K. Chad Burgess
Director & Deputy General Counsel

chad.burgess@scana.com

July 24, 2017

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Natural Gas Agreement between South Carolina Electric & Gas Company and Sumter Laundry and Cleaners, Inc. n/k/a Polar Bear Cleaners, Inc.
Docket No. 2015-308-G

Dear Ms. Boyd:

Enclosed for filing only is a Service Agreement for natural gas on an interruptible basis between South Carolina Electric & Gas Company and Polar Bear Cleaners, Inc. f/k/a Sumter Laundry and Cleaners.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff with copies of the enclosed documents for its records.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/kms
Enclosure

cc: Jeffrey M. Nelson, Esquire
Dawn Hipp
(both via electronic mail and U.S. First Class Mail w/enclosures)

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 1 of 12

ORIGINAL

This original
to be returned
to SCE&G Company

SERVICE AGREEMENT

This Agreement made and entered into this 19th day of July, 2017, by and between SOUTH CAROLINA ELECTRIC & GAS COMPANY, its successors and assigns, hereinafter called "Seller" and POLAR BEAR CLEANERS, INC., its successors and assigns, hereinafter called "Buyer".

WITNESSETH

WHEREAS, Seller owns and operates a natural gas system in the State of South Carolina which supplies natural gas for certain industrial operations under specific contracts with industrial customers, and

WHEREAS, Seller supplies natural gas to Buyer under the terms of a Service Agreement between Sumter Laundry And Cleaners and Seller, dated February 4, 1997, and as amended on August 14, 2015, which are hereby being mutually terminated at 10:00 A.M. Eastern Time on July 1, 2017, and

WHEREAS, Seller and Buyer are negotiating certain other Agreements whereby Seller may accept, transport, and re-deliver Buyer's gas to Buyer, and

WHEREAS, Buyer has requested that Seller provide natural gas from Seller's system supply when not providing transportation services for Buyer, and

WHEREAS, Buyer has agreed to purchase natural gas from Seller according to the terms and conditions of this Service Agreement when natural gas is tendered by Seller whenever and to the extent Buyer has a requirement for fuel in Priority-of-Service Category 3C as set forth in Article III, Paragraph 1, of the General Terms and Conditions to Industrial Service Agreement hereto attached, for Buyer's facility located at 456 N Guignard Drive, Sumter, South Carolina.

NOW THEREFORE, in consideration of the covenants and agreements hereinafter set forth, to be kept and performed by the parties hereto, it is mutually agreed as follows:

1. SCOPE OF DELIVERY

INTERRUPTIBLE GAS, PRIORITY-OF-SERVICE CATEGORY 3C

Seller acknowledges that Buyer may utilize a source of gas other than system supply gas from Seller's sources. Buyer's gas may be transported to Buyer by Seller upon execution of a Transportation Agreement between Buyer and Seller. Natural gas is provided hereunder to satisfy Buyer's requirements when Seller is not providing transportation services.

Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, up to a Maximum Daily Quantity of 10 dekatherms of natural gas per day on an interruptible

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 2 of 12

basis, to be purchased and utilized by Buyer when and to the extent Seller has gas available, tenders such gas to Buyer and Buyer has a requirement for fuel. Seller makes no guarantee of deliveries hereunder. Interruptible gas will be offered when, and to the extent, available in accordance with the operating procedures set forth in Article IV, Paragraph 4, of the General Terms and Conditions to Industrial Service Agreements hereto attached. Any gas taken by Buyer, including gas utilized as fuel for pilots, after any order of Seller calling for complete curtailment of Buyer's interruptible load, or any gas taken by Buyer in excess of a partial curtailment order, shall be Unauthorized Overrun Gas and shall subject Buyer to the penalty rate per dekatherm set forth in Article IV, Paragraph 6, of the General Terms and Conditions to Industrial Service Agreements hereto attached. Deliveries of Interruptible Gas under this paragraph of the Service Agreement shall be utilized by Buyer only in Priority-of-Service Category 3C as set forth in Article III, Paragraph 1, of the General Terms and Conditions hereto attached.

2. HOURLY DELIVERIES

Seller shall not be obligated to make hourly deliveries of gas pursuant to Paragraph 1 above at an hourly rate exceeding 2 dekatherms per hour. Seller reserves the right to regulate the flow of gas delivered hereunder by means of automatic or manually operated flow control valves so as to limit the hourly flow of gas within the specified quantity.

3. POINT OF DELIVERY

The Point of Delivery for all gas delivered hereunder shall be at the outlet side of Seller's measuring and regulating equipment. The measuring equipment shall be installed on the Buyer's property at a location mutually agreed upon by Seller and Buyer. All gas shall be delivered at this location and it shall be the Buyer's responsibility to extend all fuel lines from this location to the point or points of usage.

