STATE OF ALABAMA ALABAMA PUBLIC SERVICE COMMISSION POST OFFICE BOX 991 MONTGOMERY, ALABAMA 36101

BAY GAS STORAGE COMPANY, LTD.,) Applicant.
) Application for Approval of Amended Filed and Restated Firm Intrastate Transportation Service Agreement Oct 07, 2013 Informal Docket No.

APSC

TO THE ALABAMA PUBLIC SERVICE COMMISSION:

- Bay Gas Storage Company, Ltd. (Bay Gas), the Applicant, is a limited partnership duly organized and existing under the laws of the State of Alabama and is the owner and operator of certain underground gas storage facilities located near McIntosh, Alabama and of a 22.5 mile intrastate pipeline from Axis, Alabama to the storage facilities.
- 2. Bay Gas has entered into an Amended and Restated Firm Intrastate Transportation Service Agreement (Agreement) dated August 12, 2013, with Southern Company Services, Inc. (Customer), as agent for Alabama Power Company, Georgia Power Company, Mississippi Power Company, Gulf Power Company and Southern Power Company. The Agreement amends and restates that certain agreement between Bay Gas and Alabama Power Company dated April 8, 1999 (as approved by the Commission's Order dated June 8, 1999 in Informal Docket U-4002), as modified by that certain agreement dated August 1, 2000 (as approved by the Commission's Order dated September 11, 2000 in Informal Docket U-4002), and as further modified and amended by that certain agreement dated December 17,

2008 (as approved by the Commission's order dated February 3, 2009 in Informal Docket U-4002).

- 3. A copy of the Agreement between Bay Gas and Customer is attached hereto and marked as Exhibit 1 to this Application.
- Applicant submits therefore that the approval of this Agreement is in the best interest of the Applicant, Customer, and of gas and electric customers in Alabama.
 WHEREFORE, Applicant respectfully requests that the Commission issue an

order approving this Agreement and the execution thereof by Applicant.

Signed the 25 day of September, 2013.

Respectfully submitted,

BAY GAS STORAGE COMPANY, LTD.

By: Sempra Midstream, Inc. Its Managing General Partner

By: 1

Michael P. Gallagher President EXHIBIT 1

AMENDED AND RESTATED FIRM INTRASTATE TRANSPORTATION SERVICE AGREEMENT CONTRACT NUMBER: FTAP13

INTRASTATE THIS AMENDED AND RESTATED FIRM TRANSPORTATION SERVICE AGREEMENT (this "Contract") is made and entered into as of the 12th day of August, 2013 (the "Effective Date"), by and between Bay Gas Storage Company, Ltd. ("Bay Gas"), an Alabama limited partnership, and Southern Company Services, Inc., as agent for its Affiliates, Alabama Power Company, Georgia Power Company, Mississippi Power Company, Gulf Power Company and Southern Power Company ("Shipper"). Bay Gas and Shipper hereinafter may be referred to individually as "Party" and collectively as "Parties". As of the Effective Date, this Contract amends, restates and supersedes that certain Firm Intrastate Transportation Agreement between the Parties dated April 8, 1999 (Contract Number FSMB99), as the same has been amended from time to time.

RECITALS:

WHEREAS, Bay Gas owns and operates underground gas storage facilities (the "<u>Storage Facilities</u>") and pipeline facilities (the "<u>Pipeline Facilities</u>") located near McIntosh, Alabama;

WHEREAS, Shipper desires to continue the firm intrastate transportation services from the Pipeline Facilities for Shipper's Plant Barry in Mobile, Alabama (the "Plant");

WHEREAS, Shipper desires for Bay Gas to construct certain new pipeline facilities to increase the capacity of the connection between the Bay Gas system and the Plant ("<u>New Pipeline Facilities</u>"), as such New Pipeline Facilities are further defined in Article VII and Exhibit B hereto:

WHEREAS, upon completion of the New Pipeline Facilities, Shipper desires Bay Gas to provide additional firm intrastate transportation services to Shipper through such New Pipeline Facilities; and

WHEREAS, Bay Gas desires to continue to provide firm intrastate transportation services for Shipper using the Pipeline Facilities, to construct the New Pipeline Facilities, and to provide additional firm intrastate transportation services to Shipper through such New Pipeline Facilities.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bay Gas and Shipper hereby agree as follows:

ARTICLE I

STATEMENT OF OPERATING CONDITIONS AND GENERAL TERMS AND CONDITIONS

1.1 <u>SOC Incorporated by Reference</u>. The terms and conditions specified in the Bay Gas Statement of Operating Conditions for Storage and Transportation Services as filed with the Federal Energy Regulatory Commission, together with the General Terms and Conditions applicable thereto (including any changes in the same as may from time to time be filed and made effective by Bay Gas) (collectively the "<u>SOC</u>"), are hereby incorporated into this Contract and made applicable to each term, condition, and obligation hereof. Terms not otherwise defined in this Contract shall have the meaning defined in the SOC. In the event of any conflict or inconsistency between the terms hereof and the SOC, such conflict or inconsistency shall be resolved in favor of the terms of the SOC.

ARTICLE II

TRANSPORTATION SERVICE

2.1 <u>Firm Intrastate Transportation Service</u>. On a daily basis during the Primary Term and any Renewal Term of this Contract, Bay Gas shall, on a firm basis, take delivery of gas that Shipper tenders or causes to be tendered to Bay Gas at the Points of Receipt identified in Exhibit A and redeliver to Shipper at the Point of Delivery identified in Exhibit A an equivalent quantity of gas, less the Company Use Percentage. The quantity of gas on any day tendered by Shipper to Bay Gas and subsequently delivered by Bay Gas to Shipper shall not exceed the Maximum Daily Transportation Quantity ("MDTQ") as determined pursuant to Section 2.2.

2.2 <u>Maximum Daily Transportation Quantity</u>. As of the Effective Date of this Contract, the MDTQ shall be MMBtu. Beginning on the New Pipeline Facilities Completion Date (as defined in Section 7.5 below) the MDTQ shall be MMBtu.

ARTICLE III PRESSURE

3.1 <u>Receipt Pressure</u>. Shipper is obligated to deliver gas to the Point(s) of Receipt at a pressure not less than the minimum pressures shown in Exhibit A.

3.2 <u>Delivery Pressure</u>. Bay Gas shall redeliver gas at the Plant Barry No. 1 Delivery Point at a pressure of not less than 550 psig, nor greater than 1200 psig. Bay Gas shall redeliver gas at the Plant Barry No. 2 Delivery Point at a pressure of approximately 300 psig but not less than 275 psig, nor greater than 325 psig.

ARTICLE IV POINT(S) OF RECEIPT AND DELIVERY

4.1 <u>Point(s) of Receipt</u>. The Point(s) of Receipt for all gas to be tendered by Shipper to Bay Gas for transportation hereunder shall be as specified in Exhibit "A", and the maximum daily quantity of gas which Bay Gas is obligated to receive from Shipper at each individual Point of Receipt shall not exceed the maximum stated thereon; provided, that subject to operational availability as determined by Bay Gas, Shipper shall have the right, at no additional cost to Shipper, to tender quantities of gas to Bay Gas for transportation hereunder at the Point(s) of Receipt specified in Exhibit "A" in excess of the maximum daily quantity stated thereon on an interruptible basis, provided that the total of the quantities of gas tendered by Shipper on any day at all Point(s) of Receipt shall not exceed the MDTQ.

4.2 <u>Point(s) of Delivery</u>. The Point(s) of Delivery for all gas to be tendered by Bay Gas to Shipper for redelivery pursuant to the terms hereof shall be as specified in Exhibit "A", and the maximum daily quantities of gas which Bay Gas is obligated to deliver to Shipper at each individual Point of Delivery shall not exceed the maximum stated thereon; provided, that subject to operational availability as determined by Bay Gas, Shipper shall have the right, at no additional cost to Shipper, to tender quantities of gas to Bay Gas for transportation hereunder at the Point(s) of Delivery specified in Exhibit "A" in excess of the maximum daily quantity stated thereon on an interruptible basis, provided that the total of the quantities of gas tendered by Shipper on any day at all Point(s) of Delivery shall not exceed the MDTQ.

4.3 <u>Addition / Deletion of Point(s) of Receipt or Delivery</u>. Subject to operational availability as determined by Bay Gas, Shipper may add or delete Point(s) of Receipt or Delivery, or modify the allocation of the MDTQ, from time to time as evidenced by a signed amendment to Exhibit "A". Such amendment to Exhibit "A" shall be effective for the period specified therein. Unless otherwise specified therein, upon the expiration of the amendment, the Point(s) of Receipt and Delivery and the allocation of MDTQ specified in Exhibit "A" hereto shall be in effect. A template for an amendment to Exhibit "A" is included as Exhibit "A-1" hereto.

