

MODIFICATION

**State of Maine****Master Agreement****Effective Date:** 12/01/13**Expiration Date:** 12/31/21**Master Agreement Description:** Maine Natural Gas**Buyer Information**Terry Demerchant 207-624-7334 **ext.** TERRY.L.DEMERCHANT@MAINE.GOV**Issuer Information**BAMBI TEFFT 207-624-7341 **ext.** bambi.l.tefft@maine.gov**Requestor Information**Kevin Scheirer 207-624-7349 **ext.** kevin.scheirer@MAINE.GOV**Authorized Departments**

18A ADMINISTRATIVE SERVICES

**Vendor Information****Vendor Line #: 1****Vendor ID**

VC1000057918

**Vendor Name**

MAINE NATURAL GAS

**Alias/DBA****Vendor Address Information**

PO BOX 99

BRUNSWICK, ME 04011

US

**Vendor Contact Information**

JOHN GEORGE

729-0420 **ext.**

## Commodity Information

**Vendor Line #:** 1

**Vendor Name:** MAINE NATURAL GAS

**Commodity Line #:** 1

**Commodity Code:** 40513

**Commodity Description:** NATURAL GAS SERVICE

**Commodity Specifications:** 2015/2016 price is .86/therm

**Commodity Extended Description:** Natural Gas Service as per the agreement attached and made part of this MA

**Quantity**

0.00000

**UOM**

**Unit Price**

\$0.00

**Delivery Days**

**Free on Board**

**Contract Amount**

\$0.00

**Service Start Date**

12/01/13

**Service End Date**

12/31/21

**Catalog Name**

**Discount**

0.0000 %

**Discount Start Date**

**Discount End Date**

## Division of Purchases Competitive Award Authorization Form

**Form Instructions:** This form must accompany contracts being proposed for approval that are the direct result of a competitive RFP or a subsequent renewal that was anticipated in the RFP. If the renewals allowable under the original RFP have been exhausted, another competitive RFP should be conducted.

<b>Contract Administrator:</b>	Bambi Tefft	<b>Office/Division/Program</b>	DAFS/BGS
<b>Agreement Amount: \$</b>	-0- dollars; no funds encumbered	<b>Contract (CT) Number:</b>	MA 131008*0043
<b>Start Date:</b>	12/01/2013	<b>End Date:</b>	12/31/2024
<b>Selected Bidder's Business Name and Address:</b>	Maine Natural Gas;		
<b>Phone:</b>		<b>VC Number:</b>	VC1000057918
<b>Type of Service:</b>	Natural Gas Distribution		

### 1. RFP Number Assigned by Purchases:

**RFP#:** 201307577    ☒ Initial contract.   ☐ First renewal.   ☐ Second renewal.   ☐ Third renewal.  
If this is a first, second, or third renewal after an RFP, you need not complete sections 2, 3, and 4. Simply enter the original RFP number, check the appropriate box, sign and date the form, and send it with the contract.

### 2. Identify Bidders

Maine Natural Gas  
  
Summit Natural Gas of Maine

### 3. Review and Scoring Process.

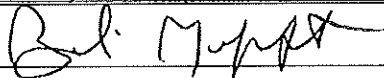
Describe the process that was followed in reviewing and scoring the proposals. A consensus approach is encouraged, but not required. Be sure to retain copies of all scoring documentation, in accordance with your Department's archiving requirements.

Consensus scoring was used.

### 4. Reminder regarding Award Notification Letters.

If you are not already aware, please note that award notification letters must state that the award is conditional, pending SPRC Approval and negotiation of a mutually agreeable contract. The letters must also include a notification of all bidders' right to appeal the decision. Please be sure to use the template on the Division of Purchases' website: [http://www.maine.gov/purchases/files/Sample\\_Award\\_Notification\\_Letter.doc](http://www.maine.gov/purchases/files/Sample_Award_Notification_Letter.doc)

**Signature:**



**Date:**

11-25-13

**SERVICE AGREEMENT  
FOR  
NEGOTIATED NATURAL GAS SERVICE**

This Service Agreement for Natural Gas Service ("Agreement") is made this 25th day of 2013, 2013, by and between MAINE NATURAL GAS CORPORATION ("MNG" or "Company"), a Maine corporation, having offices at 9 Industrial Parkway, Brunswick, ME 04011, and STATE OF MAINE, DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES ("Customer"), with offices for the transaction of business at 111 Sewall Street, Augusta, ME 04333. MNG and Customer are referenced herein each as a "Party" and, collectively, as the "Parties."