4. DELIVERY PRESSURE

Seller agrees to use due care and diligence to furnish gas hereunder at such uniform pressure as Seller may elect up to, but not exceeding 5 pounds per square inch gauge, and not less than 0.25 pounds per square inch gauge, at the "Point of Delivery". Buyer shall be responsible for the installation and operation of adequate safety equipment downstream of the Point of Delivery so as to relieve or control pressure variations within the limits described above that may, for any reason through malfunction of Seller's equipment or otherwise, occur on Buyer's side of the "Delivery Point".

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 3 of 12

5. INITIAL SERVICE

Buyer agrees to begin purchasing natural gas under the terms and conditions of this Service Agreement at 10:00 A.M. Eastern Time on July 1, 2017, at which time the Service Agreement between Sumter Laundry And Cleaners and Seller dated February 4, 1997, and as amended on August 14, 2015, shall terminate.

6. TERM OF AGREEMENT

This Agreement shall become effective on July 1, 2017, and shall continue in full force and effect through June 30, 2018, and from month to month thereafter unless either party shall give written notice of intention to terminate at least thirty (30) days prior to the expiration of the original term or any one month extension thereof.

7. RATE

Buyer agrees to pay Seller each month for all gas delivered by Seller during the month at the Base Rate or the Competitive Fuel Rate, whichever shall be applicable.

Gas volumes will be corrected for BTU content, pressure, temperature, supercompressibility, specific gravity, and other factors where applicable.

(A) BASE RATE INTERRUPTIBLE GAS, PRIORITY-OF-SERVICE CATEGORY 3C

Each month, the Base Rate for daily volumes of Interruptible Gas delivered by Seller to Buyer in Priority-of-Service Category 3C shall be eighty-eight cents ($0.88) per dekatherm plus Seller's "Cost of Gas".

Seller's "Cost of Gas" shall be determined according to the method shown in Exhibit A attached hereto, as may be amended or superseded by the Public Service Commission of South Carolina, and is incorporated in and made a part of this Service Agreement.

In addition to the Base Rate, the amount of any new or additional taxes imposed directly on the purchase or sale of gas delivered hereunder shall be added.

(B) COMPETITIVE FUEL RATE

It is the intent of the Agreement that Buyer's cost of natural gas used in Priority-of-Service Category 3C shall be competitive with the as-fired cost of alternate fuel that Buyer could actually utilize in lieu of natural gas.

For the purpose of the computation to obtain the as-fired cost of the alternate fuel, it is understood and agreed that:

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 4 of 12

(1) The Alternate Fuel is Propane utilized after being mixed with air.

(2) The cost of the alternate fuel (identified as "K") shall include:

(a) The average posted price per gallon posted for Lexington, South Carolina, as published in the BUTANE-PROPANE NEWSLETTER on the third Monday of the current month, plus fourteen cents (14.0¢) per gallon, plus
(b) Two cents (2.0¢) per gallon for freight to Buyer's facility, plus
(c) Vaporization fuel cost of one cent (1.0¢) per gallon, plus
(d) Compressed air and plant operation of one-half cent (0.5¢) per gallon.

(3) Propane shall be considered as having 91,600 BTU's per gallon or 0.0916 dekatherms per gallon, which is identified as "dt".

(4) The equipment using propane-air shall be considered equally efficient using propane-air as it is using natural gas.

(5) The following formula utilizes the above values and shall be used to calculate the as-fired cost of the alternate fuel (identified as "C"):

$$C = \frac{K}{dt}$$

Seller will monitor the changes in the average price of propane by reference to the BUTANE-PROPANE NEWSLETTER. Based on the average price of propane, Seller will calculate the as-fired cost using the procedure outlined above. Seller will advise Buyer, verbally or in writing, prior to the beginning of each billing period that Seller will:

(1) Lower the price of natural gas to the as-fired cost of the alternate fuel and deliver gas, or
(2) Notify Buyer of the price at which Seller will deliver gas in the event Seller elects not to lower the price to the as-fired cost of the alternate fuel.

In the event Seller elects to lower the price of gas to the as-fired cost of the alternate fuel, Buyer may not discontinue the purchase of natural gas hereunder. In the event Seller offers to deliver gas to Buyer at a price greater than of the as-fired cost of the alternate fuel, then Buyer may either accept delivery of natural gas at the price offered by Seller through a prompt verbal notice confirmed in writing or discontinue receiving gas for the next billing period. In no event will the cost of natural gas as determined by this paragraph, exceed the cost as determined under the Base Rate of this Service Agreement.

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 5 of 12

8. CREDITWORTHINESS

Seller, in order to satisfy itself of the ability of the Buyer to meet its obligations under the contract, may conduct periodic reasonable credit reviews in accordance with standard commercial practices. Buyer agrees to assist in these reviews by providing financial information and at the request of the Seller, will maintain such credit support or surety including, but not limited to, an unconditional and irrevocable letter of credit to provide adequate security for protection against the risk of nonpayment.

9. ASSIGNMENT

Customer shall not assign this Agreement or its rights hereunder without the prior written consent of the Company, which consent may be withheld in the exercise of its sole discretion.

10. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions to Industrial Service Agreements attached hereto and duly executed by both parties, are hereby incorporated in and made a part of this Service Agreement. Should there be any conflict between any portion of the General Terms and Conditions to Industrial Service Agreements and this Service Agreement, the parties agree that the Service Agreement shall prevail.

11. NOTICES

All correspondence required of Buyer and Seller under this Service Agreement is to be addressed as follows:

To Seller: South Carolina Electric & Gas Company
Large Customer Group, Mail Code B-102
Cayce, South Carolina 29033

To Buyer: Polar Bear Cleaners, Inc.
1990 McCrays Mill Road
Wedgefield, South Carolina 29168
Attn: Freddy Edmonds

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 6 of 12

IN WITNESS WHEREOF, this Service Agreement has been executed on the date first above written by the parties hereto by their officers or other representatives.

POLAR BEAR CLEANERS, INC.	SOUTH CAROLINA ELECTRIC & GAS COMPANY
BUYER	SELLER
BY	BY: William G. Watkins
President	Manager – Large Customer Accounts & Services
TITLE	TITLE
7/14/17	7/18/17
DATE	DATE

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 7 of 12

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 8 of 12

EXHIBIT A

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS COST CALCULATION

APPLICABILITY

This calculation is applicable to and is part of the Seller's Service Agreement for interruptible gas deliveries.

COST OF GAS

The cost of gas per dekatherm for the current month shall be determined (to the nearest thousandth of a cent) by the use of the equation below:

$$\text{Cost of Gas} = \frac{(P - D)}{S} \times T$$

Where:

P = Total cost of natural gas (processed or unprocessed) vaporized liquid natural gas, synthetic gas, propane-air mixture, landfill gas, or other source of methane gas or any mixture of these gases entering the Seller's system during the current month in dollars.

D = The cost of gas attributable to all sales made by Seller to Buyers under an interruptible rate or contract where the Buyer has alternative fuel capability and has certified to the Seller the as-fired price of its alternative fuel such that Seller could not supply gas at a price that is competitive and service is provided by Seller under the competitive pricing provisions of the rate or contract.

S = Total gas entering the Seller's system during the current billing month excluding gas sold under D above times the annual sales factor which will be determined by dividing total annual sales recorded in Accounts 480 through 483 plus distribution gas used in electric generation by the total annual gas entering the Seller's system. The annual sales factor shall be computed for the twelve months ending each March and applied beginning with the first billing cycle of the following May each year.

T = Adjustment for revenue related Taxes plus one (1)

NOTES: (1) The amounts calculated in the formula above shall include any applicable credit or debit adjustment reflecting corrections to a prior month's Gas Cost calculation.

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 9 of 12

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GENERAL TERMS AND CONDITIONS TO INDUSTRIAL SERVICE AGREEMENTS FOR GAS

This original to be returned to SCE&G Company

ORIGINAL

Article I
GENERAL

These Terms and Conditions to Industrial Service Agreements are supplementary to the Rules and Regulations issued by the Public Service Commission of South Carolina and the General Terms and Conditions of South Carolina Electric & Gas Company as provided by the Public Service Commission of South Carolina.

The provision of these Terms and Conditions apply to all persons, partnerships, corporations or others designated as industrial users who are lawfully receiving gas service from South Carolina Electric & Gas Company under rate schedules or service agreements filed with the Commission. To the extent these Terms and Conditions conflict with the General Terms and Conditions for natural gas service, the General Terms and Conditions for natural gas service control.

South Carolina Electric & Gas Company is referred to herein as "Seller", and the user or prospective user is referred to as "Buyer". The Public Service Commission of South Carolina is referred to herein as "Commission".

Article II
DEFINITIONS

Except where the context otherwise indicates another or different meaning or intent, the following terms are intended and used and shall be construed to have meaning as follows:

1. "Day" shall mean a period of twenty-four (24) consecutive hours beginning at 10:00 A.M. Eastern Time or at such other hours as may be designated.
2. "Month" shall mean the period between any two (2) regular readings of Seller's meters which shall be not less than twenty-eight (28) days or more than thirty-four (34) days.
3. "Year" shall mean a period of 365 days commencing with the day of first delivery of gas hereunder, and each 365 days thereafter except that in a year having a date of February 29th, such year shall consist of 366 days.
4. "Cubic foot of gas" shall mean the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty degrees Fahrenheit (60°F) and under an absolute pressure of fourteen and seventy-three hundredths pounds per square inch (14.73 psia).
5. "CCF" shall mean one hundred (100) cubic feet of gas.
6. "MCF" shall mean one thousand (1000) cubic feet of gas.
7. "BTU" shall mean a British Thermal Unit and is the amount of heat required to raise the temperature of one (1) pound of water 1° Fahrenheit at 60° Fahrenheit.
8. "MMBTU" shall mean one million British Thermal Units.
9. "Therm" shall mean the quantity of heat energy which is 100,000 British Thermal Units.
10. "Dekatherm" (dt) shall mean the quantity of heat energy which is 1,000,000 British Thermal Units.
11. "Natural Gas" or "Gas" shall mean natural gas, processed or unprocessed, vaporized liquid natural gas, synthetic gas, propane-air mixture, landfill gas, other unconventional source of methane gas or any mixture of these gases.
12. "Firm Service" shall mean service from rate schedules and/or contracts under which Seller is expressly obligated to deliver specific volumes within a given time period and which anticipates no interruptions but which may permit unexpected interruptions in case the supply to higher priority customers is threatened.
13. "Interruptible Service" shall mean service from rate schedules and contracts under which Company is not expressly obligated to deliver specific volumes within a given time period, and which anticipates and permits interruption on short notice, or service under rate schedules or contracts which expressly or impliedly require installation of alternate fuel capability.
14. "Commercial Service" shall mean service to Customers engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.
15. "Industrial Services" shall mean service to customers engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including the generation of electric power.
16. "Plant Protection Gas" shall mean the minimum volumes required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of an alternate fuel. This includes the protection of such material in process as would otherwise be destroyed, but shall not include deliveries required to maintain plant production. A determination will be made by the Seller of minimum volumes required. Such essential volumes will be dispatched accordingly.
17. "Feedstock Gas" shall mean natural gas used as a raw material for its chemical properties in creating an end product.
18. "Process Gas" shall mean gas used for which alternate fuels, other than another gaseous fuel, are not technically feasible such as in applications requiring precise temperature controls and precise flame characteristics.
19. "Boiler Fuel" shall mean natural gas used as fuel for the generation of steam and in internal combustion turbine engines for the generations of electricity.
20. "Alternate Fuel Capability" shall mean a situation where an alternate fuel could have been utilized whether or not the facilities for such use have actually been installed; provided however, where the use of natural gas is for plant protection, feedstock or process uses and the only alternate fuel is propane or other gaseous fuel, then the Buyer will be treated as if he had no alternate fuel capability if such fuel is unobtainable for serving fuel needs.
21. "Gas Supply Deficiency" shall mean any occurrence relating to Seller's gas supply which causes Seller to deliver less than the total requirements of its system, including failures of suppliers to deliver gas for any reason, requirement of gas for system storage, conservation of gas for future delivery, or any other occurrence not enumerated herein which affects Seller's gas supply.
22. "Storage Injection Requirements" shall mean all volumes required by the Seller for injection into underground storage, including cushion gas, and for liquefaction, including fuel used for injection in liquefaction plants, or for such other storage projects that may be developed expressly for the protection of supply to high priority users.
23. "Seller Use" shall mean fuel used for gas compression, LPG plants and LNG plants, other gas needed by Seller's facilities to furnish the requirements of Buyers, together with unaccounted for gas. This gas shall be considered included in Priority of Service Category 1. Other vital uses of Seller, such as flame stabilization requirements, will be met as long as such uses do not jeopardize service to its firm service Buyers.
24. "Essential Human Needs" shall mean natural gas service, which, if denied, would cause shutdown of an operation resulting in the closing of an establishment essential to maintaining the health and safety of the general public.
25. "The Point of Delivery" shall be at the outlet side of the Seller's measuring equipment and regulating equipment.
26. "Emergency Service" shall mean supplemental deliveries of natural gas that may be required to forestall irreparable injury to life or property including environmental emergencies.

Article III
CURTAILMENT OF SERVICE

1. In the event of a Gas Supply Deficiency on the Seller's system, the Seller shall require curtailment of service to Buyer in accordance with the following procedure:
   a. The Seller shall order curtailment of sales made to Buyer's purchasing gas under the Seller's rate schedules or special contracts in descending order in accordance with priority of service categories set forth below. Approved emergency gas is excepted from curtailment.
      1. Residential and small commercial Buyers (less than 50 MCF on a peak day) and essential human needs customers where there is no installed or available alternate fuel capability.
      2. Large commercial direct flame requirements (50 MCF or more on a peak day); firm industrial requirements for plant protection, feedstock and process needs; and storage injection requirements.
      3A. Firm industrial requirements for uses other than boiler fuel which do not qualify for Category 2.
      3B. Firm commercial and industrial boiler fuel requirements up to 1,000 MCF on a peak day.
      3C. Interruptible requirements for human need types of facilities such as public buildings, hospitals and laundries.
      3D. Interruptible requirements for direct flame applications which can utilize only another gaseous fuel as an alternate.