ARTICLE V <u>TERM</u>

5.1 <u>Primary Term.</u> This Contract shall continue in full force and effect for a term commencing on the Effective Date and terminating on March 31, 2030 ("<u>Primary Term</u>").

5.2 <u>Renewal Term</u>. Following the Primary Term the Contract shall automatically renew for successive one-year terms (each a "<u>Renewal Term</u>") unless terminated at the end of the Primary Term, or the end of any Renewal Term by written notice delivered by either Party to the other Party not less than ninety (90) days prior to the end of the Primary Term or any Renewal Term.

ARTICLE VI <u>RATES</u>

- 6.1 <u>Transportation Charges</u>. Shipper shall pay to Bay Gas the following charges:
 - (a) Effective Date Firm Services Daily Demand Charge: From the Effective Date through the day prior to the New Pipeline Facilities Completion Date, the Firm Services Daily Demand Charge shall be meaning per MMBtu of the MDTQ.
 - (b) New Pipeline Facilities Completion Date Firm Services Daily Demand Charge: From the New Pipeline Facilities Completion Date through the end of the Primary Term and any Renewal Term, the Firm Services Daily Demand Charge shall be the per MMBtu of the MDTQ.
 - (c) Company Use Percentage Bay Gas shall determine the Company Use Percentage in accordance with the SOC.
 - (d) Shipper shall pay any other rates or charges stated in the SOC and applicable to the firm transportation services provided hereunder.

ARTICLE VII

NEW PIPELINE FACILITIES

7.1 <u>General Description of New Pipeline Facilities</u>. Bay Gas shall design, construct, own, operate and maintain the New Pipeline Facilities consisting generally of approximately 8.3 miles of new 20-inch pipeline from the end of the 20 inch loop line at MP 11.04 to the Plant Barry yard at MP 19.42, approximately 0.5 mile of 20-inch service line from the Bay Gas system to a new meter station site inside the Plant yard, and the required measurement, regulation, separation and heating equipment for the new meter station to replace the existing Barry No. 2 meter station to provide the additional firm intrastate transportation services to Shipper as contracted hereunder. Exhibit B includes a general depiction of the New Pipeline Facilities and the interconnection with the existing Pipeline Facilities.

7.2 <u>Shipper to Grant Easement to Bay Gas for New Pipeline Facilities</u>. Shipper shall, at no cost to Bay Gas, grant Bay Gas any and all rights-of-way and easements, necessary for the construction, ownership, operation and maintenance of the New Pipeline Facilities and related appurtenances to be located on Shipper's property, including required work space for such construction. Shipper and Bay Gas shall reasonably cooperate in determining the appropriate location for the New Pipeline Facilities on Shipper's property as well as the location of any required work space for such construction. Shipper and Bay Gas agree to amend the existing easement agreements for the New Pipeline Facilities located on Shipper's property.

7.3 <u>Shipper New Facility Construction</u>. Shipper shall, at no cost to Bay Gas, design, construct, own, operate and maintain such other service lines and associated facilities

including odorization necessary, as determined by Shipper, to receive gas at the Plant from the New Pipeline Facilities. Such service lines and associated facilities, together with the odorizer shall be referred to as the "<u>New Shipper Facilities</u>". Shipper shall make commercially reasonable efforts to obtain the permits, licenses, authorizations, waivers, approvals or certificates, whether required from public entities and agencies or from private individuals, necessary for the construction of the New Shipper Facilities.

7.4 <u>Construction of New Pipeline Facilities</u>. Bay Gas shall make commercially reasonable efforts to obtain the permits, licenses, authorizations, waivers, approvals or certificates, whether required from public entities and agencies or from private individuals, necessary for the construction of the New Pipeline Facilities ("<u>Approvals</u>"). Shipper agrees to provide any reasonable information needed in preparation of any such applications and agrees to support Bay Gas in its efforts to obtain the Approvals. After receipt of such Approvals, all in form and substance reasonably satisfactory to Bay Gas and Shipper, Bay Gas shall commence construction of the New Pipeline Facilities. Bay Gas shall complete the construction of the New Pipeline Facilities unless: (a) an event or events of *force majeure* (as defined in the SOC) prevents construction; or (b) Shipper fails to perform its obligations under this Contract.

