



Natural Gas Rate, Terms and Conditions

This document sets forth all the applicable terms and conditions with respect to Customer's bill for the term of Customer's subscription under the Residential/Commercial Choice Gas Program provided under the tariff of Black Hills Nebraska Gas ("Utility"), which is on file with the Nebraska Public Service Commission. Customer acknowledges that this document is binding and enforceable and that the terms and conditions set forth herein, along with provisions of the State Natural Gas Regulation Act, the Utility's Tariff, or other applicable Choice Gas Program documents, will become effective when Customer subscribes to Index Pricing, Fixed Pricing, or any other non-WinterGuard service (the "Services"). These terms and conditions do not apply to WinterGuard service.

General Terms.

Customer's monthly payment for all of Customer's natural gas usage will be calculated using the proper Index Pricing or Fixed Pricing formula, as selected by the Customer, at the time Customer subscribes to Service.

Changes in Law or Market Structure.

If a change in or implementation of law, rule, regulation, ordinance, statute, judicial decision, administrative order, Utility tariffs, interstate transportation pipeline tariffs or the like causes BHES costs under this Utility program to increase, BHES will have the right to pass such increased costs on to you without prior notice. The changes described in this Section may change any or all of the charges described in this Agreement.

Term of Agreement and Payment Terms.

The Utility will provide the monthly bills to Customer for the BHES service beginning in June and for each month of Customer's continuing Service. The Service contract period shall either be for a twelve (12) or twenty-four (24) month period starting with Customer's first billing month. Customer agrees to pay BHES the amount shown on each bill on or before the due date and in the manner shown in each bill, plus any fees if any, on Customer's balance in United States dollars, according to the payment terms of the utility.

Errors and Questions Regarding Customer's Service.

Customer shall notify BHES in case of errors or questions about Customer's Service. If Customer thinks Customer's bill, or any adjustment thereto, is wrong, or if Customer needs more information about Customer's bill, Customer must contact BHES at Black Hills Energy Services Company, 4510 Airport Rd Kearney, NE 68847, or at 1-844-371-4952, or email bhes@bhes.blackhillscorp.com as soon as possible.



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Customer may also contact the customer service location at the telephone or address stated on Customer's bill. However, no action may be taken by Black Hills Energy Services Company until it receives a written notice.

BHES must hear from Customer no later than 60 days after Customer's bill is sent on which the error or problem appeared. In Customer's letter, please provide this information: (1) Customer's full name and account number; (2) the dollar amount of the suspected error; (3) a description of the error; (4) an explanation of why Customer believes there is an error; and (5) if Customer needs more information, describe the item Customer is not sure about. BHES will acknowledge Customer's letter within thirty (30) days, unless BHES has corrected the error by then. Within ninety (90) days, BHES must either correct the error or explain why BHES believes the bill was correct.

If BHES finds that BHES did not make a mistake on Customer's monthly statement, then Customer agrees to make up any missed payments on the questioned amount. In either case, Customer will be sent a bill of the amount Customer owes and the date that amount it is due.

Events of Default.

Customer will be in default under this Agreement if any of the following events occur: (a) if Customer does not comply with the payment terms of the utility; (b) if a petition should be filed or other proceedings should be started under the Federal Bankruptcy Code or any state insolvency statute by or against Customer; (c) if a receiver should be appointed or a writ or order of attachment, levy, or garnishment should be issued against Customer or any of Customer's property, assets, or income; (d) if BHES considers any debts due under this Agreement unsafe or not completely secure, or if BHES believes, in good faith, that the chances of Customer's paying or performing all of Customer's obligations under this Agreement have been impaired; or (f) If customer moves during the term of this agreement.

Rate Changes

Customer may request a rate change from their current rate. For example, from a fixed rate to an index rate, or from an index rate to a fixed rate by sending a letter to BHES requesting that BHES make the rate change. The new rate will be the applicable Fixed or Index default rate.

LIMITATION OF LIABILITY; DISCLAIMER OF WARRANTIES.

BHES IS NOT LIABLE FOR, AND CUSTOMER EXPRESSLY WAIVES, ANY AND ALL DAMAGES RESULTING



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FROM THE PROVISION OR FAILURE TO PROVIDE NATURAL GAS, INCLUDING WITHOUT LIMITATION ECONOMIC LOSS, PERSONAL INJURIES, PROPERTY DAMAGE, OR INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES. BHES MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO ANY SERVICE, EQUIPMENT, OR COMMODITIES WHATSOEVER, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. This Agreement does not deprive Customer of any rights Customer may have against any party other than us.

Transfer.

Customer may not transfer or assign enrollment, rights, and obligations under the price option and service to any other person, and any such transfer or assignment shall be void.

Force Majeure.

If something happens that is beyond BHES' reasonable control that prevents BHES from performing its obligations under this Agreement, then BHES will be relieved from performance until the situation is resolved. Examples of such events include: acts of God, fire, flood, hurricane, war, terrorism; declaration of emergency by a governmental entity or the Utility; curtailment, disruption or interruption of natural gas distribution or supply; regulatory, administrative, or legislative action; and actions taken by third parties not under BHES' control, such as the Utility.

Other provisions.

Customer's Service has been applied for, considered, and issued in the state of Nebraska. Customer agrees that this service shall be governed by and interpreted under state or federal law where the service is provided. If any part of this Agreement is not valid, all other parts will remain enforceable.

Conflicts of Terms and Conditions. Any terms not defined herein will have the meanings set forth in the Black Hills Nebraska Gas, Tariff on file with the Nebraska Public Service Commission., and any conflicts between these terms and conditions and the State Natural Gas Regulation Act ("Act"), Company's Tariff or Supplier Participation Agreement and related amendments or attachments will be resolved first in favor of the Act, the Company's Tariff, and then the Supplier Participation Agreement and related amendments or attachments.