**WITNESSETH:**

WHEREAS, Company is authorized by the Maine Public Utilities Commission ("MPUC") to provide natural gas service in Augusta, Maine; and

WHEREAS, Customer desires to utilize natural gas at its facilities at various locations in Augusta, Maine (the "Customer's Facilities"); and

WHEREAS, Customer desires to take certain natural gas services from Company whereby Customer would provide natural gas for delivery to certain Customer's Facilities at the Company's City Gate Delivery Point, which is downstream of the Maritimes & Northeast Pipeline, and Company would transport Customer supplied natural gas to Customer's Facility, and whereby Company would provide full gas service to certain Customer's facilities.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

**A. Conditions Precedent:**

Company's obligations and duties hereunder shall be contingent upon the receipt and continuance of any and all necessary franchises and other rights from the MPUC and any city or municipality and shall be contingent upon the receipt and continuance of any and all other necessary regulatory authorizations, permits, other authorizations, land or other rights of any kind suitable to Company in its reasonable commercial judgment, as may be reasonably required or necessary to enable Company to serve or to continue to serve Customer hereunder. Service hereunder shall also be subject to any currently existing or any new emergency curtailment priorities and shall be subject to the United States Presidential authority to react and to make orders concerning gas disposition in gas crises and emergencies.

This Agreement is subject to all valid existing and future laws, rules, regulations and orders of all governmental authorities (federal, state, and local) having jurisdiction over the Parties hereto or the subject matter hereof.

Customer agrees to provide Company reasonably requested information, access to property, and land rights in a form that is mutually agreeable to both Parties (to the extent Customer holds them) necessary to design, permit, construct, operate, and maintain Company's facilities that (a) are to be located on the Customer's property and (b) are necessary in order to provide Customer with service under this Agreement.

If all conditions precedent are not satisfied or are not waived by Customer or Company, Customer or Company may terminate this Agreement upon thirty (30) days written notice to the other Party, on the basis that the conditions precedent have not been met and will not be waived; provided, however, the Customer and Company agree that they will act in good faith and will use all due diligence in satisfying the conditions precedent.

#### **B. Nature of Obligation:**

Company shall provide, and Customer shall take, natural gas services as set forth in this Agreement only to the extent that all conditions precedent are satisfied or waived by the Company, which waiver shall not be unreasonably withheld. Upon satisfaction or waiver of all conditions precedent, Company shall provide, install, construct, inspect and maintain all Company facilities necessary to provide service to Customer, including the service pipe, metering, regulation, telemetering (at Natural Gas Transportation Only sites), and standard meter house (if necessary) and shall provide service to Customer from the City Gate to Customer's Facility. Customer shall provide a dedicated telephone line for the telemetering equipment and shall maintain such line for Company's benefit at Customer's sole cost. Company shall at its sole cost provide trench, padding material, backfill, and restoration for all natural gas piping on Customer property. Company shall, at its sole cost, obtain all required governmental and regulatory approvals, permits, easements and rights that are required to provide natural gas transportation service to the Customer's Facility.

Upon reasonable notice to Customer, properly authorized representatives of the Company will be entitled to enter the Customer's premises at any time for any reason related to the transportation and utilization of gas under this Agreement. The parties acknowledge that upon an emergency event or for regularly scheduled meter readings, advance notice is not required. Whenever the Company is required to perform any construction, repair, maintenance or installation work on Customer's property, it shall coordinate such work with Customer to minimize any disruption to Customer's activities. In addition, the Company shall indemnify, defend and hold harmless Customer from all claims, demands, losses, or damages, including reasonable attorneys' fees, asserted against Customer resulting from the Company's work on Customer's property, unless such claims are the result of Customer's actions.

Customer is responsible for locating any Customer-owned underground facilities (e.g., steam piping, non-utility telecommunications facilities, etc.) that are within the mutually agreed upon service route and Company will provide commercially reasonable assistance to Customer to locate such Customer-owned underground facilities. Company's installation, location and maintenance of its facilities shall comply with all federal, state and local laws, rules and regulations.

Customer will maintain its facilities and conduct its operations in a manner that does not threaten the safety or integrity of Company's system or Company's ability to deliver natural gas on its system. Customer agrees to promptly notify Company of any change to its facilities or operations that could threaten the safety of or adversely affect Company's operations or its system.