7.5 New Pipeline Facilities Completion Date. The New Pipeline Facilities Completion Date shall be first day of the month following the date on which the New Pipeline Facilities are mechanically completed and tested and would be capable of delivering gas to the Plant, assuming the New Shipper Facilities were available. Shipper is solely responsible for completing the New Shipper Facilities. The New Pipeline Facilities Completion Date shall not be postponed because of delays in the completion of the New Shipper Facilities, unless such delay is caused by Bay Gas. The New Pipeline Facilities Completion Date shall not be earlier than April 1, 2015 and, subject to events of force majeure (as defined in the SOC) that delay completion of the New Pipeline Facilities, the New Pipeline Facilities Completion Date shall not be later than April 1, 2016. Bay Gas and Shipper shall use commercially reasonable efforts to place the New Pipeline Facilities in-service on or about April 1, 2015. If Bay Gas, for reasons other than events of force majeure, has not placed the New Pipeline Facilities in-service by April 1, 2016, Shipper shall have the right to immediately terminate this Contract, without notice to or opportunity to cure by Bay Gas as otherwise provided by Article XIII.

7.6 <u>Reasonable Cooperation During Construction</u>. Bay Gas and Shipper shall reasonably cooperate, and shall cause their respective contractors to cooperate, to complete the work connecting the New Pipeline Facilities and the New Shipper Facilities Such work shall be performed as to minimize any impact to Shipper's plant operations, including Bay Gas coordinating any tie-in work with Shipper's plant outage schedules.

ARTICLE VIII IMBALANCES

8.1 <u>Imbalances at the Point(s) of Delivery</u>. Imbalances that take place at the Point(s) of Delivery as specified in Exhibit "A" shall be resolved in accordance with the Accounting Allocation Agreement dated December 17, 2008 between Bay Gas and Shipper.

ARTICLE IX BILLINGS AND PAYMENTS

9.1 Billings and payments shall be in accordance with the SOC.

ARTICLE X TAXES

10.1 <u>Reimbursement of Taxes</u>. In accordance with Section 12.10.3 of the SOC, Shipper agrees to reimburse Bay Gas for all new taxes (federal, state, local or other) that may be levied upon or paid by Bay Gas with respect to the services performed hereunder. In no event shall Shipper be required to pay any tax in an amount greater than its prorated share.

10.2 <u>Definition of Taxes</u>. The term "new taxes" as used in Section 10.1 shall mean all taxes which are not now in existence but which may in the future be levied upon Bay Gas or its facilities for the transportation of gas hereunder (other than capital stock, income or excess profit taxes, or general franchise taxes imposed on corporations on account of their corporate existence or on their right to do business within the state as a foreign corporation and similar taxes), including, but not limited to, gross receipts tax, street and alley rental tax, licenses, fees and any other taxes, charges or fees of any kind levied, assessed or made by any governmental authority on the act, right or privilege of transporting, handling or delivering gas or using Bay Gas' Pipeline Facilities or using the New Pipeline Facilities, or any fee in respect to the gas or the transportation or other handling thereof.

Article XI

REGULATORY BODIES

11.1 <u>APSC Approval and Jurisdiction</u>. In accordance with its prior practice for similar contracts, Bay Gas will submit this Contract to the Alabama Public Service Commission ("<u>APSC</u>") on the informal docket for APSC approval. Bay Gas will notify Shipper of any APSC action on this Contract. This Contract is subject to the jurisdiction of the APSC and of any other regulatory agency with jurisdiction over the services or facilities described herein.

11.2 <u>General Services Administration Regulation</u>. Bay Gas agrees to comply with the additional provisions attached hereto as Exhibit "C" and made a part hereof.

Article XII RIGHT TO DELIVER AND RISK OF LOSS

12.1 <u>Right to Deliver</u>. Shipper warrants for itself, its successors and assigns, that it will have and maintain good and marketable title, or the right to deliver for an Affiliate owning good and marketable title, all gas tendered for delivery hereunder. Shipper warrants for itself, its successors and assigns, that the gas it delivers hereunder shall be free and clear of all liens,

encumbrances, or claims as against Shipper or its Affiliates and that it will indemnify Bay Gas and save it harmless from all claims, suits, actions, damages, costs and expenses arising directly or indirectly from or with respect to the right to deliver gas tendered to Bay Gas hereunder.

12.2 <u>No Encumbrance on Delivered Gas</u>. Bay Gas covenants that it shall neither cause nor allow any encumbrance of any nature to arise by, through or under Bay Gas with respect to the title of any gas delivered to Bay Gas, and agrees to deliver such gas pursuant to this Contract free from all liens and adverse claims arising by, through or under Bay Gas, and that it will indemnify, protect, and save Shipper harmless from all claims, suits, actions, damages, costs and expenses arising directly or indirectly from the same.

ARTICLE XIII DEFAULT AND TERMINATION

13.1 Failure to Perform. If either Party hereto shall materially fail to perform any of the material covenants or obligations imposed upon it by virtue of this Contract (except where such failure shall be excused under any of the provisions of this Contract or except where other termination remedies have been established under this Contract), then in such event the other Party may, at its option, terminate this Contract by proceeding as follows: the Party not in default shall cause a written notice to be served upon the Party in default, stating specifically the cause for terminating this Contract and declaring it to be the intention of the Party giving the notice to terminate the same; whereupon, the Party in default shall have sixty (60) days after receipt of the aforesaid notice within which to remedy or remove the cause or causes of default stated in the notice of termination and if, within said period of sixty (60) days, the Party in default does so remedy and remove such cause or causes, and fully indemnifies the Party not in breach, then such notice shall be nullified and this Contract shall continue in full force and effect. In the event the Party in default does not so remedy and remove the cause or causes of default, or does not fully indemnify the Party giving the notice for such Party's actual damages as a result of such breach within said period of sixty (60) days, then this Contract shall terminate after the expiration of said period; provided, however, that if such default be remedied but no indemnification therefore has been made due to a bona fide dispute between the Parties as to the amount thereof, then this Contract shall not terminate, but the Party not in default shall have the right to seek recovery of its actual damages as provided by law.

13.2 <u>No Waiver of Other Rights</u>. Any termination of this Contract pursuant to the provisions of this Article XIII shall be without prejudice to the right of the Party not in default to collect any amounts then due it and without waiver of any other remedy or performance to which the Party not in default may be entitled.

ARTICLE XIV NOTICES

14.1 Whenever any notice, request, demand, statement, nomination or payment is required or permitted to be given under any provision of this Contract, unless expressly provided otherwise, such shall be in writing, signed by or on behalf of the person giving the same, and shall be deemed to have been given and received upon the actual receipt

thereof (including the receipt of a facsimile or email of such notice) at the address of the Parties as follows:

If to Bay Gas Storage Company:

(a) Notices and General Correspondence

Bay Gas Storage Company, Ltd. c/o Sempra U.S. Gas & Power 16945 Northchase Dr., Suite 1150 Houston, TX 77060 Attn: Russell Murrell Email: rmurrell@semprausgp.com Tel: 281-423-2789 FAX: 281-423-2740 With a copy to: Sempra U.S. Gas & Power 101 Ash Street, HQ15 San Diego, CA 92101 Attn: William Rapp Email: wrapp@semprausgp.com Tel: 619-699-5050 FAX: 619-699-5027

(b) Dispatch Notices-Nominations/Confirmations

Sempra U.S. Gas & Power Attn: Heather Delmas Email: HDelmas@semprausgp.com Tel: (0) 281-423-2714; (c) 281-795-4206 FAX: 281-423-2740

(c) Emergencies and 24-hour Dispatch Contact

Sempra U.S. Gas & Power Email: gascontrolhouston@sempraglobal.com Tel: (0) 864-438-0356; (c) 713-483-4454 FAX: 864-438-0341

Alternate contact: Attn: Brad Holbrook Email: bholbrook@semprausgp.com Tel: (0) 864-438-0364; (c) 832-603-7731

Alternate contact: Attn: Bay Gas Operator Tel: 251-295-9760 or 251-331-0766

Alternate contact: Attn: Steve Sheffield Email: ssheffield@semprausgp.com Tel: (0) 251-295-9762; (c) 251-331-0787

Alternate contact: Attn: Ronnie Wallace Email: rwallace@semprausgp.com Tel: (0) 251-295-9763; (c) 251-225-9006 Alternate contact: Attn: Chip Berglund Email: hberglund@semprausgp.com Tel: (o) 864-438-0361; (c) 337-263-7558

