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**Fifth Revised Sheet No. 1** Fifth Revised Sheet No. 1  
Superseding: Fourth Revised Sheet No. 1

GULF STATES TRANSMISSION CORPORATION

FERC GAS TARIFF

ORIGINAL VOLUME NO. 1

(TRANSPORTATION RATE SCHEDULES)

Filed with the

Federal Energy Regulatory Commission

Communications concerning this tariff should be sent to:

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Executive Vice President and Chief Operating Officer  
Gulf States Transmission Corporation  
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**Original Sheet No. 2** Original Sheet No. 2 : Effective

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**Fifth Revised Sheet No. 3** Fifth Revised Sheet No. 3

Superseding: Fourth Revised Sheet No. 3

PRELIMINARY STATEMENT

Gulf States Transmission Corporation ("Transporter") is a corporation formed under the laws of the State of Louisiana. Transporter is engaged in the business of transporting natural gas in interstate commerce under authorization granted by,

Transporter owns and operates an interstate natural gas pipeline extending from points in Harrison County, Texas to a single point in Caddo Parish, Louisiana. The system consists of approximately 5.9 miles of 20-inch pipeline (which was pl

This FERC Gas Tariff is filed in compliance with Part 154 of the Federal Energy Regulatory Commission.

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**Original Sheet No. 4** Original Sheet No. 4 : Effective

MAP

(To Be Filed)

Effective Date: 11/01/2009 Status: Effective

FERC Docket: RP10-44-000

**Sixth Revised Sheet No. 5** Sixth Revised Sheet No. 5

Superseding: Fifth Revised Sheet No. 5

STATEMENT OF RATES

Rate Schedule FT Rate	Maximum Rate	Minimum Rate
Reservation Fee (per Dekatherm per month)	\$0.4681	\$0.000
ACA Unit Charge (per Dekatherm transported)	\$0.0019	



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FERC Docket: RP10-44-000

**Fourth Revised Sheet No. 6** Fourth Revised Sheet No. 6  
Superseding: Third Revised Sheet No. 6

STATEMENT OF RATES  
(continued)

Rate Schedule IT Rate

Minimum	Rates		Maximum
	Commodity charge (per Dekatherm transported)	\$0.0162	0.001
	ACA Unit Charge (per Dekatherm transported)	\$0.0019	

STATEMENT OF FUEL REQUIREMENTS

Rate Schedule FT Rata 0% Pro

Rate Schedule IT Rata 0% Pro

Effective Date: 10/15/1990 Status: Effective  
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**Original Sheet No. 7** Original Sheet No. 7 : Effective

RATE SCHEDULE FT  
Firm Transportation Service

1. AVAILABILITY

- 1.1 Service under this Rate Schedule is available to any party (hereinafter referred to as "Shipper") for the transportation of natural gas by Gulf States Transmission Corporation (hereinafter referred to as "Transporter") on Transporter's pipeline system when:
- (a) Shipper desires firm transportation service of gas under this Rate Schedule; and
  - (b) Shipper has submitted a valid request in accordance with Section 7 hereof for service under this Rate Schedule and Transporter has available capacity to render such service; and
  - (c) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to all transportation service on Transporter's pipeline system (described in the Preliminary Statement hereinabove) rendered by Transporter for Shipper pursuant to Part 284 of the Regulations of the FERC and the executed service agreement for service under this Rate Schedule.
- 2.2 Transportation service provided under this Rate Schedule shall be limited to Shipper's Transportation Demand (TD) specified in the executed service agreement; provided, however, Transporter's maximum daily delivery obligation hereunder shall not exceed the lower of Shipper's TD or Shipper's Scheduled Daily Delivery quantity as defined in Section 2 of the General Terms and Conditions of Transporter's FERC Gas Tariff. Shipper may request a change in the Scheduled Daily Delivery quantity by notifying Transporter's dispatchers at least twenty-four hours in advance of the commencement of the day on which such change is to be effective.

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**Fourth Revised Sheet No. 8** Fourth Revised Sheet No. 8 : Effective  
Superseding: Third Revised Sheet No. 8

RATE SCHEDULE FT  
Firm Transportation Service (Continued)

- 2.3 Transportation service provided under this Rate Schedule shall be on a firm basis and shall not be subject to curtailment or interruption, except as provided, however, Transporter's obligation to receive and transport gas hereunder on any day shall be subject to Shipper's or Shipper's transporter's ability to receive gas at the Point(s) of Delivery on such day.
  - 2.4 Service under this Rate Schedule shall consist of: (i) the receipt of gas on behalf of Shipper at the Point(s) of Receipt specified in the executed Service Agreement; (ii) the transportation of gas through Transporter's pipeline; and (iii) the delivery of equivalent quantities of natural gas by Transporter to Shipper, or for Shipper's account, at the Point(s) of Delivery.
  - 2.5 The transportation service provided under this rate schedule may be released on a permanent or temporary basis according to the terms of Section 23 of the General Terms and Conditions of this Tariff.
3. RATES AND CHARGES
- 3.1 For transportation service rendered to Shipper each month under this Rate Schedule, Shipper shall pay to Transporter, in addition to the usage charge for each Dekatherm of gas actually transported each month, the applicable FT reservation fee multiplied by Shipper's Transportation Demand as specified in each Shipper's Transportation Agreement.
  - 3.2 The maximum and minimum unit rates for firm transportation service are shown on the effective Sheet No. 5 of Volume No. 1 of this Tariff. Shipper shall pay the maximum rates for service under the Rate Schedule unless Transporter, in its sole judgment, offers to discount its rate to Shipper under this Rate Schedule. The rate for service under this Rate Schedule shall not be discounted below the minimum rate, it being understood that each Shipper shall pay the maximum rate unless such rate is discounted to such specific customer.
  - 3.3 Transporter will not charge a total rate, including the reservation fee, which exceeds the maximum volumetric rate.
  - 3.4 In addition to the charges specified above, Shipper agrees to pay Transporter an overrun charge equal to Transporter's maximum interruptible transportation rate under Rate Schedule IT, for any Overrun Gas received, transported or delivered by Transporter, for Shipper or for the account of Shipper on any day.

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**Third Revised Sheet No. 9** Third Revised Sheet No. 9 : Effective  
Superseding: Second Revised Sheet No. 9

RATE SCHEDULE FT  
Firm Transportation Service

3.5 In addition to the applicable charge pursuant to Section 3.1 of this Rate Schedule, Shipper shall pay Transporter the Annual Charge Adjustment (ACA) identified in Sheet 5 for each Dekatherm transported and for any and all filing fees incurred as a result of Shipper's request for service under this Rate Schedule, to the extent such fees are imposed upon Transporter by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction, and to the extent related exclusively to the services provided hereunder. Shipper shall pay Transporter for such fees at such time as a Shipper returns to Transporter an executed service agreement, at Transporter's designated office or depository.

3.6 Shipper shall reimburse Transporter for the costs of any facilities installed by Transporter with Shipper's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Shipper. Such facilities installed hereunder will not result in the pass-through of costs absent a Section 4 filing.

3.7 Transporter declared an open season, beginning September 4, 1990, and ending September 18, 1990, for both the initial allocation of capacity on Transporter's system and the negotiation of reservation charges. The open season did not result in any firm service subscriptions.

In the event that shippers inquire about the availability of firm service, Transporter will evaluate then existing operating conditions to determine the amount of additional firm service that can be reliably performed. To ensure that all shippers have an opportunity to compete for any additional firm capacity that can be made available, Transporter will post a notice on its website advising existing and prospective shippers of firm capacity that will be made available. This capacity will be awarded to shippers who submit completed service requests in accordance with Article 7 of Rate Schedule FT on a first-come, first-service basis, among the shippers who are willing to pay maximum rates. It is Transporter's policy that firm service will only be offered and performed to shippers willing to pay the maximum rate.

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**First Revised Sheet No. 10** First Revised Sheet No. 10 : Effective  
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RATE SCHEDULE FT  
Firm Transportation Service (Continued)

4. RECEIPTS AND DELIVERIES

- 4.1 The Point(s) of Receipt at which Transporter shall receive gas for transportation under this Rate Schedule shall be those set forth in the executed service agreement for service hereunder. For each Point of Receipt identified in the service agreement, there shall be identified a Maximum Daily Quantity (MDQ), including delivery pressures; provided, however, under no circumstances shall the MDQ at a Point of Receipt exceed the lower of (1) Shipper's TD, or (2) the maximum daily delivery obligation of Shipper's supplier(s) at the Point of Receipt. Upon thirty (30) days written notice Shipper may add or delete Point(s) of Receipt and request changes in the MDQ at existing Point(s); provided, however, Transporter shall not be required to accept any such changes if it would impair Transporter's ability to meet its firm obligations under existing service agreements. Transporter shall endeavor to accommodate Shipper's request for any specific point on Transporter's pipeline as a Point of Receipt promptly upon receipt of the request. Transporter's consent to any request for any specific point on Transporter's pipeline as a Point of Receipt shall not be unreasonably withheld.
- 4.2 Shipper shall make any necessary arrangements with other parties so as to be able to deliver gas to Transporter at the Point(s) of Receipt and at the Point(s) of Delivery where Transporter delivers gas after transportation.
- 4.3 The quantity of gas delivered or caused to be delivered by Shipper to Transporter at the Point(s) of Receipt for transportation hereunder on any day shall be redelivered by Transporter to Shipper or for the account of Shipper, balanced on a heat-content basis. It shall be Shipper's responsibility to keep receipts and deliveries in balance. Transporter may curtail services hereunder to the extent necessary to bring receipts and deliveries into balance. Any imbalance between actual receipts and actual deliveries shall be eliminated by cashout on a monthly basis in accordance with the General Terms and Conditions of this Tariff. Any monthly imbalance between Shipper's deliveries of gas for transportation and Transporter's redeliveries shall be kept to a minimum.

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**First Revised Sheet No. 11** First Revised Sheet No. 11 : Effective  
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RATE SCHEDULE FT  
Firm Transportation Service (Continued)

- 4.4 Shipper shall be obligated to notify or cause Transporter to be notified in advance of each month and in advance of each day in which Shipper desires service under this Rate Schedule including the daily quantity of gas Shipper desires to deliver to Transporter during such period. Shipper shall deliver or cause to be delivered to Transporter and shall receive from Transporter the scheduled daily quantity as nearly as possible at uniform hourly rates. Departures from the daily quantity which Shipper intends to deliver to Transporter hereunder may be made by notifying Transporter at least twenty-four hours in advance of the commencement of the day on which the change in deliveries will commence and shall be kept to the minimum.

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**First Revised Sheet No. 12** First Revised Sheet No. 12 : Effective

Superseding: Original Sheet No. 12

RATE SCHEDULE FT  
Firm Transportation Service (Continued)

- 4.5 In the event an imbalance between receipts and deliveries exists upon termination of the agreement or when quantities cease to be delivered to Transporter for transportation hereunder, as a result of the depletion of supplies or a termination of deliveries from Shipper's suppliers such that the quantities delivered by Transporter to Shipper or for the account of Shipper exceed the quantities delivered hereunder to Transporter, Shipper shall immediately take whatever action is required to acquire the quantities necessary to eliminate such imbalance. If such imbalance is not eliminated within a period of sixty (60) days after written notification to Shipper by Transporter, Shipper's imbalance shall be cashed out in accordance with the General Terms and Conditions of this Tariff.

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**First Revised Sheet No. 13** First Revised Sheet No. 13 : Effective  
Superseding: Original Sheet No. 13

RATE SCHEDULE FT  
Firm Transportation Service (Continued)

4.6 The gas delivered to Transporter hereunder shall at all times conform to the quality provisions of the General Terms and Conditions.

5. POSSESSION OF GAS

After Shipper delivers gas or causes gas to be delivered to Transporter at the Point(s) of Receipt hereunder, Transporter shall be deemed to be in control and possession of the gas until it is redelivered to Shipper or for the account of Shipper at the Point(s) of Delivery. Shipper shall have no responsibility with respect to any gas deliverable by Transporter or on account of anything which may be done, happen or arise with respect to such gas until Transporter redelivers such gas to Shipper or for the account of Shipper. Transporter shall have no responsibility with respect to such gas before Shipper delivers such gas to Transporter or after Transporter redelivers such gas to Shipper or for the account of Shippers or on account of anything which may be done, happen or arise with respect to such gas before such delivery or after such redelivery.

6. WARRANTY OF TITLE TO GAS

Shipper warrants for itself, its successors and assigns that it will at the time of delivery to Transporter for transportation have good and merchantable title to all gas or the good right to deliver all gas to Transporter hereunder free and clear of all liens, encumbrances and claims whatsoever. Shipper shall indemnify Transporter and save it harmless from all suits, actions, debts, accounts damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas, including claims for any royalties, taxes, license fees or charges applicable to such gas or to the delivery thereof to Transporter for transportation under this Rate Schedule.



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**Fourth Revised Sheet No. 14** Fourth Revised Sheet No. 14  
Superseding: Third Revised Sheet No. 14

RATE SCHEDULE FT  
FIRM TRANSPORTATION SERVICE (continued)

7. OTHER CONDITIONS OF SERVICE

7.1 Requests for transportation service under this Rate Schedule may be adjusted by Transporter to the extent that the Transportation Demand quantity requested by Shipper unreasonably exceeds the daily deliverability of Shipper's gas supplies which are to be transported under this Rate Schedule.

7.2 Requests for service which contain all of the information required by this Section shall be accommodated in accordance with this Rate Schedule, and to the extent Transporter has the capacity available to reliably perform the requested service over the term of the agreement. Transporter shall accept requests for service under this Rate Schedule on a first-come, first-served basis. Requests for transportation hereunder shall be considered acceptable and complete only if the following information is provided in writing and sent to Transporter via facsimile, e-mail, courier or U.S. Mail at the following address:

Wayne Packard  
Gulf States Transmission Corporation  
2001 Bryan Street, Suite 3700  
Dallas, Texas 75201  
Fax: 214-840-5441  
Email: wayne.packard@gulfstatestransmission.com

- (a) Shipper's Name and Address;
- (b) Identity of Shipper (Local Distribution Company, Intrastate Pipeline, Hinshaw Pipeline, Interstate Pipeline, Marketer, Producer, End-User, Other);
- (c) Type of Service Requested (firm or interruptible)

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**First Revised Sheet No. 15** First Revised Sheet No. 15 : Effective  
Superseding: Original Sheet No. 15

RATE SCHEDULE FT

Firm Transportation Service (Continued)

7. OTHER CONDITIONS OF SERVICE (Continued)

7.2 (Continued)

(d) Any affiliation of the requester with Transporter;

(e) Maximum Daily Quantity to be transported during the requested term of service by Transporter;

(f) Requested Point(s) of Receipt and Delivery and the maximum quantities to be received by Transporter by receipt point and to be delivered to Shipper by delivery point;

(g) Names of entities who will deliver gas to Transporter and entities who will receive gas from Transporter;

h) Term of Service, including (a) the date service is requested to commence and (b) the date service is requested to terminate;

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*FERC Docket: RP06-76-000*

**First Revised Sheet No. 16** First Revised Sheet No. 16 : Effective  
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RATE SCHEDULE FT

Firm Transportation Service (Continued)

7. OTHER CONDITIONS OF SERVICE (Continued)

7.2 (Continued)

(i) A statement that Shipper will have title to the gas to be transported and has entered into or will enter into all necessary arrangements to ensure that all upstream and downstream transportation will be in place prior to commencement of service; and

(j) Documentation of Shipper's credit worthiness as provided in Section 7.5.

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FERC Docket: RP06-76-000

**First Revised Sheet No. 17** First Revised Sheet No. 17 : Effective  
Superseding: Original Sheet No. 17

RATE SCHEDULE FT  
Firm Transportation Service (Continued)

7. OTHER CONDITIONS OF SERVICE (Continued)

7.2 (Continued)

7.3 Requests for transportation hereunder shall be void unless Shipper executes a Service Agreement for service under this Rate Schedule within thirty (30) days after Transporter has tendered such agreement to Shipper and provides the following information to Transporter in writing at the address set forth in Section 7.2 prior to or at the time that Shipper executes such Service Agreement:

(a) Name of the corporate entities ultimately receiving the gas to be transported under this Rate Schedule (unless Shipper is a local distribution company, interstate pipeline or intrastate pipeline and Shipper is using such gas for its system supply);

(b) Verification that the entities in subsection (a) have entered into the necessary contractual arrangements with Shipper to use the transportation service requested under this Rate Schedule;

(c) The names of any third parties required to transport, treat or process Shipper's transportation quantities both prior to delivery of the gas into Transporter's system and after delivery of the gas from Transporter's system; and

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**First Revised Sheet No. 18** First Revised Sheet No. 18 : Effective  
Superseding: Original Sheet No. 18

RATE SCHEDULE FT  
Firm Transportation Service (Continued)

(d) If the transportation service is to be performed under Section 311(a) of the NGPA, certification by the local distribution company or intrastate pipeline on whose behalf such transportation is to be performed, that it is aware that Shipper has requested transportation service from Transporter; that it will receive some economic benefit from the transportation Agreement entered into between transporter and Shipper pursuant to Section 311(a) of the NGPA; and that the subject transportation is "on behalf of" such local distribution company or intrastate pipeline within the meaning of Section 311(a).

7.4 [Reserved for future use]

7.5 Acceptance of a transportation service request is contingent upon a satisfactory credit appraisal by Transporter. Such credit appraisal must meet the following criteria:

(a) Shipper shall provide (a) current financial statements, annual reports, 10-K reports or other filings with regulatory agencies, (b) a list of all corporate affiliates, parent companies and subsidiaries, and (c) any reports from credit reporting agencies which are available. Transporter shall apply consistent evaluation practices to determine the acceptability of the Shipper's overall financial condition, working capital, and profitability trends.

(b) A bank reference and at least three trade references must be provided by Shipper. The results of reference checks and any credit reports must show that Shipper's obligations are being paid on a prompt basis.

(c) Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under the state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement.

(d) Shipper must not be subject to the uncertainty of pending litigation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition.

(e) Transporter may monitor Shipper's creditworthiness on an ongoing basis.

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**Third Revised Sheet No. 19** Third Revised Sheet No. 19 : Effective  
Superseding: Second Revised Sheet No. 19

RATE SCHEDULE FT  
Firm Transportation Service (Continued)

7.5

(continued)

(1) (a) Transporter shall not be required to continue to provide credit, perform or continue service to any Shipper who is or has become insolvent or who fails to demonstrate creditworthiness on an ongoing basis.

(2) (b) At any time Transporter may require any Shipper to demonstrate creditworthiness by

providing additional credit information, including updates of the materials described above. If a Shipper fails to demonstrate creditworthiness at that time, the Shipper may still obtain or continue to receive service hereof if it provides to Transporter one of the following:

(i) a standby irrevocable letter of credit drawn upon a bank acceptable to Transporter, in an amount acceptable to Transporter;

(ii) a guaranty of payment of all Shipper's obligations by a person or entity which does satisfy the credit appraisal; or

(iii) prepayment of the sum of two (2) months of the revenues Transporter would receive if Transporter were performing such service of the Transportation Demand.

7.6 Transporter shall not be required to perform service under this Rate Schedule unless and until all facilities necessary to render the requested service have been constructed and placed in service.

#### 8. PROCEDURES USED TO PROVIDE GENERAL INFORMATION TO SHIPPERS AND POTENTIAL SHIPPERS

(a) Information regarding Transporter's maximum and minimum rates for firm transportation services, general rate discounting advisories, gas scheduling or allocation procedures and other general announcements pertaining to transportation services will be made available to all Shippers and potential Shippers by electronic means on twenty-four hour basis on Transporter's Interactive Internet Website.

