

Applicable to Rate Schedules FT and IT

Service Agreement No. CDNAG001

Control No. 001

SERVICE AGREEMENT

THIS AGREEMENT, made and entered into this 6th day of September, 2011,
by and between USG PIPELINE COMPANY (“Transporter”) and The Cooperative District for
Northeast Alabama Gas (“CDNAG”) (“Shipper”).

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Service to be Rendered. Transporter shall perform and Shipper shall receive service in accordance with the provisions of the effective FT Rate Schedule and applicable General Terms and Conditions of Transporter’s FERC Gas Tariff, First Revised Volume No. 1 (Tariff) , on file with the Federal Energy Regulatory Commission (Commission) , as the same may be amended or superseded in accordance with the rules and regulations of the Commission. The maximum obligation of Transporter to deliver gas hereunder to or for Shipper, the designation of the points of delivery at which Transporter shall deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which Shipper shall deliver or cause gas to be delivered, are specified in Appendix A, as the same may be amended from time to time by agreement between Shipper and Transporter, or in accordance with the rules and regulations of the Commission. Service hereunder shall be provided subject to the provisions of Part 284, Subpart B of the Commissions regulations. Shipper warrants that service hereunder is being provided on behalf of (N/A), a local distribution company or an intrastate pipeline. For Part 284, Subpart G service, Shipper warrants that it is eligible for service and service hereunder is being provided on its own behalf.

Section 2. Term. Service under this Agreement shall commence as of the later of (a) November 15, 2011 or (b) completion of Transporter’s delivery point facilities and Shipper’s satisfaction of tariff requirements for creditworthiness and, subject to any evergreen period or right of first refusal, shall continue in full force and effect until 15 years from commencement of service.

Evergreen: Month-to-Month X Year-to-Year

Pre-granted abandonment shall apply upon termination of this Agreement, subject to any right of first refusal Shipper may have under the Commission’s regulations and Transporter’s Tariff.

Section 3. Rates and Surcharges. Shipper shall pay Transporter the applicable maximum tariff rates and surcharges, including furnishing Retainage as described in the above-referenced Rate Schedule, unless otherwise agreed to by the parties in writing and specified in Appendix A to this Service Agreement, as may be amended from time to time. Transporter and Shipper may mutually agree to a negotiated rate, including applicable adjustments, pursuant to Section 4.5 of Rate Schedule FT-1 or a discounted rate pursuant to Section 26 of the GT&C.

Section 4. Notices. Notices to Transporter under this Agreement shall be addressed to:

Robert B. Cooper
USG PIPELINE COMPANY
550 West Adams Street
Dept. # 143-61
Chicago, Illinois 60661-3676

and notices to Shipper shall be addressed to it at

Cooperative District for Northeast Alabama Gas
513 Alabama Avenue
P.O. Box 36
Bridgeport, AL 35740
Telecopy: (256) 495-2782
Attention: Mr. Jim Hughes
Email: jhughes@bridgeportutilities.com ,

until changed by either party by written notice.

SHIPPER

USG Pipeline Company

By: _____

By: _____

Title: _____

Title: _____

Revision No. 0

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Appendix A to Service Agreement No. CDNAG001
Under Rate Schedule FT

between USG Pipeline Company(Transporter)

and

The Cooperative District for Northeast Alabama Gas (Shipper)

Transportation Demand/Maximum Interruptible Quantity: 4200 Dth/day

Negotiated Rate: Yes X No

If other than applicable Maximum Rate in tariff,

Reservation Rate: \$4.56, as adjusted per negotiated rate

Commodity Rate: per negotiated rate

Adjustments, if any, per a Negotiated Rate: The Parties agree to a negotiated rate which will be fixed for the term of the FT Agreement at the following levels:

1. Monthly reservation charge equal to \$4.56/Dth, subject to the following increases (effective beginning the first month after the operating change occurs): (x) by \$0.90/Dth if USGPC is required to implement an interactive electronic bulletin board or equivalent system for nominations, scheduling or other communications, (y) by \$0.90/Dth if USGPC is required to implement separation of function rules limiting its flexibility to utilize USGC personnel to operate its pipeline, and (z) by \$0.90/Dth if USGPC is required to construct and operate gas quality measurement facilities rather than rely on gas quality measurements posted by East Tennessee. For purposes of this provision, a change shall be deemed required if it was brought about by a FERC regulation or ruling which was not unilaterally sought by USGPC or attributable to an election by USGPC to sell gas delivered on its facilities other than in connection with cashouts or balancing.
2. Commodity charges, surcharges and fuel/loss retainage to the extent provided by USGPC's tariff.
3. An authorized overrun rate of \$0.1833/Dth.
4. CDNAG's rate will not be adjusted for credits that would reduce any of the foregoing.

Primary Receipt Points

<u>Point No.</u>	<u>Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>
01	East Tennessee	4,200

Primary Delivery Points

<u>Point No.</u>	<u>Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>
03	CDNAG	4,200

Balancing Party (may be changed or supplied in writing after execution): _____

Other:

Service changes pursuant to this Appendix A shall become effective as of November 15,
2011 . This Appendix A shall cancel and supersede the previous Appendix A, if any, effective as
of (N/A), 20 . With the exception of this Appendix A, all other terms and
conditions of said Service Agreement shall remain in full force and effect.

SHIPPER

USG Pipeline Company

By _____

By: _____

Its _____

Its _____

By _____

Date _____