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**First Revised Sheet No. 0** Midwestern Gas Transmission: SECOND REVISED VOLUME NO. 1  
First Revised Sheet No. 0 : Effective  
Superseding: Original Sheet No. 0

FERC GAS TARIFF  
SECOND REVISED VOLUME NO. 1  
OF  
MIDWESTERN GAS TRANSMISSION COMPANY  
FILED WITH THE  
FEDERAL ENERGY REGULATORY COMMISSION

COMMUNICATIONS CONCERNING TARIFF

SHOULD BE ADDRESSED TO:

MILTON PALMER  
MANAGER OF RATES

MIDWESTERN GAS TRANSMISSION COMPANY  
P. O. Box 2511  
Houston, Texas 77252  
(713) 757-2076 (Phone)  
(713) 757-5608 (Fax)

ADDRESS FOR COURIER DELIVERY:

MIDWESTERN GAS TRANSMISSION COMPANY  
1010 Milam Street  
Houston, Texas 77002

Effective Date: 05/01/2000 Status: Effective

FERC Docket: RP00-233-000

**Second Revised Sheet No. 1** Second Revised Sheet No. 1 : Superseded  
Superseding: First Revised Sheet No. 1

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**Original Sheet No. 2** Original Sheet No. 2 : Effective

Sheet No. 2 is Reserved for Future Use

*Effective Date: 09/01/1993 Status: Effective*

*FERC Docket: RS92-41-003*

**Original Sheet No. 3** Original Sheet No. 3 : Effective

PRELIMINARY STATEMENT

Midwestern Gas Transmission Company (Midwestern) is a natural gas transmission company, engaged in the business of transporting natural gas in interstate commerce. Midwestern's system extends in a northerly direction from a point near Portland, Tennessee, through the States of Tennessee, Kentucky, Indiana, and Illinois to its terminus at a point near Joliet, Illinois.

*Effective Date: 09/01/1993 Status: Effective*

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

System Map

Effective Date: 10/01/2001 Status: Effective  
 FERC Docket: RP01-565-000

**Thirteenth Revised Sheet No. 5** Thirteenth Revised Sheet No. 5 : Effective  
 Superseding: Twelfth Revised Sheet No. 5

SUMMARY OF RATES AND CHARGES  
 =====

After Current Rate Schedule and Rate Adjustment	Base Tariff Rate	Adjustments Under Article XVII	Adjustments Under Article XVIII	Rate
-----	-----	-----	-----	
TRANSPORTATION RATES (Dkt) 1/ =====				
FT-A				
Demand:				
\$2.150	(MAX) L.F. >50%	\$2.060	\$0.090	
\$2.115	(MAX) L.F. <=50%	\$2.060	\$0.055	
\$0.000	(MIN)	\$0.000		
Daily Demand: 3/				
\$0.0707	L.F. >50%	\$0.0677	\$0.0030	
\$0.0695	L.F. <=50%	\$0.0677	\$0.0018	
Commodity Rate:				
\$0.0100	(MAX)	\$0.0009	\$0.0070	\$0.0021
\$0.0030	(MIN)	\$0.0009		\$0.0021
FT-GS				
\$0.1836	(MAX)	\$0.1705	\$0.0110	\$0.0021
\$0.0030	(MIN)	\$0.0009		\$0.0021
IT				
\$0.0778	(MAX)	\$0.0687	\$0.0070	\$0.0021
\$0.0030	(MIN)	\$0.0009		\$0.0021
Fuel Retention and Loss Quantity 2/ -----		1.00%		

- 1/ Transportation rates apply to forward hauls, backhauls and exchanges.
- 2/ The Fuel Retention and Loss Quantity applies to all transportation rate schedules except for service rendered entirely by displacement for which a 0.5% Loss Quantity shall apply and for service where both the receipt and delivery points are the same for which no Fuel Retention and Loss Quantity shall apply.
- 3/ The maximum Volumetric Firm Rate for Capacity Release is \$.0779.

Effective Date: 09/01/1993 Status: Effective  
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**Substitute Original Sheet No. 6** Substitute Original Sheet No. 6 : Effective  
 Superseding: Original Sheet No. 6

Rates Under Rate Schedule Load Management Service (LMS) 1\_/

Rate Schedule and Rate -----	Base Tariff Rate -----	Rate After Current Adjustments -----
Daily Demand Service (DDS) =====		
Deliverability Rate 2_/	\$3.34	\$3.34
Daily Variance Rate =====		
FT-A	\$0.0687	\$0.0687
FT-GS	\$0.3410	\$0.3410

1\_/ Service provided pursuant to Midwestern's LMS Rate Schedule include demand and commodity charges associated with Tennessee Gas Pipeline's LMS service.

2\_/ The charges under Midwestern's LMS Service have been adjusted for system fuel and uses and for gas lost and unaccounted for.

Effective Date: 07/01/1994 Status: Effective  
 FERC Docket: TM94-4-5-000

**Second Revised Sheet No. 7** Second Revised Sheet No. 7 : Effective  
 Superseding: First Revised Sheet No. 7

DEMAND RATE SURCHARGE  
 PURSUANT to ARTICLE XXIII

CUSTOMER	RATE SCHEDULE	ALLOCATION FACTORS	MONTHLY SURCHARGE
NORTHERN INDIANA PUB	FT-A	43.21%	\$0
NORTHERN ILL. GAS CO.	FT-A	39.06%	\$0
PEOPLES GAS LIGHT & COKE	FT-A	16.95%	\$0
CITY of CASEY	FT-GS	0.20%	\$0
CITY of MARSHALL	FT-GS	0.18%	\$0
CITY of MARTINSVILLE	FT-GS	0.05%	\$0
COMMUNITY NATURAL GAS CO.	FT-GS	0.08%	\$0
CENTRAL ILL. PUB SERV	FT-GS	0.07%	\$0
CITY of MORGANTOWN	FT-GS	0.06%	\$0
CENTRAL ILL. LIGHT	FT-GS	0.09%	\$0
TOWN of GRANDVIEW	FT-GS	0.04%	\$0

Effective Date: 03/01/1999 Status: Effective  
 FERC Docket: RP97- 14-002

Original Sheet No. 8 Original Sheet No. 8 : Effective

STATEMENT OF NEGOTIATED RATES 1/,

3/

Receipt Point(s)	Primary Contract	Delivery Point(s)	Primary Contract	Reservation	Commodity	Primary
Shipper Name	Number	Schedule	Demand	Charge 2/	Charge 2/	Meter
Name	Meter	Name				
TransCanada Energy	27829	FT-A	50,000 dth	4/	5/	017025
Joliet	027086	Bowling Green	(Maximum)			
Marketing USA, Inc.						

1/ Unless otherwise noted, negotiated contracts do not deviate in any material respect from the applicable form of service agreement set forth in Transporter's FERC Gas Tariff.

2/ Unless otherwise noted, rates are inclusive of all surcharges.

3/ Unless otherwise noted, this tariff sheet reflects the essential elements of the negotiated contracts, including a specification of all consideration.

4/ The daily reservation charge per dth of contract demand shall be zero if the daily Index Spread is less than or equal to zero. The daily reservation charge per dth of contract demand shall be 80% multiplied by 33% of the daily Index Spread if the Index Spread is greater than zero. The daily Index Spread shall be equal to the Pricing Differential minus the Commodity Cost. The Pricing Differential shall be calculated as CNG South Point-Midpoint (as published daily in Gas Daily for the day prior to service) less Chicago-LDCs, Large End-Users-Midpoint (as published in Gas Daily for the day prior to service). The Commodity Cost shall be calculated as the current minimum commodity rate of \$.0031/dth under Transporter's Rate Schedule FT-A plus the current minimum commodity rate of \$.0181/dth under Tennessee Gas Pipeline Company's ("Tennessee's") Rate Schedule FT-A plus the current minimum commodity rate of \$.0153/dth under CNG Transmission Corporation's Rate Schedule FT plus a commodity fuel cost (calculated as Chicago-LDCs, Large End-Users-Midpoint multiplied by .0578). In no event will the Monthly Reservation Rate exceed Transporter's maximum reservation rate under Rate Schedule FT-A or be below Transporter's minimum reservation rate under Rate Schedule FT-A.

5/ The daily commodity rate per dth shall be Transporter's applicable minimum commodity rate of \$.0031 plus applicable surcharges. In addition, TransCanada shall pay the applicable fuel retention percentage. In no event will the commodity rate exceed Transporter's maximum FT-A commodity rate or be below Transporter's minimum FT-A commodity rate.