(b) Shippers and potential Shippers will be notified by ordinary U.S. mail of any general firm transportation service announcements. Overnight delivery of this

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**Original Sheet No. 20** Original Sheet No. 20 : Effective

RATE SCHEDULE FT  
Firm Transportation Service  
(Continued)

information will be available to Shippers and potential Shippers upon written request provided that such overnight delivery services are prepaid.

9. HEATING VALUE

Refer to Section 3 of the General Terms and Conditions.

10. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

11. GENERAL TERMS AND CONDITIONS

All of the applicable General Terms and Conditions of the FERC Gas Tariff of which this Rate Schedule is a part are hereby made a part hereof.

Effective Date: 10/15/1990 Status: Effective  
FERC Docket: CP90-239-001

**Original Sheet No. 21** Original Sheet No. 21 : Effective

RATE SCHEDULE IT  
Interruptible Transportation Service

1. AVAILABILITY

- 1.1 Service under this Rate Schedule is available to any gas company or any other party (hereinafter referred to as "Shipper") subject to available capacity for the transportation of natural gas, in accordance with Section 5 hereof by Gulf States Transmission Corporation (hereinafter referred to as "Transporter") on Transporter's pipeline system when:
- (a) Shipper desires interruptible transportation service of gas; and
  - (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule; and
  - (c) Shipper has submitted a valid request in accordance with Section 8 hereof for service under this Rate Schedule and Transporter has available capacity to render such service.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to all transportation service on Transporter's pipeline system (as described in the Preliminary Statement heretofore included) rendered by Transporter for Shipper pursuant to Part 284 of the regulations of the FERC and the executed Service Agreement for service under this Rate Schedule.
- 2.2 Transportation service provided under this Rate Schedule shall be limited to the Maximum Daily Quantity specified in the executed Service Agreement; provided, however, that Transporter may, after having satisfied any pending requests for service under this Rate Schedule, if tendered by Shipper, receive for transportation daily quantities of gas in excess of the specified Maximum Daily Quantity. However, in no event shall Transporter be obligated to receive at Point(s) of



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RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

Receipt a quantity of gas in excess of the lower of Shipper's Maximum Daily Quantity or the Scheduled Daily delivery quantity, nor shall Shipper tender at any one or all Points of Receipt a cumulative quantity of natural gas in excess of Shipper's Maximum Daily Quantity or Scheduled Daily Delivery quantity without the prior consent of Transporter.

- 2.3 Service under this Rate Schedule shall consist of: (i) the receipt of gas on behalf of Shipper at the Point(s) of Receipt specified in the executed Service Agreement; (ii) the transportation of gas through the Transporter's pipeline; and (iii) the delivery of equivalent quantities of gas by Transporter to Shipper, or for Shipper's account, at the Point(s) of Delivery.

3. RATES AND CHARGES

- 3.1 For interruptible transportation under this Rate Schedule, the charge for service shall be the applicable rate as set forth on Sheet No. 6 of Volume No. 1 of this Tariff.
- 3.2 The maximum and minimum unit rates for interruptible transportation service are shown on the effective Sheet No. 6 of Volume No. 1 of this Tariff. Shipper shall pay the maximum rates for service under the Rate Schedule unless Transporter, in its sole judgment, offers to discount its rate to Shipper under this Rate Schedule. The rate or rates for service under this Rate Schedule shall not be discounted below the minimum rate, it being understood that each Shipper shall pay the maximum rates unless such rates are discounted to such specific customer.
- 3.3 In addition to the charges specified above, Shipper agrees to pay Transporter an overrun charge equal to Transporter's maximum interruptible transportation rate under Rate Schedule IT, for any Overrun Gas received, transported or delivered by Transporter, for Shipper or for the account of Shipper on any day.

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Superseding: First Revised Sheet No. 23

RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

3.8 In addition to the applicable charges pursuant to Section 3.1 of this Rate Schedule, Shipper shall pay Transporter the Annual Charge Adjustment (ACA) identified in Sheet 6 for each Dekatherm transported and for any and all filing fees incurred as a result of Shipper's request for service under this Rate Schedule, to the extent such fees are imposed upon Transporter by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction, and to the extent related exclusively to the services provided hereunder. Shipper shall pay Transporter for such fees at such time as a valid request for transportation is submitted to Shipper returns to Transporter an executed service agreement, at Transporter at Transporter's designated office or depository.

3.9 Shipper shall reimburse Transporter for the costs of any facilities installed by Transporter with Shipper's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Shipper. Such facilities installed hereunder will not result in the pass-through of costs absent a Section 4 filing.

4. RECEIPTS AND DELIVERIES

4.1 The Point(s) of Receipt at which Transporter shall receive gas for transportation under this Rate Schedule shall be those set forth in the executed Service Agreement for service hereunder. Upon written notice Shipper may add or delete Point(s) of Receipt.

Effective Date: 10/01/2001 Status: Effective  
FERC Docket: RP00-405-001

**First Revised Sheet No. 24** First Revised Sheet No. 24 : Effective  
Superseding: Original Sheet No. 24

RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

Transporter's acceptance of such requests shall be subject to the applicable requirements of Part 284 of the Commission's Regulations.

- 4.2 Shipper shall make any necessary arrangements with other parties to be able to deliver natural gas to Transporter at the Point(s) of Receipt which Shipper tenders to Transporter for transportation under this Rate Schedule. Shipper shall make any necessary arrangements to enable Transporter to deliver equivalent quantities of natural gas to Shipper or for the account of Shipper at the Point(s) of Delivery.
- 4.3 The quantity of gas delivered or caused to be delivered by Shipper to Transporter at the Point(s) of Receipt for transportation hereunder on any day shall be redelivered by Transporter to Shipper or for the account of Shipper, balanced on a heat-content basis. Any monthly imbalance between Shipper's deliveries of gas for transportation and Transporter's redeliveries shall be kept to a minimum. It shall be Shipper's responsibility to keep receipts and deliveries in balance. Transporter may curtail services hereunder to the extent necessary to bring receipts and deliveries into balance. Any imbalance between actual receipts and actual deliveries shall be eliminated by cashout on a monthly basis in accordance with the General Terms and Conditions of this Tariff.

Effective Date: 10/01/2001 Status: Effective  
FERC Docket: RP00-405-001

**First Revised Sheet No. 25** First Revised Sheet No. 25 : Effective  
Superseding: Original Sheet No. 25

RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

- 4.4 Shipper shall be obligated to notify or cause Transporter to be notified in advance of each month and in advance of each day in which Shipper desires service under this Rate Schedule, including the daily quantity of gas Shipper desires to deliver to Transporter during such period. Shipper shall deliver or cause to be delivered to Transporter and shall receive from Transporter the scheduled daily quantity as nearly as possible at uniform hourly rates. Departures from the daily quantity which Shipper intends to deliver to Transporter hereunder may be made by notifying Transporter at least twenty-four hours in advance of the commencement of the day on which the change in deliveries will commence and shall be kept to the minimum.
- 4.5 In the event an imbalance between receipts and deliveries exists upon termination of the Service Agreement or when quantities cease to be delivered to Transporter for

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FERC Docket: RP09-60-000

**Third Revised Sheet No. 26** Third Revised Sheet No. 26  
Superseding: Second Revised Sheet No. 26

RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

transportation hereunder as a result of the depletion of supplies or the termination of deliveries from Shipper's suppliers such that the quantities delivered by Transporter to Shipper or for the account of Shipper exceed the quantities delivered hereunder to Transporter, Shipper shall immediately take whatever action is required to acquire the quantities necessary to eliminate such imbalance. If such imbalance is not eliminated within a period of sixty (60) days after written notification to Shipper by Transporter, Shipper's imbalance shall be cashed out in accordance with the General Terms and Conditions of this Tariff.

4.6 The gas delivered to Transporter hereunder shall at all times conform to the quality provisions of the General Terms and Conditions.

Effective Date: 10/15/1990 Status: Effective  
FERC Docket: CP90-239-001

**Original Sheet No. 27** Original Sheet No. 27 : Effective

RATE SCHEDULE IT  
Interruptible Transportation Service  
(Continued)

5. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY

Shipper shall nominate and Transporter shall allocate capacity to perform service under this Rate Schedule in accordance with the provisions of Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Volume No. 1.

6. POSSESSION OF GAS

After Shipper delivers gas or causes gas to be delivered to Transporter at the Point(s) of Receipt hereunder, Transporter shall be deemed to be in control and possession of the gas until it is redelivered to Shipper or for the account of Shipper at the Point(s) of Delivery. Shipper shall have no responsibility with respect to any gas deliverable by Transporter or on account of anything which may be done, happen or arise with respect to such gas, until Transporter redelivers such gas to Shipper or for the account of Shipper. Transporter shall have no responsibility with respect to such gas before Shipper delivers such gas to Transporter or after Transporter redelivers such gas to Shipper or for the account of Shipper, or on account of anything which may be done, happen or arise with respect to such gas before such delivery or after such redelivery.

7. WARRANTY OF TITLE TO GAS

Shipper warrants for itself, its successors and assigns, that it will at the time of delivery to Transporter for transportation have good and merchantable title to all gas delivered to Transporter hereunder, free and clear of all liens, encumbrances and claims whatsoever. Shipper shall indemnify Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas, including claims for any royalties, taxes, license fees or charges applicable to such gas or to the delivery thereof to Transporter for transportation under this rate schedule.

Effective Date: 12/01/2008 Status: Effective  
FERC Docket: RP09-60-000

**Fourth Revised Sheet No. 28** Fourth Revised Sheet No. 28  
Superseding: Third Revised Sheet No. 28

RATE SCHEDULE IT  
Interruptible Transportation Service (continued)

8. OTHER CONDITIONS OF SERVICE

8.1 Requests for transportation hereunder shall be considered complete and acceptable only if the following information is provided in writing and sent to the Transporter via facsimile, e-mail, courier or U.S. Mail at the following address:

Wayne Packard  
Gulf States Transmission Corporation  
2001 Bryan Street, Suite 3700  
Dallas, Texas 75201  
Fax: 214-840-5441  
Email: wayne.packard@gulfstatestransmission.com

- (a) Shipper's Name and Address;
- (b) Identity of Shipper (including class of Shipper, e.g., Local Distribution Company, Intrastate Pipeline, Hinshaw Pipeline, Interstate Pipelines, Marketer, Producer, End-User, Other);
- (c) Type of Service Requested (firm or interruptible);
- (d) Any affiliation of the requester with Transporter;
- (e) Maximum Daily Quantity to be transported during the requested term of service by Transporter;

Effective Date: 12/01/2008 Status: Effective  
FERC Docket: RP09-60-000

**Second Revised Sheet No. 29** Second Revised Sheet No. 29  
Superseding: First Revised Sheet No. 29

RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

8. OTHER CONDITIONS OF SERVICE (Continued)

8.1 (Continued)

(f) Requested Point(s) of Receipt and Delivery and the maximum quantities to be received by Transporter by receipt point and to be delivered to Shipper by delivery point;

(g) Names of entities who will deliver gas to Transporter and entities who will receive gas from Transporter;

(h) Term of Service, including (a) the date service is requested to commence and (b) the date service is requested to terminate;

(i) A statement that Shipper has title to the gas to be transported or the right to acquire title to such gas and has entered into or will enter into all necessary arrangements to ensure that all upstream and downstream transportation will be in place prior to commencement of service; and

(j) Documentation of Shipper's credit worthiness, as provided in Section 8.5.



Effective Date: 12/02/2005 Status: Effective

FERC Docket: RP06-76-000

**1st Rev. Sub. Original Sheet No. 30** 1st Rev. Sub. Original Sheet No. 30 : Effective  
Superseding: Substitute Original Sheet No. 30

RATE SCHEDULE IT

Interruptible Transportation Service (Continued)

8. OTHER CONDITIONS OF SERVICE (Continued)

8.1 (Continued)

8.2 Requests for transportation hereunder shall be void unless Shipper executes a Service Agreement for service under this Rate Schedule within thirty (30) days after Transporter has tendered such Agreement to Shipper and provides the following information to Transporter in writing at the address set forth in Section 8.1 prior to or at the time that Shipper executes such Service Agreement:

RATE SCHEDULE IT  
Interruptible Transportation Service  
(Continued)

8. OTHER CONDITIONS OF SERVICE (Continued)

8.2 (Continued)

- (a) Name of the corporate entities ultimately receiving the gas to be transported under this Rate Schedule (unless Shipper is a local distribution company, Interstate pipeline or intrastate pipeline and Shipper is using such gas for its system supply);
- (b) Verification that the entities in subsection (a) have entered into the necessary contractual arrangements with Shipper to use the transportation service requested under this Rate Schedule;
- (c) The names of any third parties required to transport, treat or process Shipper's transportation quantities both prior to delivery of the gas into Transporter's system and after delivery of the gas from Transporter's system; and
- (d) If the transportation service is to be performed under Section 311(a) of the NGPA, certification by the local distribution company or intrastate pipeline on whose behalf such transportation is to be performed; that it is aware that Shipper has requested transportation service from Transporter; that it will receive some economic benefit from the transportation Agreement entered into between Transporter and Shipper pursuant to Section 311(a) of the NGPA; and that the subject transportation is "on behalf of" such local distribution company or intrastate pipeline within the meaning of Section 311(a).

- 8.3 Requests for transportation hereunder shall be void unless Shipper tenders gas for transportation hereunder by the later of (a) the date when such service is scheduled to commence or (b) 15 days after the later of (i) the Service Agreement for such service is executed or (ii) all necessary construction is completed and all

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FERC Docket: RP06-76-000

**First Revised Sheet No. 32** First Revised Sheet No. 32 : Effective  
Superseding: Original Sheet No. 32

RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

8. OTHER CONDITIONS OF SERVICE (Continued)

necessary permits are obtained.

8.4 [Reserved for future use]

8.5 Acceptance of a transportation service request is contingent upon a satisfactory credit appraisal by Transporter. Such credit appraisal must meet the following criteria:

(a) Shipper shall provide (a) current financial statements, annual reports, 10-K reports or other filings with regulatory agencies, (b) a list of all corporate affiliates, parent companies and subsidiaries, and (c) any reports from credit reporting agencies which are available. Transporter shall apply consistent evaluation practices to determine the acceptability of the Shipper's overall financial condition, working capital, and profitability trends.

(b) A bank reference and at least three trade references must be provided by Shipper. The results of reference checks and any credit reports must show that Shipper's obligations are being paid on a prompt basis.

(c) Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under the state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement.

(d) Shipper must not be subject to the uncertainty of pending litigation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition.

(e) Transporter may monitor Shipper's creditworthiness on an ongoing basis.

Effective Date: 12/02/2005 Status: Effective  
FERC Docket: RP06-76-000

**Fourth Revised Sheet No. 33** Fourth Revised Sheet No. 33 : Effective  
Superseding: Third Revised Sheet No. 33

RATE SCHEDULE IT  
Interruptible Transportation Service (Continued)

8.5 (Continued)

(1) (a) Transporter shall not be required to continue to provide credit, perform or continue service to any Shipper who is or has become insolvent or who fails to demonstrate creditworthiness on an ongoing basis.

(2) (b) At any time Transporter may require any Shipper to demonstrate creditworthiness by providing additional credit information, including updates of the materials described above. If a Shipper fails to demonstrate creditworthiness at that time, the Shipper may still obtain or continue to receive service hereof if it provides to Transporter one of the following:

(i) a standby irrevocable letter of credit drawn upon a bank acceptable to Transporter, in an amount acceptable to Transporter;

(ii) a guaranty of payment of all Shipper's obligations by a person or entity which does satisfy the credit appraisal; or

(iii) prepayment of the sum of two (2) months of the revenues Transporter would receive if Transporter were performing such service of the Transportation Demand.

#### 9. PROCEDURES USED TO PROVIDE GENERAL INFORMATION TO SHIPPERS AND POTENTIAL SHIPPERS

(a) Information regarding Transporter's maximum and minimum rates for interruptible transportation services, general rate discounting advisories, gas scheduling or allocation procedures and other general announcements pertaining to transportation services will be made available to all Shippers and potential Shippers by electronic means on Transporter's Interactive Internet Website.

(b) Shippers and potential Shippers will be notified by ordinary U.S. mail of any general transportation service announcements. Overnight delivery of this information will be available to Shippers and potential Shippers upon written request provided that such overnight delivery services are prepaid.

(c) The determination and allocation of interruptible capacity available for transportation services on a monthly and daily basis will be in accordance with Section 15 of the General Terms and Conditions. Since volumes will be scheduled and subject to allocation on a daily basis, it is the responsibility of all Shippers and potential Shippers to contact Transporter's Gas Control or Transportation Services Department(s) on a daily basis to determine the availability and allocation of capacity.

#### 10. HEATING VALUE

Refer to Section 3 of the General Terms and Conditions.

Effective Date: 10/15/1990 Status: Effective  
FERC Docket: CP90-239-001

**Original Sheet No. 34** Original Sheet No. 34 : Effective

RATE SCHEDULE IT  
Interruptible Transportation Service  
(Continued)

11. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

12. GENERAL TERMS AND CONDITIONS

All of the applicable General Terms and Conditions of the FERC Gas Tariff of which this Rate Schedule is a part are hereby made a part hereof.

Effective Date: 08/01/2009 Status: Effective  
 FERC Docket: RP09-804-000

**Tenth Revised Sheet No. 35** Tenth Revised Sheet No. 35  
 Superseding: Ninth Revised Sheet No. 35

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Effective Date: 07/01/2000 Status: Effective  
FERC Docket: RP00-352-000

**Fourth Revised Sheet No. 36** Fourth Revised Sheet No. 36 : Effective  
Superseding: Third Revised Sheet No. 36

GENERAL TERMS AND CONDITIONS

1. APPLICATION

The following General Terms and Conditions apply to all transportation of natural gas by Transporter under its rate schedules on file with and subject to the jurisdiction of the Federal Energy Regulatory Commission.

2. DEFINITIONS

The following terms shall have the meaning defined below:

- (a) "Acquiring Shipper" - Any Shipper that acquires firm released capacity from a Releasing Shipper.
- (b) "Bidding Period" - That period of time that released firm capacity is posted on Transporter's Interactive Internet Website during which Shippers may bid on capacity.
- (c) "Bidding Shipper" - Any Shipper that is qualified to bid for capacity through Transporter's Interactive Internet Website.
- (d) "British Thermal Unit" (Btu) - The amount of heat required to raise the temperature of one (1) pound of water 10° Fahrenheit at 60° Fahrenheit at a constant pressure of 14.73 psia.
- (e) "Business Day" - Monday through Friday, excluding Federal Banking holidays for transactions in the U.S., and similar holidays for transactions occurring in Canada and Mexico.
- (f) "Dekatherm" (dt) - The quantity of heat energy which is 1,000,000 British Thermal Units.
- (g) "Equivalent Quantity" - The quantity of gas measured in Mcf received by Transporter at the Point of Receipt during any given period of time, adjusted for any variations in Btu Content, it being the intent of the parties that the volumes of gas redelivered hereunder be the thermal equivalent of the volumes of gas received at the Point(s) of Receipt for delivery at the Point(s) of Delivery.
- (h) "Gas Day" - Standard time for the gas day should be 9 a.m. to 9 a.m. (central clock time).

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FERC Docket: RP09-804-000

**Sixth Revised Sheet No. 37** Sixth Revised Sheet No. 37  
Superseding: Fifth Revised Sheet No. 37

GENERAL TERMS AND CONDITIONS (Continued)

2. DEFINITIONS (Continued)

(i) "NAESB Standards" - The business practices and electronic communication practices promulgated by the North American Energy Standards Board (NAESB) and adopted and codified by the Federal Energy Regulatory Commission (FERC) in Section 284.12(b) of the Commission's Regulations.

(j) "Heating Value" - Gross Heating Value on a dry basis which is the number of British thermal units produced by the complete combustion of constant pressure of the amount of dry gas which would occupy a volume of one cubic foot at 14.73 Psi and 600F with combustion air at the same temperature and pre

(k) "Intra-day Nomination" - An intra-day nomination is a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the gas day and runs through the end of that gas day.

