



202 South Main Street
Le Sueur, Minnesota 56058
Toll Free: (888) 931-3411
Fax: (507) 934-6675

November 5, 2015

VIA ELECTRONIC FILING

Mr. Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: **Petition for Approval of Firm Transportation Agreement**
PUBLIC DOCUMENT—TRADE SECRET DATA HAS BEEN EXCISED

Dear Mr. Wolf:

Attached hereto, please find Greater Minnesota Transmission, LLC's Petition for Approval of a Firm Gas Transportation Agreement. The attached document is a public document and trade secret data has been excised. A complete copy including the redacted trade secret information has been filed with the Commission.

GMT has served a copy of this filing on the Office of Attorney General – Residential Utilities Division. All individuals on the attached service list have been electronically served as appropriate.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 665-8657 and my email address is kanderson@greatermngas.com

Sincerely,

GREATER MINNESOTA TRANSMISSION, LLC

/s/

Kristine A. Anderson
Corporate Attorney

Enclosure

cc: Service List

CERTIFICATE OF SERVICE

I, Kristine Anderson, hereby certify that I have this day served a true and correct copy of the following document to all persons at the addresses indicated on the attached list by electronic filing, electronic mail, or by depositing the same enveloped with postage paid in the United States Mail at Le Sueur, Minnesota:

**Greater Minnesota Transmission, LLC's Petition for Approval
of Firm Gas Transportation Agreement
Docket No. _____/_____**

filed this 5th day of November, 2015.

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney
Greater Minnesota Transmission, LLC

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.	202 S. Main Street Le Sueur, MN 56058	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.	202 South Main Street P.O. Box 68 Le Sueur, MN 56058	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.	PO Box 68 202 South Main Street Le Sueur, MN 56058	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
John Tuma	Commissioner
Betsy Wergin	Commissioner

MPUC Docket No. _____

**In the Matter of Greater Minnesota
Transmission, LLC's Petition for
Approval of a Firm Gas Transportation
Agreement with Community Co-ops
Of Lake Park**

SUMMARY OF FILING

Please take notice that on November 5, Greater Minnesota Transmission, LLC. ("GMT") filed with the Minnesota Public Utilities Commission a Petition for Approval of a Firm Gas Transportation Agreement pursuant to Minnesota Statutes Section 216B.045 regarding intrastate pipeline contracts. GMT intends to construct the intrastate pipeline facilities described in the Petition subject to subsequent Commission approval.

Dated: November 5, 2015

/s/ Kristine A. Anderson
Kristine A. Anderson
Corporate Attorney
Greater Minnesota Transmission, LLC
202 S. Main Street
Le Sueur, MN 56068
Phone: 888-931-3411

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
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MPUC Docket No. _____

**In the Matter of Greater Minnesota
Transmission, LLC’s Petition for
Approval of a Firm Gas Transportation
Agreement with Community Co-ops
of Lake Park**

**PETITION FOR APPROVAL OF
A FIRM GAS TRANSPORTATION
AGREEMENT
PUBLIC DOCUMENT—
TRADE SECRET DATA
HAS BEEN EXCISED**

OVERVIEW

Greater Minnesota Transmission, LLC (“GMT”) submits this filing to the Minnesota Public Utilities Commission (“Commission”) to request that the Commission approve a Firm Gas Transportation Agreement (“the Agreement”) between GMT and Community Co-ops of Lake Park (“the Co-op”) pursuant to Minnesota Statutes section 216B.045. A copy of the Agreement is appended hereto as Exhibit A and is incorporated herein by reference. GMT respectfully requests that the Commission grant approval of the Agreement at issue. As the totality of the circumstances demonstrates, the benefits to the communities of Beltrami and Fertile, Minnesota are significant.

GMT intends to construct a new 16 mile transmission line to serve the Co-op in the Beltrami/Fertile, Minnesota area. The Co-op intends to build distribution facilities to serve the Beltrami and Fertile areas, which are not currently served by any natural gas provider.

Importantly, GMT is not a public utility and, therefore, respectfully submits that it does not fall within the scope of the regulatory arena governing retail gas distribution companies. Nonetheless, GMT incorporates similar information as that required for gas distribution companies in this Petition for purposes of aiding in the Commission’s analysis.