#### **C. Natural Gas Services:**

During the term of this Agreement, Company will make the Natural Gas Services listed in Exhibits A and B available to Customer. Exhibits A and B are incorporated in its entirety into this Agreement by this reference. Notwithstanding the other provisions hereof, Company shall not be obligated to provide natural gas services hereunder to Customer other than as set forth in this Agreement and in Exhibits A and B.

**D. Term and Contract Effective Date:**

The Term and Contract Effective Date of this Agreement shall be as set forth in Exhibit A.

Notwithstanding any other provision of this Agreement, Company agrees to provide natural gas transportation service to the AMHI Power House, the Cross Office Building, Riverview and DHHS ("Priority Facilities") on or before November 1, 2013, or the date by which the Customer is capable of using natural gas at these facilities, whichever date is later ("Priority Delivery Date").

If Company is not able to deliver natural gas to the Priority Facilities on or before the Priority Delivery Date, due to reasons other than Force Majeure or failure of either party to satisfy Conditions Precedent set forth in Section A above, the Company will reimburse Customer for the difference between Customer's heating oil or propane cost and Company's delivered natural gas cost until gas is delivered.

For purposes of this calculation, the Company's delivered natural gas price per MMBTU will be the sum of the delivery component and the commodity component which will be the Company's monthly Index Price Option as approved by the MPUC. Since oil and propane use is not metered as is natural gas, the volume (Btu's) of energy consumed by Customer, if natural gas is not available, will be based on annual usage provided by Customer proportioned to months based on monthly heating degree days. The price for heating oil or propane will be Customer's documented heating oil or propane price for the period.

**E. Price:**

The total price for the Natural Gas Transportation Service provided hereunder shall be as set forth in Exhibit B.

**F. Delivery Points and Character of Service:**

The Delivery Points and Character of Service (firm/interruptible) shall be as set forth in Exhibits A and B.

**G. Gas Supply: Natural Gas Transportation Only Facilities**

Customer shall enter into agreements for the purchase and delivery of natural gas to the Company's City Gate Delivery Point as set forth in Exhibit A, and shall give the Company written notice of such agreements and of any modification made after execution of this Agreement. Such modification shall not obligate the Company to consent to the modification of this Agreement, but such consent shall not be unreasonably withheld.

Customer shall be required to pay for all quantities transported pursuant to this Agreement.

Customer further understands and agrees that Company shall have no obligation to transport

natural gas to Customer in the event Customer fails to make natural gas supplies available to Company for delivery by Company to the Customer's Facility.

Nominations, Scheduling, and Balancing for distribution transportation are the responsibility of Customer or Customer's Designated Agent and shall be in accordance with Company's published tariffs.

Natural Gas Transportation Only Facilities are:

- Cross Office Building – 111 Sewall Street, Augusta, Maine
- AMHI Powerhouse – 20 Blossom Lane, Augusta, Maine
- Riverview – 260 Arsenal Street, Augusta, Maine
- DHHS – 221 State Street, Augusta, Maine

#### H. Gas Supply: Full Service Facilities

Company will supply these sites with commodity under either of two options. Customer may use gas (1) on a monthly basis and if so will be subject to the Company's Index Price Option (IPO) for the commodity price or (2) on an annual basis and will be subject to the Company's Fixed Price Option (FPO) for the commodity price. Both IPO and FPO pricing mechanisms are approved by the Maine Public Utilities Commission ("MPUC"). If Customer selects FPO for the commodity price, it must be selected by August and it will apply for the subsequent twelve month period September through August. Further, if Customer selects FPO for the commodity price then Customer agrees to use exclusively natural gas procured from Company for the subsequent twelve month period September through August.

Nominations, Scheduling and Balancing are not applicable to Full Service Facilities

Telemetry is not applicable to Full Service Facilities.