(l) "Natural Gas or Gas" - Gas produced from gas wells, gas condensate wells or oil wells, and the residue gas remaining after processing such gas for the removal of liquefiable hydrocarbons therefrom.

(m) "Scheduled Daily Delivery" - The daily amounts of gas requested in advance by Shipper by telephone, telegraph or otherwise to Transporter covering a specific period of time, which daily quantities may be the maximum daily delivery oblig

(n) "Nomination" - A nomination is a request for service by a Nominating Party to Company using the standard data elements as specified by NAESB and adopted by FERC.

(o) "Potential Shippers" - All current transportation and sales customers of Transporter as well as all persons who have pending requests for transportation service or for information regarding transportation services of Transporter.

(p) "Pre-Arranged Shipper" - Any Shipper who is qualified and seeks to acquire capacity under a pre-arranged release.

(q) "Production Month" - A period beginning at 9:00 A.M., Central Clock Time, or at such other hour as Shipper and Transporter agree upon, at the Point(s) of Delivery, on the first day of the calendar month and shall end at 9:00 A.M. on the



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**Third Revised Sheet No. 37A** Third Revised Sheet No. 37A : Effective  
Superseding: Second Revised Sheet No. 37A

GENERAL TERMS AND CONDITIONS (Continued)

- (r) "Releasing Shipper" - Any Shipper holding firm capacity rights under a Service Agreement under Rate Schedule FT that releases firm capacity.
- (s) "Year" - A period of three hundred sixty-five (365) consecutive days beginning on the date of initial delivery of natural gas under the contract, or on any anniversary thereof; provided, however, that any such year which contains a date of February 29 shall consist of three hundred sixty-six (366) consecutive days.
- (t) "Package ID" - A way to differentiate between discrete business transactions.
- (u) "OBA" - A contract between two parties which specifies the procedures to manage operating variances at an interconnect.
- (v) "Operational Flow Order" - An operational flow order is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of the transportation service provider's system or to maintain operations required to provide efficient and reliable firm service. Whenever a Transportation Service Provider experiences these conditions, any pertinent order should be referred to as an Operational Flow Order.
- (w) "Overrun Gas" - Those volumes of gas tendered for transportation by Shipper on any day in excess of its currently effective MDQ. To the extent such gas is scheduled under Section 15 hereof, the Overrun Gas shall be authorized.
- (x) "Unauthorized Overrun Gas" shall mean Overrun Gas not accepted by Transporter for scheduling pursuant to Section 15 hereof.

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FERC Docket: RP09-795-000

**First Revised Sheet No. 38** First Revised Sheet No. 38  
Superseding: Original Sheet No. 38

GENERAL TERMS AND CONDITIONS  
(Continued)

3. QUALITY

(a) May Be Processed Natural Gas

The natural gas delivered shall be natural gas from which moisture, impurities, helium, natural gasoline, butane, propane, and any other hydrocarbons except methane may be removed prior to delivery to Shipper. Transporter may subject, or p

(b) Water Vapor Content

The natural gas received at the Point(s) of Receipt shall be free of water and other objectionable liquids at the temperature and pressure at which the natural gas is delivered and the natural gas shall in no event contain water vapor in ex

(c) Heating Value

The natural gas delivered shall have a daily average Heating Value of not less than 1,000 Btu per cubic foot.

(d) Extraneous Substances

The natural gas delivered:

(i) Shall be commercially free from objectionable odors, solid matter, dust, gums and gum-forming constituents, or other solid or liquid matter which

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FERC Docket: RP09-795-000

**First Revised Sheet No. 39** First Revised Sheet No. 39

Superseding: Original Sheet No. 39

GENERAL TERMS AND CONDITIONS

(Continued)

3. QUALITY (Continued)

might interfere with its merchantability or cause injury to or interference with proper operation of the lines, regulators, meters or other appliances through which it flows;

(ii) Shall contain not more than one quarter (1/4)

grain of hydrogen sulphide per 100 cubic feet of natural gas volume when tested in accordance with the following procedure: A strip of white filter paper previously moistened with fresh 5 percent lead acetate solution shall be exposed to th

(iii) Shall not contain more than one (1) grain of total sulfur, including mercaptans and hydrogen sulfide, per hundred cubic feet of natural gas volume;

(iv) Shall not at any time have an uncombined oxygen content in excess

ten(10) parts per million, and Shipper shall make every reasonable effort to keep the natural gas free from oxygen;

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FERC Docket: RP09-795-000

**First Revised Sheet No. 40** First Revised Sheet No. 40  
Superseding: Original Sheet No. 40

GENERAL TERMS AND CONDITIONS  
(Continued)

3. QUALITY (Continued)

- (v) Shall not at any time have a carbon dioxide content in excess of 2% by volume or a nitrogen content in excess of 3% by volume;
- (vi) Shall not be delivered or redelivered at a temperature of less than forty (40) degrees Fahrenheit or more than one-hundred and twenty (120) degrees Fahrenheit;
- (vii) Shall not contain any carbon monoxide, halogens or unsaturated hydrocarbons;
- (viii) Shall not contain hazardous waste as defined in the Resources Conservation and Recovery Act of 1976;
- (ix) Shall not have a hydrocarbon dew point in excess of ten (10) degrees Fahrenheit under expected operating conditions.

(e) Failure to Conform

If any natural gas offered for delivery hereunder shall fail at any time to conform to the standards set forth above, then Transporter shall notify the Shipper in writing of the full particulars of such deficiency. Transporter shall

(f) Notwithstanding the foregoing provisions in Section 3, if the quality specifications of the receiving pipeline at the Point(s) of Delivery are more stringent than Transporter's quality specifications, Transporter is not required to accept

(g) Transporter, in its reasonable discretion and judgment, may accept natural gas that does not conform to the quality specifications in this Section 3, provided that Transporter determines that such acceptance will not interfere with it

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**First Revised Sheet No. 41** First Revised Sheet No. 41  
Superseding: Original Sheet No. 41

GENERAL TERMS AND CONDITIONS  
(Continued)

4. MEASUREMENTS

(a) Transportation Unit

The Transportation Unit of the natural gas deliverable shall be an MMBtu of natural gas on the measurement basis as hereinafter set forth.

(b) Quantity and Heat Value

The quantity and the Heating Value of the natural gas delivered shall be determined as follows:

(i) The unit of volume for the purpose of measurement shall be one (1) cubic foot of natural gas at a temperature of 60° Fahrenheit and an absolute pressure of 14.73 pounds per square inch.

(ii) The average absolute atmospheric pressure shall be assumed to be 14.73 pounds per square inch.

(iii) The temperature of the natural gas flowing through the meters, necessary for computing natural gas quantities, shall be determined by electronic flow measurement equipment so installed that it may properly monitor the temperature of the natural gas flowing through the meters or other such measu

(iv) The specific gravity of the natural gas flowing through the meters, when necessary for computing natural gas quantities, shall be, unless otherwise agreed upon, determined by the use of an indicating gravitometer or from a representative sample obtained from a continuous sampling device and anal

(v) The deviation of the natural gas from Ideal Gas Laws shall be calculated by methods recommended in the A.P.I. Publication Number 2530, which is titled "Orifice Metering of Natural Gas," as amended from time to time, including the A.G.A. Publication "Manual for Determination of Supercompressib

(vi) The Heating Value shall be determined by either (1) the use of a suitably located and acceptable make calorimeter or (2) calculation from a fractional analysis, or (3) methods outlined in A.G.A.

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**First Revised Sheet No. 42** First Revised Sheet No. 42 : Effective  
Superseding: Original Sheet No. 42

GENERAL TERMS AND CONDITIONS  
(Continued)

4. MEASUREMENTS (Continued)

Transmission Measurement Committee Report No. 5, titled "Fuel Gas Energy Metering," latest edition, or (4) other methods mutually acceptable. Dekatherms delivered shall be determined by multiplying the Dekatherm delivered by a fraction the numerator of which is the Btu per cubic foot and the denominator of which is 1,000.

5. MEASUREMENT EQUIPMENT

(a) Measuring Stations

Unless otherwise agreed to, Transporter will install, maintain and operate, at its own expense, at or near each Point of Receipt and Delivery, measuring stations properly equipped with standard orifice meters, flange connections, orifice plates, electronic measurement equipment and other necessary measuring equipment or other standard type meter suitable for the purpose by which the quantity of natural gas shall be measured and determined as provided in Section 4(b) (vii) of these General Terms and Conditions. Orifice meters where used shall be installed and operated in accordance with Specifications of the A.P.I. Publication Number 2530 of the American Petroleum Institute, latest revision, and shall include the use of straightening vanes. Turbine meters installed in measuring stations used in the measurement of the transportation gas to be received or redelivered shall be operated in accordance with Specifications of the A.G.A. Transmission Measurement Committee Report #7 which is titled "Measurement of Gas by Turbine Meters," latest edition.

(b) Shipper's Check Measuring Equipment

Shipper acting jointly with Transporter may install, maintain and operate, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Transporter's measuring equipment.

GENERAL TERMS AND CONDITIONS  
(Continued)

5. MEASUREMENT EQUIPMENT (Continued)

(c) Joint Presence

Each party shall have the right to be present at the time of installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with measuring equipment involved in billing and used in measuring or checking the measurement of deliveries. The records from such measuring equipment shall remain the property of their owner, but upon request, each will submit to the other its records and charts, together with calculations therefrom for inspection and verification, subject to return within ten (10) days after receipt thereof.

(d) Installation

All installations of measurement equipment applying to or affecting deliveries shall be made in such manner as to permit an accurate determination of the quantity of natural gas delivered and ready verification of the accuracy of measurement. Care shall be exercised by Shipper in the installation, maintenance and operation of pressure regulating equipment so as to prevent any inaccuracy in the determination of the quantity of gas delivered hereunder.

GENERAL TERMS AND CONDITIONS  
(Continued)

5. MEASUREMENT EQUIPMENT (Continued)

(e) Inaccurate Meter

In the event a meter is out of service or registering inaccurately, the quantity of natural gas delivered shall be determined:

- (i) By using the registration of any check meter or meters if installed and accurately registering, or, in the absence of (i),
- (ii) By correcting the error or the percentage of error if ascertainable by calibration, test, or mathematical calculations or in the absence of both (i) and (ii), then
- (iii) By estimating the quantity of delivery by deliveries during periods under similar conditions when the meter was registering accurately.

(f) Verification

The accuracy of Transporter's measurement equipment shall be verified by Transporter monthly and, if requested, in the presence of representatives of both parties, but Transporter shall not be required as a matter of routine to verify the accuracy of such equipment more frequently than once in any thirty (30) day period.

In the event either party shall notify the other that it desires a special test of any measuring equipment the parties shall cooperate to secure a prompt verification of the accuracy of such equipment. The expense of such special tests shall be borne by the Party requesting the test if the measuring equipment, by such tests, is found to be in error by not more than 2%.



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FERC Docket: RP97-174-001

**Substitute First Revised Sheet No. 45** Substitute First Revised Sheet No. 45 : Effective  
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GENERAL TERMS AND CONDITIONS  
(Continued)

5. MEASUREMENT EQUIPMENT (Continued)

(g) Adjustment for Inaccuracy

If, upon test, any measurement equipment, including recording calorimeter, is found to be in error not more than two percent (2%), previous recording of such equipment shall be considered accurate in computing deliveries; but such equipment shall be adjusted at once to record correctly. If, upon test, any measurement equipment shall be found to be inaccurate by an amount exceeding two percent (2%) at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, then any previous recordings of such equipment shall be corrected to zero error for any period which is definitely known but, in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of the last tests not exceeding a correction period of 16 days.

(h) Maintenance of Records

Transporter and Shipper shall preserve all original test data, charts, or other similar records for a period of 6 years or such lesser period as may be permitted by applicable rules of regulatory agencies having jurisdiction, however, the above notwithstanding, such records shall be retained for a period not less than 24 months.

6. INVOICING

(a) Rendering of Invoices for Service

The imbalance statement should be rendered prior to or with the invoice, and the transportation invoice should be prepared on or before the 9th business day after the end of the production month. Rendered is defined as postmarked, time-stamped, and delivered to the designated site.

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97-174-001

**Substitute First Revised Sheet No. 46** Substitute First Revised Sheet No. 46 : Effective  
Superseding: First Revised Sheet No. 46

GENERAL TERMS AND CONDITIONS  
(Continued)

6. INVOICES (continued)

(b) Supporting Data

Transporter and Shipper shall each deliver to the other for examination such pertinent records and charts as shall be necessary to verify the accuracy of any statement, chart or computation made by either of them under or pursuant to any of the provisions hereof, of the applicable rate schedule or of the service agreement.

Supporting data shall be consistent with information previously provided, except for updates related to settlement activities.

Required invoice backup data should accompany or precede the invoice.

Regarding inadequate detail supporting documentation, supporting documentation should be provided upon request, with timing of supporting documentation to follow the timing of the flowing gas transactions.

Information provided with (sales and transportation) invoices should be consistent with information previously provided by the billing party, as updated for changes for settlement.

(c) Descriptors

Standard field name descriptors should be used on paper and electronic documents. This consistency should cover all gas industry transactions.

(d) Billing units and Rates

Subject to regulatory and/or contractual consideration for standardizing billing units on invoices, use dekatherms (gigajoules in Canada, with a standard conversion calculation) only on invoices - to be consistent with standards proposed for nominations.

Unless otherwise agreed, transportation invoices should state the net billing rate, rather than the maximum discount tariff rate and the discount amount.

Invoices should be based on actuals (if available) or best available data. Quantities at points where OBAs exist should be invoiced based on scheduled quantities.

7. PAYMENTS

(a) Payment of Invoices for Service

Except as otherwise hereinafter provided, Shipper shall pay to Transporter at its designated office or depository on or before the 20th day of each month Transporter's invoice for the charges for gas service rendered during the preceding calendar month, or 10 days from the date the statement for such charges is postmarked, whichever is later. Shipper must tender a timely payment even if the statement presented by Transporter includes an estimated receipt or delivery volume. The invoice number should be identified on all payments.

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FERC Docket: RP97-174-001

**Substitute First Revised Sheet No. 47** Substitute First Revised Sheet No. 47 : Effective  
Superseding: First Revised Sheet No. 47

GENERAL TERMS AND CONDITIONS  
(Continued)

7. PAYMENTS (Continued)

(b) Failure to Pay

Should Shipper fail to pay all of the amount of any invoice for natural gas delivered as herein provided when such amount is due, interest on the unpaid portion of such amount shall accrue at the rate equal to the interest rate established from time to time by the FERC pursuant to Section 154.67(c) (2) (iii) (A) of its Regulations.

Such interest shall accrue on unpaid amounts beginning on the payment due date of Transporter's statement and shall terminate when such statement is paid.

(c) Prior Period Adjustments

Prior period adjustment time limits should be 6 months from the date of the initial transportation invoice and 7 months from date of initial sales invoice with a 3-month rebuttal period, excluding government-required rate changes. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

Prior period adjustments are reported by production date, but they do not have to be invoiced separately by production month - nor is each production month a separate paper invoice page.

Indicate paid amount on prior period adjustments on the statement of account.

(d) Errors

In the event an error is discovered in the amount invoiced in any statement rendered by Transporter, such error shall be adjusted within 30 days of the determination thereof; provided that claim therefore shall have been made within 60 days from the date of discovery of such errors but in any event within 12 months from the date of payment.

If invoice is in dispute, pay portion not in dispute and provide documentation identifying basis for the dispute.

(e) Delayed Invoices

If rendition of an invoice by Transporter to Shipper is delayed beyond the date specified in Section 6 of these General Terms and Conditions, Shipper shall pay such invoice within 10 days after rendition thereof.

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FERC Docket: RP09-804-000

**Fifth Revised Sheet No. 48** Fifth Revised Sheet No. 48

Superseding: Fourth Revised Sheet No. 48

GENERAL TERMS AND CONDITIONS (Continued)

7. PAYMENTS (Continued)

(f) Supporting Data

NAESB Standard 3.3.17 (Version 1.8) states: Party making payment should submit supporting documentation; party receiving payment should apply payment per supporting documentation provided by the paying party; and if payment differs from invoiced amount, remittance detail should be provided

8. CUSTOMER INFORMATION

Transporter shall determine the total quantity of gas delivered to a Shipper and upon request shall furnish as soon as such information is available, such quantity to Shipper including the quantity delivered through each meter of Transport

Shipper shall furnish Transporter monthly upon request complete information concerning the use or disposition of the gas delivered by Transporter pertinent to the rate schedules or contracts under which Shipper is receiving gas service.

9. POSSESSION OF GAS

After Shipper delivers gas or causes gas to be delivered to Transporter at the Point(s) of Receipt hereunder, Transporter shall be deemed to be in control and possession of the gas until it is redelivered to Shipper or for the account of Sh

Effective Date: 10/15/1990 Status: Effective  
FERC Docket: CP90-239-001

**Original Sheet No. 49** Original Sheet No. 49 : Effective

GENERAL TERMS AND CONDITIONS  
(Continued)

10. WARRANTY OF TITLE TO GAS

Any Shipper under this rate schedule warrants for itself, its successors and assigns that it will at the time of delivery to Transporter for transportation have good and merchantable title to all gas free and clear of any liens, encumbrances and claims whatsoever. Shipper will indemnify Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas, including claims for any royalties, taxes, license fees or charges applicable to such gas or to the delivery thereof to Transporter for transportation under this rate schedule.

11. FORCE MAJEURE

The term force majeure as employed herein shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, arrests, the order of any court of governmental authority having jurisdiction while the same is in force and effect, civil disturbances, explosions, breakage, accidents to machinery or lines of pipe, inability to obtain or unavoidable delay in obtaining material, equipment, and any other cause whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.

Effective Date: 07/01/2000 Status: Effective

FERC Docket: RP00-352-000

**Second Revised Sheet No. 50** Second Revised Sheet No. 50 : Effective  
Superseding: First Revised Sheet No. 50

GENERAL TERMS AND CONDITIONS (Continued)

11. FORCE MAJEURE (Continued)

In the event of either party being rendered unable, wholly or in part, by force majeure to carry out its obligations other than the obligation to make payment of amounts accrued and due at the time thereof, it is agreed that upon such party giving notice and full particulars of such force majeure in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission or circumstance occasioned by, or in consequence of, force majeure, as herein defined.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by telegraph to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting the performance by either party relieve it from its obligations to make payments of amounts then due in respect of natural gas theretofore delivered.

12. PRESSURES

12.1 Pressure of Deliveries

Pressures at the Point(s) of Receipt and Delivery shall be as agreed upon by Shipper and Transporter in the service agreement. Transporter shall deliver natural gas to Shipper as nearly as practicable at such agreed upon pressure.

12.2 Operational Flow Orders

- (a) Circumstances Warranting Issuance: Transporter shall have the right to issue Operational Flow Orders (OFOs) as specified in this Section that require actions by Shippers in order (1) to alleviate conditions that threaten the integrity of the system; (2) to maintain pipeline operations at the pressures required to provide efficient and reliable transportation services; (3) to have adequate gas supplies in the system to deliver on demand; (4) to maintain service to all firm shippers; and (5) to maintain the system in balance for the foregoing purposes.
- (b) Preliminary Notifications/Follow-up Reports: Transporter shall provide, via posting on its Interactive Internet Website, prior notice to all Shippers of upcoming system events such as anticipated weather patterns and operational problems that may necessitate the issuance of an OFO. On a quarterly basis, Transporter will provide every Shipper that was affected by an OFO during the previous quarter a written report that details the underlying causes that warranted the issuance of the OFO during the quarter and explains why the actions required by the OFO were necessary to alleviate the identified problems.

