its PPS agreement prior to the end of the established contract term, the Customer shall be billed a termination fee. The termination fee shall be calculated based upon the monthly fixed charges applicable under the PPS agreement times the number of remaining months in the contract. Except that the termination fee will not apply whenever a customer taking service under this Rider who was previously not eligible for SCDS, becomes eligible for SCDS and who elects to take service under SCDS.
In the event a customer has to early terminate a PPS contract due to relocation, these customers will have the option to assign the remaining contract to the new occupant(s) of the premises so long as the new occupant(s) agrees to take assignment of the contract. The new occupants will be subject to normal credit and deposit requirements.

RIDER TO RATES 311, 315, 316, 317, 321 AND 325
PRICE PROTECTION SERVICE RIDER

RATE ADJUSTMENT

The Rider is subject to a Credit for the Commodity Cost of Gas as stated in Appendix A - Sheet. No. 22 and Appendix B - Sheet No. 23 for all customer-owned gas used in the billing period. The Rider is subject to the Gas Efficiency Rider stated in Appendix A.4 - Sheet No. 22.4.

RULES AND REGULATIONS

As a condition of service hereunder, Customer agrees to abide by, and is obligated to comply with, the Company's rate schedules and General Rules and Regulations Applicable to Gas Service, as approved by the IURC from time to time, to the extent that they are not in conflict with or inconsistent with the specific provisions of the Rider.