3E. Interruptible requirements for direct flame applications which can utilize a fuel other than a gaseous fuel as an alternate.
3F. Interruptible requirements for boiler fuel use of less than 300 MCF on a peak day.
4. (LEFT BLANK INTENTIONALLY)
5. (LEFT BLANK INTENTIONALLY)
6. Interruptible Boiler Fuel requirements of 300 MCF or more, but less than 1,500 MCF on a peak day, where alternate fuel capabilities can meet such requirements.
7. Interruptible Boiler Fuel requirements of 1,500 MCF or more, but less than 3,000 MCF on a peak day, where alternate fuel capabilities can meet such requirements.
8. Interruptible Boiler Fuel requirements of 3,000 MCF or more, but less than 10,000 MCF on a peak day, where alternate fuel capabilities can meet such requirements.
9. Interruptible Boiler Fuel requirements of 10.000 MCF or more on a peak day, where alternate fuel capabilities can meet such requirements.
10. Natural gas requirements of customers, who have an alternate fuel as their primary energy source, but use natural gas as a standby fuel.

b. Curtailment will be in descending order beginning with Category 10 (i.e. Category 1 is the highest priority).
c. A determination of the category in which a Buyer is placed will be made each year based upon usage in the preceding twelve months ending August 31 and/or current contract as of the same date. The placement of a Buyer in a category in accordance with the determination made herein will be effective November 1 of the current year, extending through October 31 of the following year. A moving base period will be used each year with such base period to include the preceding twelve months ending August 31 of the current year. Reclassifications in categories will be effective on November 1 of the current year. Where a reclassification is necessary, the effected Buyer will be notified of such reclassification prior to November 1 of the current year.
d. Where daily volumes are not available to make the determination of the 50 MCF/day required in the Curtailment Plan, then requirements shall be determined by taking those Buyers having actual usage of 1000 MCF or more per month for any month during the previous twelve (12) month period ending August 31. Such month's use will be divided by the number of days during that specific billing cycle. By means of the average daily volume thus obtained, the Buyer will be placed in the appropriate category. Where daily volumes for the peak month in the base period are available to make the required determination, then such volumes will be used.
e. Any new Buyer added during any base period will be placed in the appropriate category by the Seller in accordance with the best information available.

Article IV
SCOPE OF AGREEMENT

1. Seller's natural gas operations are regulated by the Commissions and are subject to "Rules and Regulations Governing Service Supplied by Gas Systems in South Carolina" as amended from time to time. Deliveries of gas hereunder are subject to total or partial curtailment or interruption by Seller pursuant to operating procedures as are now, or may hereafter be, prescribed by the Commission. Buyer hereby expressly acknowledges that Seller shall not be liable in damages for, or on account of, any curtailment or interruption of deliveries where such curtailment or interruption is the result of, or pursuant to, operating procedures by the Commission directing curtailment or interruption of service.
2. Buyer shall consult with and furnish to the Seller such information as the Seller may require to determine the availability of service at a particular location before proceeding with plans for any new or additional gas loads. No new or additional gas loads will be served if it is determined that such service will jeopardize service to existing customers by increasing the total system's firm load requirements above available supplies.
3. Deliveries of "Firm Gas" up to the Maximum Daily Quantity set forth in the Service Agreement, shall be firm and shall not be subject to curtailment or interruption by Seller except that caused by Force Majure, or operating conditions beyond Seller's control, or where such curtailment or interruption is the result of, or pursuant to, operating procedures prescribed by the Commission. Deliveries hereunder shall have priority over all deliveries made by Seller on an interruptible basis.
4. Deliveries of "Interruptible Gas" shall be subject to curtailment or interruption by Seller at any time and from time to time when, in Seller's sole judgment, it does not have gas available, and Buyer hereby expressly acknowledges that Seller shall not be liable in damages for, or on account of, any curtailment or interruption of deliveries. Seller agrees to give Buyer not less than two (2) hours notice of curtailment or interruption in writing or orally in person or by telephone; provided, however, that if curtailment or interruption is occasioned by an event of Force Majeure effecting the Seller's system, Seller shall be obligated to give only such notice as is practicable in the circumstances. Seller agrees to communicate curtailment notices to one of the person designated from time to time by Buyer as authorized to receive such notices. If Buyer has not made such designation, or if Seller is unsuccessful in its efforts to promptly communicate with the persons so designated, then said notice shall be sufficient if given by Seller to any person who is on Buyer's premises or who answers Buyer's telephone. Whenever, and to the extent that the Seller is unable to deliver the gas requirements of the Buyer, the Buyer shall have the right to purchase gas or other fuel sufficient to make up such deficiency from such other source or sources as may at the time be available to Buyer.
5. Gas taken by a Buyer of "Firm Gas" on any day, without Seller's advance approval, which exceeds Buyer's Maximum Daily Quantity shall be considered to be Unauthorized Overrun Gas. Seller shall bill, and Buyer shall pay, for such Unauthorized Overrun Gas at the following rates, in addition to all other charges payable to Seller hereunder:
   (a) For the first three percent (3%) of the Maximum Daily Quantity, the Unauthorized Overrun Gas shall be paid for at 1.25 times the Base Rate set forth in the Service Agreement, and
   (b) For the next two percent (2%) of the Maximum Daily Quantity, the Unauthorized Overrun Gas shall be paid for at 3.0 times the Base Rate set forth in the Service Agreement, and
   (c) For additional volumes the Unauthorized Overrun Gas shall be paid for at 5.0 times the Base Rate set for in the Service Agreement.
   The payment of an Overrun Penalty shall not, under any circumstances, be considered as giving Buyer the right to take Unauthorized Overrun Gas, nor shall such payment be considered to exclude or limit any other remedies available to Seller or another Buyer against the offending Buyer for failure to comply with its obligations to stay within its Maximum Daily Quantity.
6. Any gas taken by an interruptible Buyer after the effective hour of an order calling for curtailment of all interruptible gas hereunder shall be billed pursuant to Article VII(B)(f) of the Company's then approved General Terms and Conditions for natural gas service.
7. The Public Service Commission of South Carolina has prescribed the following operating procedures in regard to the curtailment of interruptible service by Seller:
   During the period when operating conditions require curtailments in any type of interruptible service, Seller shall curtail deliveries of gas without discrimination within end-use priority of service categories established by the Public Service Commission of South Carolina and pursuant of curtailment instructions received from its supplier or suppliers made in accordance with General Terms and Conditions to the Service Agreement between Seller and it supplier or suppliers and any subsequent modification or amendment thereof.
8. Buyer agrees that all gas delivered hereunder shall be used by the Buyer and that no portion thereof shall be resold.