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*FERC Docket: RP09-804-000*

**Fifth Revised Sheet No. 50A** Fifth Revised Sheet No. 50A  
Superseding: Fourth Revised Sheet No. 50A

GENERAL TERMS AND CONDITIONS (Continued)

(c) Applicability of OFO: Transporter shall make an OFO as localized as is reasonably practicable based on Transporter's good faith and reasonable judgment concerning the situations requiring remediation such that an OFO will be directed (

(d) Notice: NAESB Standard 5.3.34 (Version 1.8) states: Transportation Service Providers should provide affected parties with notification of intraday bumps, operational flow orders and other critical notices through the affected party's

(e) Shipper Compliance: A Shipper must comply with an OFO within the time period set forth therein unless the Shipper is able to demonstrate that such compliance (1) is not within the Shipper's physical control or capability; (2) is prevented by operating conditions on a third party system that are beyon

GENERAL TERMS AND CONDITIONS (Continued)

- (f) Penalties: If a Shipper fails to comply with an OFO, it shall be subject to twice the otherwise applicable daily charges as provided in the applicable rate schedule for any volume of gas by which it deviated from the requirements of the OFO. A Shipper shall not incur any charges or penalties if such charges or penalties would not have been incurred but for Shipper's compliance with an OFO, including any preliminary action taken by Shipper in response to a warning issued by Transporter as a precondition to an OFO. A Shipper shall not incur any penalties if the OFO was necessitated exclusively by Transporter's negligence or willful misconduct.
- (g) Liability of Transporter: Transporter shall not be liable for any costs incurred by any Shipper in complying with an OFO. Transporter shall not be responsible for any damages that result from any interruption in Shipper's service that is a result of a Shipper's failure to comply promptly and fully with an OFO, and the noncomplying Shipper shall indemnify Transporter against any claims of responsibility. However, Transporter shall use reasonable efforts to minimize any such costs or damages, and nothing herein shall exempt Transporter from liability in the event of Transporter's negligence or willful misconduct.
- (h) Unilateral Action: In the event that (1) Shipper does not respond to an OFO, or (2) the actions taken thereunder are insufficient to correct the system problem for which the OFO was issued, or (3) there is insufficient time to carry out the procedures with respect to OFOs, Transporter may periodically take unilateral action, including the curtailment of firm service, to maintain the operational integrity of Transporter's system (or any portion thereof). For purposes of this section, the operational integrity of Transporter's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system as an entity (or any portion thereof), and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of gas delivered. Transporter shall flow through to non-offending Shippers as a non-discriminatory credit to their bills, net unauthorized overrun penalties received under this section.



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FERC Docket: RP09-804-000

**Ninth Revised Sheet No. 51** Ninth Revised Sheet No. 51

Superseding: Eighth Revised Sheet No. 51

GENERAL TERMS AND CONDITIONS (Continued)

13. DULY CONSTITUTED AUTHORITIES

The Rate Schedules of Transporter, these General Terms and Conditions, and the respective obligations of the parties under the service agreement are subject to valid laws, orders, rules and regulations of duly constituted authorities having

14. SERVICE AGREEMENT

Shipper shall contract for service with Transporter under Transporter's standard form of service agreement. No modification of the terms and provisions of any service agreement shall be or become effective except by the execution of a new s

15. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY

15.1 Nominations

This Section 15 applies to the operation of Transporter's System and sets forth the procedures for the nominating and scheduling service. Unless otherwise indicated, all communications under this Section 15 shall be conducted via Transport

Transporter will endeavor to follow the following operating procedures to determine the availability of capacity on its system to satisfy requests for services:

(a) The standard nominations timeline should be as follows: 11:30 am for nominations leaving control of the nominating party; 11:45 am for receipt of nominations by the transporter; noon for quick response; 3:30 PM for receipt of completed

(b) NAESE Standard 1.3.3 (Version 1.8) states: At the end of each gas day, Transportation Service Providers should provide the final scheduled quantities for the just completed gas day. With respect to the implementation of this process v

(c) All nominations should be considered original nominations and should be replaced to be changed.

(d) If an original multi-day nomination received by Transporter is replaced by a subset of the original nomination (intra-day nomination), the original nomination remains in force for the time period(s) not affected by the subset nomination

GENERAL TERMS AND CONDITIONS  
(Continued)

15. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY

15.1 Nominations (Continued)

(e) Transporter shall recognize an industry supported data element subset used to identify a unique nomination.

(f) Transporter shall provide and Nominating Party, at its option, can use the activity codes elements within the standard nomination data elements. However, Nominating Party shall not be required to pre-nominate information to support such activity codes.

(g) Ranking should be included in the list of data elements. Transportation service providers should use service requester provided rankings when making reductions during the scheduling process when this does not conflict with tariff-based rules.

(h) Receiver of nomination initiates confirmation with the caveat that the receiver of the confirmation may relieve obligation of sender to send.

(i) All nominations should be considered original nominations and should be replaced to be changed.

When a nomination for a date range is received, each day within that range is considered an original nomination. When a subsequent nomination is received for one or more days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the days specified. The days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only.

(j) Nominations received after the nominations deadline shall be scheduled after the nominations received before the deadline.

(k) The sending party should adhere to nomination, confirmation, and scheduling deadlines. It is the party receiving the request who has the right to waive the deadline.

(l) At a receipt or delivery point, the lesser of rule (confirmed or nominated flow) applies when confirming. If no communication is received, the lesser of the new nomination or previously scheduled quantity applies.

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**Sixth Revised Sheet No. 51B** Sixth Revised Sheet No. 51B

Superseding: Fifth Revised Sheet No. 51B

GENERAL TERMS AND CONDITIONS (Continued)

15. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY

15.1 Nominations (Continued)

(m) All parties should support a seven-days-a-week, twenty-four-hours-a-day nominations process. It is recognized that the success of seven days a week, twenty-four hours a day nominations process is dependent on the availability of affecte

(n) Overrun quantities should be requested on a separate transaction.

(o) NAESB Standard 1.3.14 (Version 1.8) states: The standard quantity for nominations, confirmation and scheduling is dekatherms per gas day in the United States, gigajoules per gas day in Canada and gigacalories per gas day in Mexico. (Fo

(p) In-kind fuel nominations inform Transporter where it shall receive a contracted Shipper's in-kind fuel obligation, at any single physical point location within a Shipper's primary transportation path, in dekatherms per day. Such nomina

(q) When the fuel reimbursement method is fuel in-kind, the results of the fuel reimbursement calculations for the nomination process should be rounded to the nearest dekatherm or Gigajoule (Canada).

(r) Where fuel reimbursement is in kind, the standard fuel calculation mechanism, as this is related to the nomination process, should be  $(1 - \text{fuel \%}/100)$  multiplied by receipt quantity = delivery quantity.

(s) For current in-kind fuel reimbursement procedures, fuel rates should be made effective only at the beginning of the month.

(t) For in-kind fuel reimbursement methods, Service Providers should not reject a nomination for reasons of rounding differences due to fuel calculation of less than 5 Dth.

(u) For in-kind fuel reimbursement methods, Service Providers should provide, if applicable, a fuel matrix for receipt and delivery point combinations. The Service Requesters should not be responsible for calculating and totaling fuel based

GENERAL TERMS AND CONDITIONS (Continued)

15. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY (continued)

15.11 Intra-day Nominations

- (a) Shippers may each day submit intra-day nominations in accordance with applicable NAESB standards.
- (b) All nominations, including intra-day nominations, should be based on a daily quantity; thus, an intra-day nominator need not submit an hourly nomination. Intra-day nominations should include an effective date and time. The interconnected parties should agree on the hourly flows of the intra-day nomination, if not otherwise addressed in transporter's contract or tariff.
- (c) Intra-day nominations can be used to request increases or decreases in total flow, changes to receipt points, or changes to delivery points of scheduled gas.
- (d) Intra-day nominations do not rollover (i.e. intra-day nominations span one day only). Intra-day nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if intra-day nomination modifies existing nomination.
- (e) Bump Protection: Transporter shall not schedule an Intra-day nomination change if the result of scheduling such nomination would be to bump flowing and/or scheduled transportation under any firm service. Transporter shall give an intra-day nomination submitted by a firm shipper priority over nominated and scheduled volumes for shippers flowing volumes with a priority below firm service. Transporter shall provide bump notice to bumped shipper(s) by 2:00 p.m. as to CCT as to intra-day nominations submitted at 10:00 a.m. CCT and by 10:00 a.m. CCT as to intra-day nominations submitted at 6:00 p.m. CCT. Transporter will not permit bumping for intra-day nominations submitted by the 5:00 p.m. CCT deadline to be effective at 9:00 p.m. CCT. Transporter shall provide bump notice by the notice procedures set forth in Article 12, Section 12.2(d) of the General Terms and Conditions to the bumped shipper(s). Such notice will further state whether daily penalty provisions will apply on the day on which a Shipper's volumes are reduced.

15.2 Monthly Allocation of Capacity

In reaching its monthly determination of capacity which Transporter anticipates that it will have available to satisfy Shippers' requests for services, Transporter will utilize the following order of priority and procedure:

- (a) In the event that Transporter is required to allocate capacity on its system, it shall give first priority to quantities under its firm transportation rate schedules. For capacity not allocated under the open-season, or for capacity which later becomes available, priority among firm Shippers will be established on a first-come, first-served basis. To the extent capacity remains, it shall be allocated to interruptible services as set forth in Section 15.2(c).
- (b) Should it become necessary to curtail service among firm shippers, Transporter will curtail service ratably.
- (c) In allocating capacity under Section 15.2(a) among interruptible Shippers, or curtailing service under Section 15.4 among interruptible Shippers, transporter may give priority based on Shipper's willingness to pay the highest unit rate for such service (not to exceed the maximum rate for such service set forth in Transporter's applicable rate schedule) with Shippers willing to pay the highest unit rate receiving first priority and so on.

**Second Revised Sheet No. 53** Second Revised Sheet No. 53  
Superseding: First Revised Sheet No. 53

GENERAL TERMS AND CONDITIONS  
(Continued)

15. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY  
(Continued)

15.2 Monthly Allocation of Capacity (Continued)

Prior to effecting such allocations or curtailments, Transporter will afford those Shippers who are paying a discounted interruptible rate the opportunity to match the rate paid by other interruptible Shippers. Subject to the foregoing, capacity will be allocated on a pro rata basis among those interruptible Shippers paying the same rate.

(d) Adding receipt point(s) or delivery point(s) to or increasing the total maximum daily quantity of existing transportation arrangements shall be considered new agreements for purposes of determining priority of service.

(e) Substitution of new gas suppliers at a point of receipt under an existing transportation arrangement (without increasing the maximum daily quantity to be received at such point of receipt) will not be considered a new transaction for priority purposes.

(f) Transporter agrees to furnish to any Shipper requesting same at Transporter's corporate office during reasonable business hours, sufficient information to demonstrate the manner in which the monthly set-up and determinations and allocations of capacity have been made under this Section 15.

(g) Pre-Determined Allocation data elements shall be standardized.

(h) Two welded parties shall agree on who submits a pre-determined allocation methodology and who allocates at the point before gas flows.

(i) Only one PDA allocation methodology shall be applied per allocation period.

(j) The upstream or downstream party providing the point confirmation shall submit the pre-determined allocation to the Transporter after or during confirmation and before start of gas day.

(k) Transporter shall send back "confirmation" of receipt of the pre-determined allocation within 15 minutes.

(l) There is no need to submit pre-determined allocations if a transportation service provider has an OBA in effect for a point.

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FERC Docket: RP02-431-000

**Second Revised Sheet No. 53A** Second Revised Sheet No. 53A : Effective

Superseding: Sub First Revised Sheet No. 53A

GENERAL TERMS AND CONDITIONS (Continued)

15. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY (Continued)

15.21 Allocation Methodology

- (a) There are two types of allocations: daily and monthly.
- (b) The same standard allocation methodologies shall be available for use at all points.
- (c) The types of allocation methodologies is a list from which Transporter and Shipper may agree. If the two parties cannot agree upon an allocation methodology, pro rata based upon confirmed nominations shall be used as the default method. The party responsible for custody transfer (the party performing the measurement function) shall provide the allocation.
- (d) The Transporter shall accept NAESB-approved allocation methodology types from the upstream or downstream custody transfer party who is providing the point confirmation.
- (e) When a nomination changes, a new allocation detail may be needed.
- (f) The timing for reporting daily operational allocations after the gas has flowed is within one business day after end of gas day. If the best available data for reporting daily operational allocations is the scheduled quantity, that quantity shall be used for the daily operational allocation.
- (g) The responsibility for calculation and reporting of allocated quantities should rest with the party responsible for accepting NAESB allocation types. The party receiving nominations should provide allocation statements.
- (h) At a minimum, allocations shall be provided by both contract and location.
- (i) Delivery point allocations shall be performed at the lowest level of detail provided by nominations.
- (j) The data elements should accommodate multi-tier allocations. If a transportation service provider chooses to support multi-tier allocations or already accepts multi-tier allocations, the data elements should accommodate it.

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*FERC Docket: RP09-804-000*

**Fifth Revised Sheet No. 53B** Fifth Revised Sheet No. 53B

Superseding: Fourth Revised Sheet No. 53B

GENERAL TERMS AND CONDITIONS (Continued)

15.21 Allocation Methodology (Continued)

(k) The time limitation for disputes of allocations shall be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation o

(l) Allocated quantities and imbalances shall be expressed in the same units as the nominated quantities.

(m) Imbalance statements shall be generated at the same time or prior to the generation of the transportation invoice.

(n) If requested by a shipper or supplier on a transportation service provider's system, the transportation service provider should offer at least one pool.

(o) Deliveries from receipt pools should be delivered directly into at least one pool and delivery points should be able to receive quantities from at least one pool, excluding non-contiguous facilities.

(p) The transportation priority for fuel should be the same as the level of service as the transaction to which it applies.

(q) No imbalance penalty should be imposed when a prior period adjustment applied to the current period causes or increases a current month penalty.

15.22 Allocation Measurement and Reporting

(a) The cutoff for the closing of measurement is 5 business days after business month.

(b) Measurement data available upstream of aggregated points shall be sent to the Transporter and used to allocate the aggregated volume back to the upstream points.

(c) NAESB Standard 2.3.9 (Version 1.8) states: Standardize the reporting basis for BTU as 14.73 psia and 60 degrees F (101.325 kPa and 15 degrees C, and dry). Standardize the reporting basis for gigacalorie as 1.035646 Kg/cm<sup>2</sup> and 15.6 deg

(d) For reporting purposes, BTU conversion factors shall be reported to not less than 3 decimal places and Pressure Base conversion factors shall be reported to not less than 6 decimal places. For calculation purposes, not less than 6 decim

(e) For treatment of measurement prior period adjustments, treat the adjustment by taking it back to the production month. A meter adjustment becomes a prior period adjustment after the fifth business day following the business month.

(f) For reporting measurement prior period adjustments, report it with the restated line item with new total quantity for the day and the month.

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**Sixth Revised Sheet No. 53C** Sixth Revised Sheet No. 53C  
Superseding: Fifth Revised Sheet No. 53C

GENERAL TERMS AND CONDITIONS (Continued)

15.22 Allocation Measurement and Reporting (Continued)

(g) Estimate missing or late measurement data and treat actual as a prior period adjustment, with the measuring party to provide the estimate.

(h) Measurement data corrections shall be processed within 6 months of the production month with a 3 month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Pa

(i) NAESB Standard 1.3.24 (Version 1.8) states: When used, Package ID should be:

- a) supported for nominating and scheduling;
- b) mutually agreed between the applicable parties for allocations and imbalance reporting;
- c) supported for invoicing (sales and purchase); and
- d) mutually agreed for transport invoicing.

(j) NAESB Standard 1.3.25 (Version 1.8) states: Use of the Package ID is at the discretion of the service requester, and if sent, should be accepted and processed by the service provider.

(k) The declaration to the affected parties of operational flow orders, critical periods, and/or critical notices should describe the conditions and the specific responses required from the affected parties.

(l) NAESB Standard 1.3.27 (Version 1.8) states: The key should be composed of: service requester contract (Service Agreement), transaction type, upstream party, upstream contract (when applicable), receipt location (as applicable), downstre

(m) For less than maximum rate transactions only, converting daily rate to monthly rate is accomplished by multiplying the daily rate times number of days in rate period, dividing the result by number of months in rate period and taking the



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GENERAL TERMS AND CONDITIONS  
(Continued)

15. SERVICE NOMINATIONS AND ALLOCATION OF AVAILABLE CAPACITY (Continued)

15.3 Allocation of Capacity Anticipated to be Available Through  
Transporter's Daily Scheduling Procedure

In the event capacity which becomes available on any day during the month would enable Transporter to render additional interruptible service on a daily basis, such additional capacity will be made available to those interruptible Shippers requesting service at the commencement of the period but which were unable to receive such service due to the limited availability of service as determined at the commencement of the period, in the same priority order as set forth in Section 15.2(c). In the event additional capacity remains, Transporter shall render service to interruptible Shippers who subsequently submit nominations for such service for such month pursuant to Section 15.1, in the same priority order as set forth in Section 15.2(c).

15.4 Curtailment of Interruptible Service.

In the event that it becomes necessary for Transporter to interrupt interruptible service on a given day during the month, Transporter shall interrupt such service in accordance with Section 15.2(c).

16. NOTICES

Except as otherwise provided in this FERC Gas Tariff or in the executed service agreement, any notice, request, demand, statement or bill which either Transporter or Shipper may

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GENERAL TERMS AND CONDITIONS (Continued)

16. NOTICES (Continued)

desire to give to the others shall be in writing and shall be considered as duly delivered when mailed by postpaid registered mail addressed to said party at its last known post office address, or at such other address 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.

17. INTERNAL PROCEDURE TO EXAMINE THIRD-PARTY COMPLAINTS OF UNDUE DISCRIMINATION BY TRANSPORTER IN FAVOR OF AFFILIATED MARKETERS

17.1 All complaints of alleged undue discrimination by Transporter in favor of an Affiliated Marketer, whether written or verbal, shall be referred to the Compliance Officer for Gulf States Transmission Corporation (Gulf States) who is designated in Transporter's Procedures for Standards of Conduct. The Compliance Officer shall prepare a written statement of the complaint which shall contain the name of the Complainant and a detailed factual report of the complaint, including all relevant dates, companies involved, employees involved, and the specific claim of undue discrimination. The Compliance Officer shall provide a copy of such statement to the Complainant, along with a copy of this procedure.

17.2 The Contract Administration Department, under the direction of the Compliance Officer, shall conduct a preliminary investigation of the complaint and make one of the following determinations:

- (a) The complaint is factually incorrect;
- (b) The complaint is factually correct, but there does not appear to be any basis for a claim of undue discrimination;

Effective Date: 06/01/2006 Status: Effective  
FERC Docket: RP06-357-000

**Second Revised Sheet No. 56** Second Revised Sheet No. 56 : Effective  
Superseding: First Revised Sheet No. 56

GENERAL TERMS AND CONDITIONS (Continued)

(c) The complaint is factually correct, and there may be a basis for a claim of undue discrimination; or

(d) Further investigation is required.

The Compliance Officer shall communicate the results of the preliminary investigation to Complainant within

fifteen (15) days after the complaint is received, including in the case of (c), any course of action which

he or she recommends, or in the ca

17.3 If Complainant is not satisfied with the Compliance Officer's proposed course of action, or if for

any reason Complainant desires to pursue the matter further, the following Dispute Resolution Procedure

shall be available at the option of th

(a) Complainant.

(b) officer(s) of Transporter which are named in the complaint.

(c) officer(s) of the Affiliated Marketer(s) which are named in the complaint.

(d) Any employee of Transporter or the Affiliated marketer named in the complaint as a party to the alleged incident of undue discrimination.

(e) Supervising officer of any employee named in the complaint as a party to the alleged incident of undue discrimination.