Full Service Facilities:

- DVEM – Augusta Armory - 185 Western Avenue, Augusta, Maine
- BMV – 101 Hospital Street, Augusta, Maine
- East Campus – Crime Lab – 26 Hospital Street, Augusta, Maine
- West Campus – DHHS/Human Rights – 19 Union Street, Augusta, Maine
- East Campus – State Police HQ – 36 Hospital Street, Augusta, Maine
- West Campus – Service Garage – 15 Columbia Street, Augusta, Maine
- East Campus – State Police Garage – 34 Hospital Street, Augusta, Maine
- West Campus – Blaine House – 192 State Street, Augusta, Maine
- DACF – 333 Cony Road, Augusta, Maine
- West Campus – Nash School – 103 Sewall Street, Augusta, Maine
- East Campus – Medical Examiners – 30 Hospital Street, Augusta, Maine
- West Campus – McLean – 193 State Street, Augusta, Maine
- West Campus – Smith – 187 State Street, Augusta, Maine
- West Campus – Merrill – 189 State Street, Augusta, Maine
- West Campus – OPM – 108 Sewall Street, Augusta, Maine

#### I. Billing and Payment

Charges for service under this Agreement shall be billed monthly and payable upon presentation of the bill. Interest charges calculated in accordance with the Company's tariff shall be added if current charges are not paid and received by Company within thirty (30) days from the date of the bill. In the event the Customer in good faith disputes the amount or any portion thereof of any bill, Customer shall pay the undisputed portion of such bill and shall notify the Company no later than ten (10) days from the date of the bill, indicating the amount disputed and the basis for the dispute. The Parties shall use their best efforts to resolve the dispute within a reasonable period of time not to exceed thirty (30) days from the date of such notice. Interest on the disputed portion of any such bill shall not be payable during the dispute period but is billable to Customer for that period if the merits of Customer's dispute are found to be unwarranted.

#### J. Provisions Applicable Only to Interruptible Service:

For Natural Gas Services that are Interruptible, as shown on Exhibit A, the following provisions shall apply:

1. Gas Interruptions shall be on a minimum of two (2) hours telephone notice to Customer. The notice shall state whether the interruption is partial or complete and the duration of the interruption.
2. Gas Interruptions will be made in Company's discretion, which discretion shall be exercised in a non-discriminatory fashion.
3. If Customer uses gas in a manner that does not comply with the terms of the interruption notice provided under Paragraph (1) above, such non-complying usage shall be termed "unauthorized overruns" and billed according to the General Terms and Conditions of Company's Tariff under Section C: Topics Related Solely to Transportation Customers.
4. Interruption hereunder may only be made by Company. Company will reinstitute all of the services pursuant to this Agreement upon due telephone notice to Customer at the end of any such interruption period.
5. The Minimum Annual Quantity set forth in Exhibit A shall be reduced for the period of time service is interrupted hereunder.
6. The Maximum Number of Days Interrupted shall be set forth in Exhibit A.



**K. Notices:**

Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either Party may desire to give the other, shall be in writing and shall be considered as duly delivered when transmitted electronically, via fax or e-mail, upon acknowledgement of receipt, or sent by overnight messenger service, or mailed by registered or certified mail to the Post Office address of the receiving Party, as set forth in this Agreement or at such other address as either Party shall designate by written notice as provided herein. Routine communications, including monthly statements and bills, shall be considered as duly delivered when mailed by registered, certified, or ordinary mail. Notwithstanding any other provision hereof, any notice changing the address of a Party, for purposes of this Agreement shall be considered duly delivered when received by the addressee.

Company: Maine Natural Gas Corporation  
9 Industrial Parkway  
P.O. Box 99  
Brunswick, ME 04011  
Attn: Darrel R. Quimby, Vice President  
[dquimby@mainenaturalgas.com](mailto:dquimby@mainenaturalgas.com)  
(T) 207-729-0420  
(F) 207-729-9452

Customer: State of Maine  
Bureau of General Services  
111 Sewall Street 77 SHS  
Augusta, ME 04333-0077  
Attn: Bambi L. Tefft, Director Special Projects  
(T) 207-624-7341  
(F) 207-287-4039

The telephone notice required under Paragraph J (1) above shall be given to Customer as follows:

Attn: Bambi L. Tefft  
207-624-7341

Customer shall be responsible for ensuring that Company has updated contact information.

**L. Dispute Resolution**

In the event of a dispute, the Parties will use their best efforts to reach resolution. If the Parties cannot resolve the dispute within thirty (30) days of notice of the dispute, then unless the Parties mutually agree to an extension of time, such controversy shall be submitted to a single third party mediator selected upon agreement of the parties for mediation. The Parties shall share equally the compensation and expenses of the mediator as well as all fees and expenses imposed for transcripts, hearing room rentals, filing fees and administrative costs. Each Party shall be responsible for its own costs of mediation and associated legal fees, if any. A Party may submit to a court of competent jurisdiction in Maine any claim and any dispute that cannot be resolved between the Parties through negotiation or mediation within two (2) months after the date of the initial demand for non-binding mediation. Neither Party shall be obligated to follow the procedures set forth in this Section if such Party believes it is necessary to seek injunctive relief where appropriate.

