GENERAL RULES AND REGULATIONS

(continued)

Rule 13. Curtailment of Service.

The Company will curtail Sales or Transportation Services to Customers in the order set forth in **Rule 14** if the Company determines that Curtailment is required to meet all Firm Service Customer requirements; to balance available gas supply; to sustain operational control and/or to maintain the integrity of the Company's distribution system or when Curtailment is deemed necessary due to Force Majeure conditions.

Following each Annual Service Election Date, the Company will require that all Interruptible Service Customers update the Customer Emergency Contact List Form. The Company will use this information to notice Customers of Curtailment as provided in this General Rule. At all other times, Customer must report any emergency contact changes to the Company within five (5) Business Days. The Company will ensure that the Customer Emergency Contact List Form is readily accessible for this purpose.

Company shall give as much notice as possible with respect to each instance of Curtailment, but in no event less than two (2) hours, unless prevented by Force Majeure conditions. Each Curtailment Order will specify the reason for the Curtailment, the service address to which the Curtailment Order applies, and the quantities of each particular service to be curtailed. If no quantity is specified, Customer shall curtail its gas use to zero therms. Each restoration notice will specify the time restoration is to be instituted. Curtailment and restoration notices need not be in writing, but will be given to the authorized representative(s) designated by the Customer.

In the event that the Company is unable to provide notice of Curtailment either because a Customer's authorized emergency contact information on record with the Company is not current or because the Company is unable to reach any of the named authorized emergency contacts on record, all gas usage by the Customer within the Curtailment Period will be considered unauthorized and the Company will bill, and the Customer will be responsible to pay the charges as set forth in **Schedule C** on such unauthorized gas usage.

Customers shall be obligated to limit gas use to the quantities permitted under Curtailment Orders and shall be responsible to take whatever steps are necessary to reduce or discontinue their gas usage to the level required in the Curtailment Order. Except as otherwise provided in this Rule, the Company will not physically valve off or disconnect a Customer's gas service to reduce or stop Customer's gas use.

Any gas taken in excess of the quantity permitted by the Curtailment Order shall be deemed to be unauthorized. Customers shall pay for unauthorized quantities at the rate specified in **Schedule C**, in addition to all other charges otherwise applicable for the period in which the unauthorized quantity was used. In no event shall a Customer's payment for unauthorized quantities and the Company's acceptance of the payment, be construed as giving the Customer the right to take the gas, or preclude the Company from pursuing any other available remedies

At the Company's sole discretion, any Customer that fails to comply with a Curtailment Order may be immediately physically disconnected or valved-off. In such instance, the Customer shall pay a reconnection charge as set forth in **Schedule C**, in addition to any unauthorized overrun charges, before service will be restored. In exercising this provision, the Company will make reasonable effort to ensure that such action, if applicable to a Customer defined as an Essential Human Needs Customer, will not impose an immediate danger to persons whose lives depend upon the use of natural gas by such Customer.

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GENERAL RULES AND REGULATIONS

(continued)

Rule 13. Curtailment of Service (continued).

Following a Curtailment Period, the Company may refuse to serve all or a portion of Customer's gas usage under Interruptible Service for a minimum one Year period if such Customer is found to have violated a Curtailment Order. An exception to this provision may be made for an Essential Human Needs Customer that violated a Curtailment Order in order to preserve human life.

In the event of a refusal of Interruptible Service, the Company will transfer such Customer to Firm Service effective with the first day of the next Billing Month. The Company will notify Customer of such transfer not less than five (5) Business Days in advance of the effective date of the transfer. The portion to be transferred to Firm Service will be determined as the highest daily volume overrun in the Curtailment Period. Thereafter, a Customer may request to return to Interruptible Service subject to all of the terms, conditions and restrictions of the applicable Rate Schedule.

Two Curtailment Order violations by a single Customer within a 12-month period may be cause for the Company to refuse to serve the Customer under Interruptible Service for an indefinite period of time.

A Curtailment Discount will be given on bills for any Firm Service Customer who is curtailed during the twelve (12) billing months ending June. The Curtailment Discount shall be applied in accordance with **Rule 15**.

The Company shall not be liable to Customers for any claim, costs, loss, or damage of any kind, including but not limited to, damages to equipment or property arising out of, in connection with, or incident to the Company's Curtailment of gas, as provided in ORS 757.730; provided that Company shall have the continuing obligation to use reasonable diligence to purchase gas supplies in sufficient quantities to satisfy present and future requirements of Firm Sales Service Customers.

In the event Company determines that conditions so warrant, during any Curtailment period Customer-Owned Gas may be Pre-empted in the manner set forth in **Schedule T**.

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