*Effective Date: 12/01/2008 Status: Effective*  
*FERC Docket: RP09-60-000*

**Third Revised Sheet No. 57** Third Revised Sheet No. 57  
Superseding: Sub Second Revised Sheet No. 57

GENERAL TERMS AND CONDITIONS (Continued)

(f) The employee of the Contract Administration Department who conducted the preliminary investigation of the complaint.

(g) The Vice President or his designated representative.

(h) Any other person deemed appropriate by the presiding officer.

At the conclusion of the meeting, the presiding officer shall state his findings based on the meeting and initiate discussion of possible internal and external actions appropriate for the circumstances.

17.4 Within ten (10) days after such meeting, the presiding officer shall notify the Complainant by letter of the conclusions reached by the presiding officer and the actions, if any, that will be undertaken.

17.5 The parties' participation in the foregoing procedures shall not be construed as a waiver of any legal or administrative rights which the parties may have. In order to facilitate a prompt and equitable resolution of any dispute, the parties, by participating in the meeting contemplated above, shall be confidential and privileged as in the nature of settlement discussions and shall not be admissible in evidence against any part in any other proceeding.

#### 18. SHARED OPERATING PERSONNEL AND FACILITIES

Transporter's operating personnel and/or facilities shared with transporter's marketing or brokering affiliates are listed on transporter's website.

Effective Date: 02/11/1993 Status: Effective

FERC Docket: RS92- 38-001

**Original Sheet No. 58(f)** Original Sheet No. 58(f) : Effective

GENERAL TERMS AND CONDITIONS  
(Continued)

20.4 Shippers Maintain Priority.

- (a) A Shipper's right to deliver gas to or receive gas at Alternate Receipt and Delivery Points shall be subordinate to the primary rights of other Firm Shippers, but will have priority over Interruptible Service.
- (b) If a Firm Shipper's nomination at an alternate Receipt or Delivery Point requires interruption of an Interruptible Shipper currently using the Receipt or Delivery Point, Transporter shall provide twenty-four (24) hours notice to the affected Interruptible Shipper.
- (c) Flowing interruptible volumes will not be interrupted because of a change in choice of receipt or delivery point by another Interruptible Shipper.

*Effective Date: 08/01/1998 Status: Effective*

*FERC Docket: GT98-78-000*

**First Revised Sheet No. 58** First Revised Sheet No. 58 : Effective  
Superseding: Original Sheet No. 58

Sheet No. 58 is  
Reserved for Future Use

*Effective Date: 08/01/2009 Status: Effective*

*FERC Docket: RP09-804-000*

**Ninth Revised Sheet No. 58G** Ninth Revised Sheet No. 58G

Superseding: Eighth Revised Sheet No. 58G

GENERAL TERMS AND CONDITIONS (Continued)

21. NORTH AMERICAN ENERGY STANDARDS BOARD (NAESB) STANDARDS

Pursuant to Order No. 587, et al. promulgated by the FERC in Docket No. RM96-1, for NAESB Standards that do not otherwise require implementing tariff provisions, the following NAESB Standards are hereby incorporated, by reference to the NAE

NAESB Standards (Version 1.8) 0.3.1, 0.3.2, 0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.8, 0.3.9, 0.3.10, 0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15, 1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 1.2

22. INFORMATION AND COMMUNICATIONS REGARDING SERVICES.

This Section describes the information Transporter will make available pursuant to Order Nos. 497 et al., and Order Nos. 636 et al. and the procedures through which the information will be made available.

GENERAL TERMS AND CONDITIONS (continued)

22.1 General

Transporter shall maintain an Interactive Internet Website for the purpose of providing its Shippers and third parties equal and timely access to Transporter's transportation log, and on information relevant to the availability of capacity on Transporter's System. Transporter shall also provide each Shipper access through its Interactive Internet Website to information related to activity under its agreement with Transporter, such as nominations and estimated imbalances. Furthermore, Transporter shall administer each Shipper's release of capacity as more particularly described in Section 22 hereof, through its Interactive Internet Website and shall provide to Shipper other interactive capabilities. All forms set forth or referenced in the Tariff will also be maintained on Transporter's Interactive Internet Website for Shipper's use.

22.2 Submission of Information and Communications

Unless specifically provided otherwise in this Tariff, the generic provisions of this Tariff requiring that notices, requests, and other communications be in writing may be satisfied by Shipper through submission of such communications over Transporter's Interactive Internet Website. Transportation Service Agreement specific notices requiring communications to be in writing remain unchanged unless mutually agreed to otherwise by the parties. Submission of information and communications through Transporter's Interactive Internet Website shall be legally binding on Shipper and Transporter.

22.3 Access to the Interactive Internet Website

- (a) A Shipper may communicate with Transporter via the Interactive Internet Website by:
  - (i) acquiring compatible PC capability;
  - (ii) executing the System License Agreement with Transporter; and
  - (iii) receiving a user identification number for accessing the system.



GENERAL TERMS AND CONDITIONS (continued)

23. CAPACITY RELEASE AND ASSIGNMENT

- 23.1 Purpose. This Section 23 sets forth the specific terms and conditions applicable to the implementation by Transporter of a Capacity Release Program on its interstate pipeline System.
- 23.2 Applicability. This Section 23 is applicable to any Shipper who has a firm service agreement and who elects to release, subject to the Capacity Release Program set forth herein, all or a portion of its firm transportation rights. Shipper shall have the right to release any portion of the firm capacity rights held under a Service Agreement but only to the extent that the capacity so released is acquired by another Shipper pursuant to the provisions of this Section 23.
- 23.3 Notice by Shipper Electing to Release Capacity. A Releasing Shipper shall deliver a notice via Transporter's Interactive Internet Website that it elects to release firm capacity. The notice shall set forth:
- (a) Releasing Shipper's full legal name, company Dun and Bradstreet number, contract number, and the name and title of the individual responsible for authorizing the release of capacity;
  - (b) the maximum and minimum (if desired) quantity of firm daily capacity which the Releasing Shipper desires to release, stated in Dth/day;
  - (c) the receipt and delivery point(s) at which the Releasing Shipper will release capacity and the firm capacity to be released at each such point;
  - (d) whether capacity will be released on a firm or firm recallable basis and, if on a firm recallable basis, the terms on which the capacity can be recalled, as well as the terms on which the recalled capacity will be returned to the Acquiring Shipper if such capacity may be returned, and whether the Acquiring Shipper has the option to accept such returned capacity, which terms must be objectively stated, non-discriminatory and applicable to all bidders;
  - (e) the requested effective date and the term of the release;
  - (f) whether the Releasing Shipper is willing to consider release for a shorter time period than that specified in (e) above, and, if so, the minimum (if desired) acceptable period of release;
  - (g) whether the Releasing Shipper desires bids in dollars or as a percentage of Transporter's maximum reservation charge(s), including surcharge(s), applicable to the capacity to be released;
  - (h) the maximum reservation charge(s) applicable to the capacity being released as shown on Transporter's Statement of Rates applicable to the Releasing Shipper's Service Agreement and whether the Releasing Shipper is willing to consider releasing capacity at a lower rate;
  - (i) whether the Releasing Shipper desires to release capacity on the basis of a volumetric reservation charge and, if so, whether bids shall be stated in dollars or as a percentage of Transporter's maximum reservation charge(s), and if there is a volumetric commitment, the commitment stated as a percentage of the capacity awarded;

Effective Date: 03/01/2009 Status: Effective  
FERC Docket: RP09-307-000

**Fourth Revised Sheet No. 58J** Fourth Revised Sheet No. 58J  
Superseding: Third Revised Sheet No. 58J

GENERAL TERMS AND CONDITIONS (continued)

(j) which Option under Section 23.9 shall be used to determine the highest bidder and, if applicable, the criteria by which bids are to be evaluated; whatever evaluation option the Releasing Shipper chooses, it may establish and post object

(k) the weight for each factor if bids will be evaluated using the weighted composite bid method;

(l) the method by which ties will be broken;

(m) whether the Releasing Shipper wants Transporter to market its released capacity in accordance with Section 23.15;

(n) the duration of the open season and of the matching period if longer than the minimums specified in Section 23.7 below;

(o) the date and time the notice is posted on the Interactive Internet Website;

(p) whether the Releasing Shipper is willing to accept contingent bids that extend beyond the open season and, if so, any non-discriminatory terms and conditions applicable to such contingencies including the date by which such contingency

(q) whether the Releasing Shipper's notice will state minimum conditions or that such Shipper has revealed such minimums to Transporter, which conditions shall not be revealed during the open season; and

(r) any other applicable conditions.

A Releasing Shipper has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no minimum bid has been made; provided, however, that once the notice is withdrawn, the offer to release shall remain

23.4 Notice of Pre-Arranged Release. The Releasing Shipper shall deliver a notice via Transporter's Interactive Internet Website of a pre-arranged release, and, in the case of a release to an Asset Manager (as defined in Section 23.22), su

Effective Date: 08/01/2009 Status: Effective  
FERC Docket: RP09-804-000

**Ninth Revised Sheet No. 58K** Ninth Revised Sheet No. 58K  
Superseding: Eighth Revised Sheet No. 58K

GENERAL TERMS AND CONDITIONS (continued)

23.5 Term of Released Capacity. The term of any release of firm capacity shall not exceed the term of the Service Agreement under which the release occurs, nor shall it be less than one full gas flow day.

23.6 Availability of Released Capacity. Released capacity shall be made available on a nondiscriminatory basis and shall be assigned on the basis of an open season or pre-arrangement in accordance with the procedures described in Sections

23.7 Open Season and Matching Period. The minimum term of any open season held as a consequence of the posting by a Releasing Shipper of its election to release capacity in accordance with Sections 23.3 or 23.4 hereof shall be as specified

(a) Capacity released under a pre-arrangement for a period of 31 days or less may not be rolled over or extended unless an offer to release is posted on Transporter's Interactive Internet Website prior to the effective date of the rollover

(b) NAESB Standard 5.3.2 (Version 1.8) states:

For biddable releases (less than 1 year):

-- offers should be tendered by 12 p.m. on a Business Day;  
-- open season ends no later than 1 p.m. on a Business Day (evaluation period begins at 1 p.m. during which contingency is eliminated, determination of best bid is made, and ties are broken);  
-- evaluation period ends and award posting if no match required at 2 p.m.;  
-- -- match or award is communicated by 2 p.m.;  
-- -- match response by 2:30 p.m.;  
-- where match required, award posting by 3 p.m.;  
-- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

Effective Date: 07/01/2003 Status: Effective  
FERC Docket: RP03-416-000

**Sixth Revised Sheet No. 58L** Sixth Revised Sheet No. 58L : Effective  
Superseding: Fifth Revised Sheet No. 58L

GENERAL TERMS AND CONDITIONS (continued)

(c) For biddable releases (1 year or more):

- offers should be tendered by 12 p.m. four Business Days before award;
- open season ends no later than 1 p.m. on the Business Day before timely nominations are due (open season is three Business Days);
- evaluation period begins at 1 p.m. during which contingency is eliminated, determination of best bid is made, and ties are broken;
- evaluation period ends and award posting if no match required at 2 p.m.;
- match or award is communicated by 2 p.m.;
- match response by 2:30 p.m.;
- where match required, award posting by 3 p.m.;
- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

For non-biddable releases:

Timely Cycle

- posting of prearranged deals not subject to bid are due by 10:30 a.m.;
- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

Evening Cycle

- posting of prearranged deals not subject to bid are due by 5 p.m.;
- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

Intraday 1 Cycle

- posting of prearranged deals not subject to bid are due by 9 a.m.;
- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

Intraday 2 Cycle

- posting of prearranged deals not subject to bid are due by 4 p.m.;
- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

*Effective Date: 03/01/2009 Status: Effective*  
*FERC Docket: RP09-307-000*

**Fifth Revised Sheet No. 58M** Fifth Revised Sheet No. 58M  
Superseding: Fourth Revised Sheet No. 58M

GENERAL TERMS AND CONDITIONS (continued)

(c) Pursuant to Section 284.8(b)(2) of the Commission's regulations, for releases with a term of one year or less and where the release will take effect within one year of the date on which Transporter was notified of the release, a Bidding

(d) Any capacity acquired on a volumetric reservation charge basis may not be re-released.

23.9 Awarding of Released Capacity. Released capacity shall be awarded as follows:

(a) If a Bidding Shipper submits a bid to acquire the released capacity at the maximum reservation charge(s), or higher if applicable pursuant to Section 23.8(c) hereof, and upon all the terms and conditions specified in the Releasing Shipp

(b) If a bid is received that exceeds the minimum but does not conform completely to the reservation charge(s) and all the terms and conditions specified in the Releasing Shipper's notice, then the Acquiring Shipper(s) shall be the Bidding

GENERAL TERMS AND CONDITIONS (continued)

- (i) Default Bid Evaluation Criteria - If the Releasing Shipper does not specify otherwise, all bids will be evaluated pursuant to the weighted composite bid method with equal weighting factors on all three criteria.
- (ii) OPTION 1 - Weighted Composite Bid Calculation

	Releasing Shipper's Assigned Bid Weighting (%)	Releasing Shipper's Maximum Bid Values	Bidding Shipper's Actual Bid Values	Bidding Shipper's Actual Bid Weighting (%)
	(a)	(b)	(c)	(d) *
(1) Volume in dth				
(2) Term Stated in Months				
(3) Reservation Charge(s) and Reservation Surcharge(s)				
Actual Weighted Composite Bid				_____ % _____

\* d = c/b x a

- (iii) OPTION 2 - Net Present Value Calculation

$$R \times \frac{1 - (1 + i)^{-n}}{i} \times V = \text{present value}$$

where: i = interest rate per month using the current Commission interest rate as defined in 18 C.F.R. Section 154.501(d) (1)  
 n = term of the agreement, in months  
 R = the Reservation Charge(s), including surcharge(s) bid  
 V = volume stated in dth

- (iv) OPTION 3 - Releasing Shipper's Criteria

The Releasing Shipper shall specify how bids are to be evaluated to determine which is the best offer and must include all criteria necessary to enable Transporter to evaluate any contingent or non-contingent bids. The criteria must be objectively stated, applicable to all potential bidders and non-discriminatory. Such criteria shall also include provisions describing how capacity shall be allocated in the event two or more bids are ranked equally.

GENERAL TERMS AND CONDITIONS (continued)

(v) OPTION 4 - First-Come/First-Served

Capacity shall be awarded on a first-come/first-served basis as bids are received, up to maximum capacity specified in the notice of release, to the Acquiring Shipper(s) who submits a bid meeting the minimum terms and conditions of the release. Option 4 shall only apply to capacity to be released for a term of 31 days or less which is not subject to a pre-arranged release or a contingency. If the weighted composite bid method is selected by the Releasing Shipper, then such Shipper shall specify, among the criteria listed above, those criteria which are to be applicable in determining the highest weighted composite bid and shall assign a relative weighting to each such factor. At the end of the open season, Transporter shall, for each bid received, calculate an actual weighted composite bid by dividing the actual bid component by Releasing Shipper's maximum bid component and multiplying the result by the Releasing Shipper's assigned bid weighting. The results of this calculation shall determine each bid component's actual weight. Once all bid components are calculated, an actual composite weighting will be determined for each bid by summing the bid weightings for each component. The bids will then be ranked in order from the highest to the lowest actual weighted composite score.

(vi) OPTION 5 - Highest Rate

Capacity shall be awarded to the Acquiring Shipper submitting the highest bid rate that meets the minimum terms and conditions of the release.

(vii) OPTION 6 - Net Revenue Calculation

$$R \times N \times V = \text{Net Revenue}$$

where: R = the Reservation Charge(s) and  
Reservation Surcharge(s)  
N = term of the agreement, in months  
V = volume stated in dth

- (c) If the net present value or net revenue options are selected by the Releasing Shipper, then, at the end of the open season, Transporter shall calculate a value for each bid received using the appropriate formula, with the bids being ranked in order from the highest to the lowest value.
- (d) If no bids are received which meet or exceed all of the minimum conditions specified by the Releasing Shipper, no capacity shall be awarded. If any bids are received which meet or exceed the Releasing Shipper's minimum criteria, Transporter shall rank all such bids in accordance with the criteria specified in the notice of release and shall award the capacity to the successful Bidding Shipper(s). Any Bidding Shipper who would receive less than the minimum acceptable bid volume shall not be obligated to accept released capacity.

GENERAL TERMS AND CONDITIONS (continued)

(e) If bids from two or more Bidding Shippers result in bids of equal score, the Acquiring Shipper(s) shall be determined based upon the tie breaking method designated by the Releasing Shipper, and if none is specified, by a lottery. The lottery shall be conducted by Transporter on a non-discriminatory basis. Capacity shall be awarded in accordance with the order of draw, with capacity awarded to the first-drawn Bidding Shipper up to the volume bid by such Shipper, and, if any released capacity remains after such award, it shall be offered to other Bidding Shippers in the lottery in accordance with the order of draw. Any Bidding Shipper who, by virtue of its place in the order of draw, receives less than the minimum acceptable bid volume shall not be obligated to accept released capacity. The results of the lottery shall be posted on Transporter's Interactive Internet Website.

(f) If a pre-arranged release is for the maximum reservation charge(s), or higher if applicable pursuant to Section 23.8(c) hereof, as in effect from time to time, and meets all other terms and conditions imposed by the Releasing Shipper, then the Pre-Arranged Shipper shall become the Acquiring Shipper. Service to such Acquiring Shipper may begin on the next scheduling day after award of the capacity.

If a pre-arranged release is for less than the maximum reservation charge(s) or does not meet all other terms and conditions required by the Releasing Shipper, an open season is required pursuant to Section 23.7. If a better offer is received during the open season, the Pre-Arranged Shipper shall have the time specified in Section 23.7 hereof to match that offer and if the offer is matched, the Pre-Arranged Shipper shall become the Acquiring Shipper. If the Pre-Arranged Shipper fails to match the better offer, then the Bidding Shipper who presented the better offer shall become the Acquiring Shipper.

(g) A Releasing Shipper shall retain all of the capacity under the executed Service Agreement that is not acquired by an Acquiring Shipper as the result of an open season or a pre-arranged release.

23.10 Execution of Agreements. Agreements shall be executed in conformance with Section 14 of the General Terms and Conditions of this Tariff.

Where capacity has been released for the entire remaining term of the Releasing Shipper's Service Agreement, the Releasing Shipper may request Transporter to amend its Service Agreement to reflect the release of capacity. Absent agreement by Transporter to such amendment, which may be conditioned on exit fees or other terms and conditions, the Releasing Shipper shall remain bound by and liable for payment of the reservation charge(s) and reservation surcharge(s) under the Service Agreement.



GENERAL TERMS AND CONDITIONS (continued)

To the extent that capacity is released for the remaining term of the Releasing Shipper's Service Agreement and the Acquiring Shipper has agreed to pay the maximum reservation charge(s), or higher if applicable pursuant to Section 23.8(c) hereof, and reservation surcharge(s) for such capacity, Releasing Shipper's contract shall be amended so as to relieve such Shipper of any further liability for payment of the reservation charge(s) and reservation surcharge(s) applicable to the capacity released under the Service Agreement.

23.11 Notice of Completed Transactions. Within five business days after capacity has been awarded pursuant to Section 23.9, Transporter shall post the information identified below regarding each transaction on its Interactive Internet Website for a period of at least five business days:

- (a) term;
- (b) reservation charge(s) as bid;
- (c) receipt and delivery points;
- (d) volume in dth;
- (e) whether the capacity is firm or firm recallable;
- (f) all conditions, including any minimums, concerning the release;
- (g) the names of the Releasing Shipper and the Acquiring Shipper; and
- (h) whether or not the Acquiring Shipper is an affiliate of the Releasing Shipper or Transporter.

23.12 Effective Date of Release and Acquisition. The effective date of the release by a Releasing Shipper and acquisition by an Acquiring Shipper shall be on the date so designated by the Releasing Shipper in its offer to release.

