

SOUTH JERSEY GAS COMPANY

AGGREGATOR/MARKETER'S AGREEMENT (A/M)

This Agreement entered into this _____ day of _____, 20____, by and between South Jersey Gas Company, a New Jersey corporation, sometimes hereinafter referred to as "Seller", "South Jersey" or "Company" and _____, a corporation whose principal place of business is located at _____, and who transacts business as an Aggregator of gas or as a Marketer of gas, sometimes collectively hereinafter referred to as "Aggregator/Marketer". South Jersey and the Aggregator/Marketer are parties to this Agreement, and are sometimes hereinafter referred to as "Parties."

WHEREAS, South Jersey is a regulated public utility of the State of New Jersey, and is engaged in the sale, distribution and transportation of gas in intrastate commerce within said State; and

WHEREAS, the Aggregator/Marketer has arranged for the delivery of gas to a City Gate Station of South Jersey, on behalf of certain customers ("Customers") identified on Appendix A to this Agreement. Each group of customers served under a single Rate Schedule will be designated as a "Customer Group"; and

WHEREAS, each Customer Group will consist of Customers served pursuant to a single Rate Schedule of the South Jersey Tariff for Gas Service, B.P.U.N.J. No. 9 - Gas and will be designated on Appendix A by reference to that Rate Schedule;

WHEREAS, the Customers who constitute the members of the Customer Groups have requested that South Jersey transport gas for the Customers on an aggregated basis, as part of said Customer Groups; and

WHEREAS, the Company has agreed to perform such transportation of gas, subject to the terms of this Agreement.

NOW, THEREFORE, the Parties, intending to be legally bound hereby, in exchange for the mutual promises contained herein; agree as follows:

1. **Term.** The term of this Agreement shall be one year from the date of this Agreement, and shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other at least thirty (30) days prior to the effective date of any termination.
2. **Aggregation.** Attached hereto as Appendix A is a list of those Customers comprising the initial Customer Groups pursuant to the terms of this Agreement, if such groups exist. On or before the tenth (10th) day of each calendar month, the Aggregator/Marketer shall provide the Company with a revised Appendix A in which the Aggregator/Marketer will designate those Customers who will be members of the Customer Groups for the immediately following calendar month. This list will be furnished on a preliminary basis. The Company may then advise the Aggregator/Marketer of any members of the Customer Groups who have been removed from the Customer Groups for cause pursuant to the terms of this Agreement, as well as any Customers who have advised the Company that they have "opted out" of the Customer Groups.

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On or before the twentieth (20th) day of said calendar month, the Aggregator/Marketer will provide the Company with a final Appendix A for the immediately following calendar month. Then all of the volumes transported for that Customer Group under the terms of this Agreement shall be aggregated as to that single customer Group for the purposes of Rider "I", the Balancing Service Clause - Large Volume, of the Tariff for Gas Service, or Rider "J", the Balancing Service Clause - General Service of the Tariff for Gas Service.

3. **Liability for Tariff Charges.** Each month, South Jersey will render an invoice to the Aggregator/Marketer for tariff charges pursuant to Rider "I" or Rider "J" to the Tariff for Gas Service on an aggregated basis for the Customer Group, as well as for the monthly Aggregator/Marketer's Fee, but excluding the BS-1 Volumetric Charges. This invoice shall be payable pursuant to the applicable Terms of Payment provisions of the applicable rider of South Jersey's Tariff for Gas Service. The Aggregator/Marketer shall be responsible for the payment of all charges pursuant to this paragraph. South Jersey will invoice the customer directly for charges for transportation pursuant to the applicable Rate Schedule, and for the BS-1 Volumetric Charges.

4. RESERVED FOR FUTURE USE

5. **Aggregator's/Marketer's Fee.** The monthly fee for the provision of aggregation services by the Company and for access by the Aggregator/Marketer to the Company's Electronic Bulletin Board will be One Hundred Dollars (\$100.00) ("Aggregator/Marketer's Fee") per Aggregator/Marketer. In addition, the Company may provide additional services to the Aggregator/Marketer at an agreed upon charge or charges. Such charge or charges shall be included on the invoice for the monthly fee. Such charge or charges may include a charge negotiated by South Jersey and the Aggregator/Marketer, for South Jersey to invoice the customer for the natural gas commodity.