#### **M. Tariff and Tariff Changes:**

The terms and conditions of Company's applicable MPUC tariffs may be changed, superseded, or amended from time to time in accordance with law and are expressly incorporated into and made part of the Agreement. The currently applicable MPUC tariffs are on file with the MPUC. Except to the extent such terms and conditions are explicitly varied by this Agreement, all of the terms, conditions, and requirements of the Company's tariffs are made part of this Agreement. The Company shall have the right to propose, file, and make effective with the MPUC or any other governmental body having jurisdiction, revisions to any applicable service classification for the purpose of changing the price, charges, and other provisions thereof effective as to Customer; provided, however, such changes will not change Customer's price for gas service hereunder, except as otherwise explicitly permitted pursuant to this Agreement. In the event such revision to any applicable service classification otherwise constitutes a material change in the service Company provides to Customer hereunder, then the Parties will discuss the nature of the change and whether a mutually agreeable resolution can be achieved. The filing of such applicable changes and revisions to any applicable service classification(s) shall be without prejudice to the right of the Customer to contest or oppose the effectiveness of such filing. Unless otherwise agreed to in writing by the Parties, upon termination of service under this Agreement, and the Customer continues to take natural gas transportation service from Company, Customer shall pay the applicable tariff rate in effect at that time.

#### **N. Limitation of Liability:**

In addition to other limitations set forth elsewhere in this Agreement or Company's tariff, the Parties agree that the Company is released from responsibility and/or liability for any existing conditions at the Customer's Facility. The Customer shall bear full responsibility and liability for the existence or presence of any toxic, hazardous, radioactive, infectious or other dangerous substances or materials regulated as toxic by applicable federal or state law not caused by Company. Company is not responsible for searching for or identifying such materials. The Company shall notify the Customer and may inform the appropriate government agency of any soil that it excavates or any other materials it comes in contact with at Customer's Facility which has any unusual odor, texture or appearance, and Company may cease work and shall inform Customer of the condition. Necessary remedial measures shall be the sole responsibility of Customer.

Customer acknowledges that the actions to be undertaken as part of the service to be performed by Company, including subsurface excavation, entail uncertainty and risk of injury or damage to Customer's Facility that cannot be avoided even with observation and compliance of generally accepted engineering practices.

#### **O. Assignment:**

No assignments of this Agreement shall be permitted, absent the written consent of the non-assigning Party, which consent shall not be unreasonably withheld.

#### **P. Confidentiality:**

The terms of this Agreement are considered Confidential Information, and the Parties agree to maintain the confidentiality of the terms hereof to the extent permitted by law or regulatory process. The Parties agree that they will not, directly or indirectly, (A) use such Confidential Information except as required in the normal and proper course of performing under this Agreement; (B)

disclose such Confidential Information to any other person, corporation or entity; or (C) allow a third party access to such Confidential Information (except as otherwise may be required by law including without limitation the Maine Freedom of Access Act) without, in each case, obtaining the prior written approval of the other Party.

**Q. Default:**

The occurrence at any time with respect to either Party of any of the following events constitutes an event of default hereunder and the non-defaulting Party shall be entitled to suspend its performance hereunder and/or terminate this Agreement in the event of such default:

- (1) the failure by a Party to make, when due, any payment under this Agreement if the failure is not remedied within five business days after receipt of a notice of such failure from the other Party;
- (2) a Party:
  - (a) files, or consents by answers or otherwise to the filing against it of, any petition or case seeking relief under any federal, state, or foreign bankruptcy or insolvency (collectively "Bankruptcy Laws");
  - (b) makes a general assignment for the benefit of its creditors;
  - (c) applies for or consents to the appointment of a custodian, receiver, trustee, conservator, or other officer with similar powers ("Custodian"); or
  - (d) takes corporate action for the purpose of any of the foregoing.
- (3) a court or governmental authority, agency, instrumentally or official of competent jurisdiction enters or issues an order or decree with respect to a Party:
  - (a) appointing a Custodian;
  - (b) constituting an order for relief under, or approving a petition or case for relief or reorganization of any petition or case to take advantage of, any Bankruptcy Laws; or
  - (c) ordering its dissolution or liquidation.
- (4) a petition or case for any purpose specified in the subparagraph directly above is filed against a Party and is not dismissed within thirty (30) days; or
- (5) a Party fails to perform, observe, or comply with any other material term, covenant, or provision contained in this Agreement and the failure continues for thirty (30) days after receipt of a notice of such failure from the other Party.