23.13 Notice of Offer to Purchase Capacity. In the event a party desires to purchase capacity on Transporter's System, it may post a notice of offer to purchase capacity on Transporter's Interactive Internet Website or, if such party is not currently authorized to access the Interactive Internet Website and elects to provide Transporter with the information in some other form, Transporter shall post such offer on its Interactive Internet Website within 24 hours of receipt of such offer. The offering party may furnish all data for posting which it deems appropriate but at a minimum such data shall include the following:

- (i) offering party's legal name, address, and person to contact for additional information;
- (ii) the term of the proposed purchase;

GENERAL TERMS AND CONDITIONS (continued)

- (iii) the maximum reservation charge(s) the party is willing to pay for the capacity;
  - (iv) the volume desired; and
  - (v) the receipt and delivery points.
- 23.14 Rates. The reservation charge(s) for any released firm capacity shall be the reservation charge(s) bid by the Acquiring Shipper, but in no event shall such reservation charge(s) be less than Transporter's minimum or more than Transporter's maximum reservation charge(s) under Rate Schedule FT as in effect from time to time, except as provided for in Section 284.8(i) of the Commission's regulations and Section 23.8(c) hereof. In addition, Acquiring Shipper shall pay the maximum usage charge as well as all other applicable charges for the service rendered unless discounted by Transporter. For a volumetric reservation charge, the sum of the reservation charge(s) shall be converted to a daily rate by multiplying the Monthly Reservation Charge by 12 and then dividing by 365. For less than maximum rate transactions only, converting daily rate to monthly rate is accomplished by multiplying the daily rate times number of days in rate period; dividing the result by number of months in rate period; and taking the remainder out to 5 decimals places and rounding up or down to Transporter's specified decimal place. Converting a monthly rate to a daily rate is accomplished by multiplying the monthly rate by the number of months in rate period; dividing the result by number of days in rate period; and taking the remainder out to 5 decimals places and rounding up or down to Transporter's specified decimal place.
- 23.15 Marketing Fee. When a Releasing Shipper requests that Transporter actively market the capacity to be released, the Releasing Shipper and Transporter shall negotiate the terms of the marketing service to be provided by Transporter and the marketing fee to be charged therefor.
- 23.16 Billing. Transporter shall bill the Acquiring Shipper the rate(s) specified in the capacity release transaction and any other applicable charges and such Acquiring Shipper shall pay the billed amounts directly to Transporter. Further, the Acquiring Shipper who has acquired capacity on a volumetric reservation rate basis shall be billed the daily reservation rate(s) plus the usage rate(s) and all applicable surcharges times the volumes actually transported. Releasing Shipper shall be billed the reservation charge(s) associated with the released capacity pursuant to its contract, with a concurrent conditional credit for payment of the reservation charge(s) due from the Acquiring Shipper. This bill shall include an itemization of credits and adjustments associated with each capacity release transaction. Releasing Shipper shall also be billed a marketing fee, if applicable, pursuant to the provisions of Section 23.15. If an Acquiring Shipper does not make payment to Transporter of the reservation charge(s) due as set forth in Section 7 of the General Terms and Conditions of this Tariff, Transporter shall notify the Releasing Shipper of the amount due, including all applicable late charges authorized by Section 7 of the General Terms and Conditions of this Tariff, and such amount shall be paid by the Releasing Shipper.

GENERAL TERMS AND CONDITIONS (continued)

In addition, Releasing Shipper may terminate the release of capacity to an Acquiring Shipper if such Shipper fails to pay all of the amount of any bill for gas delivered under the capacity release transaction when such amount is due, in accordance with said Section 7 of the General Terms and Conditions of this Tariff. Once terminated, capacity and all applicable charges shall revert to the Releasing Shipper. Unless the Acquiring Shipper provides documentation specifying otherwise, all payments received from an Acquiring Shipper shall first be applied to the reservation charge(s) due for transportation service and then to any reservation surcharges(s), including late charges related solely to such reservation charge(s), then to any penalty due, then to usage charges, and last to late charges not related to any reservation charge(s) due.

- 23.17 Nominations and Scheduling. An Acquiring Shipper shall nominate and schedule natural gas for transportation service hereunder directly with Transporter in accordance with the applicable procedures set forth in this Tariff. Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity by providing notice to Transporter in accordance with the following timeline.

For Recall Notification NAESB Standard 5.3.44 (R02002) states:

- (i) Timely Recall Notification:
  - (a) A Releasing Customer recalling capacity should provide notice of such recall to the Seller and the first Replacement Customer no later than 8:00 a.m. on the day that Timely Nominations are due;
  - (b) The Seller should provide notification of such recall to all affected Replacement Customers no later than 9:00 a.m. on the day that Timely Nominations are due (Central Clock Time);
- (ii) Early Evening Recall Notification:
  - (a) A Releasing Customer recalling capacity should provide notice of such recall to the Seller and the first Replacement Customer no later than 3:00 p.m. on the day that Evening Nominations are due;
  - (b) The Seller should provide notification of such recall to all affected Replacement Customers no later than 4:00 p.m. on the day that Evening Nominations are due (Central Clock Time);
- (iii) Evening Recall Notification:
  - (a) A Releasing Customer recalling capacity should provide notice of such recall to the Seller and the first Replacement Customer no later than 5:00 p.m. on the day that Evening Nominations are due;
  - (b) The Seller should provide notification of such recall to all affected Replacement Customers no later than 6:00 p.m. on the day that Evening Nominations are due (Central Clock Time);

GENERAL TERMS AND CONDITIONS (Continued)

24. IMBALANCES

24.1 Responsibility for Balancing

In addition to delivering and receiving volumes of gas in conformance with nominations, Shippers are responsible for conforming their takes at Delivery Points with their deliveries to Transporter at Receipt Points each day. Transporter has no obligation to deliver for the account of a Shipper more volumes of gas than Transporter has received for the account of the Shipper or to accept for the account of the Shipper more volumes of gas than are being delivered for the account of the Shipper on any day.

24.2 Monthly Imbalances, Netting and Offsetting

At the end of each calendar month, to the extent the net receipts do not equal the deliveries under an Agreement on a Dth basis, the following transportation fees and netting and offsetting procedures will apply:

- (a) A transportation charge under the applicable provision(s) of Sheet Nos. 5 and 6 will be assessed for any positive imbalance remaining at the end of a month.
- (b) Imbalances under a Shipper's different agreements will be netted together to obtain the Shipper's total Monthly Imbalance ("TMI"). The TMI will be shown on the monthly billings sent to Shippers. To facilitate the trading or offsetting of Shipper's TMI, Gulf States will post on its Internet Website, on or before the ninth business day of the month, the TMI of any Shipper that has not notified Gulf States in writing that the Shipper does not elect to have that information posted. Shippers or their agents may then trade offsetting imbalances with Shippers or their agents until the close of business on the seventeenth day of the month (Trading Period). Parties that agree to trade all or part of an imbalance must notify Gulf States in writing on or before the seventeenth business day of the month through submission of an Imbalance Trade Confirmation form; otherwise, such trade shall not be effective. Upon receipt of an Imbalance Trade Confirmation, Gulf States will send an Imbalance Trade Notification to the trading parties by noon (Central Clock Time) the next business day. Any Shipper imbalance remaining after the Trading Period will be cashed out as described in Section 24.3.

GENERAL TERMS AND CONDITIONS (Continued)

24.3 Cashout Procedures

- (a) Any imbalance remaining after the end of Trading Period will be cashed out on a tiered basis pursuant to the following schedule:

IMBALANCE LEVEL	OVERAGE (Transporter pays Shipper)	UNDERAGE (Shipper pays Transporter)
-----	-----	-----
0% to 5%	100% x AMIP	100% x AMIP
Greater than 5% to 10%	90% x AMIP	110% x AMIP
Greater than 10% to 15%	80% x AMIP	120% x AMIP
Greater than 15% to 20%	70% x AMIP	130% x AMIP
Greater than 20%	60% x AMIP	140% x AMIP

- (b) Following any offsetting with other Shippers, a Shipper's remaining imbalance will be cashed out based on the percentage of that imbalance compared to the total receipts for that Shipper during the month. For example, if the total receipts were 1,000 Dth and the remaining underage imbalance after offsetting with other Shippers was 100 Dth, the total Imbalance Level would be 10%. The first 5% (50 Dth) would be cashed out at 100% of the AMIP and the remaining 50 Dth would be cashed out at 110% of the AMIP.
- (c) The Average Monthly Index Price (AMIP) is the arithmetic average of the Weekly Index Prices (WIPs). The WIP for any week is the arithmetic average of the following four index prices reported in "Gas Price Report" issued by "Natural Gas Week" or any succeeding publication:

Effective Date: 11/01/2000 Status: Suspended

FERC Docket: RP00-617-000

Original Sheet No. 58V Original Sheet No. 58V : Suspended

GENERAL TERMS AND CONDITIONS (Continued)

- (1) Texas, Gulf Coast, Offshore, Spot, Delivered to Pipeline;
- (2) Texas, Gulf Coast, Onshore, Spot, Delivered to Pipeline;
- (3) Louisiana, Gulf Coast, Offshore, Spot, Delivered to Pipeline;  
and
- (4) Louisiana, Gulf Coast, Onshore, Spot, Delivered to Pipeline.

In calculating the AMIP, the WIPs will be based on the prices reported in the issue of "Natural Gas Week" dated on or after Transporter's nomination deadline for first of the month service for that month, and the subsequent issues dated prior to Transporter's nomination deadline for the following month's first of the month service.

- (d) Following the Trading Period for offsetting imbalances, Shippers with remaining imbalances shall pay Transporter or will be credited with the appropriate cashout amounts.
- (e) In the event "Natural Gas Week" ceases to publish entirely or fails to publish the index prices listed in subsection (c) above, the following procedures shall apply in determining a month's AMIP:
  - (1) Should, in any given week, "Natural Gas Week" fail to publish one of the two index prices used in determining that week's WIP, the WIP will be determined using the remaining published index price.
  - (2) Should, in any given week, "Natural Gas Week" fail to publish both of the index prices used in determining that week's WIP, there will be no WIP for that week used in determining the month's AMIP.
- (f) In the event the foregoing prices are no longer available or valid, Transporter will file to change the Tariff and may, at its discretion, select a representative price in the interim period, subject to adjustment.

GENERAL TERMS AND CONDITIONS (Continued)

24.4 Refund Of Cashout Revenues In Excess Of Costs

(a) This Section of the General Terms and Conditions sets forth the procedures under which Transporter will refund or carry forward, for each annual billing period, any difference between the revenues received by Transporter and the costs incurred by Transporter under the cashout provisions of Transporter's firm and interruptible transportation Rate Schedules. For purposes of this Section 24, an annual billing period shall be the twelve (12) month period commencing each December 1 and ending the following November 30 with the first such annual billing period commencing December 1, 2000 and ending November 30, 2001.

(b) Subsequent to the end of each annual billing period, Transporter shall compare the revenues received and the costs incurred during the applicable annual period. If the revenues received exceed the costs incurred, then Transporter shall refund, within sixty (60) days of the end of the annual billing period, the net overrecoveries to firm and interruptible transportation customers on a pro rata basis in accordance with the transportation revenues (exclusive of penalty revenues) Transporter received for the annual billing period. In no event will a Shipper's refund exceed the revenue level utilized to determine its pro rata share. If the revenues received are less than the costs incurred, then Transporter shall carry forward the net underrecoveries to subsequent annual billing periods and may offset such net underrecoveries plus interest accrued during such subsequent annual periods against any future net overrecoveries that may occur in subsequent annual billing periods.

24.5 Operational Data vs. Actuals

In determining the cashout tier applicable under Sections 24.3 above, Transporter will utilize the operational data posted on its Interactive Internet Website as of the end of the month or the actual flow volumes (or, if actual flow volumes are not available at the time of billing, the reasonable estimates), whichever results in a lower cashout tier.

24.6 Prior Period Adjustments

Any imbalances for a month that are booked after the transportation for that month has been billed as a result of receiving actual or corrected flow information will be cashed out at 100% of the AMIP in effect during the month the imbalance occurred.

Effective Date: 11/01/2000 Status: Suspended

FERC Docket: RP00-617-000

**Original Sheet No. 58X** Original Sheet No. 58X : Suspended

GENERAL TERMS AND CONDITIONS (Continued)

24.7 Purchase And Sale Of Gas

Transporter is not providing a supply service under any Rate Schedule of this Tariff. Without limitation of the foregoing, Transporter may buy and sell gas to the extent necessary to maintain System pressure, to implement the cashout procedures under this Section 24 and to perform other functions in connection with providing transportation service. The point of any such sale shall occur at Receipt Points on a Shipper Agreement. Such sales shall be authorized pursuant to Transporter's blanket sales certificate. Nothing herein shall impose on Transporter any obligation to provide a supply function to any of its Shippers.



Effective Date: 02/01/2008 Status: Effective  
FERC Docket: RP08-149-000

**Original Sheet No. 58Y** Original Sheet No. 58Y : Effective

25. Annual Charge Adjustment (ACA)

25.1 Transporter shall adjust its rates from time to time to recover the annual charges assessed to Transporter by the Federal Energy Regulatory Commission for budgetary expenses pursuant to Order 472 or any other superseding or related rule or order. Transporter shall recover this charge by an Annual Charge Adjustment (ACA) equal to the unit rate which the Federal Energy Regulatory Commission orders to be effective for the fiscal year. The ACA unit rate shall apply to all transportation services and shall be reflected in the Statement of Rates and Rate Schedules of Transporter's FERC Gas Tariff.

25.2 Effective Date: The ACA unit rate filed pursuant this Article shall initially be effective on February 1, 2008, and shall be adjusted thereafter on October 1 of each year. The Annual Charge Adjustment shall become effective without suspension or refund obligation.

25.3 Filing Procedures: At least thirty days prior to the effective date, Transporter shall file with the Federal Energy Regulatory Commission revised Tariff Sheets to Transporter's FERC Gas Tariff reflecting the current Commission approved Annual Charge Adjustment.

25.4 Retention of Revenues: Transporter shall retain all revenues collected under this Article. Transporter shall not have the right to seek to recover in any proceeding under Section 4 of the Natural Gas Act any annual charges recorded in its FERC Account No. 928.

*Effective Date: 12/01/2008 Status: Effective*  
*FERC Docket: RP09-60-000*

**First Revised Sheet No. 58L.01** First Revised Sheet No. 58L.01  
Superseding: Original Revised Sheet No. 58L.01

GENERAL TERMS AND CONDITIONS (continued)

(d) With respect to any pre-arranged release which is not subject to an open season, the Releasing Shipper shall post notice not later than 9:00 a.m. CCT on the day of scheduling, and Transporter will post the contract number by 10:00 a.m. CCT.

23.8 Bids for Released Capacity. A bid may be submitted to Transporter by a Bidding Shipper at any time during the open season via Transporter's Interactive Internet Website.

(a) Each bid for released capacity must include the following:

(i) Bidding Shipper's full legal name, company Dun and Bradstreet number, address, and the name and title of the individual responsible for authorizing the bid;

(ii) the term of the proposed acquisition;

(iii) the maximum reservation charge(s), including surcharge(s), Bidding Shipper is willing to pay for the capacity;

(iv) the volume desired and any minimum acceptable volume;

(v) whether or not the Bidding Shipper is an affiliate of the Releasing Shipper;

(vi) whether the bid is a contingent bid and the contingency which must be satisfied before the date specified by the Releasing Shipper pursuant to Section 23.3(p) above; and

(vii) all other information requested by the Releasing Shipper.

(b) Any bid received by Transporter during the open season shall be posted on Transporter's Interactive Internet Website (excluding Bidding Shipper's name). The posting shall indicate if the bid is a contingent bid. Any bid may be withdrawn by such Shipper at any time prior to the close of the open season. However, once a bid is withdrawn, such Shipper may only resubmit a bid at a rate higher than or equal to the original rate. A Bidding Shipper may not submit multiple bids for the same package of capacity and may not have more than one bid posted at a given time for such package of capacity.

GENERAL TERMS AND CONDITIONS (continued)

- (iv) Intraday 1 Recall Notification:
  - (a) A Releasing Customer recalling capacity should provide notice of such recall to the Seller and the first Replacement Customer no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
  - (b) The Seller should provide notification of such recall to all affected Replacement Customers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due (Central Clock Time); and
- (v) Intraday 2 Recall Notification:
  - (a) A Releasing Customer recalling capacity should provide notice of such recall to the Seller and the first Replacement Customer no later than 2:30 p.m. on the day that Intraday 2 Nominations are due;
  - (b) The Seller should provide notification of such recall to all affected Replacement Customers no later than 3:30 p.m. on the day that Intraday 2 Nominations are due (Central Clock Time).

NAESB Standard 5.3.45 (R02002) states: For recall notification provided to the Seller prior to the recall notification deadline specified above and received between 7:00 a.m. and 5:00 p.m., the Seller should provide notification to all affected Replacement Customers no later than one hour after receipt of such recall notification. For recall notification provided to the Seller after 5:00 p.m. and prior to 7:00 a.m., the Seller should provide notification to all affected Replacement Customers no later than 8:00 a.m. after receipt of such recall notification (Central Clock Time).

- 23.18 Qualification for Participation in the Capacity Release Program. Any Shipper wishing to become a Bidding Shipper, or a potential Pre-Arranged Shipper, must satisfy the creditworthiness requirements of Transporter's transportation Tariff by pre-qualifying prior to submitting a bid for capacity or prior to becoming a party to a pre-arranged release. Once a Shipper becomes an Acquiring Shipper, such Shipper can be subject to a periodic credit review with respect to its eligibility to make additional bids on other offers of released capacity. A Shipper cannot bid for services which exceed its qualified level of creditworthiness. Notwithstanding such qualification to participate in the open season, Transporter does not guarantee the payment of any outstanding amounts by an Acquiring Shipper.
- 23.19 Compliance by Acquiring Shipper. By acquiring released capacity, an Acquiring Shipper agrees that it will comply with all applicable Commission orders and regulations, including Part 284 thereof. Such Acquiring Shipper also agrees to be responsible to Transporter for compliance with all terms and conditions of Transporter's Tariff.

*Effective Date: 03/01/2009 Status: Effective*

*FERC Docket: RP09-307-000*

**First Revised Sheet No. 58S.02** First Revised Sheet No. 58S.02

Superseding: Original Sheet No. 58S.02

GENERAL TERMS AND CONDITIONS (continued)

23.20 Obligations of Releasing Shipper. The Releasing Shipper shall with the released capacity up to the maximum reservation charge(s) specified on the Statement of Rates. Re-releases by an Acquiring Shipper shall not relieve the original

23.21 Refunds. In the event that the Commission orders refunds of any rates charged by Transporter, Transporter shall provide refunds to Releasing Shippers to the extent that such Shippers have paid a rate in excess of Transporter's just a

23.22 For purposes of this Section 23, an Asset Manager is a person or entity who may be called upon by the Releasing Shipper to deliver to, or purchase from, the Releasing Shipper a quantity of gas up to 100 percent of the daily contract d

23.23 A release to a marketer participating in a state regulated retail access programs, which is exempt from the open season requirements, is one in which the Acquiring Shipper will utilize the released capacity to meet the gas supply requ

Effective Date: 06/01/2006 Status: Effective  
FERC Docket: RP06-357-000

**3d Rev. Sub. Original Sheet No. 59** 3d Rev. Sub. Original Sheet No. 59 : Effective  
Superseding: 2d Rev. Sub. Original Sheet No. 59

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule FT)

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gulf States  
Transmission  
Corporation, a Louisiana Corporation, hereinafter referred to as "Transporter," first party, and  
\_\_\_\_\_ hereinafter referre

WITNESSETH

WHEREAS, Transporter owns and operates a natural gas pipeline and desires to transport gas for  
Shipper

WHEREAS, Shipper owns or controls natural gas that it desires to be transported on Transporter's  
system.