Article V
QUALITY

1. The gas delivered hereunder shall be natural gas or any mixture of natural and manufactured gas, including but not limited to, synthetic gas or liquified petroleum gas as provided for in Paragraph 3 hereof; provided, however, that moisture, impurities, helium, natural gasoline, butane, propane and other hydrocarbons except methane may be removed prior to delivery to Buyer, Seller may subject or permit the subjection of the gas to compression, heating, cooling, cleaning, or other processes, which are not substantially detrimental to the merchantability of the gas.
2. The gas delivered hereunder shall have a total heating value of not less than 950, nor more than 1,400 BTU's per cubic foot of dry gas, and be reasonably free of moisture, objectionable liquids and solids so as to be utilized immediately upon delivery to Buyer, and shall contain not more than 200 grains of total sulphur, nor more than 15 grains of hydrogen sulphide per MCF.
3. Seller may permit its suppliers or it may itself supply gas from any stand-by equipment installed by it or by its suppliers, provided that the gas so supplied shall be reasonably equivalent to the natural gas supplied hereunder, and adaptable for use by Buyer without the necessity of making other than minor adjustments to fuel burning equipment.
4. If the natural gas offered for delivery by Seller shall fail at any time to conform to any of the specifications set forth in the Article V, Quality, then Buyer agrees to notify Seller thereof and Buyer, thereupon, may at its option refuse to accept delivery pending correction by Seller. Upon Seller's failure to properly remedy any deficiency in quality as specified herein, then Buyer may accept delivery of such natural gas and make changes necessary to bring such gas into conformity with such specifications and Buyer shall then deduct from future payments any reasonable expenses incurred by it in effecting such change as agreed to by both parties.
5. Odorization of gas delivered hereunder is not required of Seller. However, nothing in these Terms and Conditions shall preclude Seller from odorizing such gas if Seller so desires or if Seller is required by federal or state regulatory agencies to perform such odorization.

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 10 of 12

Article VI
MEASUREMENTS

1. The volumes and total heating value of the gas delivered hereunder shall be determined as follows:
   (a) The Unit of Volume shall be a cubic foot of gas.
   (b) When orifice meters are used, volumes delivered shall be computed in accordance with the specifications, formulae and tables published April 1955, as Gas Measurement Committee Report No. 3 of the American Gas Association, and any modifications and amendments thereto, and shall include the use of flange connections.
   (c) All volumes delivered shall be corrected to the pressure base of 14.73 psig and temperature base of 60° F. The average absolute atmospheric pressure shall be assumed to be fourteen and seven tenths (14.7) pounds to the square inch, irrespective of actual elevation or location of the point of delivery above sea level or variations in such atmospheric pressure from time to time.
   (d) The temperature of the gas shall be assumed to be 60 degrees Fahrenheit (60°) unless Seller elects to install a recording thermometer or temperature correcting device. If a recording thermometer is installed, the arithmetical average of the 24 hour period will be used to determine the temperature correctly.
   (e) The specific gravity of the gas shall be determined by a recording gravitometer of standard manufacture installed in a suitable location. Where a recording gravitometer is not used, the specific gravity of the gas shall be assumed to be the same as that of Seller's supplier(s).
   (f) The total heating value of the gas delivered hereunder may be determined by Seller by using a standard type of recording calorimeter, spectrometer, chromatograph, or other approved instrument which shall be so located, at a suitable point on Seller's line, in order that the BTU content of gas delivered hereunder may be properly obtained. Where required, daily reading from the record so obtained shall be corrected to the basis of measurement provided and from a saturated basis to the average moisture content of the gas delivered, the result being the BTU content of the gas delivered during the billing period. In the event that Seller does not install a recording instrument for such determination or its instrument is not operating properly, the total heating value shall be determined from a recording calorimeter or comparable instrument properly installed and operated by Seller's supplier of natural gas, provided, such values are applicable to the gas that may be delivered to the Buyer.