No waiver by either Party of any default shall be construed as a waiver of any succeeding default of the same or any other obligation or condition. Customer's obligation to pay any amount due shall continue despite the termination, suspension, or expiration of this Agreement.

**R. Force Majeure**

Notwithstanding any other provision in this Agreement, neither Party shall be liable for any breach, delay, or nonperformance which directly or indirectly results from or is caused by force majeure, i.e., an event, circumstance, or act of a third party (e.g., an act of god, an act of the public enemy, an act of a government entity, strike or other labor disturbance, hurricane, earthquake, fire, flood, epidemic, disease, embargo, war, and riot), that is beyond a Party's

reasonable control and which, by the exercise of reasonable diligence, the affected Party is unable to prevent, avoid, mitigate, or overcome. A Party that becomes aware of a force majeure that will materially delay performance shall: (a) provide prompt written notice of the force majeure to the other Party (and in no event later than ten (10) days after it discovers the force majeure), giving a detailed written explanation of the event, including an estimation of its expected duration and the probable impact on the performance of its obligations; (b) exercise all reasonable efforts to continue to perform its obligations; (c) expeditiously take action to correct or cure the force majeure; provided, however, that settlement of labor disputes will be completely within the sole discretion of the Party affected by such labor dispute; (d) exercise all good faith commercially reasonable efforts to mitigate or limit damages to the other Party; and (e) provide prompt notice to the other Party of the cessation of the force majeure.

Force Majeure shall not include any economic factors including the price of gas or gas transmission; the cost of variable and fixed operation and maintenance costs; events that merely increase the cost of a Party's performance; or the inability of a Party to obtain financing.

#### **S. Covenants, Representations and Warranties:**

Customer covenants and agrees that all gas delivered by the Company under the terms of this Agreement shall be used solely by Customer and shall not be resold.

Customer represents that, to the best of its knowledge, there are no conditions on or about Customer's Facility (including but not limited to the presence of hazardous materials) that would make Company's performance of its obligations unreasonably dangerous or expensive for the Company or its employees or agents. If Customer becomes aware of such conditions, it shall immediately notify Company by electronic or telephone communication, with follow-up in writing within twenty-four (24) hours. Upon occurrence of such unforeseen conditions, Customer shall be responsible for all additional costs related to such conditions.

#### **T. Severability:**

If any provision of this Agreement is determined to be invalid or unenforceable, the provision shall be deemed to be severable from the remainder of this Agreement and shall not cause the invalidity or unenforceability of the remainder of this Agreement. If any provision of this Agreement does not comply with any law, ordinance, or regulation of any governmental or quasi-governmental authority, now existing or hereinafter enacted, such provision shall to the extent possible be interpreted in such a manner so as to comply with such law, ordinance, or regulation, or if such interpretation is not possible, it shall be deemed amended to satisfy the requirements thereof.

#### **U. Facsimile Signature:**

The Parties agree that a facsimile signature will serve as an original and that the Statute of Frauds shall be waived as to any claim associated with the acceptance of a facsimile signature. This Agreement may be signed in counterpart, but shall not be effective until such time as both Parties have signed the Agreement.

#### **V. Entire Agreement:**

This Agreement constitutes the entire understanding between the Parties with respect to its subject matter. It cannot be amended or changed except by a writing signed by both Parties.

W. Choice of Law:

This Agreement shall be construed and interpreted in accordance with the laws of Maine notwithstanding any choice of law rules that may direct the application of the laws of another jurisdiction.

IN WITNESS WHEREOF, the Parties have hereunto executed this Agreement on the day and year first above written.