NOW, THEREFORE, Transporter and Shipper agree as follows:

ARTICLE I  
GAS TRANSPORTATION SERVICE

1.1. Subject to the terms and provisions of this Agreement and of Transporter's Rate Schedule FT and  
the  
General Terms and Conditions of Transporter's FERC Gas Tariff Volume 1, Shipper agrees to deliver or  
cause to be  
delivered to Transporter gas for

1.2. Transportation service rendered hereunder shall not be subject to curtailment or interruption  
except as  
provided in Section 2.3 of Transporter's Rate Schedule FT and Section 11 of the General Terms and  
Conditions of Transporter's FERC Gas Tariff, Volume NO. 1.

ARTICLE II  
SOURCE, POINT(S) OF RECEIPT AND PRESSURE(S)

2.1 Shipper shall deliver or cause to be delivered gas at the point(s) of receipt hereunder at a  
pressure  
sufficient to allow the gas to enter  
Transporter's pipeline system at the varying pressures that may exist in such system from time to time,  
provided  
that such pressure of the gas delivered or caused to be delivered by Shipper shall not exceed the maximum  
operating pressure(s) specified belo

Effective Date: 04/01/2009 Status: Effective  
FERC Docket: RP09-449-000

**Third Revised Sheet No. 60** Third Revised Sheet No. 60  
Superseding: Second Revised Sheet No. 60

FORM OF SERVICE AGREEMENT

(For Use Under Transporter's Rate Schedule FT) (Continued)

be delivered by Shipper to Transporter at the point(s) of receipt shall be correspondingly increased or decreased upon written notification of Transporter to Shipper. The point(s) of receipt, Maximum Daily Quantity (MDQ), and Maximum Press

Point(s) of Receipt      Maximum Daily Receipt Obligation\*      Maximum Pressure(s)

\* These quantities do not include the additional quantities of gas retained by Transporter for applicable compressor fuel and line loss make-up provided for in Article 5.2 of this Service Agreement, which are subject to change as provide

2.2 Shipper shall not tender, without the prior consent of Transporter, at any point(s) of receipt on any day a quantity in excess of the applicable MDQ for such point(s) of receipt.

ARTICLE III

POINT(S) OF DELIVERY AND PRESSURE(S)

Transporter shall redeliver to Shipper or for the account of Shipper the gas transported hereunder at the following point(s) of delivery and at a pressure(s)of:

Maximum Daily

Point(s) of Delivery      Delivery Quantity      Pressure(s)

Regency Intrastate Gas  
(Caddo Parish)

Effective Date: 06/01/2006 Status: Effective  
FERC Docket: RP06-357-000

**Second Revised Sheet No. 61** Second Revised Sheet No. 61 : Effective  
Superseding: First Revised Sheet No. 61

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule FT) (Continued)

ARTICLE IV  
TERM OF AGREEMENT

This Agreement shall be effective as of \_\_\_\_\_, 20\_\_ and shall remain in force and effect through \_\_\_\_\_, 20\_\_ [such term to be mutually agreed to by Shipper and Transporter]; provided, however, this Agreement shall terminate immediate

ARTICLE V  
RATE SCHEDULE AND PRICE

5.1. Shipper shall pay Transporter a monthly reservation fee equal to the product of the maximum reservation fee authorized by FERC, as such may be amended from time to time, and the quantity of Dekatherms reserved in Section 1.1. Additionally Shipp

5.2 Transporter and Shipper agree that the quantity of gas that Shipper delivers or causes to be delivered to Transporter shall include the quantity of gas retained by Transporter for applicable compressor fuel and line loss makeup in providing the t

Effective Date: 12/02/2005 Status: Effective  
FERC Docket: RP06-76-000

**Third Revised Sheet No. 62** Third Revised Sheet No. 62 : Effective  
Superseding: Second Revised Sheet No. 62

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule FT) (Continued)

ARTICLE V  
RATE SCHEDULE AND PRICE (Continued)

5.3. In addition to the applicable charge for firm transportation service pursuant to Section 3.1 of Transporter's Rate Schedule FT, Shipper shall reimburse Transporter for any and all charges or filing fees incurred as a result of Shipper's request for service under Transporter's Rate Schedule FT, to the extent such fees are imposed upon Transporter by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction.

ARTICLE VI  
MISCELLANEOUS

6.1. This Agreement supersedes and cancels as of the effective date hereof the following contract(s) between the parties hereto: [if applicable]

6.2. No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.

6.3. The interpretation and performance of this Agreement shall be in accordance with the laws of the State of Texas, without recourse to the law governing conflict of laws and to all present and future valid laws with respect to the subject matter, including present and future orders, rules and regulations of duly constituted authorities.

6.4. This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns.

6.5. Except as provided in Transporter's FERC Gas Tariff, notices to either party shall be in writing and shall be considered as duly delivered when mailed to the other party at the following address:



Effective Date: 12/01/2008 Status: Effective  
FERC Docket: RP09-60-000

**Fourth Revised Sheet No. 63** Fourth Revised Sheet No. 63  
Superseding: Third Revised Sheet No. 63

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule FT) (Continued)

(a) If to Transporter:

Gulf States Transmission Corporation  
2001 Bryan Street, Suite 3700  
Dallas, Texas 75201  
Attention: Wayne Packard  
Fax: 214-840-5441  
E-mail: wayne.packard@gulfstatestransmission.com

(b) If to Shipper:

Such addresses may be changed from time to time by mailing appropriate notice thereof to the other party by certified or registered mail.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed by their respective officers or representative thereunto duly authorized.

Gulf States Transmission Corporation  
(Transporter)

By \_\_\_\_\_

(Shipper)

By \_\_\_\_\_

Effective Date: 12/02/2005 Status: Effective  
FERC Docket: RP06-76-000

**Second Revised Sheet No. 64** Second Revised Sheet No. 64 : Effective  
Superseding: First Revised Sheet No. 64

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule IT)

THIS AGREEMENT entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by and between Gulf States Transmission Corporation, a Louisiana Corporation,  
hereinafter referred to as "Transporter," first party, and hereinafter referred  
to as "Shipper," second party,

WITNESSETH

WHEREAS,

NOW THEREFORE, Transporter and Shipper agree as follows:

ARTICLE I  
GAS TRANSPORTATION SERVICE

1.1 Subject to the terms and provisions of this Agreement and of Transporter's Rate Schedule IT, Shipper agrees to deliver or cause to be delivered to Transporter gas for transportation and Transporter agrees to receive, transport and redeliver natural gas to Shipper or for the account of Shipper, on an interruptible basis, up to an aggregate maximum daily quantity of \_\_\_\_\_ Dekatherms. Transporter, after having satisfied any pending requests for service under Rate Schedule IT, may transport daily quantities of gas tendered by Shipper in excess of the specified maximum daily quantity; however, in no event shall Transporter be obligated to receive at any point(s) of receipt a quantity of gas in excess of the lower of Shipper's (1) maximum daily quantity plus compressor fuel and line loss make-up or (2) the daily quantity scheduled for delivery to Transporter. Nor shall Shipper tender at any one or all point(s) of receipt a cumulative quantity of natural gas in excess of such daily quantity without the prior consent of Transporter.

1.2. Transportation service rendered hereunder shall be subject to curtailment or interruption as provided in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Volume No. 1.

Effective Date: 04/01/2009 Status: Effective  
FERC Docket: RP09-449-000

**Third Revised Sheet No. 65** Third Revised Sheet No. 65  
Superseding: Second Revised Sheet No. 65

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule IT) (Continued)

ARTICLE II  
SOURCE, POINT(S) OF RECEIPT AND PRESSURE(S)

2.1 Shipper shall deliver or cause to be delivered gas at the point(s) of receipt hereunder at a pressure sufficient to allow the gas to enter Transporter's pipeline system at the varying pressures that may exist in such system from time t

2.2 In the event the maximum operating pressure of Transporter's pipeline system, at the point(s) of receipt hereunder, is from time to time increased or decreased, then the maximum allowable pressure of the gas delivered or caused to be d

Point(s) of Receipt	Maximum Daily Receipt Obligation	Maximum Pressure(s)
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ARTICLE III  
POINT(S) OF DELIVERY AND PRESSURE(S)

Transporter shall redeliver to Shipper or for the account of Shipper the gas transported hereunder at the following point(s) of delivery and at a pressure(s)of:

POINT(S) OF DELIVERY	PRESSURE(S)
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Regency Intrastate Gas (Caddo Parish)	
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Effective Date: 12/02/2005 Status: Effective  
FERC Docket: RP06-76-000

**First Revised Sheet No. 66** First Revised Sheet No. 66 : Effective  
Superseding: Original Sheet No. 66

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule IT) (Continued)

ARTICLE IV  
TERM OF AGREEMENT

This Agreement shall be effective as of \_\_\_\_\_, 20\_\_ and shall remain in force and effect through \_\_\_\_\_, 20\_\_ [such term to be mutually agreed to by Shipper and Transporter] and thereafter until terminated by Transporter or Shipper upon at least thirty (30) days' written notice to the other specifying a termination date, provided this agreement shall terminate immediately and, subject to the receipt of necessary authorizations, if any, Transporter may discontinue service hereunder if (a) Shipper, in Transporter's reasonable judgment, fails to demonstrate credit worthiness, and (b) Shipper fails to provide adequate security in accordance with Section 8.5 of Transporter's Rate Schedule IT.

ARTICLE V  
RATE SCHEDULE AND PRICE

5.1 Shipper shall pay Transporter \$0.0162 for each dekatherm transported hereunder in accordance with Transporter's Rate Schedule IT and the applicable provisions of the General Terms and Conditions of Transporter's FERC Gas Tariff as filed with the Federal Energy Regulatory Commission, and as the same may be legally amended or superseded from time to time. Nothing herein is intended to limit Transporter's right to seek authorization to change any provision or provisions of Transporter's Rate schedule IT or the General Terms and Conditions of Transporter's FERC Gas Tariff, including the rate to be charged for service under Transporter's Rate Schedule IT. Transporter's Rate Schedule IT and the General Terms and Conditions of Transporter' FERC Gas Tariff are by this reference made a part hereof.

*Effective Date: 12/02/2005 Status: Effective*  
*FERC Docket: RP06-76-000*

**First Revised Sheet No. 67** First Revised Sheet No. 67 : Effective  
Superseding: Original Sheet No. 67

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule IT) (Continued)

5.2. Transporter and Shipper agree that the quantity of gas that Shipper delivers or causes to be delivered to Transporter shall include the quantity of gas retained by Transporter for applicable compressor fuel and line loss make-up in providing the transportation service hereunder which quantity will be determined by utilizing the fuel retention percentages specified on the currently effective Sheet No. 5 of Volume No. 1 of Transporter's Tariff which relates to service under this agreement and which is incorporated herein.

5.3. Shipper shall reimburse Transporter for any and all charges or filing fees incurred as a result of Shipper's request for service under this Rate Schedule, to the extent such fees are imposed upon Transporter by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction.

ARTICLE VI  
MISCELLANEOUS

1. This Agreement supersedes and cancels as of the effective date hereof the following contract(s) between the parties hereto.
2. No waiver by either party of any one of more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.
3. The Interpretation and performance of this agreement shall be in accordance with the laws of the State of Texas, without recourse to the law governing conflict of laws and to all present and future valid laws with respect to the subject matters, including present and future orders, rules and regulations of authorities.

Effective Date: 12/01/2008 Status: Effective  
FERC Docket: RP09-60-000

**Fifth Revised Sheet No. 68** Fifth Revised Sheet No. 68  
Superseding: Fourth Revised Sheet No. 68

FORM OF SERVICE AGREEMENT  
(For Use Under Transporter's Rate Schedule IT) (Continued)

4. This Agreement shall be binding upon, and inure to the benefit of the hereto and their respective successors and assigns.

5. Except as provided in Transporter's FERC Gas Tariff, notices to either Party shall be in writing and shall be considered as duly delivered when mailed to the other party at the following address:

(a) If to Transporter:

Gulf States Transmission Corporation  
2001 Bryan Street, Suite 3700  
Dallas, Texas 75201  
Attention: Wayne Packard  
Fax: 214-840-5441  
E-mail: wayne.packard@gulfstatestransmission.com

(b) If to Shipper:

Such addresses may be changed from time to time by mailing appropriate notice thereof to the other party by certified or registered mail.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed by their respective officers or representatives thereunto duly authorized.

(Transporter)

Gulf States Transmission Corporation

By \_\_\_\_\_

(Shipper)

By \_\_\_\_\_

Effective Date: 10/01/2002 Status: Effective  
FERC Docket: RP02-431-000

**Second Revised Sheet No. 69** Second Revised Sheet No. 69 : Effective  
Superseding: First Revised Sheet No. 69

TRADING PARTNER AGREEMENT  
for the Electronic Data Interchange  
of Information Over the Public Internet

THIS TRADING PARTNER AGREEMENT (the "Agreement") is made by and between \_\_\_\_\_, ("Company") a \_\_\_\_\_, with offices at \_\_\_\_\_, and \_\_\_\_\_ ("Trading Partner"), a \_\_\_\_\_ corporation, with offices at \_\_\_\_\_ (collectively, referred to as the "parties").

WHEREAS, the parties desire to facilitate administrative matters, reports and other information exchanged ("Transactions") by electronically transmitting and receiving data in agreed formats in substitution for on-line transmittal and/or for conventional paper-based documents; and

WHEREAS, the parties desire to assure that such Transactions are legally valid and enforceable as a result of the use of available electronic technologies as contemplated herein in place of original, handwritten signatures of the parties for the mutual benefit of said parties; and

WHEREAS, the parties desire to enter into this Agreement to govern their relationship solely with respect to electronic data interchange ("EDI") Transactions utilizing ASC X12 protocols over the public Internet as the electronic delivery mechanism.

NOW THEREFORE, in consideration of the premises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

Section 1. Prerequisites.

1.0. Appendix. The Appendix and Exhibit(s) thereto hereafter are referred to as the "Appendix." The Appendix to this Agreement is attached hereto and made a part hereof for all purposes and shall indicate elections and/or amendments made by the parties by mutual agreement. In the event of a conflict between the provisions in the body of this Agreement and the Appendix, the Appendix will govern.

1.1. Document Standards. Each party may electronically transmit to or receive from the other party any of the transaction sets listed in the Exhibit(s) of the Appendix, and transaction sets which the parties by written agreement add to the Appendix (collectively "Documents"). Any transmission of data which is not a Document shall have no force or effect between the parties. All Documents shall be transmitted in accordance with the North American Energy Standards Board ("NAESB") standards and the published industry guidelines as adopted by the Federal Energy Regulatory Commission ("FERC") or its successor agency ("Standards"), or as may be agreed upon by the parties as set forth in the Appendix.

1.2. Third Party Service Providers.

1.2.1. Documents will be transmitted electronically to each party as specified in the Appendix either directly or through a third party service provider ("Provider") with which either party may contract. Either party may modify its election to use, not use or change a Provider upon 30 days prior written notice to the other party.

TRADING PARTNER AGREEMENT  
for the Electronic Data Interchange  
of Information Over the Public Internet (continued)

- 1.2.2. Each party shall be responsible for the costs, acts and omissions of any Provider with which it contracts. This provision does not limit any claim of either party against a Provider with respect to such acts or omissions.
- 1.3. System Operations. Each party, in its sole discretion and at its own expense, shall provide for the requisite hardware, software, services and/or testing procedures necessary to transmit, receive and retrieve Documents.
- 1.4. Security Procedures. Each party, in its sole discretion and expense, shall use and provide for the requisite levels of security which are reasonably sufficient to ensure that all transmissions of Documents are authorized by the parties and to protect their business records and data from improper access. At a minimum, the parties shall provide and use those security measures specified herein, in the NAESB standards as adopted by the FERC, or as may be agreed upon by the parties as set forth in the Appendix.
- 1.5. Keys. When the parties are utilizing the Internet electronic delivery mechanism as herein contemplated, each party shall maintain a Pretty Good Privacy ("PGP") "public key," (an encryption algorithm used to facilitate private electronic communication) which may be changed from time to time in accordance with this Agreement or as may be set forth in the Appendix. Each party shall provide to the other party its PGP public key by either (a) a certified or receipted mail service using a diskette with the public key contained in an ASCII text file, or (b) an electronic simple mail transfer protocol (smtp) mail message with the public key contained in the body. Under either option above, the public key shall be verified by the party to whom it is sent by validating the fingerprint of the public key which may be accomplished via telephone, fax, or other comparably reliable means. If a party desires to change its public key, it shall provide at least five business days prior notice thereof to the other party; provided that under an emergency situation, a prior written notice of at least 24 hours shall be given.
- 1.6. Electronic Signatures. Each party shall adopt as its signature the PGP private key, where required by the Standards or otherwise agreed to by the parties, in the Document transmitted by such party ("Signature Code(s)"). Such Signature Codes(s) shall be specified in the Appendix. Each party agrees that the Signature Code(s) of such party affixed to or contained in any transmitted Document shall be sufficient to verify that such party originated the Document. Neither party shall disclose to any unauthorized person the Signature Code(s) of the other party.



TRADING PARTNER AGREEMENT  
for the Electronic Data Interchange  
of Information Over the Public Internet (continued)

Section 2. Transmissions.

- 2.1. Proper Receipt. Documents shall not be deemed to have been properly received until accessible to the receiving party at such party's Receipt Computer (designated in the Appendix by Uniform Resource Locator ("URL code")), as evidenced by the receipt of the sending party of the hyper-text transfer protocol ("HTTP") response initiated by the receiving party indicating successful receipt of the Document in accordance with NAESB standards. No Document shall have any effect where an HTTP response is not received by the sending party or where an HTTP response has indicated that an error has occurred.
- 2.2. Verification.
  - 2.2.1. Upon Proper Receipt of any Document, the receiving party shall verify the legitimacy of the Document, process the decryption of the Document as necessary, and translate the Document in accordance with the Standards to determine whether the Document contains all of the required data in proper syntactical form. If the Document is legitimate and successfully decoded, the receiving party shall transmit either a Functional Acknowledgment or a Response Document to the sending party by the Acknowledgment Deadline, all as set forth in the Appendix. A Functional Acknowledgment means an ASC X12 transaction set 997, which confirms (in the format specified thereby) whether or not all required portions of the Document are complete and syntactically correct, but which does not address or otherwise confirm the substantive content of the Document. A Response Document is a transaction set in substitution of the ASC X12 Functional Acknowledgment transaction set 997. For purposes of this Agreement, a Response Document confirms (in the format specified thereby) whether or not the substantive content of the corresponding Document contains data that is sufficiently accurate to effectuate the communication, confirms whether or not all required portions of the Document are complete and syntactically correct and may contain data sent by the receiving party to the sending party in response to the substantive content of the related Document.
  - 2.2.2. If there has not been a Proper Receipt by the sending party of a Functional Acknowledgment or Response Document (as applicable) to a Document for any reason, or there has been a Proper Receipt by the sending party of a Response Document or Functional Acknowledgment indicating error, the Document shall not be relied upon by either party as an effective Document for any purpose and the sending party, within the Retransmission Timeframe (as set forth in the Appendix), may elect to retransmit the Document.
  - 2.2.3. A Functional Acknowledgment, or a Response Document (that has been designated in the Appendix as a substitute for a functional acknowledgment) with Proper Receipt that does not indicate error shall constitute conclusive evidence a Document has been received.

Effective Date: 08/01/1998 Status: Effective  
FERC Docket: GT98- 78-000

**First Revised Sheet No. 72** First Revised Sheet No. 72 : Effective  
Superseding: Original Sheet No. 72

TRADING PARTNER AGREEMENT  
for the Electronic Data Interchange  
of Information Over the Public Internet (continued)

- 2.3. Garbled Transmissions. If any transmitted Document is received in an unintelligible or garbled form, the receiving party shall promptly notify the originating party (if identifiable from the received Document) in a reasonable manner.