6. **Removal for Cause.** All members of a Customer Group must qualify for service under Rate Schedule of the Seller's Tariff for Gas Service applicable to the Customer Group, and aggregation pursuant to this Agreement will be performed only for Customers within a single Customer Group. If South Jersey determines that a Customer no longer qualifies for service under the Rate Schedule applicable to the appropriate Customer Group, it shall remove that Customer from the Customer Group, and such action shall be Removal for Cause.

Removal for Cause shall also be permitted: (1) if any Customer fails to meet any financial obligation imposed by this Agreement or by the Tariff for Gas Service or violates the terms of any Operational Flow Order issued pursuant to said Tariff for Gas Service; or (2) conducts business with the Seller in a manner which jeopardizes South Jersey's ability to serve customers of equal or higher priority to the Customer under N.J.A.C. 14:29-3.2(a)l, irrespective of whether N.J.A.C. 14:29-3.2(a)l is actually invoked; or (3) pursues any other conduct detrimental to the Company's system integrity.

If Removal for Cause is invoked by the Company, it shall be done upon at least twenty-four hours notice, orally or in writing, which notice shall specify the effective date and reasons for such removal. Removal for cause shall not relieve the Customer of any responsibility or liability incurred before the effective date of the Removal for Cause.

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7. **Customer Opt Out.** Any member of a Customer Group may elect to opt out of the Customer Group. Notice of such election must be provided to the Company, orally or in writing, on or before the tenth day of the calendar month during which such election shall be effective. The election to opt out of the Customer Group shall be effective until the end of the term of this Agreement. Provided, however, that the election to opt out of the Customer Group shall not relieve the Customer of any responsibility or liability incurred under this Agreement, the Tariff for Gas Service, or otherwise, for periods of time prior to the time that such election became effective.

8. **Provision of Data.** In order for South Jersey to provide gas consumption history and billing data relative to a member of a Customer Group such member must authorize South Jersey to provide to the Aggregator/Marketer, such data upon a form entitled "Authorization to Release Account Information".

9. **Computer Capability.** Aggregator/Marketer agrees that throughout the Term of this Agreement, Aggregator/Marketer will maintain computer capability necessary to access Seller's Electronic Bulletin Board.

10. **Aggregator/Marketer Creditworthiness Standards.** As a condition precedent to this Agreement, the Aggregator/Marketer must meet creditworthiness standards acceptable to the Seller, throughout the Term of this Agreement. In addition, upon the execution of this Agreement, and thereafter, the Company may perform an evaluation of the Customer's creditworthiness. If South Jersey, at any time, deems that Aggregator/Marketer has not met Seller's creditworthiness standards, the Company may require that the Aggregator/Marketer post a cash deposit, letter of credit, performance bond or similar credit facility or other collateral, satisfactory to South Jersey as a condition precedent to this Agreement. In order to assist South Jersey in making its determinations, Aggregator/Marketer agrees to supply such information as the Company will reasonably require to make creditworthiness determinations. Should the Aggregator/Marketer fail to provide such information, Seller may refuse to proceed or continue with this Agreement.

11. **Termination for Conduct of Aggregator/Marketer.** South Jersey may terminate this Agreement if the Aggregator/Marketer engages in certain prohibited conduct ("Prohibited Conduct"). The Prohibited Conduct shall include: (1) the failure to meet any financial obligation imposed by this Agreement, or by the Tariff for Gas Service; (2) the conduct of business with the Seller which jeopardizes South Jersey's ability to serve customers of equal or higher priority to the members of the Customer Group under N.J.A.C. 14:29-3.2(a)l, irrespective of whether N.J.A.C. 14:29-3.2(a)l is actually invoked; (3) the pursuit of any other conduct detrimental to the Company's system integrity; (4) failure of the Aggregator/Marketer to comply with South Jersey's "Transportation Operating Procedures"; or (5) failure to comply with the Company's Tariff for Gas Service.

At least twenty-four hours, notice of termination for Prohibited Conduct shall be given by the Company to the Aggregator/Marketer and the Customer Group, orally or in writing. Such notice shall specify the effective date of termination and the Prohibited Conduct which is the basis of termination. Termination for Prohibited Conduct shall not relieve the Aggregator/Marketer or members of the Customer Group of any responsibility or liability incurred prior to the effective date of the termination for Prohibited Conduct.