Effective Date: 12/01/2000 Status: Effective  
 FERC Docket: RP00-105-000

**Forty-Fourth Revised Sheet No. 8A** Forty-Fourth Revised Sheet No. 8A : Superseded  
 Superseding: Forty-Third Revised Sheet No. 8A

Rates - Cents per MMBtu  
 FIRM MARKET AREA TRANSPORTATION - BASE

Rate Schedule	Section	Description	Currently Effective Rates				Maximum Rates Including Surcharges	
			Reservation Charge	Usage Charge	Reservation Charge	Usage Charge		
FTS-1	4	FIRM TRANSPORTATION SERVICE						
		Forward Haul	36.87¢	0.00¢	3.12¢	3.12¢	37.53¢1/	4.77¢
		Backhaul/Exchange	36.87¢	0.00¢	3.12¢	0.00¢	37.53¢1/	4.77¢
SFTS	4	SMALL FIRM TRANSPORTATION SERVICE			76.86¢	3.12¢		79.39¢
NNTS	6	NO NOTICE TRANSPORTATION SERVICE	5.90¢				5.90¢	

TCR Reservation Charge and 636 Reservation Charge to Applicable Shippers pursuant to Section 24 of the General Terms and Conditions 0.00¢

GRI Demand Surcharge to Applicable High Load Factor Shippers pursuant to Section 23 of the General Terms and Conditions 0.66¢

GRI Demand Surcharge to Applicable Low Load Factor Shippers pursuant to Section 23 of the General Terms and Conditions 0.40¢

50% load factor TCR Reservation Charge and 636 Reservation Charge applicable to SFTS Shippers pursuant to Section 24 of the General Terms and Conditions 0.00¢

GRI Volumetric Surcharge to Applicable Shippers pursuant to Section 23 of the General Terms and Conditions 0.72¢

GRI Volumetric Surcharge to Applicable SFTS Shippers pursuant to Section 23 of the General Terms and Conditions 1.60¢

ACA Surcharge to Applicable Shippers pursuant to Section 22 of the General Terms and Conditions 0.22¢

TCR Usage Surcharge to Applicable Buyers pursuant to Section 24 of the General Terms and Conditions 0.00¢

Effective Unit Fuel Surcharge 0.71¢ 2/

Effective Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions 2.25% 3/

1/ Reflects High Load Factor GRI Demand Surcharge. The maximum Reservation Charge for Low Load Factor Shippers is 37.27¢ per MMBtu.

2/ Base Unit Fuel Surcharge 0.71¢  
 Interim Adjustment 0.00¢  
 Effective Unit Fuel Surcharge 0.71¢

3/ Base Fuel Reimbursement Charge Percentage 2.50%  
 Flex Adjustment (0.25)%  
 Effective Fuel Reimbursement Charge Percentage 2.25%

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 FERC Docket: RP00-105-000

**Fortieth Revised Sheet No. 8B** Fortieth Revised Sheet No. 8B : Superseded  
 Superseding: Thirty-Ninth Revised Sheet No. 8B

Rates - Cents per MMBtu

WESTERN DIVISION TRANSPORTATION

Rates							Maximum
							Including
Surcharge			Facility	Service		Facility	
Rate	Section	Description	Charge	Charge	Charge	Charge 4/	
Service			Maximum	Minimum	Maximum	Minimum	
Schedule							
Charge							
FTS-WD	4	FIRM TRANSPORTATION 3/ Forward Haul	8.01¢	0.00¢	1/ 0.37¢ 2/		8.67¢
1/+0.94¢		Backhaul/Exchange	8.01¢	0.00¢	1/	0.00¢	8.67¢
1/+0.94¢							
TCR Reservation Charge and 636 Reservation Charge to Applicable Shippers pursuant to Section 24 of the General Terms and Conditions			0.00¢				
GRI Demand Surcharge to Applicable High Load Factor Shippers pursuant to Section 23 of the General Terms and Conditions			0.66¢				
GRI Demand Surcharge to Applicable Low Load Factor Shippers pursuant to Section 23 of the General Terms and Conditions			0.40¢				
GRI Volumetric Surcharge to Applicable Shippers pursuant to Section 23 of the General Terms and Conditions					0.72¢		
ACA Surcharge to Applicable Shippers pursuant to Section 22 of the General Terms and Conditions					0.22¢		
TCR Usage Surcharge to Applicable Shippers pursuant to Section 24 of the General Terms and Conditions					0.00¢		
In addition to any fuel charges by Transporting Pipeline, the Fuel Reimbursement Charge Percentage for deliveries under Rate Schedules FTS-WD, FTS-1 and FTS-2 pursuant to Section 27 of the General Terms and Conditions is 0.50% per compressor station up to a maximum of					2.25%		
1/	Service Charge applicable to each MMBtu delivered shall be 0.28¢/MMBtu plus .07¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles.						
2/	Quantities delivered from an upstream FTS-WD shipper confirmed as receipts by a downstream shipper under a Western Division Rate Schedule FTS-WD shall not be assessed a Facility Charge, Service Charge or other surcharges, but shall be assessed a charge equal to .07¢/MMBtu per 25 miles or any portion thereof.						
3/	100% Load Factor Rate shall equal the sum of the Facility and Service Charge.						
4/	Reflects High Load Factor GRI Demand Surcharge. The maximum Facility Charge for Low Load Factor Shippers is 8.41¢ per MMBtu.						

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**Thirty-Sixth Revised Sheet No. 8A.01** Thirty-Sixth Revised Sheet No. 8A.01 : Superseded  
 Superseding: Thirty-Fifth Revised Sheet No. 8A.01

Rates - Cents per MMBtu  
 FIRM MARKET AREA TRANSPORTATION - INCREMENTAL

Rate	Schedule	Section	Description	Currently Effective Rates				Maximum Rates Including Surcharges	
				Reservation Charge		Usage Charge		Reservation Charge	Usage Charge
				Maximum	Minimum	Maximum	Minimum		
FTS-2	4		FIRM TRANSPORTATION SERVICE	76.18¢	0.00¢	1.42¢	1.42¢	76.84¢	1/ 3.07¢

GRI Demand Surcharge to Applicable High Load Factor Shippers pursuant to Section 23 of the General Terms and Conditions 0.66¢

GRI Demand Surcharge to Applicable Low Load Factor Shippers pursuant to Section 23 of the General Terms and Conditions 0.40¢

GRI Volumetric Surcharge to Applicable Shippers pursuant to Section 23 of the General Terms and Conditions 0.72¢

ACA Surcharge to Applicable Shippers pursuant to Section 22 of the General Terms and Conditions 0.22¢

Effective Unit Fuel Surcharge 0.71¢ 2/

Effective Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions 2.25% 3/

1/ Reflects High Load Factor GRI Demand Surcharge. The maximum Reservation Charge for Low Load Factor Shippers is 76.58¢ per MMBtu.

2/ Base Unit Fuel Surcharge 0.71¢  
 Interim Adjustment 0.00¢  
 Effective Unit Fuel Surcharge 0.71¢

3/ Base Fuel Reimbursement Charge Percentage 2.50%  
 Flex Adjustment (0.25)%  
 Effective Fuel Reimbursement Charge Percentage 2.25%

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 FERC Docket: RP00-105-000

**Thirty-Third Revised Sheet No. 8B.01** Thirty-Third Revised Sheet No. 8B.01 : Superseded  
 Superseding: Thirty-Second Revised Sheet No. 8B.01

Rates - Cents per MMBtu  
 WESTERN DIVISION TRANSPORTATION - INTERRUPTIBLE

Rate Surcharges Schedule	Section	Description	Service		Maximum Rates Including
			Charge Maximum	Minimum	Service Charge
ITS-WD	4	INTERRUPTIBLE TRANSPORTATION SERVICE			
		Forward Haul	1/	0.37¢ 2/	1/ + 0.94¢
		Backhaul/Exchange	1/	0.00¢	1/ + 0.94¢
		GRI Volumetric Surcharge to Applicable Shippers pursuant to Section 23 of the General Terms and Conditions		0.72¢	
		ACA Surcharge to Applicable Shippers pursuant to Section 22 of the General Terms and Conditions		0.22¢	
		TCR Usage Surcharge to Applicable Shippers pursuant to Section 24 of the General Terms and Conditions		0.00¢	
		In addition to any fuel charges by Transporting Pipelines, the Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions is 0.50% per compressor station up to a maximum of		2.25%	
		1/ Service Charge applicable to each MMBtu delivered shall be 6.96¢/MMBtu plus .07¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles.			
		2/ Quantities delivered from an upstream ITS-WD shipper confirmed as receipts by a downstream shipper under a Western Division Rate Schedule ITS-WD shall not be assessed a Service Charge or other surcharges, but shall be assessed a charge equal to .07¢/MMBtu per 25 miles or any portion thereof.			

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 FERC Docket: RP00-105-000

**Thirty-Sixth Revised Sheet No. 8A.02** Thirty-Sixth Revised Sheet No. 8A.02 : Superseded  
 Superseding: Thirty-Fifth Revised Sheet No. 8A.02

Rates - Cents per MMBtu  
 INTERRUPTIBLE MARKET AREA TRANSPORTATION

Rate Surcharges Schedule	Section	Description	Currently Effective Rates		Maximum Rates Including
			Usage Charge Maximum	Minimum	Usage Charge
ITS-1	4	INTERRUPTIBLE TRANSPORTATION SERVICE			
		Forward Haul	32.62 ¢	3.12¢	34.27 ¢
		Backhaul Exchange	32.62 ¢	0.00¢	34.27 ¢
		GRI Volumetric Surcharge to Applicable Shippers pursuant to Section 23 of the General Terms and Conditions		0.72¢	
		ACA Surcharge to Applicable Shippers pursuant to Section 22 of the General Terms and Conditions		0.22¢	
		TCR Usage Surcharge to Applicable Buyers pursuant to Section 24 of the General Terms and Conditions		0.00¢	
		Effective Unit Fuel Surcharge		0.71¢ 1/	
		Effective Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions		2.25% 2/	
		1/ Base Unit Fuel Surcharge		0.71¢	
		Interim Adjustment		0.00¢	
		Effective Unit Fuel Surcharge		0.71¢	
		2/ Base Fuel Reimbursement Charge Percentage		2.50%	
		Flex Adjustment		(0.25)%	
		Effective Fuel Reimbursement Charge Percentage		2.25%	

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**Original Sheet No. 9** Original Sheet No. 9 : Effective

Sheet No. 9 is reserved for future use.

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

**Original Sheet No. 10** Original Sheet No. 10 : Effective

RATE SCHEDULE FT-A  
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on a firm basis by Midwestern Gas Transmission Company (Transporter) for any Shipper:

- (a) that completes a valid request for service and executes a Firm Gas Transportation Agreement; and
- (b) provided that capacity is available on all portions of Transporter's system necessary to provide the service on a firm basis.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 The service rendered shall be the transportation of natural gas up to the Transportation Quantity set out in the FT-A Agreement performed under Subpart G of Part 284 of the Commission's Regulations. This service shall be provided (i) to former sales customers under former rate Schedules CD-1, SR-1, or SR-T that have converted their firm sales entitlement to firm transportation service under Rate Schedule FT-A, and (ii) to the extent Transporter determines firm capacity is available, to any Shipper in the order in which each Shipper has fulfilled the requirements of Section 3 below.
- 2.2 Service shall be provided on a firm basis. However, service may be curtailed for any of the reasons set out in Article X of the General Terms and Conditions or whenever necessary to maintain gas quality or the integrity of Transporter's system.
- 2.3 Transporter shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. QUALIFICATION FOR SERVICE

- 3.1 All Shippers requesting firm transportation service under this Rate Schedule must qualify pursuant to Article XXV of the General Terms and Conditions of Transporter's FERC Gas Tariff.

RATE SCHEDULE FT-A (continued)

- 3.2 All Shippers requesting firm transportation service hereunder must execute a Firm Gas Transportation Service Agreement for use under Rate Schedule FT-A (FT-A Agreement) in accord with the provisions of Article XXV of the General Terms and Conditions of Transporter's Tariff.
4. DELIVERIES AND RECEIPTS
- 4.1 Receipt Points: Subject to the availability of capacity, any receipt point on Transporter's system that is covered by a Balancing Agreement ("Eligible Receipt Point") shall be eligible for designation as a Primary Receipt Point(s) for gas transported under this Rate Schedule. Receipt points that are not covered by a Balancing Agreement may be Eligible Receipt Points upon Transporter's consent. Shipper may use as a Secondary Receipt Point any Eligible Receipt Point; provided, that (i) Shipper's total receipts on any day shall not exceed the Transportation Quantity specified in its contract and (ii) service for Shipper at a Secondary Receipt Point shall not cause a reduction of scheduled receipts for another firm shipper utilizing a Primary or Secondary Receipt Point. If the capacity at such Receipt Point is insufficient to serve all shippers requesting the point, receipt quantities for that point shall be allocated in accordance with Section 5 of Article III of the General Terms and Conditions. Transporter shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.
- 4.2 Delivery Points: Subject to the availability of capacity, any delivery point on Transporter's system that is covered by a Balancing Agreement ("Eligible Delivery Point") shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule. Delivery points that are not covered by a Balancing Agreement may be Eligible Delivery Points upon Transporter's consent. Shipper may use as a Secondary Delivery Point any Eligible Delivery Point; provided, that (i) Shipper's total deliveries on any day shall not exceed the Transportation Quantity specified in its contract and (ii) service for Shipper at a Secondary Delivery Point shall not cause a reduction of scheduled deliveries of another firm shipper utilizing a Primary or Secondary Delivery Point. If the capacity at such Delivery Point is



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**Second Revised Sheet No. 12** Second Revised Sheet No. 12 : Effective  
Superseding: Original Sheet No. 12

RATE SCHEDULE FT-A (continued)

insufficient to serve all shippers requesting the point, delivery quantities for that point shall be allocated in accordance with Section 5 of Article III of the General Terms and Conditions. Transporter shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

- 4.3 Gas Quantities at Receipt/Delivery Points: The sum of the maximum daily quantities applicable to all Primary Receipt Points or applicable to all Primary Delivery Points may not exceed the Transportation Quantity under the Shipper's FT-A Agreement.
- 4.4 Pressures: Shipper shall deliver gas to Transporter at the pressure required from time to time to enable the gas to enter Transporter's facilities at the Receipt Points, but the pressure of gas delivered into Transporter's system shall not exceed Transporter's maximum allowable operating pressure. Transporter shall deliver gas to Shipper or Shipper's designee at Transporter's line pressure existing at the Delivery Point(s).
- 4.5 Uniform Quantities: As nearly as practicable, Shipper shall deliver and receive gas in uniform hourly quantities during any day. However, Transporter shall use its best efforts as operational conditions permit, to allow Shippers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

- 5.1 Applicable Rates and Charges: The rates and charges for service under this Rate Schedule shall be the Transportation Rates, and any New Facilities Charge, Incidental Charges, and Authorized Ovrerrun Charges and Imbalance Charges, if applicable, all as specified in Sections 5.2, 5.3, 5.4, 5.5, and 5.6 of this Rate Schedule. By mutual agreement between Transporter and Shipper, discounts may be limited consistent with the provisions of Section 6.1 of the pro forma service agreement applicable to this Rate Schedule FT-A.
- 5.2 Transportation Rates: The applicable rates for service under this FT-A Rate Schedule are the applicable Maximum Reservation and Commodity Rates shown on the effective Tariff Sheet No. 5; provided however, Transporter has the right at any time and from time to time to adjust the Maximum Reservation and Commodity Rates applicable to any service upon notice to Shipper to any level not less than the minimum or more than the maximum Reservation and Commodity Rates established for this Rate Schedule and set forth on the effective Tariff Sheet No. 5.

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

RATE SCHEDULE FT-A (continued)

In the event Transporter and Shipper agree to establish a fixed rate to be charged for the duration of the transportation service, said rate will be set forth in the FT-A Agreement. Transporter shall file with the Commission the required reports of any adjustment below the maximum Commodity and Reservation Rates for service under this Rate Schedule.

- 5.3 New Facilities Charge: In addition to the charges pursuant to Section 5.2 of this Rate Schedule, Transporter may charge Shipper an amount to recoup some or all of the cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Shipper's request in order to provide transportation service under this Rate Schedule. Transporter shall not use the amounts so collected (as either costs or revenues) in establishing its general system rates. Shipper shall pay the New Facilities Charge by lump sum payment based upon Transporter's estimated cost prior to any construction activity, unless otherwise mutually agreed.

Transporter will construct only those facilities to render transportation services hereunder that interconnect with facilities that either cross or are immediately adjacent to Transporter's existing facilities; provided, however, Transporter shall not construct facilities hereunder that will result in the expansion or diminishment of Transporter's mainline capacity or that compromise the operational integrity of Transporter's pipeline system. Transporter will own and operate all facilities constructed.

RATE SCHEDULE FT-A (continued)

- 5.4 Incidental Charges: In addition to the charges pursuant to Section 5.2 and 5.3 of this Rate Schedule, Transporter shall charge Shipper an amount to reimburse Transporter for any filing or similar fees that have not been previously paid by Shipper, that Transporter incurs in establishing or rendering service. Transporter shall not use the amounts so collected as either costs or revenues in establishing its general system rates.
- 5.5 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter, should on any day take under this Rate Schedule a quantity of natural gas in excess of Shipper's Transportation Quantity under Shipper's FT-A Agreement, then such excess quantity shall constitute authorized overrun quantities. All Shipper requests for Authorized Overruns must be nominated through PASSKEY. If Transporter has complete and unrestricted control of gas deliveries to Shipper, then Shipper shall be deemed to have received the advanced approval of Transporter for such excess takes. For all authorized overrun volumes, Shipper shall pay Transporter the maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Tariff Sheet No. 5 multiplied by the excess quantities delivered to Shipper, unless the parties mutually agree otherwise.
- 5.6 Imbalance Charge: In addition to the charges in Sections 5.2, 5.3, 5.4 and 5.5, if Shipper tenders or takes gas at a point not covered by a Balancing Agreement, then Transporter shall charge Shipper any applicable charges provided in Rate Schedules LMS-MA or LMS-PA, as applicable and Section 8 of Article III of the General Terms and Conditions specified in Volume I of Transporter's Tariff.
- 5.7 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges or credits for service under this Rate Schedule that differ from those rates, rate components, charges or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges or credits ("Negotiated Rates"), then the Negotiated Rate(s) shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge or credit which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges or credits identified by Transporter and Shipper in writing as being superseded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges or credits prescribed, required, established or imposed by this Rate Schedule or Transporter's Tariff shall remain in effect. Transporter shall make any filings at the FERC necessary to effectuate a Negotiated Rate.

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**Original Sheet No. 14A** Original Sheet No. 14A : Effective

RATE SCHEDULE FT-A (continued)

6. FUEL AND LOSSES

Shipper shall provide daily to Transporter, at no cost to Transporter, the quantity of gas required for system fuel and uses and for gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall equal the quantity of gas tendered at the Receipt Point multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective Tariff.

RATE SCHEDULE FT-A (continued)

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

- (a) Reservation Charge: A reservation charge equal to the product of the applicable Reservation Rate shown on the effective Tariff Sheet No. 5 multiplied by the Transportation Quantity specified in the FT-A Agreement.
- (b) Commodity Charge: The applicable Commodity Rate set forth on the effective Tariff Sheet No. 5 multiplied by the quantity of gas delivered in the month; and
- (c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. FAILURE OF TRANSPORTER

8.1 In the event Transporter fails to deliver on any day the quantity of gas requested up to the Transportation Quantity that Transporter is obligated by the FT-A Agreement to deliver to Shipper on such day, then Shipper shall not be relieved from its obligation to make payment of amounts then due or that become due hereunder including, but not limited to, the Reservation Charge(s) set forth in this Rate Schedule if such failure is attributable to Shipper's conduct or results from an event that excuses performance under Article X of the General Terms and Conditions. Provided that:

- (a) in situations in which Transporter's failure to deliver the Scheduled Quantities results from a force majeure event that excuses performance under Article X of the General Terms and Conditions, Shipper will remain liable for all amounts due or that become due under the Rate Schedule during the time of reduced deliveries for a period not to exceed ten days from the occurrence of the force majeure event;
- (b) in situations in which Transporter's failure to deliver the Scheduled Quantities results from repair and maintenance that excuses performance under Article X of the General Terms and Conditions, Shipper will remain liable for all amounts due or that become due under this Rate Schedule only to the extent that Transporter has

RATE SCHEDULE FT-A (continued)

provided 30 days prior notice of the repair and maintenance to Shipper. If a Shipper does not receive all Scheduled Quantities due to maintenance and repair, then, to the greatest extent possible, such Shipper will be provided an opportunity to re-schedule the quantities at the FT-A commodity rate that Transporter failed to deliver even if such scheduling would result in a Shipper exceeding its Transportation Quantity on a given day.

- 8.2 In all other circumstances not referenced in Section 8.1, including the issuance of an Operational Flow Order, if Transporter fails to tender for delivery during any one or more days 95% of the Scheduled Quantity up to the Transportation Quantity specified in the transportation contract, then the Reservation Charge as otherwise computed hereunder shall be reduced by an amount equal to the applicable Daily Demand Rate per dth times the difference between the quantity of natural gas tendered for delivery during said day or days and 95% of the Scheduled Quantity. If Transporter fails to schedule the full quantity nominated by a Shipper as a result of an Operational Flow Order, then the Reservation Charge as otherwise computed hereunder shall be reduced by an amount equal to the applicable Daily Demand Rate per dth times the difference between the quantity nominated by Shipper and the quantity scheduled by Transporter.

9. GENERAL TERMS AND CONDITIONS

Shipper shall provide Transporter with such information as is needed to meet the requirements placed on Transporter by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Transporter's General Terms and Conditions specified in Volume I of Transporter's Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-A Agreement pursuant to this Rate Schedule are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

10. WAIVER

Transporter may waive any rights hereunder or any obligations of Shipper on a basis that is not unduly discriminatory; provided that no waiver shall operate or be construed as a waiver of other or future rights or obligations, whether of a like or different character.

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**Original Sheet No. 17** Original Sheet No. 17 : Effective

RATE SCHEDULE FT-GS  
FIRM TRANSPORTATION SERVICE  
SMALL CUSTOMERS

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on a firm basis by Midwestern Gas Transmission Company (Transporter) for any Shipper:

- (a) that was a sales customer under former Rate Schedule SR-1 or SR-T on May 18, 1992 and converted such sales service under former Rate Schedules SR-1 or SR-T to firm transportation service (Eligible Shipper) in connection with restructuring pursuant to Order No. 636 of the FERC; and
- (b) that requests a Transportation Quantity equal to or less than 5,233 Dth per day; and
- (c) that completes a valid request for service and executes a Firm Gas Transportation Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation service hereunder will be firm, except as provided herein and in the General Terms and Conditions.
- 2.2 A Shipper executing a service agreement under this Rate Schedule shall have a Transportation Quantity equal to the Maximum Daily Obligation contained in the Shipper's former service agreement under Rate Schedule SR-1 or SR-T, as adjusted for any permanent assignment of capacity.
- 2.3 A Shipper executing a service agreement under this Rate Schedule has the right to make an election to convert its service in its entirety to firm transportation service under Rate Schedule FT-A by providing written notice of such election on or before June 1 of any year. Such conversion shall be effective as of the following November 1.
- 2.4 A Shipper executing a service agreement under this Rate Schedule shall not be entitled to receive for its account gas transported under Rate Schedules FT-A or IT or any transportation capacity released pursuant to Transporter's capacity release mechanism as specified in Article XXI of the General Terms and Conditions of Transporter's FERC Gas Tariff unless the Shipper is receiving a quantity of gas under Rate Schedule FT-GS equal to its Transportation Quantity. However, if there is a separate meter for an end-user behind an FT-GS Shipper, IT or FT-A volumes may be delivered to the end-user pursuant to an IT or FT-A Agreement between Transporter and the end-user.

RATE SCHEDULE FT-GS (continued)

- 2.5 Transporter shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.
3. QUALIFICATIONS FOR SERVICE
  - 3.1 All Shippers requesting firm transportation service under this Rate Schedule must qualify pursuant to Article XXV of the General Terms and Conditions of Transporter's FERC Gas Tariff.
  - 3.2 All Shippers requesting firm transportation service hereunder must execute a Firm Gas Transportation Service Agreement for use pursuant to Rate Schedule FT-GS (FT-GS Agreement) in accord with the provisions of Article XXV of the General Terms and Conditions of Transporter's FERC Gas Tariff.
4. DELIVERIES AND RECEIPTS
  - 4.1 Receipt Points: Subject to the availability of capacity, any receipt point on Transporter's system covered by a Balancing Agreement (Eligible Receipt Point) shall be eligible to be designated as a Primary Receipt Point(s) in Shipper's FT-GS Agreement. Receipt points not covered by a Balancing Agreement may be Eligible Receipt Points upon Transporter's consent. Any Eligible receipt Point may be used as a Secondary Receipt Point; provided, that (i) Shipper's total receipts on any day shall not exceed the Transportation Quantity specified in its FT-GS Agreement and (ii) service for a Shipper at a Secondary Receipt Point shall not cause a reduction of scheduled receipts for another firm shipper utilizing a Primary or Secondary Receipt Point. If the capacity at such Receipt Point is insufficient to serve all Shippers requesting the point, receipt quantities for that point shall be allocated in accordance with Section 5 of Article III of the General Terms and Conditions. Transporter shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.
  - 4.2 Delivery Points: Shipper's delivery points shall be the interconnection(s) of Transporter's system and Shipper's system, or the delivery point(s) specified in Shipper's former SR-1 or SR-T Agreement.



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**First Revised Sheet No. 19** First Revised Sheet No. 19 : Effective  
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RATE SCHEDULE FT-GS (continued)

- 4.3 Pressures: Shipper shall deliver gas to Transporter at the pressure required from time to time to enable the gas to enter Transporter's facilities at the Receipt Points, but the pressure of gas delivered into Transporter's system shall not exceed Transporter's maximum allowable operating pressure. Transporter shall deliver gas to Shipper or Shipper's designee at Transporter's line pressure existing at the Delivery Point(s).
- 4.4 Uniform Quantities: As nearly as practicable, Shipper shall deliver and receive gas in uniform hourly quantities during the day. However, Transporter may, on a best efforts basis and if operational conditions permit, allow Shippers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

- 5.1 Applicable Rates and Charges: The rates and charges for service under this Rate Schedule shall be the Transportation Rates, and any New Facilities Charge, Incidental Charges, Authorized Overrun Charges and Imbalance Charges, if applicable, all as specified in Sections 5.2, 5.3, 5.4, 5.5, and 5.6 of this Rate Schedule. By mutual agreement between Transporter and Shipper, discounts may be limited consistent with the provisions of Section 6.1 of the pro forma service agreement applicable to this Rate Schedule FT-GS.
- 5.2 Transportation Rates: The applicable rates for service under Rate Schedule FT-GS are rates shown on the effective Tariff Sheet No. 5; provided, however, Transporter has the right at any time and from time to time to adjust the rates applicable to any service upon notice to Shipper to any level not less than the minimum nor more than the maximum rates established for this Rate Schedule and set forth on the effective Tariff Sheet No. 5.

In the event Transporter and Shipper agree to establish a fixed rate to be charged for the duration of the transportation service, said rate will be set forth in the applicable FT-GS Agreement. Transporter shall file with the Commission the required reports of any adjustment below the maximum rates for service under this Rate Schedule.

RATE SCHEDULE FT-GS (continued)

- 5.3 New Facilities Charge: In addition to the charges pursuant to Section 5.2 of this Rate Schedule, Transporter may charge Shipper an amount to recoup some or all of the cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Shipper's request in order to provide transportation service under this Rate Schedule. Transporter shall not use the amounts so collected (as either costs or revenues) in establishing its general system rates. Shipper shall pay the New Facilities Charge by lump sum payment based upon Transporter's estimated cost prior to any construction activity, unless otherwise mutually agreed.
- Transporter will construct only those facilities to render transportation services hereunder that interconnect with facilities that either cross or are immediately adjacent to Transporter's existing facilities; provided, however, Transporter shall not construct facilities hereunder that will result in the expansion or diminishment of Transporter's mainline capacity or that compromise the operational integrity of Transporter's pipeline system. Transporter will own and operate all facilities constructed.
- 5.4 Incidental Charges: In addition to the charges pursuant to Sections 5.2 and 5.3 of this Rate Schedule, Transporter shall charge Shipper an amount to reimburse Transporter for any filing or similar fees that have not been previously paid by Shipper that Transporter incurs in establishing or rendering service. Transporter shall not use the amounts so collected (as either costs or revenues) in establishing its general system rates.
- 5.5 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter, should on any day take under this Rate Schedule a quantity of natural gas in excess of Shipper's Transportation Quantity, then such excess quantity shall constitute authorized overrun quantities. All Shipper requests for Authorized Overruns must be nominated through PASSKEY. If Transporter has complete and unrestricted control of gas deliveries to Shipper, then Shipper shall be deemed to have received the advance approval of Transporter. For all Authorized Overrun volumes, the Shipper shall pay Transporter the applicable Maximum Commodity Rate per dth under this Rate Schedule, unless the parties mutually agree otherwise.
- 5.6 Imbalance Charge: In addition to the charges in Sections 5.2, 5.3, 5.4 and 5.5 if Shipper tenders or takes gas at a point not covered by an Operational Balancing Agreement, then, Transporter shall charge Shipper any applicable charges provided in Rate Schedules LMS-MA or LMS-PA, as applicable and Section 8 of Article III of the General Terms and Conditions specified in Volume I of Transporter's Tariff.
- 5.7 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges or credits for service under this Rate Schedule that differ from those rates, rate components, charges or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges or credits ("Negotiated Rates"), then the Negotiated Rate(s) shall be

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**First Revised Sheet No. 21** First Revised Sheet No. 21 : Effective  
Superseding: Original Sheet No. 21

RATE SCHEDULE FT-GS (continued)

effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge or credit which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges or credits identified by Transporter and Shipper in writing as being superseded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges or credits prescribed, required, established or imposed by this Rate Schedule or Transporter's Tariff shall remain in effect. Transporter shall make any filings at the FERC necessary to effectuate a Negotiated Rate.

6. FUEL AND LOSSES

Shipper shall provide to Transporter, at no cost to Transporter, the quantity of gas required for system fuel and uses and for gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall equal the quantity of gas tendered at the Receipt Point multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective Tariff.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

- (a) Commodity Charge: The applicable Commodity Rate set forth on the effective Tariff Sheet No. 5 multiplied by the quantity of gas delivered in the month; and
- (b) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. GENERAL TERMS AND CONDITIONS

Shipper shall provide Transporter with such information as is needed to meet the requirements placed on Transporter by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Transporter's General Terms and Conditions specified in Volume 1 of Transporter's Tariff, which are incorporated into this Rate Schedule. To the extent

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**Original Sheet No. 22** Original Sheet No. 22 : Effective

RATE SCHEDULE FT-GS (continued)

any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-GS Agreement pursuant to this Rate Schedule are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

9. WAIVER

Transporter may waive any rights hereunder or any obligations of Shipper on a basis that is not unduly discriminatory; provided that no waiver shall operate or be construed as a waiver of other or future rights or obligations, whether of a like or different character.

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FERC Docket: RP00-233-000

**First Revised Sheet No. 23** First Revised Sheet No. 23 : Superseded  
Superseding: Original Sheet No. 23

RATE SCHEDULE IT  
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on an interruptible basis by Midwestern Gas Transmission Company (Transporter) to any Shipper:

- (a) that makes a valid request pursuant to Section 3 hereof and executes an Interruptible Transportation Agreement (IT Agreement); and
- (b) to the extent that capacity is available on Transporter's system from time to time for the delivery of gas to Transporter and the redelivery by Transporter for the account of Shipper.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 The service rendered hereunder shall be the receipt of natural gas and the delivery of the equivalent quantity of natural gas up to the maximum interruptible quantity set out in the IT Agreement, subject to the availability of capacity sufficient to provide the service without detriment or disadvantage to Transporter's firm transportation customers. Service hereunder is fully interruptible to the extent necessary to provide firm transportation service.
- 2.2 Interruption of service includes decreasing, suspending, or discontinuing either the receipt or delivery of gas. Interruption and the allocation of available interruptible capacity shall be in accord with Article II of the General Terms and Conditions. Transporter may also interrupt service to any Shipper whenever necessary to maintain gas quality or the integrity of Transporter's system.
- 2.3 Transporter shall not be required to install, operate or maintain any additional facilities in order to provide transportation service under this Rate Schedule.

3. QUALIFICATION FOR SERVICE

- 3.1 All Shippers requesting interruptible transportation service must qualify pursuant to Article XXV of the General Terms and Conditions of Transporter's Tariff.
- 3.2 All Shippers requesting interruptible transportation service must execute an IT Agreement in accord with the provisions of Article XXV of the General Terms and Conditions of Transporter's FERC Gas Tariff.

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**First Revised Sheet No. 24** First Revised Sheet No. 24 : Superseded  
Superseding: Second Sub Original Sheet No. 24

RATE SCHEDULE IT (continued)

4. DELIVERIES AND RECEIPTS

- 4.1 Receipt Points: All receipt points on Transporter's system covered by a Balancing Agreement shall be available as Eligible Receipt Points for gas transported under this Rate Schedule. Receipt points not covered by a Balancing Agreement may be Eligible Receipt Points upon Transporter's consent. Transporter shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.
- 4.2 Delivery Points: All delivery points on Transporter's system covered by a Balancing Agreement shall be available as Eligible Delivery Points for gas transported under this Rate Schedule. Delivery points not covered by a Balancing Agreement may be Eligible Delivery Points upon Transporter's consent. Transporter shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered.
- 4.3 Pressures: Shipper shall deliver gas to Transporter at the pressure required from time to time to enable the gas to enter Transporter's facilities at the Receipt Points, but the pressure of gas delivered into Transporter's system shall not exceed Transporter's maximum allowable operating pressure. Transporter shall deliver gas to Shipper or Shipper's designee at Transporter's line pressure existing at the Delivery Point(s).
- 4.4 Uniform Quantities: As nearly as practicable, Shipper shall deliver and receive gas in uniform hourly quantities during any day.

5. RATES AND CHARGES

- 5.1 Applicable Rates and Charges: The rates and charges for service under this Rate Schedule shall be the Transportation Rate, and any New Facilities Charge, Incidental Charges, and Authorized Overrun Charges, and Imbalance Charges if applicable, all as specified in Sections 5.2, 5.3, 5.4, and 5.5 of this Rate Schedule.

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**Third Revised Sheet No. 25** Third Revised Sheet No. 25 : Effective  
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RATE SCHEDULE IT (continued)

- 5.2 Transportation Rate: The Transportation Rate is the maximum rate per Dth as shown on the effective Tariff Sheet No. 5, unless otherwise mutually agreed and specified in the IT Agreement. By mutual agreement between Transporter and Shipper, discounts may be limited consistent with the provisions of Section 6.1 of the pro forma service agreement applicable to this Rate Schedule IT.
- 5.3 New Facilities Charge: In addition to the charges pursuant to Section 5.2 of this Rate Schedule, Transporter may charge Shipper an amount to recoup some or all of the cost (and income tax effects resulting from such reimbursement) of facilities constructed at the Shipper's request in order to provide transportation service under this Rate Schedule. Transporter shall not use the amounts so collected (as either revenues or costs) in establishing its general system rates. Shipper shall pay the New Facilities Charge by lump sum payment based upon Transporter's estimated cost prior to any construction activity, unless otherwise mutually agreed.
- Transporter will construct only those facilities to render transportation services hereunder that interconnect with facilities that either cross or are immediately adjacent to Transporter's existing facilities; provided, however, Transporter shall not construct facilities hereunder that will result in the expansion or diminishment of Transporter's mainline capacity or that compromise the operational integrity of Transporter's pipeline system. Transporter will own and operate all facilities constructed.
- 5.4 Incidental Charges: In addition to the charges pursuant to Section 5.2 and 5.3 of this Rate Schedule, Transporter shall charge Shipper an amount to reimburse Transporter 100% for any filing or similar fees, that have not been previously paid by Shipper, that Transporter incurs in establishing or rendering service. Transporter shall not use the amounts so collected (as either revenues or costs) in establishing its general system rates.
- 5.5 Imbalance Charge: In addition to the charges in Sections 5.2, 5.3, 5.4 and 5.5, if Shipper takes receipts or deliveries at a point not covered by a Balancing Agreement, then, Transporter shall charge Shipper any applicable charges as provided in Rate Schedules LMS-MA or LMS-PA, as applicable and Section 8 of Article III of the General Terms and Conditions specified in Volume I of Transporter's Tariff.
- 5.6 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges or credits for service under this Rate Schedule that differ from those rates, rate components, charges or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges or credits ("Negotiated Rates"), then the Negotiated Rate(s) shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service

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**First Revised Sheet No. 26** First Revised Sheet No. 26 : Effective  
Superseding: Original Sheet No. 26

RATE SCHEDULE IT (continued)

provided to Shipper. Only those rates, rate components, charges or credits identified by Transporter and Shipper in writing as being superseded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges or credits prescribed, required, established or imposed by this Rate Schedule or Transporter's Tariff shall remain in effect. Transporter shall make any filings at the FERC necessary to effectuate a Negotiated Rate.

6. FUEL AND LOSSES

Shipper shall provide daily to Transporter, at no cost to Transporter, the quantity of gas required for system fuel and uses and for gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall equal the quantity of gas tendered at the Receipt Point multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective Tariff.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to (1) the Transportation Rate multiplied by the dekatherms of natural gas delivered for Shipper and (2) if applicable, any charges pursuant to Sections 5 or 6.

8. GENERAL TERMS AND CONDITIONS

Shipper shall provide Transporter with such information as is needed to meet the requirements placed on Transporter by valid regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Transporter's General Terms and Conditions specified in Volume I of Transporter's Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any IT Agreement pursuant to this Rate Schedule are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.



*Effective Date: 09/01/1993 Status: Effective*

*FERC Docket: RS92- 41-003*

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

RATE SCHEDULE IT (continued)

9. WAIVER

Transporter may waive any rights hereunder or any obligations of Shipper on a basis that is not unduly discriminatory; provided that no waiver shall operate or be construed as a waiver of other or future rights or obligations, whether of a like or different character.

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**Original Sheet No. 28** Original Sheet No. 28 : Effective

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

1. Availability

- (a) Transporter shall provide a monthly balancing service at delivery points to persons (herein referred to as "Balancing Party") who have executed a Balancing Agreement (Delivery Point OBA) in the form set forth in this Tariff. A Delivery Point OBA will be available to:
  - (i) the operator of connecting facilities at a delivery point(s) on Transporter's system; and
  - (ii) a pipeline operator whose facilities interconnect with Transporter's system; and
  - (iii) a market aggregator ("Aggregator") who has obtained written consent from delivery point operators that imposes responsibility on Aggregator for all scheduling and balancing at stated delivery points and that provides authority to Aggregator to change physical flows at stated delivery points upon notice from Transporter to the Aggregator.
- (b) Transporter shall provide a Daily Demand Service (DDS) with respect to swings in excess of the daily variance tolerance described below to Delivery Point Balancing Parties that:
  - (i) operate delivery point(s) where firm sales service was provided by Transporter on May 18, 1992; and
  - (ii) elected to receive such service under the procedures established in Docket No. RS92-41; and
  - (iii) have specified in their Delivery Point OBA, a daily delivery quantity (DDQ) for DDS service at specified meters up to the maximum daily quantities of firm sales service provided at Balancing Party's delivery points on May 18, 1992.

DDS shall also be available on a pro rata basis to other Balancing Parties at Delivery Points not qualifying under (b) above to the extent Transporter determines that additional DDS service can be provided. Transporter will rely on the capability of the Daily Demand Service (DDS) provided by Tennessee Gas Pipeline Company (Tennessee) under its LMS-MA Rate Schedule to provide DDS service. Transporter's DDS service shall be limited for all purposes to the availability of DDS service from Tennessee.

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FERC Docket: RS92- 41-003

**Original Sheet No. 29** Original Sheet No. 29 : Effective

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

DDS service permits Balancing Parties to increase their Daily Variance Tolerance. Transporter offers this service in reliance on its ability, as an operator on Tennessee's system pursuant to an OBA with Tennessee, to obtain sufficient DDS service from Tennessee. The rate for DDS Service shall be a demand rate as set forth at Sheet No. 6 of Volume No. 1 of Transporter's Tariff. Such rates shall reflect the cost to Transporter of securing DDS service from Tennessee.

Transporter shall elect to receive an amount of DDS service from Tennessee equal to the sum of such elections made in Docket No. RS92-41 pursuant to Section 1(b)(ii) above, adjusted for fuel and uses and for gas lost and unaccounted for. Such elections shall only occur once. Any changes to such elections shall be made only by mutual agreement.

2. Applicability and Character of Service

The terms, conditions and charges set forth in this Rate Schedule governing daily variances and monthly balancing shall apply to all gas flowing through meters covered by a Delivery Point OBA. A Delivery Point OBA may include all delivery points controlled by a single Balancing Party except that no OBA may cover both a delivery point under Rate Schedule FT-A and a delivery point under Rate Schedule FT-GS. If a Delivery Point OBA covers multiple points of which only some qualify for DDS, the increased imbalance tolerance may be utilized at all the points covered by the Delivery Point OBA. An Aggregator's OBA may include any delivery point where the maximum deliveries at any such point do not exceed 5,233 dth on any day.

DDS Service is expressly subject to the availability of Tennessee's DDS and the terms pursuant to which Tennessee offers DDS to Transporter, and are further subject to curtailment and interruption at any time for any of the reasons set out in Article X of the General Terms and Conditions or whenever necessary to maintain gas quality or the integrity of Transporter's system. Transporter shall automatically adjust the rates associated with this Rate Schedule to reflect any changes in the rates charged by Tennessee for its LMS-MA service.

3. Scheduling and Confirmation By Balancing Party

The Balancing Party will confirm nominations of the quantities to be delivered at delivery points.

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**Second Revised Sheet No. 30** Second Revised Sheet No. 30 : Superseded  
Superseding: First Revised Sheet No. 30

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

The Balancing Party will notify affected Shippers via PASSKEY within two hours of any change in Scheduled Quantities.

Transporter agrees to perform as a delivery point operator on other pipelines' systems at its existing points of interconnection with other pipelines to the extent necessary and agreed to by the other pipeline(s). To the extent Transporter incurs any imbalance charges, cash-outs, or penalties on such other pipelines, all such expenditures, except where negligently incurred by Transporter, shall be borne by Balancing Parties that are out of balance on Transporter's system in proportion to each Balancing Party's imbalance related to such other pipelines.

4. Daily Variances

- (a) The Daily Variance for a Delivery Point OBA shall be the average of the aggregated differences between the Scheduled Quantities and the actual quantity of gas received from Transporter at such point within the time period that the Scheduled Quantities were in effect during any day.
- (b) A Balancing Party shall pay the Daily Variance Charge at the rate set forth in the Summary of Rates and Charges in Transporter's effective Tariff for that portion of a Daily Variance that exceeds the Balancing Party's Daily Variance Tolerance. A Balancing Party electing DDS service shall also pay a monthly demand charge equal to the DDQ elected by the Balancing Party multiplied by the effective DDS demand rate shown in the Summary of Rates and Charges in Transporter's effective Tariff. A Balancing Party may also be subject to an unauthorized overrun charge for quantities taken above the Daily Limit as set forth in Section 5.
- (c) The Daily Variance Tolerance for a Balancing Party electing DDS shall be the greater of 500 dth or 10% of Scheduled Quantities, plus the Balancing Party's DDQ. The Daily Variance Tolerance for a Balancing Party not electing DDS service shall be the greater of 500 dth or 10% of Scheduled Quantities. A Balancing Party may also be subject to an unauthorized overrun charge for quantities taken above the Daily Limit as set forth in Section 5.

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

- (d) Based upon the best information available, a Balancing Party shall take action to correct any imbalances occurring during the month by making adjustments in nominations, receipts or deliveries. If a Balancing Party fails to take such corrective action, then Transporter may, upon 48 hours' notice, adjust Balancing Party's scheduled receipts and deliveries over the remainder of the calendar month in order to maintain a balance of receipts, deliveries and nominations.
- (e) Balancing Parties under this Rate Schedule and Supply Aggregators under Rate Schedule SA will be allowed to trade imbalances occurring during the month with other Parties that are subject to this Rate Schedule or Rate Schedule LMA-PA.

Mid-Month Trading: All imbalance trading occurring during the month that the imbalance(s) occurred must be effected through the nomination of mid-month make-up volumes. Any "receipt-to-delivery" imbalance trade may be effected by a Party nominating transportation from a point or Pooling Area covered on its Balancing Agreement or Rate Schedule SA Agreement to a point or Pooling Area on another Agreement where the trade will occur. A "receipt-to-delivery" imbalance trade is defined as any imbalance trade between a Party under this Rate Schedule and a Party under Rate Schedule LMS-PA whereby the Party under this Rate Schedule is trading an excess of actual deliveries relative to Scheduled Quantities with an excess of actual receipts relative to Scheduled Quantities incurred by a Party under Rate Schedule LMS-PA.

End-of-Month Trading: Balancing Parties and Supply Aggregators will also be allowed to trade offsetting imbalances in the month following the month during which the imbalance occurred; provided that the Party notifies Transporter of the identities of the Parties agreeing to the trade, and the volumes to be traded, no later than seventeen business days after the end of the month during which the imbalances occurred. For receipt-to-delivery imbalance trades after the month during which the imbalances occurred, the Parties agreeing to the trade must notify Transporter of the Party responsible for the transportation from point to point or Pooling Area to Pooling Area. If the Parties do not notify Transporter of the Party responsible for transportation, Transporter will hold the Party who traded the imbalance due Transporter responsible for the applicable transportation charges. To facilitate end-of-month imbalance trading, Transporter will provide for Parties to post their imbalances, and any information relevant to the trading thereof, on PASSKEY.

For mid-month and end-of-month trading, transportation charges for receipt-to-delivery imbalance trades will be based on the maximum applicable authorized overrun rate associated with Transporter's Rate Schedule FT-A.

- (f) Transporter shall not access any Daily Variance Charges against Shippers or Balancing Parties whose scheduled and flowing services are bumped as a result of an intra-day nomination change in accordance with Article 3, Section 4(d) of the General Terms and Conditions of Transporter's FERC Gas Tariff. This waiver of Daily Variance Charges shall apply only for the day(s) on which the services were bumped.

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FERC Docket: RP01- 19-000

**Original Sheet No. 31A** Original Sheet No. 31A : Superseded

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

5. Unauthorized Overrun

On any day when a Balancing Party takes gas in excess of the Daily Limit applicable to a delivery point(s), such Balancing Party will be subject to an unauthorized overrun charge of fifteen dollars (\$15.00) for each Dth of excess volumes taken beyond a two percent allowable variation. The Daily Limit shall be specified for each delivery point in an Operational Flow Order issued under Article VIII of the General Terms and Conditions of Transporter's Tariff.

6. Monthly Imbalances

- (a) A Balancing Party's monthly imbalance shall be the net total of daily variances from all points covered by the Delivery Point OBA. For supply aggregators under Rate Schedule SA, the daily variance shall be the difference, by pooling area, between actual deliveries under the Supply Aggregation Service Agreement and the actual quantities received at all points covered by such Agreement. Unless Transporter and Balancing Party mutually agree to correct the imbalance in kind on a nondiscriminatory basis, each month Transporter and Balancing Party shall "cash out" any imbalance between deliveries and Scheduled Quantities at delivery points covered by a Delivery Point OBA. Transporter shall divide the monthly imbalance by the sum of the Scheduled Quantities for all days of the month for all points covered by the OBA to determine the % monthly imbalance to be cashed out as set forth below:
- (b) If the % monthly imbalance is due to a deficiency of deliveries relative to Scheduled Quantities, Transporter shall pay the Balancing Party in accord with Schedule A below. Notwithstanding the above, a monthly imbalance that is less than 1000 dth shall be cashed out at the 0-5% level. If the % monthly imbalance is due to an excess of deliveries relative to Scheduled Quantities, the Balancing Party shall pay Transporter in accord with Schedule B below. In addition to correcting the monthly imbalance in cash, (a) the Balancing Party

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**Third Revised Sheet No. 32** Third Revised Sheet No. 32 : Superseded  
Superseding: Second Revised Sheet No. 32

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

shall pay to Transporter the "Transportation Component" if deliveries are greater than Scheduled Quantities, or (b) Transporter shall pay to Balancing Party the "Transportation Component" if deliveries are less than Scheduled Quantities. The "Transportation Component" shall be equal to (1) the commodity rate pursuant to Tennessee's Rate Schedule FT-A for transportation from Tennessee's Zone 1 to Transporter's system multiplied by the monthly imbalance plus, (2) Transporter's commodity rate under Rate Schedule FT-A or FT-GS, as applicable, multiplied by the monthly imbalance, plus (3) an additional amount to cover Transporter's cost of gas for the system fuel and use and lost and unaccounted for gas. The additional amount shall be calculated by multiplying (1) the amount of fuel necessary to transport the imbalance on the systems of both Tennessee and Transporter by (2) the Index price.

Schedule A

% Monthly Imbalance	Transporter Pays Balancing Party Following % of the Index Price
0-5%	100%
>5-10%	85%
>10-15%	70%
>15-20%	60%
>20%	50%

Schedule B

% Monthly Imbalance	Balancing Party Pays Transporter Following % of the Index Price
0-5%	100%
>5-10%	115%
>10-15%	130%
>15-20%	140%
>20%	150%

The Index Price shall be posted on PASSKEY. The Index price shall be calculated by using Natural Gas Week's "Gas Price Report." The Index Price shall be a weighted average price based upon the general system deliverability on

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**Third Revised Sheet No. 33** Third Revised Sheet No. 33 : Superseded  
Superseding: Second Revised Sheet No. 33

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

Tennessee's system (such system deliverability being updated semi-annually) from four Receipt Regions and the applicable Region Prices for such Receipt Regions (the Receipt Regions are Texas Offshore, Texas Onshore, Louisiana Offshore, and Louisiana Onshore). The Index Price will be posted on PASSKEY in a reasonable time after receipt of Natural Gas Week's "Gas Price Report." The applicable general system deliverability will also be posted on PASSKEY. If Natural Gas Week's "Gas Price Report" is no longer published, Transporter shall use the alternative spot price indices agreed to be used under Tennessee's Rate Schedule LMS-MA. Transporter shall allocate "cash-outs" with other upstream pipelines according to the same formula.

For the purpose of determining the level at which a Balancing Party's imbalance shall be cashed out, if a Balancing Party has an imbalance outside a given tolerance level, the escalating or declining percentage of the Index Price will apply only to the portion of the imbalance outside of the tolerance level.

The amounts due hereunder shall be paid in accordance with Articles V and VI of the General Terms and Conditions of Transporter's FERC Gas Tariff.

- (c) Access to Information - Upon request, Transporter will make available within one business day following the production day the best information it has concerning the total physical deliveries at applicable delivery points. Transporter will also make available by electronic means the best information it has concerning the scheduled and allocated receipts and deliveries at all of Balancing Party's delivery points by the end of the third business day after each day. Balancing Parties will be entitled to rely on the data generated by meters with Electronic Custody Transfer Agreements (Electronic Data) for purposes of correcting imbalances during the month. Operators will not be entitled to rely on the data provided by Transporter from other delivery points for purposes of correcting imbalances during the month. Imbalances will be cashed-out on the basis of actual deliveries and Scheduled Quantities. The charge associated with such imbalances will be based upon the lesser of (1) the monthly imbalance reported by



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

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

Transporter for the last day of the month based upon the Electronic Data or (2) the monthly imbalance based upon actual receipts and deliveries at such locations; provided however, if the monthly imbalance reported by Transporter for the 20th day of the calendar month based upon Electronic Data is subsequently adjusted during the remainder of the month and (1) such adjustments materially increase the level of the imbalance and (2) Balancing Party did not have adequate time to correct the imbalance by adjusting nominations, receipts or deliveries, then the charge associated with such imbalances will be based upon the lesser of (a) the imbalance reported on the 20th day of the calendar month plus the imbalance reported for each subsequent day in the calendar month or (b) the monthly imbalance based upon actual delivery at such delivery points. Notwithstanding anything to the contrary, if the Electronic Data at any point is inaccurate, through no fault of Transporter, but rather as the result of the action or inaction of third parties, then the charge associated with monthly imbalances occurring at such points will be based upon actual deliveries.

- (d) Limitation on Charges - Any imbalances caused by an event as set forth in Article X of the General Terms and Conditions, by Transporter's actions (including providing the Balancing Party inaccurate balancing information) or by Balancing Party's compliance with a Balancing Alert or an Action Alert issued pursuant to Article VIII of the General Terms and Conditions, will not be included in the calculation of the total monthly imbalance for purposes of determining the appropriate cash-out level and will be cashed out at the 0-5% tolerance level, as set forth in 6(b) above.

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**Second Revised Sheet No. 35** Second Revised Sheet No. 35 : Effective  
Superseding: First Revised Sheet No. 35

RATE SCHEDULE LMS-MA  
Load Management Service - Delivery Points

- (e) Operational Integrity - Nothing in this Section 6 shall limit Transporter's right to take action as may be required to adjust receipts and deliveries of gas in order to alleviate conditions that threaten the integrity of its system.
- (f) Disposition of Charges - At the conclusion of each annual period, Transporter will determine the net cashout activity. All Imbalance and Daily Variance Charges received by Transporter in accordance with this Section 6(b) that are in excess of Transporter's costs, including, but not limited to (1) payments made by Transporter in accordance with Section 6(b), (2) Transporter's gas costs and fuel and loss costs properly allocable to Balancing Parties, and (3) administrative costs, will be credited annually against the take-or-pay buyout and buydown costs assessed on all Part 284 transportation customers via demand surcharges pursuant to Article XXIII of Transporter's General Terms and Conditions. Subsequent to Transporter's recovery of all such take-or-pay costs, any excess Imbalance or Daily Variance Charges will be credited against the reservation charges of all firm shippers, pro rata based on Transportation Quantities. To the extent that the cashout activity in any annual period results in a negative balance, such balance will be carried forward and applied to the next annual determination of cashout activity. At the end of each annual period, Transporter will file a report and refund plan with the Commission. At that time all Balancing Parties/Shippers will have the right to challenge the refund calculations and allocation methodology.

7. General Terms and Conditions

All of the General Terms and Conditions of Transporter's FERC Gas Tariff are part of this Rate Schedule. To the extent there is an inconsistency between a term or condition in this Rate Schedule and the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent there is an inconsistency between a term or condition in this Rate Schedule and a Balancing Agreement, this Rate Schedule shall govern.

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**Second Revised Sheet No. 36** Second Revised Sheet No. 36 : Superseded  
Superseding: First Revised Sheet No. 36

RATE SCHEDULE LMS-PA  
Load Management Service - Receipt Points

1. Availability

- (a) Transporter shall provide a monthly balancing service at receipt points to persons (herein referred to as "Balancing Party") who have executed a receipt point balancing agreement (Receipt Point OBA) in the form set forth in this tariff. A Receipt Point OBA will be available to:
  - (i) the operator of connecting facilities at a receipt point(s) on Transporter's system; or
  - (ii) a pipeline or plant operator whose facilities interconnect with Transporter's system;

2. Applicability and Character of Service

- (a) The terms, conditions and charges set forth in this Rate Schedule governing daily variances and monthly balancing shall apply to all gas flowing through meters covered by a Receipt Point OBA.
- (b) The terms, conditions and charges set forth in this Rate Schedule shall not apply to gas flowing through meters at interconnects between Transporter and intrastate or interstate pipelines, provided that such pipeline has executed a Pipeline Balancing Agreement in the form set forth in this Tariff, meeting all the qualifying conditions provided for therein.

3. Scheduling and Confirmation By Balancing Party

A Balancing Party will confirm nominations of the quantities to be received at receipt points. The Balancing Party will notify Shipper and Transporter via PASSKEY within two hours of any change in nomination by an affected Shipper to Scheduled Quantities.

4. Daily Variances

- (a) The daily variance for a receipt point OBA shall be the average of the aggregated differences between the Scheduled Quantity and the actual quantity delivered into Transporter's system at that point within the time period that the Scheduled Quantities were in effect during any day. Daily Variance Charges

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**Fifth Revised Sheet No. 37** Fifth Revised Sheet No. 37 : Superseded  
Superseding: Fourth Revised Sheet No. 37

RATE SCHEDULE LMS-PA  
Load Management Service - Receipt Points

at the rate set forth in the Summary of Rates and charges in Transporter's Tariff beyond a two percent allowable variation for that portion of a daily variance in excess of the greater of 10% of Scheduled Quantities or 500 Dth/d. In addition, an unauthorized overrun charge for quantities tendered in excess of the Daily Limit as set forth in Section 5 may be assessed.

- (b) Based upon the best information available, a Balancing Party shall take action to correct any imbalances occurring during the month by making adjustments in nominations, receipts or deliveries. If Balancing Party fails to take such corrective action, then Transporter may, upon 48 hours' notice, adjust Balancing Party's scheduled receipts and deliveries over the remainder of the calendar month in order to maintain a balance of receipts, deliveries and nominations.
- (c) Balancing Parties under this Rate Schedule and Supply Aggregators under Rate Schedule SA will be allowed to trade imbalances occurring during the month with other Parties that are subject to this Rate Schedule or Rate Schedule LMS-MA.

Mid-Month Trading: All imbalance trading occurring during the month that the imbalance(s) occurred must be effected through the nomination of mid-month make-up volumes. Any "receipt-to-delivery" imbalance trade may be effected by a Party nominating transportation from a point or Pooling Area covered on its Balancing Agreement or Rate Schedule SA Agreement to a point or Pooling Area on another Agreement where the trade will occur. A "receipt-to-delivery" imbalance trade is defined as any imbalance trade between a Party under this Rate Schedule and a Party under Rate Schedule LMS-MA whereby the Party under this Rate Schedule is trading an excess of actual receipts relative to Scheduled Quantities with an excess of actual deliveries relative to Scheduled Quantities incurred by a Party under Rate Schedule LMS-MA.