STATE OF MAINE

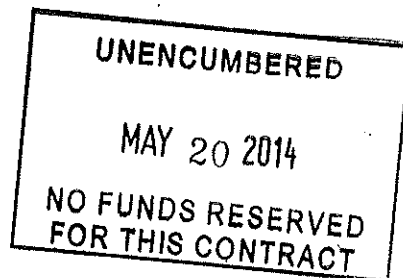
By: Bart L. Maffei  
Title: Director Special Projects  
Date: 11/25/2013

MAINE NATURAL GAS CORPORATION

By: Daniel R. Guerin  
Title: Vice President  
Date: 11/25/13

Mark W. Miller

MAY 20 2014



FIRST AMENDMENT  
TO  
SERVICE AGREEMENT  
FOR  
NEGOTIATED NATURAL GAS TRANSPORTATION SERVICE

1. Termination. This Agreement may be terminated in whole or in part by mutual consent of the parties in writing. Customer may terminate this Agreement upon ninety (90) days written notice to Company with regard to any facility that in the sole determination of Customer cannot reasonably be converted to natural gas; provided, however, if Customer terminates service to a facility in which Customer and Company have previously agreed to provide natural gas transportation service, and Company has expended resources to provide natural gas transportation service to said facility, then Customer shall reimburse Company, in an amount agreed to by the parties, for such expended resources. It is further provided that Company shall notify Customer prior to expending resources to bring natural gas transportation services to any facility.
2. Equal Employment Opportunity. Company shall comply with the State of Maine Code of Fair Practices and Affirmative Action set forth in 5 M.R.S. § 784(2).
3. Non-Appropriation. Notwithstanding any other provision of this Agreement, if the Customer does not receive sufficient funds to fund this Agreement, if funds are de-appropriated, or if the Customer does not receive legal authority to expend funds from the Maine State Legislature or Maine courts, then Customer is not obligated to make payment under this Agreement.
4. Access to Records. Company agrees to treat all records, other than proprietary information, relating to personal services work performed under this Agreement as public records under applicable freedom of access laws to the same extent as if the work were performed directly by the Customer. For the purposes of this Agreement, "proprietary information" means information that is a trade secret or commercial or financial information, the disclosure of which would impair the competitive position of the Company and would make available information not otherwise publicly available. Information relating to wages and benefits of the employees performing services under this Agreement and information concerning employee and Agreement oversight and accountability procedures and systems are not proprietary information. Company shall maintain all books, documents, payrolls, papers, accounting records and other evidence pertaining to this Agreement and make such materials available at its offices at all reasonable times during the period of this Agreement and for such subsequent period as specified by Maine Uniform Accounting and Auditing Practices for Community Agencies ("MAAP") rules. Company shall allow inspection of pertinent documents by the Customer or any authorized representative of the State of Maine or Federal Government, and shall furnish copies thereof, if requested.
5. Independent Capacity. The parties agree that the Company shall act in the capacity of an independent contractor and not as an officer, employee or agent of the Customer.
6. Liability Insurance. Company shall keep in force a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in the State of Maine by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Agreement with adequate liability coverage to protect itself and the Customer from suits. If Company was insured through a "risk retention group" insurer prior to July 1, 1991, it may continue under that arrangement. Upon request, Company shall furnish the Customer with written proof of the existence of such liability insurance policy.
7. Standard of Performance. In the performance of work under this Agreement, Company shall adhere to and comply with the standards of practice applicable to similar work in the gas transportation service industry.

8. Approval. This Agreement shall be effective upon approval of the State Controller and the State Purchases Review Committee.

CONFIDENTIAL

Exhibit A

Negotiated Natural Gas Transportation Service Agreement  
Between  
Maine Natural Gas Corporation  
And  
State of Maine

A. Delivery Point:	Various Facilities in Augusta Maine See Exhibit B for specific facilities
B. Interstate Pipeline:	Maritimes & Northeast Pipeline
C. City Gate:	Windsor, Maine
D. Term	10 years
E. Contract Effective Date:	December 1, 2013
F. Character of Service:	Firm
G. Price:	See Exhibit B for specific facilities
H. Exclusive Use:	Customer will use natural gas exclusively. However, if, at any such time that the cost of the Supplier's (third party gas supplier) fuel exceeds the unit rate of the alternate fuel (second fuel) by 10% for a sustained period of more than 10 business days, Customer, at its discretion, reserves the right to cease consumption of the Supplier's fuel until such time the price drops below the alternative fuel rate. Customer will pay the Negotiated Natural Gas Transportation Service Agreement Rate based on the projected consumption quantity during this period.

2014 MAY 20 AM 11:01

STATE OF MAINE  
BUREAU OF GENERAL  
SERVICES

STATE OF MAINE

By: Bond J. Tappin  
Title: Director, Special Projects  
Date: 11/25/2013

MAINE NATURAL GAS CORPORATION

By: Daniel R. Gurnby  
Title: Vice President  
Date: 11/25/13