Section 3. Transaction Terms.

- 3.1. Terms and Conditions. This Agreement is to be considered part of any other written agreement duly executed by the parties referencing it or as referenced by mutual agreement of the parties in the Appendix hereto. The terms of this Agreement shall prevail in the event of a conflict with any of the terms and conditions applicable to any Transaction insofar as such conflict exists between the procedures to be used in the electronic transmission of data set forth herein.
- 3.2. Confidentiality. No information contained in any Document or otherwise exchanged between the parties shall be considered confidential, except to the extent provided herein or pursuant to the transportation agreements between the parties, other written agreements between the parties or by applicable law.
- 3.3. Validity and Enforceability.
- 3.3.1. This Agreement has been executed by the parties to evidence their mutual intent to create binding obligations pursuant to the electronic transmission and receipt of Documents specifying certain of the applicable terms.
- 3.3.2. Any Document properly transmitted pursuant to this Agreement shall be considered to be a "writing" or "in writing"; and any such Document when containing, or to which there is affixed, a Signature Code ("Signed Document") shall be deemed for all purposes to have been "signed" and to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.
- 3.3.3. The parties agree not to contest the validity or enforceability of any Signed Document under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.

Effective Date: 08/01/1998 Status: Effective  
FERC Docket: GT98- 78-000

**First Revised Sheet No. 73** First Revised Sheet No. 73 : Effective  
Superseding: Original Sheet No. 73

TRADING PARTNER AGREEMENT  
for the Electronic Data Interchange  
of Information Over the Public Internet (continued)

Section 4. Miscellaneous.

- 4.1. Term. This Agreement shall be effective as of the date fully executed by the parties and shall remain in effect until terminated by either party with not less than 30 days prior written notice specifying the effective date of termination; provided, however, that written notice for purposes of this paragraph shall not include notice provided in an EDI format; further provided, however, that a termination pursuant to this section shall not affect the respective obligations or rights of the parties arising under any Documents or otherwise under this Agreement prior to the effective date of termination.
- 4.2. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, then as of such determination, this Agreement in its entirety shall be deemed ineffective and unenforceable by the parties.
- 4.3. Entire Agreement. This Agreement, the Appendix and any duly executed amendments or exhibits thereto shall constitute the complete agreement of the parties relating to the matters specified in this Agreement and supersede all prior representations or agreements, whether oral or written, with respect to such matters. No oral modification or waiver of any of the provisions of this agreement shall be binding on either party. No obligation to enter into any Transaction is to be implied from the execution or delivery of this Agreement. This Agreement is solely for the benefit of, and shall be binding solely upon, the parties their agents and their respective successors and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the parties hereto and no other party shall have any right, claim or action as a result of this Agreement. There are no third party beneficiaries to this Agreement.
- 4.4. Governing Law. This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the state of Texas, without regard to its conflicts of laws provisions.
- 4.5. Force Majeure. No party shall be liable for any failure to perform its obligations in connection with any Transaction or any Document, where such failure results from any act of God or other cause beyond such party's reasonable control (including, without limitation, any mechanical, electronic or communications failure) which prevents such party from transmitting or receiving any documents and which, by the exercise of due diligence, such party is unable to prevent or overcome.
- 4.6. Exclusion of Damages. Neither party shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the electronic transmission or receipt of any Documents pursuant to this Agreement, even if either party has been advised of the possibility of such damages and REGARDLESS OF FAULT. Damages are limited to direct damages to software and hardware arising from this Agreement and shall be set forth in the Appendix.

Effective Date: 08/01/1998 Status: Effective  
FERC Docket: GT98- 78-000

**First Revised Sheet No. 74** First Revised Sheet No. 74 : Effective  
Superseding: Original Sheet No. 74

TRADING PARTNER AGREEMENT  
for the Electronic Data Interchange  
of Information Over the Public Internet (continued)

- 4.7. Notices. Unless otherwise provided in this Agreement, all notices required or permitted to be given with respect to this Agreement shall be given by mailing the same postage prepaid, or given by fax or by courier, or by other methods specified in the Appendix to the addressee party at such party's address as set forth in the Appendix. Either party may change its address for the purpose of notice hereunder by giving the other party no less than five (5) days prior written notice of such new address in accordance with the preceding provisions.
- 4.8. Assignment. This Agreement may not be assigned or transferred by either party without the prior written approval of the other party, which approval shall not be unreasonably withheld; provided, any assignment or transfer, whether by merger or otherwise, to a party's affiliate or successor in interest shall be permitted without prior consent if such party assumes this Agreement.
- 4.9. Waivers. No forbearance by any party to require performance of any provision of this Agreement shall constitute or be deemed a waiver of such provision or any other or the right thereafter to enforce it.
- 4.10. Counterparts. This Agreement may be executed in any number of original counterparts all of which shall constitute but one and the same instrument.
- 4.11. Superseding Conflicts. If either party to this Agreement determines that this Agreement or any provision thereof is in conflict with either that party's existing tariff or any obligation imposed by a governmental entity exercising jurisdiction over that party, then that party shall give notice to the other defining which terms of this Agreement are affected, and the reasons therefor, and may provide notice of termination of this Agreement as provided in Section 4.7, effective immediately upon receipt of such notice by the other party to this Agreement.
- 4.12. Special Provisions.

Company: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Trading Partner: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Effective Date: 08/01/1998 Status: Effective  
FERC Docket: GT98- 78-000

**First Revised Sheet No. 75** First Revised Sheet No. 75 : Effective  
Superseding: Original Sheet No. 75

APPENDIX  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
between \_\_\_\_\_  
and \_\_\_\_\_  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)

COMPANY NAME	_____
STREET	_____
CITY	_____
STATE/PROVINCE/COMMONWEALTH	_____
ZIP/POSTAL CODE	_____
ATTENTION	_____
PHONE	_____
FAX	_____
OTHER NOTICE METHOD & ADDRESS (e-mail)	_____
DUNS NUMBER	_____
COMPANY NAME	_____
STREET	_____
CITY	_____
STATE/PROVINCE/COMMONWEALTH	_____
ZIP/POSTAL CODE	_____
ATTENTION	_____
PHONE	_____
FAX	_____
OTHER NOTICE METHOD & ADDRESS (e-mail)	_____
DUNS NUMBER	_____

Effective Date: 08/01/1998 Status: Effective  
FERC Docket: GT98- 78-000

**First Revised Sheet No. 76** First Revised Sheet No. 76 : Effective  
Superseding: Original Sheet No. 76

APPENDIX  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
between \_\_\_\_\_  
and \_\_\_\_\_  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)

1. RECEIPT COMPUTER:

COMPANY NAME: \_\_\_\_\_  
INTERNET ADDRESS (URL) \_\_\_\_\_  
ISA QUALIFIER \_\_\_\_\_  
ISA ID \_\_\_\_\_

FOR PUBLIC KEY CHANGES OR EMERGENCY KEY VERIFICATION:

CONTACT NAME: \_\_\_\_\_  
E-MAIL ADDRESS: \_\_\_\_\_  
PHONE NUMBER: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_  
INTERNET ADDRESS (URL) \_\_\_\_\_  
ISA QUALIFIER \_\_\_\_\_  
ISA ID \_\_\_\_\_

FOR PUBLIC KEY CHANGES OR EMERGENCY KEY VERIFICATION:

CONTACT NAME: \_\_\_\_\_  
E-MAIL ADDRESS: \_\_\_\_\_  
PHONE NUMBER: \_\_\_\_\_

2. STANDARDS: \_\_\_\_\_

3. INDUSTRY GUIDELINE: \_\_\_\_\_

The mutually agreed provisions of this Exhibit shall control in the event of any conflict with any listed industry guidelines.

4. SECURITY PROCEDURES: \_\_\_\_\_

5. TERMS AND CONDITIONS: \_\_\_\_\_

6. DATA RETENTION: \_\_\_\_\_

7. REFERENCED AGREEMENTS: \_\_\_\_\_

8. LIMITATION ON DIRECT DAMAGES: \_\_\_\_\_

9. CONFIDENTIAL INFORMATION: \_\_\_\_\_

Effective Date: 08/01/1998 Status: Effective  
FERC Docket: GT98-78-000

**First Revised Sheet No. 77** First Revised Sheet No. 77 : Effective  
Superseding: Original Sheet No. 77

APPENDIX  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
between \_\_\_\_\_  
and \_\_\_\_\_  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)

LIST OF EXHIBITS

EXHIBIT NUMBER	TRANSACTION SET NUMBER	NATURAL GAS DOCUMENT NAME
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All Exhibits, attached hereto are to be considered attached to the Appendix and made a part thereof. Where there are any provisions specified both in the Exhibit(s) and in the Appendix, those contained in the Exhibit(s) govern.

The undersigned do hereby execute this Appendix, which Appendix is attached to and made a part of the above referenced Trading Partner Agreement. By execution below the parties hereby ratify said Agreement for all purposes set forth in this Appendix and the attached Exhibit(s).

COMPANY NAME: \_\_\_\_\_

BY: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

BY: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Effective Date: 08/01/1998 Status: Effective  
 FERC Docket: GT98- 78-000

**First Revised Sheet No. 78** First Revised Sheet No. 78 : Effective  
 Superseding: Original Sheet No. 78

EXHIBIT 1  
 ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
 between \_\_\_\_\_  
 and \_\_\_\_\_  
 DATED \_\_\_\_\_  
 TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
 COVERING TRANSACTION SET NUMBER \_\_\_\_\_

1. DOCUMENT SPECIFIC OPERATING INFORMATION:  
 (This section covers only the originating Document and its Functional Acknowledgment or identification and timing of substitute Response Document.)

NATURAL GAS DOCUMENT NAME \_\_\_\_\_  
 ASC X12 VERSION RELEASE NO. \_\_\_\_\_

ROW NUM	ITEMS	ORIGINATING PARTY	RECEIVING PARTY
1	COMPANY NAME		
2	EDI COMMUNICATION PHONE NUMBER		
3	THIRD PARTY SERVICE PROVIDER NAME		
4	RECEIPT COMPUTER		
5	ISA QUALIFIER		
6	ISA ID CODE		
7	GS ID CODE		
8	FUNCTIONAL 997 DOCUMENT ACKNOWLEDGMENT (FA) (Y/N)	N/A	
9	FA RETURN TIME FRAME	N/A	
10	RESPONSE DOCUMENT (RSP) NUMBER/NAME	N/A	
11	FUNCTIONAL ACKNOWLEDGMENT OF RESPONSE	N/A	
12	RSP RETURN TIME FRAME	N/A	
13	ACCEPTANCE DOCUMENT (ACPT)	N/A	
14	FUNCTIONAL ACKNOWLEDGMENT OF ACCEPTANCE	N/A	N/A
15	ACPT RETURN TIME FRAME	N/A	
16	RETRANSMIT TIME FRAME (ORIGINAL DOCUMENT)	N/A	N/A
17	SIGNATURE CODE		



Effective Date: 08/01/1998 Status: Effective  
FERC Docket: GT98- 78-000

**First Revised Sheet No. 79** First Revised Sheet No. 79 : Effective  
Superseding: Original Sheet No. 79

EXHIBIT 1  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
between \_\_\_\_\_  
and \_\_\_\_\_  
DATED \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
COVERING TRANSACTION SET NUMBER \_\_\_\_\_

The undersigned do hereby execute this Exhibit pursuant to the Agreement attached and do hereby ratify said Agreement for all purposes set forth in this Exhibit.

COMPANY NAME: \_\_\_\_\_  
BY: \_\_\_\_\_  
PRINTED NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_  
BY: \_\_\_\_\_  
PRINTED NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

Effective Date: 12/26/2005 Status: Effective  
FERC Docket: RP06-138-000

**First Revised Sheet No. 80** First Revised Sheet No. 80 : Effective  
Superseding: Original Sheet No. 80

#### SYSTEM LICENSE AGREEMENT

This System License Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, by and between Gulf States Transmission Corporation ("Pipeline") and \_\_\_\_\_ ("Subscriber"). Pipeline and Subscriber shall be collectively referred to as the "Parties." Pipeline may utilize contractors or consultants to offer, service or maintain the interactive computer services provided for in this agreement and, in such instance, all references to Pipeline in this agreement shall include any contractors or consultants used by Pipeline.

#### ARTICLE I - SCOPE OF AGREEMENT

Pipeline shall make available for use by Subscriber Pipeline's Customer Activities Web Site ("the System"). Subscriber shall use the System to (1) nominate quantities for receipt and delivery by Pipeline pursuant to an existing service agreement under any of Pipeline's rate schedules; (2) effect changes in nominations of quantities for receipt and delivery by Pipeline pursuant to an existing service agreement in accord with the rate schedule pursuant to which service is rendered; (3) effect the release of firm capacity rights pursuant to existing Firm Service Agreements; (4) confirm such nominations or changes in nominations if Subscriber is designated as a point operator; and (5) other transactions as may be required the Federal Energy Regulatory Commission ("FERC"). Subscriber may also use the System to request and receive from Pipeline such other information as Pipeline may from time to time make available to Subscriber through the System.

Subscriber obtains no rights, title, or interest in or to the System as a result of this agreement. Subscriber agrees to use the System solely for its own commercial purposes. Subscriber shall not copy, modify, reuse, or resell the System for its own purposes or for the benefit of any third party.

#### ARTICLE II - TERMS AND CONDITIONS OF AUTHORIZED USE

2.1 Subscriber recognizes that the System can be accessed only through Pipeline's web site ([www.gulfstatestransmission.com](http://www.gulfstatestransmission.com)) and will operate properly only if Subscriber follows all instructions for use contained in Pipeline's web site.

2.2 Subscriber shall from time to time designate those individuals that are authorized to act for Subscriber through the System. The designation of each such individual shall be made by completing the Customer Activities User Access Request form attached hereto ("Access Form"). On each Access Form, Subscriber shall select the appropriate utilization level for the designated individual. Upon receipt and approval of the Access Form, Pipeline will provide Subscriber with a User ID and a unique password for each authorized individual user within Subscriber. Any revision to such utilization level shall be made by submitting a revised Access Form for each individual for which a change is desired, which changes shall become effective upon approval by Pipeline. To prevent unauthorized access, Subscriber shall be responsible for securing physical access to the System and to keep confidential its User ID and all passwords provided by Pipeline.

2.3 Subscriber represents and warrants to Pipeline that the person(s) to whom Subscriber has provided User IDs and passwords have been duly authorized by the Subscriber to make and change nominations under the various service agreements with Pipeline.

2.4 Liability -- Subscriber shall be solely responsible for any and all unauthorized or otherwise improper use of User ID and passwords issued by Pipeline to Subscriber that results from Subscriber's negligence, including, but not limited to the use of such User ID and passwords by Subscriber's personnel who at some point are no longer in Subscriber's employment or control. Upon evidence of unauthorized or improper use of a User ID or password, Pipeline reserves the right to immediately invalidate any such password or User ID.

SYSTEM LICENSE AGREEMENT (continued)

ARTICLE III - RELEASE AND DISCLAIMER OF  
LIABILITY/INDEMNIFICATION

- 3.1 Except for the negligence, bad faith, fraud or willful misconduct of Pipeline, Pipeline expressly disclaims any and all liability for loss or damage to Subscriber or to any third parties associated with Subscriber's use of the System, including but not limited to any loss or damage resulting from any one or more of the following: (1) Subscriber's errors or improper use of the System; (2) any unauthorized use of the System, whether by Subscriber, Subscriber's employees or former employees, or by any other persons; (3) any acts of God or force majeure, as defined in Article X of Transporter's General Terms and Conditions, and also including electrical shortage and/or power outages; (4) any defects in computer hardware or software; (5) any interruption in or malfunction of electronic communication or transmission whether or not within the Pipeline's control. Such causes or contingencies affecting the performance of this Agreement shall not relieve Pipeline of liability in the event (a) it fails to use due diligence to remedy situations reasonably within its control and remove the causes or contingencies reasonably within its control that affect performance of this Agreement or (b) it fails to give Subscriber notice and full particulars of same in writing or by e-mail or facsimile as soon as possible after the event or situation arises.
- 3.2 Subscriber agrees to protect, defend, indemnify, and hold harmless Pipeline against any and all loss, costs, damages, and expenses of any nature whatsoever (including court costs and reasonable attorney's fees), resulting from or otherwise related to any claim, demand, or action asserted against Pipeline, arising from or connected with Subscriber's use, including unauthorized or improper use, of the System except for the negligence, bad faith, fraud or willful misconduct of Pipeline.
- 3.3 Pipeline may temporarily suspend Subscriber's access to the System at any time, with or without cause, without notice and without liability to Subscriber, and gas transactions made prior to such suspension shall remain effective. In the event of suspension of Subscriber's access to the System, nominations shall be communicated via facsimile or such other method as directed by Pipeline.
- 3.4 Access to the System is provided "AS IS" without any warranty of any kind. Pipeline expressly disclaims any and all warranties, express, implied or statutory, including warranties of merchantability or fitness for a particular purpose that are related to the use of the System.

Effective Date: 04/01/2009 Status: Effective  
FERC Docket: RP09-449-000

**Third Revised Sheet No. 82** Third Revised Sheet No. 82  
Superseding: Second Revised Sheet No. 82

SYSTEM LICENSE AGREEMENT (continued)

ARTICLE IV - TERM

This Agreement shall be and continue in full force and effect from the date of execution hereof until cancelled by either party on at least thirty (30) days written notice. The defense and indemnity obligations of Article III shall survive

ARTICLE V - NOTICE

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the party intended to receive the same, as follows:

Pipeline: Gulf States Transmission Corporation  
2001 Bryan Street, Suite 3700  
Dallas, TX 75201  
Attention: Wayne Packard

SUBSCRIBER:

Attention:

or to such other address as either Party shall designate by formal written notice to the other.

ARTICLE VI - MISCELLANEOUS

6.1 Conformance with Tariff -- Subscriber's use of the System shall be in accordance with and subject to Pipeline's currently effective FERC Gas Tariff, including any and all applicable provisions of the General Terms and Conditions an

6.2 THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW.

Effective Date: 12/26/2005 Status: Effective  
FERC Docket: RP06-138-000

**First Revised Sheet No. 83** First Revised Sheet No. 83 : Effective  
Superseding: Original Sheet No. 83

SYSTEM LICENSE AGREEMENT (continued)

6.3 This Agreement and the obligations of the Parties are subject to all present and future valid laws with respect to the subject matter either state or federal, and to all valid present and future orders, rules, and regulations of duly constituted authorities having jurisdiction.

6.4 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

6.5 This Agreement, as of the date of its execution, shall supersede and cancel any previously executed agreements between Pipeline and Subscriber with respect to the use of the System.

6.6 Pipeline reserves the right to modify or replace the System at any time.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

GULF STATES TRANSMISSION CORPORATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted and Agreed to this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

SUBSCRIBER

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ADDITIONAL SUBSCRIBER 2

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Effective Date: 12/26/2005 Status: Effective

FERC Docket: RP06-138-000

**Original Sheet No. 84** Original Sheet No. 84 : Effective

Gulf States Transmission Corporation  
Customer Activities User Access Request

Company/Subscriber: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

User Name: \_\_\_\_\_ Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Cell: \_\_\_\_\_ Pager: \_\_\_\_\_

Email: \_\_\_\_\_

ADD:

CHANGE:

DELETE:

Circle the utilization level for this user below:

Shipper:            Yes        No

Shipper - Read Only:        Yes        No

Point Operator:        Yes        No

List points for which authorization is requested:

- 1.
- 2.
- 3.
- 4.
- 5.

By execution of this Customer Activities User Access Form, Company/Subscriber represents and warrants to Gulf States Transmission Corporation that the individual user designated above is authorized to conduct, on behalf of Company/Subscriber, the transactions and activities identified above, as well as those outlined in the applicable System License Agreement

Approved by:

Date:

Name:

Title:

