

FORM OF SERVICE AGREEMENT

FORM OF SERVICE AGREEMENT
(For Use Under Seller's Rate Schedule FS)

THIS AGREEMENT entered into as of the ____ day of _____, 20____, by and between Blue Lake Gas Storage Company, a Michigan general partnership, hereinafter referred to as "Seller," and _____, hereinafter referred to as "Customer."

W I T N E S S E T H

WHEREAS, Customer has requested Seller to store Gas on its behalf; and

WHEREAS, Seller has sufficient capacity available to provide the Storage Service for Customer on the terms specified herein;

NOW, THEREFORE, Seller and Customer agree as follows:

ARTICLE I
STORAGE SERVICE

1. Seller's service hereunder shall be subject to receipt of all requisite regulatory authorizations from the Federal Energy Regulatory Commission ("Commission"), or any successor regulatory authority, and any other necessary governmental authorizations, in a manner and form acceptable to Seller.
2. Subject to the terms and provisions of this Agreement, Customer may on any Day during the Summer Period deliver or cause to be delivered to Seller, Gas up to the Maximum Daily Injection Quantity plus Seller's Injection Use for Storage of up to the Maximum Storage Quantity and at Customer's request on any Day during the Winter Period Seller agrees to Tender Equivalent Quantities of Gas to or for the account of Customer, on a firm basis, up to the Maximum Daily Withdrawal Quantity, reduced by Seller's Withdrawal Use.
3. Seller may, if requested by Customer, inject or withdraw from Storage daily quantities in excess of the Maximum Daily Injection Quantity or Maximum Daily Withdrawal Quantity specified in Paragraph 2, above, if it can do so without adverse effect on Seller's operations or its ability to meet its higher priority obligations.
4. Seller may, if requested by Customer, accept on a best efforts basis, quantities of Gas for injection into Storage during the Winter Period, and Seller may, if requested by Customer, Tender on a best efforts basis quantities of Gas for withdrawal from Storage during the Summer Period, up to the Customer's Working Gas Storage Balance reduced by Seller's Withdrawal Use.

ARTICLE II
POINT OF INJECTION/WITHDRAWAL

1. Customer shall deliver or cause to be delivered Gas hereunder at the Point of Injection/Withdrawal.
2. Seller shall Tender to or for the account of Customer, Equivalent Quantities of Gas stored hereunder, at the Point of Injection/Withdrawal.

ARTICLE III
TERM OF AGREEMENT

1. This Agreement shall be effective as of the date first above written and shall remain in effect for a primary term commencing April 1, ____ and ending March 31, ____.

(if applicable) Seller has agreed to provide a contractual right of first refusal to Customer. Accordingly, Customer may extend the primary term of this Agreement pursuant to the procedures set forth in Section 6.10.1 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE IV
RATE SCHEDULE AND CHARGES

1. Each Month, Customer shall pay Seller for the service hereunder, an amount determined in accordance with Seller's Rate Schedule FS and the applicable provisions of the General Terms and Conditions of Seller's FERC Gas Tariff, Second Revised Volume No. 1 ("Tariff"), as filed with the Commission. Such Rate Schedule and General Terms and Conditions are incorporated by reference and made a part hereof. Sections IV & V of Exhibit A hereto sets forth the applicable information as follows, which shall be utilized for transactions hereunder:
 - (a) Rates and Charges
 - (b) Additional charges which are applicable.

Exhibit A to this Agreement shall specify the Rates and Charges and Additional charges which are applicable. When the level of any Additional charges is changed pursuant to Commission authorization or direction, Seller may unilaterally effect an amendment to Exhibit A to reflect such change(s) by so specifying in a written communication to Customer.

2. It is further agreed that Seller may seek authorization from the Commission and/or other appropriate body for such changes to any rate(s) and terms and conditions set forth herein, in Rate Schedule FS or in the General Terms and Conditions of Seller's Tariff, as may be found

necessary to assure Seller just and reasonable rates. Nothing herein contained shall be construed to deny Customer any rights it may have under the Natural Gas Act, as amended, including the right to participate fully in rate proceedings by intervention or otherwise to contest Seller's filing in whole or in part.

3. Further Agreement:

(Write None or specify the agreement).

ARTICLE V
NOTICE

1. Except as may be otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement or any notice which a party may desire to give the other shall be in writing by mail, e-mail, or other means as agreed to by the parties and sent to the address stated, as follows:

Seller: Blue Lake Gas Storage Company
700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Attention: Commercial Operations

Customer: _____

ARTICLE VI
INCORPORATION BY REFERENCE

The provisions of Rate Schedule FS and the General Terms and Conditions of Seller's Tariff are specifically incorporated herein by reference and made a part hereof.

ARTICLE VII
MISCELLANEOUS

1. This Agreement supersedes and cancels the following contract between the parties hereto effective _____:

2. Replacement Customer.

[If Customer is a Replacement Customer, state identity of Releasing Customer and Contract Number under which capacity is released. The offer of release issued by the Releasing Customer is incorporated herein by reference.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized.

Blue Lake Gas Storage Company

By _____

Its _____

(Customer)

By _____

Its _____

EXHIBIT "A"
to
Agreement between
Blue Lake Gas Storage Company (Seller)
and
_____ (Customer)

Dated _____

- I. MAXIMUM DAILY INJECTION QUANTITY (Dth)
- II. STORAGE DEMAND WITHDRAWAL QUANTITY (Dth)
- III. MAXIMUM STORAGE QUANTITY (Dth)
- IV. RATES AND CHARGES - Maximum Rates as set forth in Section 4.1 of Seller's Tariff unless otherwise agreed to.
- V. ADDITIONAL CHARGES - pursuant to Section 5.1.5 of Rate Schedule FS.

