



Southeast Gas

TERMS OF SERVICE

Adopted: September 19, 2019 and Amended 8/19/21 and 1/19/23

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TERMS OF SERVICE

General

These Terms of Service, together with the applicable rate schedule, form the contract (“Contract”) for supplying gas service between The Southeast Alabama Gas District (“Southeast Gas”) and each customer of Southeast Gas (“Customer”). This contract may be supplemented by specific written agreement between Southeast Gas and Customer, whether executed before or after the effective time hereof. These Terms of Service and the applicable rate schedule will from time to time be modified in whole or in part by action of the Board of Directors of Southeast Gas, such modifications to take effect when published as required by law.

Complete copies of these Terms of Service and the applicable rate schedules are available on the website of Southeast Gas, or by calling (334) 222-4177.

Defined Terms

This is a partial list of defined terms. Other terms are defined throughout the Contract. If not defined, words have their common meaning.

“Cubic Foot” of gas, for the purpose of testing heating value, means that amount of gas which occupies a volume of one cubic foot when saturated with water vapor at 60 deg. F. and at a pressure of 14.73 pounds per square inch. For the purpose of measurement of gas to a Customer, a cubic foot of gas shall be the amount of gas which occupies a volume of one cubic foot at 4 ounces above absolute atmospheric pressure and under the conditions existing in such Customer’s meter as and where installed. If deliveries are made at pressure other than those existing in Southeast Gas’s low-pressure system, the volume of gas delivered by Southeast Gas to the Customer hereunder shall be calculated on a pressure basis for four (4) ounces per square inch, or 7 inches water column (wc), above atmospheric pressure and a temperature basis of sixty (60) degrees F. Atmospheric pressure shall be assumed to be 14.4 pounds per square inch.

“Electronic Reading Data” shall mean such metering information as is available electronically from a Customer’s meter, such as pressure, flow and temperature.

“Gas” means gas containing between 950 BTU and 1100 BTU gross heating value per cubic foot.

“Gas Appliance” shall mean any appliance or device which uses natural gas as its fuel source.

“Gas Service Line” shall have the meaning assigned in Section 9.

“House Lines” shall have the meaning assigned in Section 9.

“Month” and “Monthly” are intended to designate, for billing purposes, the period between any two regular readings of Southeast Gas’s meters at approximately thirty-day intervals.

“Outlet” shall mean a connection in the piping system to which a gas burning appliance is or may be attached.

“Temporary Service” is service which, by its character, is not of a permanent nature.

“Vent” shall mean a pipe, flue, or chimney designed and installed to carry the products of combustion from any appliance to the outside atmosphere.

SECTION 1

Contract and Term

(a) Southeast Gas shall furnish service to each Customer under the Contract.

(b) Unless the Contract specifies otherwise, it shall become operative on the day the Customer is connected to Southeast Gas's service for the purpose of taking gas and shall continue until (i) Customer provides notice to Southeast Gas that service is to be discontinued, or (ii) Southeast Gas discontinues service to Customer. The provisions of Sections 2, 3, 4, 9, 10, 12 and 13 of this Contract continue to apply after service is discontinued.

SECTION 2

Customer Deposits

(a) Southeast Gas may require any Customer or prospective Customer to make in advance and maintain a deposit to secure the prompt payment of bills, which deposit amount may be adjusted from time to time based on the Customer’s use of gas. For Customers other than General Service and Public Housing Customers, the amount of such required deposit shall be at the discretion of management not to exceed an amount equal to fifty (50) percent of the estimated annual bill, provided however, a minimum deposit may be required. For General Service, Public Housing, Commercial and Industrial Customers, management may from time to time establish a range of deposits required, based upon a ranking of the credit risk of the Customer. Management shall have discretion in the type of deposit accepted. Should the Customer fail to provide the deposit required in a timely fashion, Southeast Gas may add a rider to the Customer’s monthly bill for gas service, the amount of such rider being calculated so that the Customer’s deposit shall equal the required amount within such period of time as management may determine in its discretion.

(b) Deposits shall be posted in cash unless, at the discretion of Management, a Commercial or Industrial Customer is permitted to post a utility bond, surety bond or letter of credit underwritten by a financial institution (the “Underwriter”) acceptable to Management

(a “Non-Cash Deposit”). Beginning September 1, 2021, certificates of deposit will no longer be accepted. It is the Customer’s responsibility to at all times keep the Non-Cash Deposit current, and, specifically, to replace the Non-Cash Deposit not less than fourteen days prior to expiration. Should Customer fail to replace the Non-Cash Deposit not less than fourteen days prior to expiration or cancellation of the Non-Cash Deposit, then (i) such failure shall be deemed a failure to pay for gas service in a timely manner under the Customer’s account with Southeast Gas and Southeast Gas may call or tender the Non-Cash Deposit to its Underwriter, and (ii) Customer shall pay to Southeast Gas a \$500 administrative fee.

(c) Southeast Gas shall maintain a record of Customer deposits containing:

1. The name of each Customer making such deposit
2. The premises to be occupied by Customer when the deposit is made
3. The amount and date of such deposit

(d) Deposits shall be refunded to any General Service or Public Housing Customer who shall have paid in full on time and otherwise maintained his or her account in good standing for each of the twelve preceding months. Should a deposit be refunded to a Customer, and that Customer thereafter becomes delinquent in payment of his or her account, management may require the Customer to once again post a deposit, using the then-current criteria for deposits.

(e) When a potential Customer has a prior unpaid balance with Southeast Gas for service, at any location, such balance must be paid before new or renewed service will be established. At the discretion of Southeast Gas, the amount of the deposit may be increased to reflect the increased risk of providing service to a potential Customer who has a history of nonpayment or slow payment, or where service is requested by a potential Customer at an address where a family member of such potential Customer has such a history.

(f) It is further understood that the signing of the application or the depositing of any sum of money by a potential Customer shall not be binding upon Southeast Gas until such time as may be reasonably required by Southeast Gas to determine if the Customer has complied with the provisions of this Contract.

(g) The deposit is not considered as an advance payment to cover current or future gas service bills, but for all purposes it is to be considered as a security for the payment of monthly bills and other proper charges.

SECTION 3

Record of Gas Supplied

Southeast Gas will keep an accurate record of the amount of gas registered by its meters and such record shall be accepted at all times and in all places and courts as prima facie evidence of the true amounts of gas consumed. Such records will be maintained for a period of not less than six (6) years after service is rendered.

Upon execution of the required form of confirmation by an Industrial Customer, Southeast Gas shall provide the Industrial Customer with a means to access such Electronic Reading Data as is available from the Industrial Customer's meter. Electronic Reading Data is interim data, subject to correction for a variety of reasons, including without limitation equipment error, calibration and transmission. Southeast Gas may collect an upcharge for providing access to Electronic Reading Data.

SECTION 4

Billing and Payment

(a) Southeast Gas will, insofar as reasonably possible, read all gas service meters monthly and render bills for the amount of gas used. Such bills shall show the period in which gas was used and the final payment date at the net rate. Bill shall be deemed rendered when deposited by Southeast Gas into the US Mail, or, if electronic billing has been requested by Customer, when sent by email or when posted on the Customer's portal on the Southeast Gas website. It is the Customer's responsibility to review and pay such bill before the final payment date, otherwise applicable late fees will apply.

(b) Service bills are net if paid on or before close of business (or 5:30pm local time if paid on website) twelve (12) days after rendition of bill.

(c) Fees for late payment, discontinuance of service, reconnection and similar fees are due, in the amounts posted from time to time on the Southeast Gas website.

SECTION 5

Rates

Rates are set from time to time by the Board of Directors of Southeast Gas, and vary from month to month with changes in the weighted average cost of gas. While Southeast Gas does not assume responsibility for selecting the rate most advantageous to Customer, it will, at Customer's request, assist in determining which of its rates may be most advantageous to the Customer. The selection, when made, shall not be retroactive and shall remain in force for a period of one year.

SECTION 6

Ending Service

(a) The Customer shall give notice to Southeast Gas in writing, by telephone or in person at its nearest office, when Customer desires to discontinue service. Customer's obligation for service rendered shall continue until such notice is given.

(b) Southeast Gas may discontinue service, including without limitation turning off the gas and locking out the meter, to any Customer for any of the following reasons:

1. For use of gas for any other purpose and/or at any property other than that described in any service application, rate schedule or this Contract.
2. For resale of gas in violation of this Contract and/or the applicable rate schedule.
3. The premises are vacated.
4. Southeast Gas's representatives are refused access to such premises for any lawful purpose at reasonable hours, including without limitation access for the purpose of inspection, or addressing a leak or problem with an appliance.
5. For failure or refusal of Customer to pay amounts past due for gas service; to make or renew advance payments required; or to pay any other charges accruing under this Contract after thirty (30) days for non-payment of past due bills.
6. When Southeast Gas's property on Customer's premises is in any manner tampered with, damaged or destroyed; and
7. For use of gas in violation of any city ordinances and/or State or Federal statute or regulations applicable to the area where the gas service is being supplied.

(c) Service to any Customer may be discontinued immediately and without notice when fraudulent use of such gas and/or gas service is detected or when Southeast Gas has knowledge that an unsafe condition will result from a continuance of such gas service.

(d) Discontinuance of service for causes other than those specified in (b) and (c) above shall be made and the right to discontinuance shall occur only after three (3) days' written notice of Southeast Gas's intention to discontinue service has been given to Customer. Such notice may be given by depositing notice in the United States Mail addressed to the Customer's last known mailing address as shown by Southeast Gas's records, by email to the Customer's email address on record with Southeast Gas, or by personal delivery to him or a member of the Customer's household, i.e. door hangers, etc. After such notice is given, Southeast Gas may postpone the effective date upon which service is to be discontinued, but no such postponement shall operate as a waiver of such right either as to existing or future causes of discontinuance.

(e) Whenever gas service to any Customer is discontinued for the violation of this Contract, non-payment of bills, fraudulent use of gas or tampering with the Southeast Gas's regulating and measuring equipment, then, in order for service to be restored Customer must pay all past due amounts, establish or reestablish a deposit, and pay any applicable reconnection fee and like charges, which shall be posted on the Southeast Gas website from time to time.

(f) When requested by the property owner, Southeast Gas will remove its facilities from any inactive service. At its option, Southeast Gas may remove its facilities from any inactive service.

SECTION 7

Use of Gas

Gas service shall not be used by Customer for any purpose not specified in the applicable rate schedule or in this Contract. Customer shall not sell or permit others to use gas delivered to Customer.

All risks downstream of the Point of Delivery are assumed by Customer, his or her agents, servants, employees, or other persons on the premises of Customer. Southeast Gas shall not be liable to Customer, to any of Customer's agents, tenants, or employees, or to any other person, for any damage or injury resulting from the said gas or its use after it passes through the Point of Delivery.

SECTION 8

Curtailement

Southeast Gas shall use commercially reasonable efforts to provide a regular and uninterrupted supply of gas, but in case the supply of gas to Southeast Gas shall fail or be interrupted, or become defective through act of God, or the public enemy, or state, municipal, or other public authority, through failure of supply, or be caused by accident, strikes, or labor troubles, or any other causes beyond the reasonable control of Southeast Gas, or should demand for gas on the Southeast Gas system exceed the capacity of the system at any point on the system taking into account the operating conditions at such time, then a Gas Supply Deficiency shall exist and Southeast Gas may curtail or interrupt gas deliveries to Customer, and Southeast Gas shall not be liable for damages Customer incurs as a result of such curtailment or interruption.

Should Southeast Gas have a Gas Supply Deficiency, Southeast Gas shall curtail deliveries to Customers in accordance with the order of priorities set forth below, curtailing the lower (or, that is, higher numbered) priority in full before curtailing in any higher priority.

Firm:

Priority 0 – General Service, Housing Authority, Commercial Customers, together with those Industrial and local distribution customers who have, by contract, agreed to pay for firm gas service.

Interruptible:

Priority 1 – Small Industrial Interruptible Tariff Customers (24-hour notice prior to start of gas day for curtailment)

Priority 2 – Large Industrial Customers having transportation capacity on the interstate pipeline for which Southeast Gas transports by contract on the Southeast Gas system (24-hour notice prior to start of gas day for curtailment)

Priority 3 – Medium or Large Industrial Customers who subscribe to Supplemental Priority Rate 3 Classification (24-hour notice prior to start of gas day for curtailment)

Priority 4 – Medium or Large Industrial Customers who subscribe to Supplemental Priority Rate 4 (12-hour notice prior to start of gas day for curtailment)

Priority 5 – Other Medium or Large Industrial Customers (2-hour notice prior to curtailment)

Customers at a specific location within the same priority shall be curtailed as equitably as possible. Southeast Gas shall notify Customers of the maximum quantity of gas permitted during a Day or partial Day pursuant to the curtailment plan and may, if Southeast Gas operations so requires, also limit the quantity of gas which may be taken hourly. All Customers shall comply with each such notice at any time of the day. In the event that a Customer shall refuse to comply with such notice, either as to hourly or daily consumption, Southeast Gas may take such steps as shall be necessary to reduce or cut all delivery of gas to such Customer. Variations in the curtailment procedures provided in this Curtailment Plan may be made by Southeast Gas when necessary to respond to emergency situations. In addition, Southeast Gas may also vary such curtailment procedures when in its sole judgment such variation is necessary to maintain the operational integrity of or to prevent damage to its system.

A Customer taking interruptible gas, whether by tariff, by contract or both, shall comply with all notices of Southeast Gas calling for curtailment of gas deliveries. If for any reason the Customer shall not (i) reduce takes of gas to the volume provided in a notice calling for partial curtailment of gas deliveries, or (ii) discontinue using gas after the effective hour of notice calling for complete curtailment of all gas deliveries, the charge to such Customer for all such unauthorized overrun gas shall be increased by the amount of any penalty or overrun rate charged by the supplier(s) of Southeast Gas pursuant to each such supplier's tariff or rate schedule, as same may be in effect from time to time. Penalty charges shall be billed to the Customer within a reasonable time after Southeast Gas is billed by the Supplier(s), and thus, billing for surcharges may be after regular billing for a month. Payment of such overrun penalty shall not, under any circumstances, be considered as giving Customer the right to take unauthorized overrun gas, nor shall such payment exclude or limit any other remedies available to Southeast Gas against Customer for failure to comply with curtailment notice issued by Southeast Gas.

SECTION 9

Point of Delivery, Service Lines and House Lines

The point at which gas is delivered by Southeast Gas to the Customer is called the "Point of Delivery." Unless otherwise designated, the Point of Delivery is the first fitting downstream of the outlet meter swivel on the Southeast Gas meter set on Customer's premises. Southeast Gas is responsible for the gas upstream of the Point of Delivery. The Customer is responsible for the gas downstream of the Point of Delivery.

Southeast Gas shall install its "Gas Service Line," being the pipe, fittings and meter set between its main and the Point of Delivery. If the distance to the main or difficulty of installation of the Gas Service Line exceeds the no cost connection standard of Southeast Gas, the additional charges for installing the Gas Service Line will be determined based on the cost to construct such line and submitted to Customer for approval, prior to the work being completed. Southeast Gas shall not be required to make an extension of its mains and distribution line which, in the opinion of Southeast Gas, is not feasible.

Where a Gas Service Line was installed prior to March 16, 2017 without an excess flow valve and if requested by the Customer, Southeast Gas shall install an excess flow valve at the cost of the Customer.

If temporary service is requested, the Customer shall pay the cost of service under the rates applicable, and Southeast Gas, at its option, may collect from the Customer the estimated cost of installing and removing all temporary equipment and connections.

Customer will be required to pay for Customer's "House Lines," defined as all yard lines and house piping for the purpose of providing the connection between the Point of Delivery and various points of consumption on Customer's premises. It shall be the duty of the Customer to maintain the House Lines at Customer's own cost and expense, including without limitation leak detection and cathodic protection. Customer's House Lines and appliances shall be installed in compliance with all applicable codes and regulations, and, if required by local code, Customer's House Lines must be inspected and approved in accordance with existing ordinances by an authorized agent of the city or town.

A Gas Service Line may be used to supply a single building, or a single group of buildings, such as a group of factory buildings, hospital buildings, or a single institution having a number of separate buildings under one management or control provided that each building is an integral part of and necessary to the operation of the institution, and further that such buildings are not separated by public streets, alleys, highways, or by property owned by others.

Nothing contained herein shall be construed as obligating Southeast Gas to inspect, maintain, or repair Customer's House Lines, appliances, or any other apparatus. Southeast Gas in no case shall be held responsible or liable to Customer or others for any damage to persons or property resulting from the installation and/or operation of Customer's House Lines, appliances and/or any other apparatus, at or beyond Point of Delivery.

Customer must provide a route for the Gas Service Line and a location for the meter and related facilities of Southeast Gas, such route and location to constitute an easement from Customer to Southeast Gas. Federal, state and/or local codes and regulations may dictate where and how Southeast Gas installs its facilities on a Customer's property. Customer will hold Southeast Gas harmless from all claims for trespass, injury to persons or damage to lawns, trees, shrubs, buildings, or other property that may be caused in the installation, replacement, maintenance and abandonment of the Gas Service Line, meter set and other necessary appurtenances to serve customer unless it shall affirmatively appear that the injury

to persons or damage to property complained of has been caused by willful default or neglect on the part of Southeast Gas or its employees.

SECTION 10

Meters and Measurement

The gas sold shall be delivered through such meter or meters as Southeast Gas may select and provide, which meter or meters shall be and remain the property of Southeast Gas, and at all times subject to its control, with the right of removal at any time when gas is shut off for any of the causes herein set forth, or for any other cause. Should the meter fail to register the volume of gas used, consumption shall be estimated on the basis of the amount of gas used during a corresponding month or months preceding or following, and when similar conditions prevailed.

All service meters hereafter installed on Customer's premises shall be located at a point provided by Customer and suitable to Southeast Gas and in compliance with all applicable codes and regulations as near as possible to the distribution main and so placed as to be at all times accessible for inspection, reading and testing. Codes may impact the location of meters for a variety of reasons, including without limitation power meters, ignition sources, windows and doors. All meters shall be located where they will not be damaged by passing objects and where they will be suitably ventilated and reasonably protected from weather conditions.

Whenever a Customer requests Southeast Gas to read his service meter at any time other than the regular reading date for reasons other than outlined in Section 11, Southeast Gas shall render the service as requested and may charge the Customer a reasonable amount to cover the expense of said service.

Whenever a Customer requests replacement of the service meter on his premises, such request shall be treated as a request for the test of such meter under Section 11.

Whenever a Customer moves from the location where gas is used by him and, therefore, requires the disconnecting and connecting at a new location of the gas supply, and the same work has been done for him within one (1) year preceding, Southeast Gas, at its option, may make a reasonable charge for the work.

SECTION 11

Meter Testing On Request Of Customer

(a) Southeast Gas shall at any time when requested in writing by a Customer, upon reasonable notice, test the accuracy of the meter at Customer's premises, provided that, by such request, the Customer shall be deemed to agree (i) to accept the result of the test made by Southeast Gas as determining the basis for settling the difference revealed, and (ii) to pay the cost of said test, if the meter is found to be accurate within the limits prescribed herein.

(b) If, on test of any gas meter at the Customer's request, it be found more than three per cent (3%) fast, Southeast Gas shall refund the Customer the estimated excess paid by Customer between the date of the repair or removal of the faulty meter and the date when the cause of such error occurred, if the latter date can be definitely fixed; or, if the latter date cannot be definitely fixed, the date when the meter was placed in service; provided, however, that under no circumstances shall any refund be made for a longer period than three (3) months prior to the repair or removal of the faulty meter.

(c) If, on test of any gas meter at the Customer's request, it be found more than three per cent (3%) slow, Southeast Gas shall bill the Customer the estimated underage between the date of the repair or removal of the faulty meter and the date when the cause of such error occurred, if the latter date can be definitely fixed; or, if the latter date cannot be definitely fixed, the date when the meter was placed in service; provided, however, that under no circumstances shall any charge be made for a longer period than three (3) months prior to the repair or removal of the faulty meter.

(d) Customer may be present when Southeast Gas conducts the test on his meter, or if he desires, may send an expert or other representative appointed by Customer at its expense.

(e) A report giving the name of the Customer requesting the test, the date of such request, the location of the premises where meter is located, the number of the meter, the date of removal, the date tested, and the result of the test, shall be supplied to such Customer within a reasonable time after completion of test.

(f) Customer shall not permit anyone other than an authorized employee or representative of Southeast Gas to adjust, repair, connect, or disconnect, or in any way change the meter or other equipment of Southeast Gas. No pipe shall be connected to Southeast Gas's main which does not connect with its meter; nor between point of delivery and the meter; nor shall any service connection be connected or disconnected or removed except by Southeast Gas's representatives. In case of loss or damage to the property of Southeast Gas from the acts of negligence of Customer, Customer shall pay Southeast Gas the cost of repairing or replacing such property.

SECTION 12

Safety

A Customer who smells gas or has any reason to think that gas is escaping, inside or outside a building, must call us immediately at (800) 660-8683, and take care to avoid open flames or other sources of ignition.

Operation of the Southeast Gas system is subject state and federal safety standards, which change from time to time. From time to time, Southeast Gas technicians are required to inspect Southeast Gas facilities on Customer property, and Customer shall cooperate when requested to provide access.

A Customer must follow these rules for installation and use of gas appliances:

(a) Every gas appliance hereafter installed shall be properly adjusted by the person making the installation, and no such appliance, following the installation, shall be left connected to the gas piping unless every reasonable precaution has been employed to insure safe operation of the burners and proper combustion of the gas, due attention being given to draft conditions and ventilation.

(b) In no case shall an appliance be fired or adjusted to pass a greater amount of gas than the rated capacity.

(c) All House Lines not connected to an appliance shall be capped, plugged, sealed or removed.

(d) No person or persons shall install or permit the installation of any device purporting to reduce gas consumption when such device is intended as an adjunct or addition to a gas appliance, or to be suspended above, or to wholly or partially enclose any burner of a gas appliance, in such manner as to reduce the effectiveness or ignition of the gas issuing from the burner or impair combustion of said burner.

(e) All House Lines, vents, vent connections, and appliances shall be maintained in good condition, provided, however that no gas piping, vent, vent connection, fixture or appliance not conforming to the requirements of these Terms of Service shall be used or maintained if the use or maintenance thereof would endanger life or property, and no gas appliance shall be operated, which is not provided with ample ventilation.

SECTION 13

Limitation of Damages, Dispute Resolution and Arbitration

BY ACCEPTING SERVICE OR CONTINUING TO RECEIVE SERVICE FROM SOUTHEAST GAS CUSTOMER HAS AGREED TO THE TERMS OF THE PROVISIONS OF THIS SECTION 13, INCLUDING OUR MUTUAL AGREEMENT TO RESOLVE ALL DISPUTES THROUGH BINDING ARBITRATION BY THE AMERICAN ARBITRATION ASSOCIATION. BOTH CUSTOMER AND SOUTHEAST GAS HAVE WAIVED THE RIGHT TO FILE AN ACTION IN COURT.

(a) Limitation of Liability

THE LIABILITY OF SOUTHEAST GAS FOR DAMAGE FOR ANY CAUSE, INCLUDING BUT NOT LIMITED TO BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE AND OR INTENTIONAL ACTS RELATING TO OR ARISING OUT OF THE SALE AND OR DELIVERY OF NATURAL GAS TO CUSTOMER WILL BE LIMITED TO THE RECOVERY OF THE DIRECT DAMAGES ACTUALLY INCURRED BY CUSTOMER. IN NO EVENT SHALL SOUTHEAST GAS BE LIABLE FOR ANY INDIRECT, SPECIAL, OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES ARISING OUT OF LOSS OF USE OR LOSS OF PROFITS. EXCEPT AS OTHERWISE PROVIDED IN THESE TERMS AND CONDITIONS, SOUTHEAST GAS MAKES NO OTHER, AND EXPRESSLY DISCLAIMS ANY, WARRANTIES, EXPRESS OR IMPLIED, OF

MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE.

(b) Waiver of Class Actions

ALL PARTIES TO ANY ACTION BETWEEN CUSTOMER AND SOUTHEAST GAS, INCLUDING WITHOUT LIMITATION AN ARBITRATION ACTION, MUST BE INDIVIDUALLY NAMED. THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS TO BE ARBITRATED OR LITIGATED ON A CLASS ACTION OR CONSOLIDATED BASIS OR ON A BASIS INVOLVING CLAIMS BROUGHT IN A PURPORTED REPRESENTATIVE CAPACITY ON BEHALF OF THE GENERAL PUBLIC (SUCH AS A PRIVATE ATTORNEY GENERAL), OTHER RECIPIENTS OF GAS SERVICES FROM SOUTHEAST GAS, OR OTHER PERSONS SIMILARLY SITUATED. CUSTOMER ALSO AGREES NOT TO PARTICIPATE AS A CLASS MEMBER IN ANY SUCH PROCEEDING.

(c) Informal Dispute Resolution

Most customer concerns can be resolved quickly and informally. If Customer has a complaint or a Dispute with SOUTHEAST GAS, Customer can call our main office at **(334) 222-4177** and ask to speak with the Executive Assistant to the CEO, or write to us at **715 Dr. MLK Expressway, Andalusia, AL 36420**, or email us at CEO@southeastgas.com. Please provide Customer's service address and SOUTHEAST GAS account number.

In the unlikely event that SOUTHEAST GAS is unable to resolve a complaint or Dispute to Customer's satisfaction (or if SOUTHEAST GAS has not been able to resolve a Dispute it has with Customer after attempting to do so informally), we each agree to resolve all Disputes through binding arbitration by the American Arbitration Association ("AAA"). Any arbitration will be on an individual basis only; class arbitrations and class actions are not permitted.

(d) Binding Arbitration

If Customer has a Dispute (as defined below) with SOUTHEAST GAS that cannot be resolved informally, Customer and SOUTHEAST GAS must arbitrate that Dispute in accord with the terms of this Arbitration Provision instead of litigating the Dispute in court. Arbitration means that Customer will have a fair hearing before a neutral, independent arbitrator instead of in a court by a judge or jury. The decision of the arbitrator will be final and binding.

(e) Definitions

As used in this Arbitration Provision, the term "Dispute" means any dispute, claim, or controversy between Customer and SOUTHEAST GAS regarding any aspect of Customer's relationship with SOUTHEAST GAS, including gas service provided by SOUTHEAST GAS, that has arisen or that may arise in the future, whether based in contract, statute, regulation, ordinance, tort (including, but not limited to, negligence, fraud, misrepresentation, fraudulent inducement, or any intentional tort), or any other legal or equitable theory. The term

“Dispute” also includes any dispute regarding whether a particular controversy is subject to arbitration, including any claim as to the enforceability of this Arbitration Provision. “Dispute” is to be given the broadest possible meaning that will be enforced. As used in this Arbitration Provision, “SOUTHEAST GAS” means **THE SOUTHEAST ALABAMA GAS DISTRICT** and its officers, directors, employees, members, affiliates and agents and any other party that Customer may contend is jointly or severally liable with any of the foregoing parties.

(f) Initiation of Arbitration Proceeding/Selection of Arbitrator

1. Notice of Dispute

A party who intends to seek arbitration (whether they have tried to resolve the Dispute informally or not) must first send to the other, by certified mail, a written Notice of Dispute (“Notice”) to: **SOUTHEAST GAS C/O CT Corporation System, 2 North Jackson Street, Suite 605, Montgomery, Alabama 36104** (“Notice Address”). The Notice must (a) describe the nature and basis of the claim or Dispute; and (b) set forth the specific relief sought (“Demand”). **If SOUTHEAST GAS and Customer do not reach an agreement to resolve the Dispute within 30 days after the Notice is received, Customer or SOUTHEAST GAS may commence an arbitration proceeding.**

The arbitration will be governed by the AAA Consumer Arbitration Rules, except as modified by these Terms and Conditions. During the arbitration, the amount of any settlement offer made by SOUTHEAST GAS or by Customer shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which Customer or SOUTHEAST GAS is entitled. The Notice form is available by calling **(334) 222-4177 and speaking to the Executive Assistant to the CEO.**

2. Commencement of Arbitration

A party may initiate arbitration by filing a Claim Form with the AAA and by sending a copy of the Claim Form

if initiated by Customer, to SOUTHEAST GAS C/O CT Corporation System, 2 North Jackson Street, Suite 605, Montgomery, Alabama 36104

if initiated by SOUTHEAST GAS, to Customer at his or her address on file with SOUTHEAST GAS.

The form is available on the AAA website (www.adr.org) or SOUTHEAST GAS’s website (www.southeastgas.com). Customer can complete the Claim Form on the AAA website or Customer can mail the Claim Form to **AAA Case Filing Services, 1101 Laurel Oak Road, Suite 100, Voorhees, New Jersey 08043**, with a copy to SOUTHEAST GAS at the Notice Address.

(g) Arbitration Procedures

The Federal Arbitration Act (“FAA”), not state arbitration law, will govern the arbitrability of all Disputes. However, applicable federal law or Alabama law may apply to and govern the substance of any Dispute. Any state statutes pertaining to arbitration shall not be applicable under this Arbitration Provision. It is within the power of the Arbitrator to decide whether a dispute arising out of the services SOUTHEAST GAS provides is arbitrable.

If there is a conflict between this Arbitration Provision and the AAA rules, this Arbitration Provision shall govern.

A single arbitrator chosen by the AAA will resolve the Dispute. Participating in arbitration may result in limited discovery. The arbitrator will honor claims of privilege recognized by law and will take reasonable steps to protect customer account information and other confidential or proprietary information.

The arbitrator will make any award in writing, but need not provide a statement of reasons unless requested by a party. An award rendered by the arbitrator may be entered in any court having jurisdiction over the parties for purposes of enforcement.

(h) Location of Arbitration

The arbitration will take place in the county where Customer is billed. The type of hearing shall be determined by the AAA rules.

(i) Payment of Arbitration Fees and Costs

ALL PARTIES AGREE TO EQUALLY PAY THE COST OF ARBITRATION. EACH PARTY IS RESPONSIBLE FOR ALL ADDITIONAL COSTS THAT IT INCURS IN THE ARBITRATION, INCLUDING, BUT NOT LIMITED TO, ATTORNEY’S FEES (IF CUSTOMER CHOOSES TO BE REPRESENTED BY AN ATTORNEY) AND EXPERT WITNESS FEES.

(j) Continuation

These Limitation of Damages, Dispute Resolution and Arbitration Provisions shall survive the termination of Customer’s gas service with SOUTHEAST GAS.

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