SUMMARY OF FILING

A one-paragraph summary of this filing, sufficient to apprise potentially interested parties of its nature and general content, accompanies this Petition.

SERVICE ON REQUIRED AND INTERESTED PARTIES

GMT served a copy of this Report on the Residential Utilities Division of the Office of the Attorney General and on all parties reflected on the accompanying Certificate of Service and Service List.

GENERAL FILING INFORMATION

In the spirit of offering information that is required of public utilities pursuant to Minnesota Rule Part 7829.1300, Subpart 4, the following specific content is provided:

A. Name, Address and Telephone Number of the Utility

Greater Minnesota Transmission, LLC
202 South Main Street
P.O. Box 68
Le Sueur, Minnesota 56058
Telephone: (888) 931-3411

B. Name, Address and Telephone Number of the Attorney for Utility

In-House Corporate Attorney:
Kristine A. Anderson, Esq.
Greater Minnesota Gas, Inc.
202 South Main Street
P.O. Box 68
Le Sueur, Minnesota 56058
Telephone: (888) 931-3411

Outside Counsel:
Eric F. Swanson, Esq.
Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 350
Minneapolis, Minnesota 55402-4629
Telephone: (612) 604-6400

C. Date of Filing and Proposed Effective Date of Rate Change

Date Filed: November 5, 2015

Proposed Effective Date: Upon Commission approval and completion of project

D. Statute Controlling Time Frame for Processing Filing

Minnesota Statutes § 216B.045, subd. 4 requires the filing and approval by the Commission of the Firm Gas Transportation Agreement at issue; but, it does not include any explicit time limit for processing the application by the Commission. GMT is unaware of any other statute that controls the time frame for processing this filing.

E. Utility Employee Responsible for this Filing (and Signature):

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney

DISCUSSION AND ANALYSIS

Pursuant to Minnesota Statutes Section 216B.045, Subd. 4. GMT must obtain the Commission's approval of any contract establishing the rates, terms, and conditions of service and facilities being provided by an intrastate pipeline in order for such a contract to be effective. The pipeline contemplated in the Agreement at issue herein constitutes an intrastate pipeline within the meaning of the statute. *See*, Minn. Stat. § 216B.045, Subd. 1.

GMT recognizes that its Agreement with the Co-op must be just and reasonable and that it is prohibited from providing intrastate pipeline services in a manner that unreasonably discriminates among customers receiving like or contemporaneous services pursuant to Minnesota Statutes Section 216B.045, Subd. 2. Generally, rates are considered just and reasonable when they are not unreasonably preferential, unreasonably prejudicial, or discriminatory; and, when they are sufficient, equitable and consistent in application. Minn. Stat. § 216B.03.

The Agreement between GMT and the Co-op at issue herein will facilitate a natural gas system that provides the benefits of natural gas to rural Minnesotans who are currently unable to access it and who have been trying to acquire natural gas service for many years. GMT will construct a town border station near Beltrami, Minnesota and will construct a mainline to transport gas from its Beltrami town border station to two agreed-upon interconnection points with the Co-op. The Co-op will operate a distribution system to provide service to the Beltrami and Fertile communities and area. Currently, residents and business in those communities are unable to

avail themselves of the benefits of natural gas service and are forced to rely on alternate heating sources such as propane and wood.

The agreement contemplates accepting delivery of the Co-op's gas at the Beltrami town border station receipt point and redelivering the gas to the Co-op at various receipt points, thereby facilitating the Co-op's ability to serve its new retail customers in Beltrami and Fertile. A map of the proposed line is attached hereto as Exhibit B. The pipeline, approximately 16 miles long, will be constructed with a combination of 6" and 4" high-density polyethylene ("HDPE") pipe. All of the HDPE pipe for the project is designed and will be tested and installed to operate at 100 psi. The pipeline will initially operate at 90 psi.

The Agreement is the result of a cooperative effort by GMT and the Co-op to reach the affected unserved communities. It is the result of an arm's length negotiated transaction between GMT and the Co-op; and, its terms are substantially similar to those in previously-approved contracts for transport near Twin Valley/Mahnomen (also with the Co-op), Cannon Falls, Prairie Island, Barnesville, and Ulen, as well as to the proposed contract for transport to Red Lake Falls. The financial terms of the Agreement reflect pricing based on the estimated cost to complete the new construction necessary to support the project to transport gas to the new interconnects with the Co-op, with such costs being recovered through both demand charges and commodity charges. The anticipated capital budget for the project is reflected in Exhibit C, attached hereto.

GMT proposes contracting to provide transport capacity to the Co-op and has submitted an offer to transport up to [TRADE SECRET DATA BEGINS] [TRADE SECRET DATA ENDS] capacity for a fifteen (15) year term at a negotiated rate of a monthly demand charge equal to [TRADE SECRET DATA BEGINS] [TRADE SECRET DATA ENDS.] Both the Department and the Commission have previously recognized the reasonableness of defining a project rate based on a cost-recovery mechanism. the Co-op is solely responsible for the costs associated with the project.

Since both GMT and the Co-op executed the Agreement as reflected in Exhibit A, it is a foregone conclusion that both companies determined that each company will benefit from the Agreement being instituted. In addition, given the mutual execution of the Agreement, a reasonable inference can be made that the rates identified therein are both reasonable and borne of market-based negotiation. Additionally, since GMT would willingly enter into negotiations with other similarly situated distribution entities to discuss similar cooperative arrangements that would serve the public interest in other respective communities, there is no discriminatory element to the Agreement and GMT has complied with its statutory obligation to offer its terms on an open-access basis.

GMT's existing customers would not sustain any adverse impact as a result of the proposal. Moreover, GMT will benefit from the Agreement by increasing its gross revenue and expanding its intrastate transmission capability. Given the unique opportunity and long-term nature of the Transport Agreement, GMT seeks Commission approval of its proposal so that it may ensure

recovery of all reasonable and prudent costs associated with the project while assisting the Co-op in bringing natural gas to the Beltrami and Fertile communities.

The proposal is the result of a collaborative effort of the Cities of Beltrami and Fertile, Community Coops of Lake Park and GMT to develop a natural gas service option for the area. Beltrami and Fertile and the surrounding area host substantial agricultural enterprises and they, as well as local residents, will benefit from access to safe, reliable, and affordable natural gas.

The Co-op is well-established and has a long history of doing business in five community areas of northern Minnesota. Established in 1907, the Co-op expanded from a creamery cooperative to include oil and propane departments, convenience stores, and HVAC and automotive departments. The Co-op has a demonstrable history of business planning that secures sufficient assets and cash flow to weather the economy in an otherwise economically depressed area of Minnesota. By virtue of being a co-op, the Co-op's members, numbering approximately 6,000, receive co-op proceeds, which money goes directly back into the local communities.

The Co-op created a natural gas distribution system to serve the Twin Valley and Mahnomen communities beginning with the 2015-2016 heating season. It requested exemption for a small gas utility franchise in Docket No. G6956/M-15-856; and, while the Commission has not yet considered the Petition, the Department recommended that the Co-op's request be granted subject to making certain compliance filings. Similar to the Twin Valley/Mahnomen area, the Co-op will be able to leverage its experience and significant relationships to build new customer relationships as it expands its natural gas distribution, as it has earned the trust of the communities' residents and business leaders in the area. Bringing natural gas to the area will enhance the ability of Beltrami, Fertile, and the surrounding area to compete in a new and changing economy. The presence of natural gas is a benefit to attracting, creating, and maintaining commercial and industrial anchors, bringing a competitive advantage to the area. Lower energy costs, increased returns to the Co-op's members, and commercial competitiveness will all serve to increase the area's prosperity.

In light of growing propane supply and cost concerns, GMT believes it is necessary and in the public interest to continue to expand the provision of natural gas throughout rural Minnesota in a manner that is not cost-prohibitive. The opportunity afforded by this project allows agricultural and other local businesses to incorporate natural gas and to position the local community for substantial positive economic impact. The opportunity for GMT and the Co-op to partner in bringing natural gas access to another Minnesota area should be seized.

The Agreement reflects a positive partnership between companies working together to serve the public interest. It benefits the Co-op and, in turn, the Co-op's customers, the Beltrami and Fertile communities, and the local economy. It benefits GMT and, likewise, GMT's customers, by contributing to GMT's economic viability and ability to continue to aid in serving historically unserved and underserved populations.

REQUEST FOR COMMISSION ACTION

GMT is confident that the proposed Agreement serves the public interest and is soundly planned. As the discussion and analysis demonstrates, GMT and the Co-op carefully contemplated and negotiated a reasonable, fair, and market-based agreement that will allow unserved Minnesotans to obtain natural gas without adverse effects. Therefore, GMT respectfully requests that the Commission approve the Firm Gas Transportation Agreement (“the Agreement”) between GMT and the Co-op.

Dated: November 5, 2015

Respectfully submitted,

/s/

Kristine A. Anderson
Corporate Attorney
Greater Minnesota Transmission, LLC
202 S. Main Street
Le Sueur, MN 56068

**FIRM TRANSPORTATION AGREEMENT BETWEEN
GREATER MINNESOTA TRANSMISSION, L.L.C.
AND
COMMUNITY CO-OP OF LAKE PARK**

THIS FIRM TRANSPORTATION AGREEMENT ("Transportation Agreement") is made this 29th day of October 2015 by and between Greater Minnesota Transmission, L.L.C., ("Company"), and Community Co-op ("Customer") and shall be effective upon the signature of the last party to sign this Transportation Agreement ("Effective Date"). Customer has made or will make the necessary contractual arrangements to purchase natural gas and have the gas delivered to a newly constructed Beltrami town border station of Company. Customer and Company desire to enter into this Transportation Agreement whereby Company agrees to (a) construct facilities to allow the transportation of gas to facilities owned by Customer in the communities of Beltrami and Fertile, Minnesota, and its surrounding area; and, (b) provide Firm Transportation natural gas service for benefit of Customer.

WITNESSETH: The parties hereto, each in consideration of the agreement of the other, agree as follows:

- [TRADE
SECRET
DATA
APPEARS
IN BLUE.]
- 1.0 TERM. This Transportation Agreement shall be effective as of the effective date, subject to any required jurisdictional regulatory approvals. Company shall begin providing firm gas transportation service hereunder and shall continue providing such service to Customer for a term of [] years beginning the later of (i) September 1, 2016 or (ii) the date when Company has completed the construction of all necessary facilities to effectuate the transportation of gas hereunder ("Commencement Date"). Customer shall have the option to extend the Transportation Agreement for an additional 15 year term from the end of the original contract term. Customer shall notify Company in writing six months prior to the expiration of the primary term if it wishes to extend this Transportation Agreement.
- 1.1 CONSTRUCTION. Company agrees to construct facilities necessary to transport gas from the Receipt Point to the Points of Delivery set forth in section 2.1 below or other originally installed pipeline and appurtenances in the performance of this Transportation Agreement ("The Delivery Pipeline"). The Delivery Pipeline shall be capable of delivering the volumes of [] dekatherms of natural gas per hour from the Beltrami Town Border Station to the Points of Delivery shown and agreed to on Exhibit B at the operating pressure designated therein. Company is responsible for permitting, design and right-of-way acquisition required for construction of the Delivery Pipeline.
- 2.0 LIMITATION ON OBLIGATION TO DELIVER. This Transportation Agreement is expressly contingent upon Customer or Customer's Agent delivering adequate quantities of natural gas at a pressure no less than [] psig to the Receipt Point in order to satisfy the gas supply requirements and specifications of Customer's plant at the Points of Delivery. Provided Customer or Customer's Agent delivers such adequate supplies of natural gas, Company shall take no action which in any way limits its ability to satisfy Customer's gas supply requirements and specifications. If Customer fails to deliver gas to Company at the Receipt Point, Customer shall immediately cease using gas hereunder. Company is not obligated to provide backup sales service to Customer if Customer's gas supply is interrupted.