(d) Invoices

Sempra U.S. Gas & Power Attn: Marcia Revuelta Email: mrevuelta@semprausgp.com Tel: 281-423-2721

(d) Payments

Bay Gas Storage, Ltd. c/o Sempra U.S. Gas & Power 101 Ash Street San Diego, CA 92101

If to Shipper:

(b) Notices and General Correspondence

Southern Company Services, Inc. 600 North 18th Street, Bin 6S-8164 Birmingham, AL 35203 Attn: Manager, Gas Procurement Tel: 205-257-6143 FAX: 205-257-6176

(b) Dispatch Notices-Nominations/Confirmations

Southern Company Services, Inc.600 North 18th Street, Bin GS-8259 Birmingham, AL 35203 Attn: Risk Manager

Tel: 205-257-5733 FAX: 205-257-3376

(c) Emergencies and 24-hour Dispatch Contact

Attn: Generation Desk Tel: (205) 257-7496

14.2 Operating communications made by telephone or other mutually agreeable means shall be confirmed in writing by facsimile or email within two (2) hours following same if confirmation is requested by either Party. To facilitate such operating communications on a daily basis, lists of names, email addresses, telephone and facsimile numbers of appropriate operating personnel shall be exchanged by and between Bay Gas and Shipper before commencement of service under this Contract. Such lists shall be updated from time to time.

14.3 Either Party may revise its addresses by giving notice in accordance herewith, designating in such writing the new address of such Party.

ARTICLE XV MISCELLANEOUS

15.1 <u>Headings</u>. The subject headings of the articles and sections of this Contract are intended for the sole purpose of convenient reference and are not intended, nor shall the same be construed, to be a part of this Contract or considered in any interpretation hereof.

15.2 <u>Amendment.</u> Neither this Contract nor any provisions hereof may be amended, changed, modified or supplemented except by an agreement in writing, duly executed by the Party to be charged with the same.

15.3 <u>Waiver</u>. No failure by either Party to enforce the performance of any obligation of the other Party under this Contract shall operate as a waiver of such obligation or default, or as a waiver of any other right or default, whether of a like or different character.

15.4 <u>Governing Law; Jurisdiction and Venue</u>. In accordance with Section 12.17.5 of the SOC, the Parties agree that this Contract shall be governed by and construed in accordance with the laws of the State of Alabama, excluding any conflicts of law, rule or principle that might refer such construction to the laws of another state and that venue shall be in the State of Alabama for services performed in Alabama, with respect to any cause of action brought under or with respect to this Contract.

15.5 <u>Assignment</u>. Either Party may assign its rights, titles or interests hereunder as security for any notes, bonds or other obligations or securities of such assignor, but not otherwise, without the written consent of the other Party. Shipper may assign, upon notice to and without prior consent of Bay Gas, this Agreement to any Southern Company subsidiary successor owner or operator of the Plant with reasonably sufficient creditworthiness, as the Parties shall agree. Except as provided herein, no assignment shall be made without the written consent of the other Party hereto, which consent shall not be unreasonably withheld. No assignment provided for hereunder shall in any way operate to enlarge, alter or change any obligation of the other Party hereto.

15.6 <u>Authority</u>. Shipper and Bay Gas hereby represent and warrant that each has the full right, power and authority to enter into this Contract, and that this Contract will not violate the provisions of any other contract or agreement to which Shipper or Bay Gas, respectively, is a party.

15.7 <u>LIMITATION OF LIABILITY</u>. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL DAMAGES IN THE NATURE OF (A) LOSS OF PROFIT OR REVENUE RESULTING FROM THE FAILURE OF THE OTHER PARTY TO PERFORM IN ACCORDANCE WITH THE REQUIREMENTS OF THIS CONTRACT; (B) DAMAGES SUFFERED BY EITHER PARTY AS A RESULT OF THE LOSS OF THE USE OF ITS POWER SYSTEM OR PRODUCTION FACILITIES; (C) COST OF PURCHASED OR REPLACEMENT POWER; (D) DAMAGES SUFFERED BY CUSTOMERS OF A PARTY FOR SERVICE INTERRUPTIONS OR CURTAILMENT; OR (E) COST OF CAPITAL, WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING, WITHOUT LIMITATION, THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. THE PARTIES ACKNOWLEDGE THE DUTY TO MITIGATE DAMAGES HEREUNDER.