Article VII
MEASURING EQUIPMENT

1. Seller will maintain and operate, at its own, expense and at the point of delivery of gas hereunder, a meter or meters and other necessary equipment by which the volume of gas delivered hereunder shall be measured. Such meters and equipment shall remain the property of the Seller.
2. Buyer agrees to furnish to Seller electricity for operating Seller's meters, at not cost to Seller.
3. Buyer hereby grants to Seller suitable rights-of-way and easements necessary or incidental for the installation, maintenance, operation and removal of pipeline and other facilities together with rights of ingress thereto and egress there from at all times and hereby agrees to deliver to Seller, for the sum of one dollar ($1.00), an appropriate instrument or grant defining such rights and easements located on Buyer's plant site.
4. Buyer may install, maintain and operate such check measuring equipment, including a recording gravitometer and calorimeter as it shall desire, provided that such equipment shall be so installed so as not to interfere with the operation of Seller's measuring equipment at or near the point of deliver. However, all billings to the Buyer shall be based on the metering of the Seller, subject only to the provisions of Paragraph 8 of this Article.
5. Each party shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring deliveries hereunder and each party shall advise the other of any intended major maintenance operation sufficiently in advance in order that the other party may conveniently have its representative present.
6. All installation of measuring equipment, applying to or effecting deliveries hereunder, shall be made in such manner as to permit an accurate determination of the quantity of gas delivered and ready verification of the accuracy of measurement. Orifice meter installations, if used, shall conform to the recommendation for design and installation contained in the Gas Measurement Committee Report No. 3 to the American Gas Association published April, 1955, and any modifications and amendments thereof and shall include the use of flange connections.
7. Measurement on Seller's meter or meters shall be conclusive of both parties except where the meter is defective or fails to register, or if found in error, in either of which case Seller shall repair or replace the meter and the quantity of gas delivered while the meter was out of order or failed to register shall be estimated: (a) By using the registration of any check meter if installed and accurately registering, or, in the absence of (a): (b) By correcting the error if the percentage of error by calibration, test or mathematical calculation, or, in the absence of both (a) and (b) then: (c) By estimating the quantity of delivery from deliveries during periods under similar conditions when the meter was registering accurately; and an appropriate billing adjustment shall be made in accordance with the current Rules and Regulations governing gas systems issued by the Commission.
8. Seller will maintain its meters in good order and to this end will make periodic tests of its meters pursuant to the current Rules and Regulations governing gas systems issued by the Commission, or at such shorter intervals as seem to Seller desirable. If Buyer is dissatisfied with the accuracy at any time, it may call upon Seller to have the meter tested in accordance with all regulations relating to such tests and results of such tests as found in the current Rules and Regulations governing gas systems issued by the Commission.
9. Each party shall preserve all records for a period of at least two (2) years.

Article VIII
BUYER'S FACILITIES

1. Buyer will maintain at its own expense facilities from the delivery point to the point of use and the burners and equipment for using gas, and Buyer will at all times keep gas-using equipment on said premises in a condition conforming with such reasonable rules and regulations as may be prescribed therefore by regulatory authority having jurisdiction thereover and with the requirements of any valid law thereto appertaining. In the event that rules are not prescribed by a regulatory authority, Buyer will abide by codes as used in the gas industry.
2. Seller shall not approve sale of gas on an interruptible basis to Buyer until and unless Seller is satisfied that Buyer has, or will, install adequate stand-by facilities to meet its full fuel requirements during periods of sustained interruptions.
3. Seller shall not approve sales of gas to Buyer unless Seller is satisfied that Buyer has not, or will not interconnect downstream fuel piping of natural gas for use in different priority-of-service categories.

Article IX
RATE ADJUSTMENTS

1. Taxes applicable to the gas delivered to Buyer hereunder as are in effect on January 1st immediately preceding the effective date of these terms and conditions shall be added to Buyer's bill. The term "tax" as used herein shall mean any tax, license fee, or charge applicable to the gas delivered hereunder, imposed on Seller by any governmental authority on such gas. If the existing rate of any such tax in effect on January 1st, immediately preceding the effective date of these terms and conditions, be hereafter increased or decreased, or if any tax heretofore in effect or hereafter be imposed or repealed, the resulting increase or decrease in such taxes, computed on a cents per dekatherm basis, shall be reflected, as the case may be, on Buyer's bill.
2. Any applicable surcharge or special charges ordered by the Commission or any other duly constituted regulatory body shall be included in addition to the price of gas computed in accordance with the terms of the Service Agreement.

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 11 of 12

Article X
BILLING

1. Bills computed from readings taken of Seller's meters shall be rendered and paid monthly with ten (10) days of the billing date. A month shall mean a period beginning on the first recognized work day of the calendar month and ending on the first recognized work day of the next succeeding calendar month, or at such other equivalent period as Seller may deem necessary. Should Buyer fail to pay any amount due to Seller when same is due, a late payment charge of one and one half percent (1 ½ %) will be added to any balance remaining twenty-five (25) days after the billing date. If such failure to pay continues, Seller may suspend deliveries of gas hereunder. The exercise of such right shall be in addition to any and all other remedies available to Seller.
2. If it shall be found that Buyer has been overcharged or undercharged in any form whatsoever under the provision hereunder, Seller shall take action to correct such billing pursuant to current Rules and Regulations governing gas systems issued by the Public Service Commission of South Carolina.