- 2.1 **REQUIREMENTS AND DELIVERIES: POINT OF DELIVERY.** Company agrees to accept delivery of Customer's gas at the inlet of the Receipt Point which shall be the inlet of the meter installation at the Company's Town Border Station, Beltrami, Minnesota (the "Receipt Point") and to transport and to re-deliver said gas to Customer in volumes up to [redacted] dekatherms per day ("Daily Demand Volume"), at a minimum operating pressure of [redacted] psig or such other volumes and pressure as mutually agreed. Customer's points of delivery and agreed upon pressures shall be those listed in Exhibit B.
- 2.2 **NOMINATIONS.** Customer shall be responsible for nominations and scheduling of Customer owned gas on Viking Gas Transmission. Customer shall be responsible for any penalties or charges resulting from a failure by Customer to provide gas equal to its usage pursuant to the tariff(s) in effect on upstream transportation systems.
- 2.3 **RATE OF FLOW.** The gas supply shall be transported to Customer at a rate of flow up to, but not exceeding, [redacted] dekatherms per hour at the Points of Delivery. Gas shall be delivered at such pressures and temperatures as may exist under operating conditions at Customer's service location. Operating pressures at this location shall not be less than [redacted] psig unless specifically identified upon a mutually agreed upon pressure listed in Exhibit B.
- 2.4 **BALANCING.** Customer is responsible for any balancing cost or charges on Viking Gas Transmission caused by customer actions.
- 2.5 **END USER ALLOCATION.** It is understood that Customer and Company shall work together to minimize the administrative burden of administering this Transportation Agreement. Company shall work with Customer in good faith to enter into end user allocation agreements or other agreements necessary to facilitate this transaction so long as such agreement does not impose additional costs or burdens upon Company.
- 2.6 **QUALITY.** Customer shall cause to be delivered to the Receipt Point natural gas, which meets the gas quality specifications set forth in Viking's Tariff in effect as the Commencement Date, or under any successor tariff. Company shall not add any constituents or otherwise alter the quality of the gas so delivered by Customer and shall redeliver to Customer at the Point of Delivery hereunder natural gas which meets the same gas quality specifications as set forth in Viking's Tariff then in effect.
- 3.0 **CHARGES.** Effective on the Commencement Date, the charges for the transportation service shall consist of the following:
- 3.1 **MONTHLY CHARGE.** Not Applicable.

- 3.2 **MONTHLY DEMAND CHARGE.** A Monthly Demand Charge equal to \$ [redacted] per dekatherm per Month multiplied by the Daily Demand Volume identified in Section 2.1 above.
- 3.3 **VOLUME CHARGE.** A volume charge equal to the product of \$ [redacted] per dekatherm and the actual deliveries made by the Company to the Customer during the billing period. The volume metered by Company will be considered to be the actual volume delivered by Company to Customer unless a measurement error is identified.
- 3.4 **DAILY VARIANCE PENALTY.** Customer will be subject to a daily variance charge determined in accordance with the Daily Delivery Variance Charge provisions of Viking's Tariff, as such provisions are in effect at the time the variance occurs. The tolerance level for variances shall be the same as the then effective tolerance level established in the applicable provisions of Viking's Tariff. In the event of a change to the applicable provisions of Viking's Tariff that, as determined by Customer or Company, would have a materially adverse affect on Customer or Company, the adversely affected party may, by written notice to the other party within thirty (30) days of the effectiveness of such change, initiate good faith renegotiations of this Section 3.4 to restore the parties to their respective economic positions prior to such change.
- 3.5 **MONTHLY CASHOUT MECHANISM.** The Customer's monthly imbalance, if any, shall be determined, and resolved, in accordance with the Balancing provisions of Viking's Tariff as such provisions are in effect at the time the monthly imbalance occurs. In the event of a change to the applicable provisions of Viking's Tariff that, as determined by Customer or Company, would have a materially adverse affect on Customer or Company, the adversely affected party may, by written notice to the other party within thirty (30) days of the effectiveness of such change, initiate good faith renegotiations of this Section 3.5 to restore the parties to their respective economic positions prior to such change.
- 3.6 **ADDITIONAL CHARGE FOR UNAUTHORIZED USE OF GAS DURING SERVICE CURTAILMENT, INTERRUPTION, OR RESTRICTION.** If Customer or Customer's distribution company fails to interrupt, or otherwise restrict (partially or totally) Customer's use of gas hereunder when requested to do so by Company due to interruption of Customer's gas supply upstream from Company's pipeline system, Customer shall, in addition to the appropriate above rates, reimburse Company for any penalties incurred by Company as a result of continuing service to Customer after Customer fails to interrupt or restrict its use of gas. Company agrees to work with Customer to minimize the administrative burden of managing gas supply to avoid unauthorized gas charges.
- 3.7 **TAXES.** In addition to the rates specified above, Company shall collect any sales, use, excise, or other such taxes and city fees that are legally effective and applicable to the service provided hereunder.
- 3.8 **METER TESTING.** Company shall test the meter at the Point of Delivery not less than annually. Company will notify Customer in writing of a test no less than 30 days prior to the scheduled test. Customer may witness the test upon return notification to

Company. In the event the meter test shows the meter to be in error by more than +/- 1 percent, the bill adjustment provisions of MPUC Rule 7820.3900 shall be applied to the Volume Charge.

- 4.0 **PAYMENT OF BILLS.** All invoices and reasonable supporting documentation shall be sent to Customer at least 10 business days in advance of the due date. These bills are payable at the Company's office on or before the due date. Should Customer fail to remit the full amount when due, Customer shall pay a late Payment Fee Charge of 1.5%.
- 4.1 **DISPUTED BILLS.** If Customer in good faith disputes the amount of any monthly billing or part thereof, Customer shall pay Company the amount Customer believes to be correct and notify Company in writing of the basis for disputing the bill. Company shall promptly investigate the matter and submit a corrected bill to Customer. If Customer has underpaid the amount actually due, Customer shall within five (5) days remit the additional amount due. If Customer has overpaid the amount actually due, Company shall refund the overpayment through a credit that shall be applied against the Customer's next bill. The Company agrees to waive the late payment charge for the disputed portion of any bill if Customer disputed the bill in good faith.
- 4.2 **TERMINATION DURING CONSTRUCTION.** Customer may terminate this Transportation Agreement during the construction of the Delivery Pipeline Facilities upon thirty (30) days written notice and payment of all amounts expended or borrowed by Company (with reasonable supporting documentation provided to Customer by Company) to construct the Delivery Pipeline. Upon receiving written notice of termination, Company shall immediately cease all activities associated with the permitting, design, and construction of the Delivery Pipeline.
- 4.3 **FINANCIAL ASSURANCES.** Customer shall provide to Company's lender(s) financial statements or such other financial adequate assurances reasonably required to arrange for financing of the proposed pipeline. This Transportation Agreement is contingent to Company obtaining financing with terms acceptable to Company.
- 5.0 **BILLING ADDRESSES, CURTAILMENT NOTICES, OTHER NOTICES.**
The applicable addresses and/or telephone numbers for billing, and bill payment curtailment notices and other notices under this Transportation Agreement are provided in the Exhibit A to this Transportation Agreement.
- 6.0 **WAIVER OF LIABILITY.** Customer shall hold Company harmless for any termination of gas service caused by failure of Customer, Customer's gas supplier(s), or Customer's third party transporting pipeline(s) to deliver gas to Company's designated town border station. Neither party shall be liable to the other for any special, incidental, exemplary, punitive, indirect or consequential damages and Company and Customer each waives the right to collect any such damages.

- 7.0 **REGULATORY AUTHORITY AND APPLICABLE LAW.** This Transportation Agreement is subject to all valid laws, orders, rules and regulations of any and all duly constituted authorities having jurisdiction over the subject matter herein and is subject to the receipt of any necessary authorization for the transportation service contemplated herein. This Transportation Agreement shall be governed by and constructed in accordance with the laws of the State of Minnesota. Each party hereby irrevocably submits to the exclusive jurisdiction of state courts of Hennepin County in Minnesota in any action, suit or proceeding relating to the Transportation Agreement, and to the respective courts to which an appeal of the decisions of any such court may be taken, and each party agrees not to commence, or cooperate in or encourage the commencement of, any such action, suit, or proceeding, except in a Minnesota court. Each party hereby irrevocably waives, to the fullest extent it may do so, the defense of an inconvenient forum for such an action, suit, or proceeding. Each party waives to the extent permitted by law their respective rights to trial by jury for any claim whatsoever in any way connected with the Transportation Agreement.
- 8.0 **REPORTING REQUIREMENTS.** Each party shall furnish to the other party all information as may be required or appropriate to comply with reporting requirements of duly constituted authorities having jurisdiction over the subject matter herein.
- 9.0 **CONFIDENTIALITY.** The terms of this Transportation Agreement, including but not limited to the Monthly Demand Charge, Company's Volume Charge, the volumes of gas transported, and all other material terms of this Transportation Agreement shall be kept confidential by Company and Customer, except to the extent that any information is required to be included in reports submitted to the appropriate regulatory authority or that must be disclosed to a third party as required by regulatory authority, court order, applicable law, or for the purpose of effectuating transportation of the subject gas pursuant to this Transportation Agreement. However, confidential information may be disclosed to affiliates and agents who have a need to know such terms and who agree to maintain the confidentiality of such terms.
- 10.0 **SUCCESSION, ASSIGNMENT.** This Transportation Agreement shall inure to and be equally binding on the respective parties, their successors and permitted assigns. Neither party shall assign this Transportation Agreement and rights hereunder without the written approval of the other party. Such approval shall not be unreasonably withheld.
- 11.0 **ENTIRE AGREEMENT; MODIFICATION AND WAIVER.** This Transportation Agreement, together with all Exhibit A and B's, which shall by this reference be incorporated herein, and any other documents in addition to such Exhibit A and B's attached hereto which the parties have signed or initialed intending to make them a part hereof, constitutes the entire agreement between the parties relating to the transaction described herein and supersedes any and all prior oral or written understandings. No addition to or modification of any provision hereof shall be binding upon either party, and either party shall not be deemed to have waived any provision hereof of any remedy available to it unless such addition, modification or waiver is in writing and signed by a duly authorized officer or representative of Company and Customer.