15.8 <u>Invalid Provision</u>. In the event one or more of the provisions contained herein shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein, provided that the deletion of such invalid, illegal or unenforceable provision does not materially change the intended nature and risk of the services provided hereunder.

15.9 <u>Entire Agreement</u>. This Contract and the exhibits attached hereto contain the entire agreement between the Parties and there are no representations, understandings or agreements, oral or written, between the Parties which are not included herein.

IN WITNESS WHEREOF, the Parties have executed, or caused to have executed, this Contract in one or more copies or counterparts, each of which shall constitute and be an original of this Contract effective between the Parties as of the Effective Date.

SOUTHERN COMPANY SERVICES, INC. as agent for Alabama Power Company, Georgia Power Company, Mississippi Power Company, Gulf Power Company and Southern Power Company **BAY GAS STORAGE COMPANY, LTD.** By Sempra Midstream, Inc. Its Managing General Partner

By: (

Print: Jeffrey L. Wallace Title: Vice President – Fuel Services

Bv:

Print: Michael P. Gallagher Title: President

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EXHIBIT "A"

TO AMENDED AND RESTATED FIRM INTRASTATE TRANSPORTATION SERVICE AGREEMENT BETWEEN BAY GAS AND SOUTHERN COMPANY SERVICES, INC. AS AGENT

500 THER	NOTO (MART)		Minimum
POINTS(S) OF RECEIPT	MDTQ (MMBtu) From Effective Date through day prior to New Pipeline Facilities Completion Date	MDTQ (MMBtu) From New Pipeline Facilities Completion Date through end of Primary Term and any Renewal Term	Minimum Pressure (psig)
Florida Gas Transmission: Interconnection between the	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1		1.10.1
pipeline facilities of Bay	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1		1 1 1 1 1 1 1
Gas and the interstate		the second second	
pipeline facilities of FGT in			625
Mobile County, Alabama			See Sec.
(Interconnect ID:BG-1002)	a state of the sta		
Transco:			1 1 1 1 1 N
Interconnection between the		1.	
pipeline facilities of Bay Gas			1 A A
and the interstate pipeline			700
facilities of Transco Pipeline	and an exception of the		700
in Mobile County, Alabama			
(BG-1013)			
Gulf South Pipeline			
(Whistler): Interconnection			
between the pipeline			
facilities of <u>Bay Gas</u> and the			575
interstate pipeline facilities			575
of <u>Gulf South Pipeline</u> in Mobile County, Alabama			
(BG-1008)			
POINT(S) OF DELIVERY			
Plant Barry #1:			
Interconnection between the			
pipeline facilities of Bay Gas			2
and the facilities of Shipper			
located downstream of the			
Bay Gas metering facility at			
Plant Barry, Mobile County,			
Alabama (BG-1006)			
Plant Barry #2:			
Interconnection between the			
pipeline facilities of <u>Bay Gas</u>			
and the facilities of Shipper located downstream of the			300
Bay Gas metering facility at			500
Plant Barry, Mobile County,			
Alabama (BG-TBD)			

Florida Gas Transmission:Interconnection between thepipeline facilities of BayGas and the interstatepipeline facilities of FGT inMobile County, Alabama(Interconnect ID:BG-1002)	NA
Transco: Interconnection between the pipeline facilities of <u>Bay Gas</u> and the interstate pipeline facilities of <u>Transco Pipeline</u> in Mobile County, Alabama (BG-1013)	NA
Gulf South Pipeline (Whistler): Interconnection between the pipeline facilities of <u>Bay Gas</u> and the interstate pipeline facilities of <u>Gulf South Pipeline</u> in Mobile County, Alabama (BG-1008)	NA

EXHIBIT "A-1"

TO AMENDED AND RESTATED FIRM INTRASTATE TRANSPORTATION SERVICE AGREEMENT BETWEEN BAY GAS AND SOUTHERN COMPANY SERVICES, INC. AS AGENT

TEMPLATE FOR AMENDMENT TO EXHIBIT "A"

This Amendment to Exhibit A ("Amendment") is made and entered into as of [insert date] (the "<u>Effective</u> <u>Date</u>"), by and between Bay Gas Storage Company, Ltd. ("<u>Bay Gas</u>"), an Alabama limited partnership, and Southern Company Services, Inc., as agent for its Affiliates, Alabama Power Company, Georgia Power Company, Mississippi Power Company, Gulf Power Company and Southern Power Company ("<u>Shipper</u>"). This Amendment amends Exhibit A to the Amended and Restated Firm Intrastate Transportation Service Agreement dated July __, 2013 between Bay Gas and Shipper. This Amendment is effective for the period [insert date] through [insert date]. Upon the expiration of this Amendment, the original Exhibit A shall become effective again.