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12. In the event that, during any month the sum of the month-to-date Deficiency Imbalances or Excess Imbalances, for non-Force Majeure reasons, for an Aggregator/Marketer exceeds three (3) times the applicable of ADCQ or ACD or both, South Jersey will immediately notify the Aggregator/Marketer via telephone, facsimile or similar means. If Deficiency Imbalances or Excess Imbalances reach five (5) times the applicable of ADCQ or ACD or both, the following will occur: (1) the Aggregator/Marketer is no longer eligible to function as an Aggregator/Marketer on South Jersey's system until the conditions set forth in this Paragraph 12 are satisfied, but not before the first (1st) day of the following month; and (2) for the balance of the current month and for future months, the affected Aggregator/Marketer's customers will be supplied natural gas by South Jersey and will be billed on a prorated basis according to the following schedule:

Rate Schedule

Billing Charges

RSG Firm Transportation Service	GSG-LV Monthly BGSS Rate
GSG Firm Transportation Service	GSG-LV Monthly BGSS Rate
GSG-LV Firm Transportation Service	GSG-LV Monthly BGSS Rate
LVS Firm Transportation Service	GSG-LV Monthly BGSS Rate
EGS	EGS Monthly BGSS Rate
EGS-LV	EGS-LV Monthly BGSS Rate
FES	FES Firm Market Volumetric Charge
ITS	Monthly Rate pursuant to Rate Schedule IGS

Such customers will be charged on a prorated basis upon the appropriate Rate Schedule, including all Special Provisions of the appropriate rate schedule for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the revised billing rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of Aggregator/Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to South Jersey in an amount equal to two (2) times that which would otherwise be required by South Jersey. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by South Jersey. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon South Jersey's system for an additional one (1) year period.

As used in this Paragraph 12, ADCQ shall mean the aggregate of all Daily Contract Quantities, expressed in dekatherms, of all customers served by an Aggregator/Marketer. ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator/Marketer. For a customer who does not have a Contract Demand, the Company shall supply a quantity to be used in lieu thereof.

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13. **Force Majeure.** In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other parties within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period. Such cause shall so far as possible be remedied with all reasonable dispatch.

No party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff for Gas Service, B.P.U.N.J. No. 9 Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve the Aggregator/Marketer, Customer or Customer Group from their obligations to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

14. **No Agency.** South Jersey will in no respect be deemed to be either the Aggregator's/Marketer's agent or representative nor any Customer's nor the Customer Group's agent or representative, for any purposes, and South Jersey shall not be responsible for making or carrying out any contracts or agreements for or related to this Agreement on behalf of the Aggregator/Marketer, or of a Customer or Customer Group.

15. **Hold Harmless.** Aggregator/Marketer and Customers agree to hold South Jersey harmless and indemnify Seller, its officers and directors, from any cost, disbursement, charge or liability (including attorneys' fees), or any claims, suits, judgments, demands, actions or liability, arising directly or indirectly from Aggregator/Marketer's acts or omissions under this Agreement or from the use of the Company's system by Aggregator/Marketer or a Customer or the Customer Group.

16. **Law to Govern and Forum.** This Agreement shall be interpreted in accordance with the laws of the State of New Jersey. Any dispute arising under this Agreement shall be subject to the jurisdiction of the Superior Courts of the State of New Jersey or federal courts within the State of New Jersey. South Jersey and Aggregator/Marketer agree that the Superior Courts of the State of New Jersey have personal jurisdiction over the parties and subject matter jurisdiction of the Agreement. Moreover, South Jersey and Aggregator/Marketer agree that as to actions in the Superior Court, venue is appropriate in either Atlantic County or Camden County, New Jersey.

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17. **Binding Effect.** This Agreement shall be binding upon the parties hereto, and their agents, successors and assigns.

18. **No Modification.** This Agreement supersedes and cancels any other agreement dealing with the same subject matter. This Agreement may not be modified, altered, or amended except by a written agreement, signed by the parties hereto.

19. **No Assignment.** This Agreement shall not be assigned or be assignable by the Aggregator/Marketer or a Customer or Customers without the consent in writing of the Company first obtained.

20. **Marketer Standards.** Notwithstanding any other requirements of this Aggregator/Marketer's Agreement, in order to operate as a Aggregator/Marketer on the Company's system, an Aggregator/Marketer must comply with all Board approved Marketer Standards.

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ATTEST:

By: _____
(Name)

(Title)

ATTEST:

(NAME OF AGGREGATOR/MARKETER)

By: _____
(Name)

(Title)

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APPENDIX A

This Appendix A is incorporated in and made part of that certain Agreement dated _____, Agreement No. _____, to which it is appended, and the same Agreement is incorporated into this Appendix A and made a part of this Appendix A. This Appendix A is dated _____.

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)

(Name of Customer)

(Customer Account Number)