- 12.0 SEVERABILITY. If any provision hereof is held to be unenforceable by final order of any regulatory authority or court of competent jurisdiction, such provision; shall be severed herefrom and shall not affect the interpretation or enforceability of the remaining provisions hereof.
- 13.0 FORCE MAJEURE. If either party shall be unable to carry out any of its obligations under this Transportation Agreement due to circumstances beyond its reasonable control, including acts of God, governmental or judicial authority, insurrections, riots, labor disputes, labor or material shortages, fires, explosions, floods, third- party negligence, terrorist act, or other events beyond its reasonable control, this Transportation Agreement shall remain in effect but the affected party's obligations shall be suspended until the uncontrollable event terminates.
- 14.0 INDEPENDENT CONTRACTORS. The parties shall be independent contractors in the performance of their obligations under this Transportation Agreement. Nothing in this Transportation Agreement shall be construed to constitute either party as a partner, joint venturer, joint employer, agent, representative or employee of the other party. Each party shall have discretion in the performance of the work under this Transportation Agreement and control and direct its own personnel performing such work.
- 15.0 NO PERSONAL LIABILITY. In no event shall any member, partner, shareholder, owner, officer, director, employee, or affiliate of a party be personally liable to the other party for any payments, obligations, or performance under this Transportation Agreement, or any breach or failure to perform any of their respective obligations under this Transportation Agreement.
- 16.0 INSURANCE. Company agrees to carry and maintain casualty, liability and such other types of insurance or such levels of self-insurance, as may be necessary to cover all losses or damages arising out of its performance of its obligations under this Transportation Agreement. Company further agrees to provide to Customer evidence of such insurance, or self-insurance, upon written request and shall include Customer as an additional insured under any such insurance policies.
- 17.0 COUNTERPARTS; DELIVERY. This Transportation Agreement may be executed by the parties in separate counterparts; each of which when so executed and delivered shall be deemed an original, but all such counterparts shall together constitute one and the same agreement. All signatures need not be on the same counterpart. Duly executed counterparts may be delivered by facsimile transmission and by e- mail of an Adobe.pdf version of an executed counterpart with the same effect as delivery of an original duly executed counterpart by a party.

IN WITNESS WHEREOF, the parties have duly executed this Transportation Agreement on the date proved below.

GREATER MINNESOTA TRANSMISSION LLC.

By: Gregory A. Pelmer

Title: President

Date: Oct 30, 2015

COMMUNITY CO-OP

By: David Plomitt

Title: General Manager

Date: 10/29/2015

EXHIBIT A

Notices

If to Company:

**Greater Minnesota Gas
202 South Main Street
Le Sueur, MN 56058**



**(888) 931-3411
gmg@greatermngas.com**

If to Customer:

**Community Co-op of Lake Park
P.O. Box 329
Lake Park MN 56554**

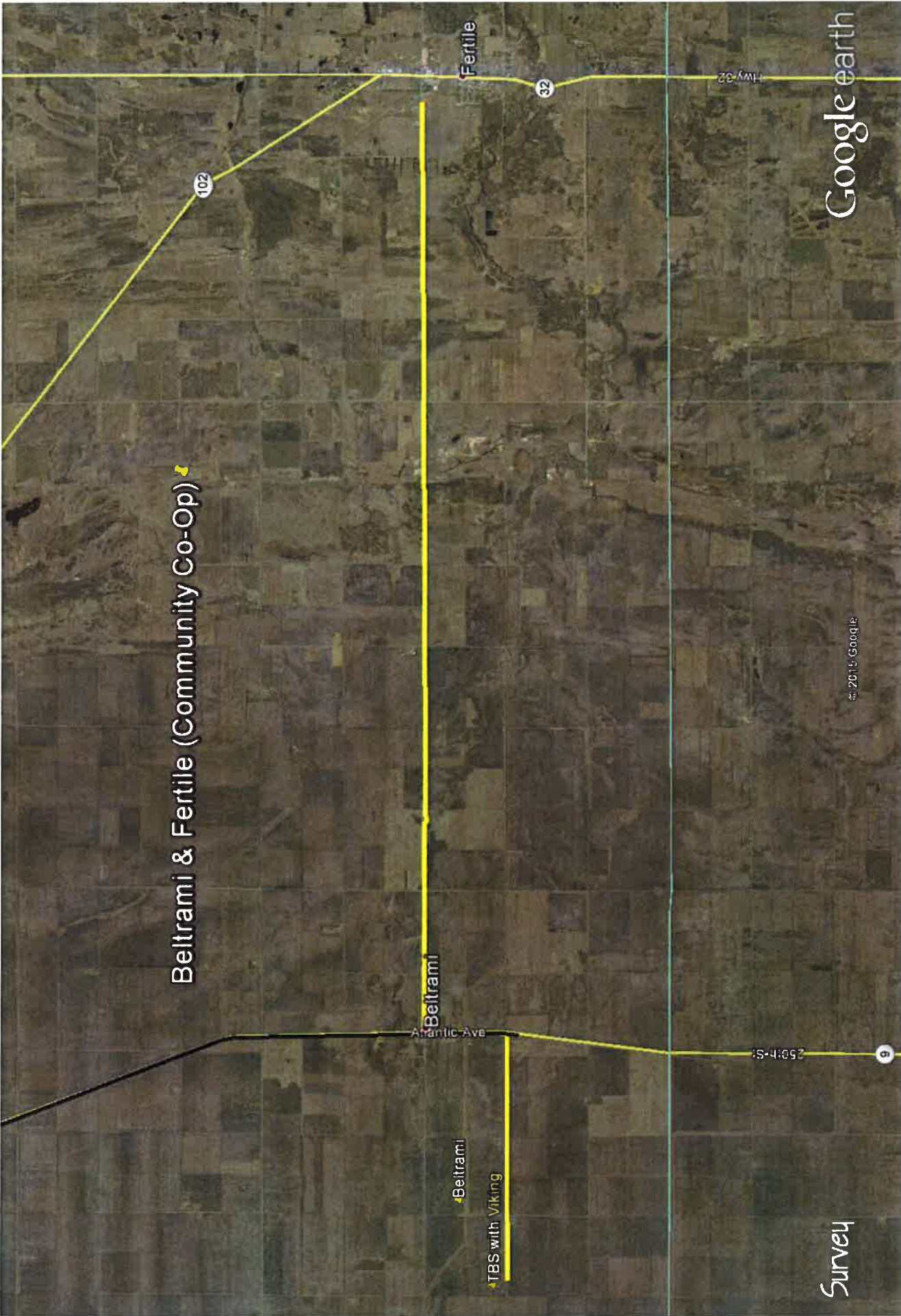
800-992-6671

EXHIBIT B
Agreed Upon Delivery Point Volumes and Pressures

<u>Location</u>	<u>Cubic Feet Per Hour</u>	<u>Pressure</u>
Beltrami Regulator* Fertile Regulator		

- Company further agrees that an additional 104,000 cubic feet an hour of interruptible capacity shall be available at the Beltrami elevator as long as the combined firm and interruptible loads on the total system do not exceed a maximum of 144,000 cubic feet per hour.

EXHIBIT B
Map



miles
km

10

10

Google earth



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EXHIBIT C

Capital Budget and Cost of Service

ENTIRE ATTACHMENT IS TRADE SECRET DATA