POINTS(S) OF RECEIPT	MDTO (MMBtu) From [insert start date] through [insert end date]	Minimum Pressure <u>(psig)</u>
[Insert Point(s) of Receipt]		
POINT(S) OF DELIVERY		
[Insert Point(s) of Delivery]		

Note: The total MDTQ for all Points of Receipt or Points of Delivery shall not exceed MMBtu prior to New Pipeline Facilities Completion Date and after the New Pipeline Facilities Completion Date.

Except as specifically stated herein, the Amended and Restated Firm Intrastate Transportation Service Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed, or caused to have executed, this Amendment in one or more copies or counterparts, each of which shall constitute and be an original of this Amendment effective between the Parties as of the Effective Date.

SOUTHERN COMPANY SERVICES, INC as agent for Alabama Power Company, Georgia Power Company, Mississippi Power Company, Gulf Power Company and Southern Power Company

BAY GAS STORAGE COMPANY, LTD. By Sempra Midstream, Inc.

Its Managing General Partner

Ву:	By:
Print:	Print:
Title:	Title:

EXHIBIT "B"

TO AMENDED AND RESTATED FIRM INTRASTATE TRANSPORTATION SERVICE AGREEMENT BETWEEN BAY GAS AND SOUTHERN COMPANY SERVICES, INC. AS AGENT

General Design, Mechanical Equipment Ownership, and Operator Responsibilities of New Delivery Station



Notes:

- Bay Gas to design, construct, own, operate, and maintain all equipment upstream of the Ownership/Operator Demarcation Point
- APCO to design, construct, own, operate, and maintain all equipment downstream of the Ownership/Operator Demarcation Point
- APCO to design, construct, own, operate and maintain the new odorizer and associated equipment as part of the New Shipper Facilities
- Equipment in RED reflect existing equipment

EXHIBIT "C"

TO AMENDED AND RESTATED FIRM INTRASTATE TRANSPORTATION SERVICE AGREEMENT BETWEEN BAY GAS AND SOUTHERN COMPANY SERVICES, INC. AS AGENT

Shipper is a government contractor under an Area-wide Public Utility Contract with the General Services Administration of the United States Government. Bay Gas agrees that each of the sections contained in the Federal Acquisition Regulations referred to below shall, as if set forth herein in full text, be incorporated into and form a part of this Contract and Bay Gas shall comply therewith, if the amount of the Contract and the circumstances surrounding its performance require Shipper to include such clause in contracts between Shipper and others:

- (1) 52.203-3 Gratuities (APR 1984)
- (2) 52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 1995);
- (3) 52.203-7 Anti-Kickback Procedures (JULY 1995);
- (4) 52.219-8 Utilization of Small Business Concerns (MAY 2004);
- (5) 52.219-9 Small Business Subcontracting Plan (SEPT 2006);
- (6) 52.222-26 Prohibition of Segregated Facilities (FEB 1999); and
- (7) 52.222-26 Equal Opportunity (APR 2002).

Upon request, Shipper will provide the full text of any of the above clauses incorporated herein by reference.

Bay Gas hereby warrants that Bay Gas is not debarred, suspended or proposed for disbarment as a contractor or subcontractor to any department, agency or other division of the U.S. Government. In the event that Bay Gas or any of its Representatives become debarred, suspended or proposed for debarment during the term of this Contract, Bay Gas will immediately notify the Shipper verbally and in writing.

If Bay Gas is subject to the requirements set forth in Federal Acquisition Regulations 52.219-8 and 52.219-9, Bay Gas will, (i) adopt a subcontracting plan that complies with the requirements of 52.219-9 and (ii) provide a written report(s) to the Shipper that confirms it has adopted such a subcontracting plan including the amount paid to subcontractors who are a small business concern, veteran-owned small business concern, service-disabled veteran-owned small business concern, HUBZone small business concern, small disadvantaged business concern, or women-owned small business concern.