FORM OF SERVICE AGREEMENT
(For Use Under Seller's Rate Schedule IS)

THIS AGREEMENT entered into as of the ____ day of _____, 20__, by and between Blue Lake Gas Storage Company, a Michigan general partnership, hereinafter referred to as "Seller," and _____, hereinafter referred to as "Customer."

W I T N E S S E T H

WHEREAS, Customer has requested Seller to store Gas on its behalf; and

WHEREAS, Seller has sufficient Storage capacity available to provide the Storage Service for Customer on the terms specified herein;

NOW, THEREFORE, Seller and Customer agree as follows:

ARTICLE I
STORAGE SERVICE

1. Seller's service hereunder shall be subject to receipt of all requisite regulatory authorizations from the Federal Energy Regulatory Commission ("Commission"), or any successor regulatory authority, and any other necessary governmental authorizations, in a manner and form acceptable to Seller.
2. Subject to the terms and provisions of this Agreement, Customer may deliver or cause to be delivered to Seller on an interruptible basis, Gas up to the Maximum Daily Injection Quantity, plus Seller's Injection Use, for Storage up to the Maximum Storage Quantity, and Seller agrees to receive, store and redeliver at Customer's request Equivalent Quantities of Gas to or for the account of Customer, on an interruptible basis, up to the Maximum Daily Withdrawal Quantity, reduced by Seller's Withdrawal Use, as set forth on Exhibit A.
3. Seller, if requested by Customer, may inject or withdraw from Storage daily quantities in excess of the Maximum Daily Injection Quantity or Maximum Daily Withdrawal Quantity specified in Paragraph 2, above, if it can do so without adverse effect on Seller's operations or its ability to meet all higher priority obligations.

ARTICLE II
POINT OF INJECTION/WITHDRAWAL

1. Customer shall deliver or cause to be delivered Gas hereunder at the Point of Injection/Withdrawal.

Seller shall Tender to or for the account of Customer, Equivalent Quantities of Gas stored hereunder, at the Point of Injection/Withdrawal.

ARTICLE III
TERM OF AGREEMENT

1. This Agreement shall be effective for an initial period as of the date first written above until _____, and _____ to _____ thereafter, until terminated by Seller or Customer upon _____ prior written notice to the other specifying a termination date at the end of such period or any successive period thereafter. The period of service hereunder shall be from _____ until the termination of this Agreement.

ARTICLE IV
RATE SCHEDULE AND CHARGES

1. Each Month, Customer shall pay Seller for the service hereunder, an amount determined in accordance with Seller's Rate Schedule IS and the applicable provisions of the General Terms and Conditions of Seller's FERC Gas Tariff, Second Revised Volume No. 1 ("Tariff"), as filed with the Commission. Such Rate Schedule and General Terms and Conditions are incorporated by reference and made a part hereof. Sections IV & V of Exhibit A hereto sets forth the applicable information as follows, which shall be utilized for transactions hereunder:
 - a. Rates and Charges
 - b. Additional charges which are applicable.

Exhibit A to the Service Agreement shall specify the Rates and charges and Additional charges which are applicable. When the level of any Additional charges is changed pursuant to Commission authorization or direction, Seller may unilaterally effect an amendment to Exhibit A to reflect such change(s) by so specifying in a written communication to Customer.

2. It is further agreed that Seller may seek authorization from the Commission and/or other appropriate body for such changes to any rate(s) and terms and conditions set forth herein in Rate Schedule IS or in the General Terms and Conditions of Seller's Tariff, as may be found necessary to assure Seller just and reasonable rates. Nothing herein contained shall be construed to deny Customer any rights it may have under the Natural Gas Act, as amended, including the right to participate fully in rate proceedings by intervention or otherwise to contest Seller's filing in whole or in part.
3. Further Agreement:
(Write None or specify the agreement).

ARTICLE V
NOTICE

1. Except as may be otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement or any notice which a party may desire to give the other shall be in writing by mail, e-mail, or other means as agreed to by the parties and sent to the address stated, as follows:

Seller: Blue Lake Gas Storage Company
700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Attention: Commercial Operations

Customer: _____

ARTICLE VI
INCORPORATION BY REFERENCE

The provisions of Rate Schedule IS and the General Terms and Conditions of Seller's Tariff are specifically incorporated herein by reference and made a part hereof.

ARTICLE VII
MISCELLANEOUS

1. This Agreement supersedes and cancels the following contract between the parties hereto effective _____:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized.

Blue Lake Gas Storage Company

By _____

Its _____

(Customer)

By _____

Its _____

EXHIBIT "A"
to
Agreement between

Blue Lake Gas Storage Company (Seller)
and

_____ (Customer)

Dated _____

- I. MAXIMUM DAILY INJECTION QUANTITY (Dth)
- II. MAXIMUM DAILY WITHDRAWAL QUANTITY (Dth), which shall be the greater of one thirtieth (1/30) of the Working Storage Gas as of the last Day of the prior Month or one thirtieth (1/30) of the Working Storage Gas as of the date that Seller notifies Customer that it must withdraw all of its Working Storage Gas within forty-five (45) Days.
- III. MAXIMUM STORAGE QUANTITY (Dth)
- IV. RATES AND CHARGES - Maximum Rates as set forth in Section 4.1 of Seller's Tariff unless otherwise agreed to.
- V. ADDITIONAL CHARGES - Pursuant to Section 5.2.5 of Rate Schedule IS.

REFERENCE TO CUSTOMERS HAVING NON-CONFORMING SERVICE AGREEMENTS
PURSUANT TO SECTION 154.112(B) OF THE COMMISSION'S REGULATIONS:

<u>Customer</u>	<u>Rate Schedule</u>	<u>Contract Number</u>	<u>Effective Date</u>	<u>Termination Date</u>	<u>Docket No.</u>
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