Article XI
POSSESSION OF GAS AN INDEMNIFICATION

1. As between the parties hereto, Seller shall be deemed to be in control and possession of the gas deliverable hereunder until it shall have been delivered to Buyer at the Point of Delivery after which Buyer shall be deemed to be in control and possession thereof.
2. Buyer shall indemnify and hold harmless the Seller from any and all loss (including death), damage, or liability incurred by the Seller by reason of any act of the Buyer, its agents or employees, in the receiving, use or application of said gas on the Buyer's side of the Point of Delivery unless the same shall be due to the sole negligence of the Seller, its agents or employees. The Seller shall indemnify and hold harmless the Buyer from any and all loss (including death), damage or liability incurred by the Buyer by reason of any act of the Seller, its agents or employees, unless the same shall be due to the sole negligence of the Buyer, its agents or employees.

Article XII
WARRANTY OF TITLE TO GAS

1. Seller warrants the title to all gas delivered hereunder and the right to sell the same and that such gas shall be free and clear from all liens and adverse claims.

Article XIII
FORCE MAJEURE

1. In the event of either party hereto being rendered unable wholly or in part by force majeure to carry out its obligations under this contract, other than to make payments due hereunder, it is agreed that on such party giving notice and full particulars of such force majeure in writing or by telegraph to the other party as soon as possible after the occurrence of the cause relied on, then the obligations of the party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuous of any inability so caused but for no longer period and such cause shall as far as possible be remedied with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests, and restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery or lines or pipe, freezing of wells or lines or pipe, partial or entire failure of source of supply, and any other causes whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of dir diligence such party is unable to prevent or overcome; such terms shall likewise include (a) in those instances where either party hereto is required to obtain servitudes, rights-of-way grants, permits, or licenses; and (b) in those instances where either party hereto is required to furnish materials and supplies to secure grants or permission from any governmental agency to enable such party to fulfill its obligations hereunder, the inability of such party to acquire at reasonable cost and after the exercise of reasonable diligence such materials and supplies, permits and permissions.
2. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the party involved and that the above requirement that any force majeure shall be remedied will all reasonable dispatch shall not require the settlement of strikes or lockouts acceding to the demands of opposing party when such course is inadvisable in the discretion of such party.

Article XIV
MISCELLANEOUS

1. If either party shall fail to perform any of the covenants or obligations imposed upon it under and by virtue of the Service Agreement of which these General Terms and Conditions are a part, (except where such failure shall be excused under any of the provisions of this Service Agreement), then in such event, the other party may, at its option, terminate this Service Agreement by proceeding as follows: The party not in default shall cause a written notice to be served on the party in default, stating specifically the cause for terminating this Service Agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon, the party in default shall have thirty (30) days after the service of the aforesaid notice in which to remedy and remove said cause or causes and fully indemnify the party not in default for any and all consequences of such breach, then such notice shall be withdrawn and this Service Agreement shall continue in full force and effect. In case the party in default does not so remedy and remove the notice for any and all consequences of such breach, within said period of thirty (30) days, then this Service Agreement shall become null and void from and after the expiration of said period. Any cancellation of this Service Agreement pursuant to the provisions of this Article shall be without prejudice to the right of party not in default to collect any amounts then due it and without waiver of any other remedy to which the party not in default may be entitled for violation of this Service Agreement.
2. The Service Agreement, of which these General Terms and Conditions are a part thereof, shall be binding upon and inure to the benefit of the Seller and the Buyer and their successors and assigns.
3. Except as otherwise provided, any notice, request, demand, statement or bill, which either Buyer or Seller may desire to give to the other shall be in writing and shall be considered as fully delivered when mailed by prepaid registered mail addressed to said party at its last known post office address, or at such other addresses as either party may designate in writing. Routine communications, including monthly statements and payments, shall be considered as duly delivered when mailed by either registered or ordinary mail.
4. Buyers covenants and agrees to execute or file, or cooperate with Seller in the execution or filing of, any report, certificate or other document required by any governmental agency having jurisdiction over this contract or the parties hereto, or any other certificate or document requested by Seller necessary for Seller to obtain the benefit of any exemption from sales, use or other tax. Buyer shall indemnify Seller for any loss sustained by Seller as a result of Buyer's breach of this covenant.
5. The parties hereto in executing the Service Agreement and these General Terms and Conditions, acknowledge that these General Terms and Conditions are a part of the Service Agreement.

Buyer:	Polar Bear Clemson	Seller:	SouthCarolina Electric and Gas Company
By:	[illegible]	By:	William G. Watkins
Title:	president	Title:	Manager – Large Customer Accounts & Services
Date:	7/14/17	Date:	7/19/17

ELECTRONICALLY FILED - 2017 July 24 3:38 PM - SCPSC - Docket # 2015-308-G - Page 12 of 12