End-of-Month Trading: Balancing Parties and Supply Aggregators will also be allowed to trade offsetting imbalances in the month following the month during which the imbalance occurred; provided that the Party notifies Transporter of the identities of the Parties agreeing to the trade, and the volumes to be traded, no later than seventeen business days after the end of the month during which the imbalances occurred. For receipt-to-delivery imbalance trades after the month during which the imbalances occurred, the Parties agreeing to the trade must notify Transporter of the Party responsible for the transportation from point to point or Pooling Area to Pooling Area. If the Parties do not notify Transporter of the Party responsible for transportation, Transporter will hold the Party who traded the imbalance due Transporter responsible for the applicable transportation charges. To facilitate end-of-month imbalance trading, Transporter will provide for Parties to post their imbalances, and any information relevant to the trading thereof, on PASSKEY.

For mid-month and end-of-month trading, transportation charges for receipt-to-delivery imbalance trades will be based on the maximum applicable authorized overrun rate associated with Transporter's Rate Schedule FT-A.

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**Original Sheet No. 37A** Original Sheet No. 37A : Superseded

RATE SCHEDULE LMS-PA  
Load Management Service - Receipt Points

(d) Transporter shall not access any Daily Variance Charges against Shippers or Balancing Parties whose scheduled and flowing services are bumped as a result of an intra-day nomination change in accordance with Article 3, Section 4(d) of the General Terms and Conditions of Transporter's FERC Gas Tariff. This waiver of Daily Variance Charges shall apply only for the day(s) on which the services were bumped.

5. Unauthorized Overrun

On any day when a Balancing Party tenders gas in excess of the Daily Limit applicable to a receipt point, an unauthorized overrun charge of fifteen dollars (\$15.00) for each Dth of excess volumes delivered will be assessed. The Daily Limit shall be specified for each receipt point in an Operational Flow Order issued under Article VIII of the General Terms and Conditions of Transporter's Tariff.

6. Monthly Imbalances

(a) A Balancing Party's monthly imbalance shall be the net total of daily variances from all points covered by the Receipt Point OBA. For supply aggregators under Rate Schedule SA, the daily variance shall be the difference, by pooling area, between actual deliveries under the Supply Aggregation Service Agreement and the actual quantities received at all points covered by such Agreement. Unless Transporter and Balancing Party mutually agree to correct the imbalance in kind on a nondiscriminatory basis, each month Transporter and Balancing Party shall "cash out" any imbalance between receipts and Scheduled Quantities at receipt points covered by the Receipt Point OBA. Transporter shall divide the monthly imbalance by the sum of the Scheduled Quantities for all days of the month for all points covered by the OBA to determine the percent monthly imbalance to be cashed out as set forth below:

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

RATE SCHEDULE LMS-PA  
 Load Management Service - Receipt Points

(b) If the % monthly imbalance is due to an excess of receipts relative to Scheduled Quantities, Transporter shall pay the Balancing Party in accord with Schedule A below. If the % monthly imbalance is due to a deficiency in receipts relative to Scheduled Quantities, the Balancing Party shall pay Transporter in accord with Schedule B below. In addition to correcting the monthly imbalance in cash, (a) the Balancing Party shall pay to Transporter the "Transportation Component" if deliveries are greater than Scheduled Quantities, or (b) Transporter shall pay to Balancing Party the "Transportation Component" if deliveries are less than Scheduled Quantities. The "Transportation Component" shall be equal to the commodity rate pursuant to Tennessee Gas Pipeline Company's Rate Schedule FT-A for transportation from Zone 1 to Transporter's system multiplied by the monthly imbalance plus an additional amount to cover the cost of gas for the system fuel and use and lost and unaccounted for gas. The additional amount shall be calculated by multiplying (1) the amount of fuel necessary to transport the imbalance on Tennessee's system by (2) the Index price.

Schedule A

% Monthly Imbalance	Transporter Pays Balancing Party Following % of the Index Price
0-5%	100%
>5-10%	85%
>10-15%	70%
>15-20%	60%
>20%	50%

Schedule B

% Monthly Imbalance	Balancing Party Pays Transporter Following % of the Index Price
0-5%	100%
>5-10%	115%
>10-15%	130%
>15-20%	140%
>20%	150%

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**Third Revised Sheet No. 39** Third Revised Sheet No. 39 : Superseded  
Superseding: Second Revised Sheet No. 39

RATE SCHEDULE LMS-PA  
Load Management Service - Receipt Points

The Index Price shall be posted on PASSKEY. The Index Price shall be calculated by using Natural Gas Week's "Gas Price Report." The Index Price shall be a weighted average price based upon the general system deliverability on Tennessee's system (such system deliverability being updated semi-annually) from four Receipt Regions and the applicable Region Prices for such Receipt Regions (the Receipt Regions are Texas Offshore, Texas Onshore, Louisiana Offshore, and Louisiana Onshore). The Index Price will be posted on PASSKEY in a reasonable time after receipt of Natural Gas Week's "Gas Price Report." The applicable general system deliverability will also be posted on PASSKEY. If Natural Gas Week's "Gas Price Report" is no longer published, Transporter shall use the alternative spot price indices agreed to be used under Tennessee's Rate Schedule LMS-PA. Transporter shall allocate "cash-outs" with other upstream pipelines according to the same formula.

For the purpose of determining the level at which a Balancing Party's imbalance shall be cashed out, if a Balancing Party has an imbalance outside a given tolerance level, the escalating or declining percentage of the Index Price will apply only to the portion of the imbalance outside of the tolerance level.

The amounts due hereunder shall be paid in accordance with Articles V and VI of the General Terms and Conditions of Transporter's FERC Gas Tariff.

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

RATE SCHEDULE LMS-PA  
Load Management Service - Receipt Points

- (c) Access to Information - Upon request, Transporter will make available within one business day following the production day the best information it has concerning the total physical deliveries at applicable receipt points. Transporter will also make available by electronic means if available the best information it has concerning the scheduled and allocated receipts at all of Balancing Party's receipt points by the end of the third business day after each day. Balancing Parties will be entitled to rely on the Electronic Data for purposes of correcting imbalances during the month. Balancing Parties will not be entitled to rely on the data provided by Transporter from other receipt points for purposes of correcting imbalances during the month. Imbalances will be cashed-out on the basis of actual receipts and Scheduled Quantities. The charges associated with such imbalances will be based upon the lesser of (1) the monthly imbalance reported by Transporter for the last day of the month based upon the Electronic Data or (2) the monthly imbalance based upon actual receipts and deliveries at such locations; provided however, if the monthly imbalance reported by Transporter for the 20th day of the calendar month based upon Electronic Data is subsequently adjusted during the remainder of the month and (1) such adjustments materially increase the level of the imbalance and (2) Balancing Party did not have adequate time to correct the imbalance by adjusting nominations or receipts, then the charge associated with such imbalances will be based upon the lesser of (a) the imbalance reported on the 20th day of the calendar month plus the imbalance reported for each subsequent day in the calendar month or (b) the monthly imbalance based upon actual receipt at such points. Notwithstanding anything to the contrary, if the Electronic Data at any point is inaccurate, through no fault of Transporter, but rather as the result of the action or inaction of third parties, then the charge associated with monthly imbalances occurring at such points will be based upon actual receipts.
- (d) Limitation on Charges - Any imbalances caused by an event as set forth in Article X of the General Terms and Conditions, Transporter's actions (including providing the Balancing Parties inaccurate balancing information), or by Balancing Party's compliance with a Balancing Alert or an Action Alert issued pursuant to Article VIII of the General Terms and Conditions, will not be included in the calculation of the total monthly imbalance for purposes of determining the appropriate cash-out level and will be cashed out at the 0-5% tolerance level, as set forth in 6(b) above.



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Superseding: First Revised Sheet No. 41

RATE SCHEDULE LMS-PA  
Load Management Service - Receipt Points

- (d) Operational Integrity - Nothing in this Section 6 shall limit Transporter's right to take action as may be required to adjust receipts of gas in order to alleviate conditions that threaten the integrity of its system.
- (e) Disposition of Charges -- At the conclusion of each annual period, Transporter will determine the net cashout activity. All imbalance charge revenues received by Transporter in accordance with Section 6(b) that are in excess of Transporter's costs, including, but not limited to, (1) payments made by Transporter in accordance with Section 6(b), (2) Transporter's gas costs and fuel and loss costs properly allocable to Receipt Point Operators, and (3) administrative costs, will be credited annually against the take-or-pay buyout and buydown costs assessed on all Part 284 transportation customers via demand surcharges pursuant to Article XXIII of Transporter's General Terms and Conditions. Subsequent to Transporter's recovery of all such take-or-pay costs, any excess charges will be credited against the reservation charges of all firm shippers, pro rata based on Transportation Quantities. To the extent that the cashout activity in any annual period results in a negative balance, such balance will be carried forward and applied to the next annual determination of cashout activity. At the end of each annual period, Transporter will file a report and refund plan with the Commission. At that time all Balancing Parties/Shippers will have the right to challenge the refund calculations and allocation methodology.

7. General Terms and Conditions

All of the General Terms and Conditions of Transporter's FERC Gas Tariff are part of this Rate Schedule. To the extent there is an inconsistency between a term or condition in this Rate Schedule and the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent there is an inconsistency between a term or condition in this Rate Schedule and a Balancing Agreement, this Rate Schedule shall govern.

Rate Schedule SA  
Supply Aggregation Service

1. AVAILABILITY

This Rate Schedule is available for any Party (Aggregator) which has (i) requested supply aggregation service by Midwestern Gas Transmission Company (Transporter); (ii) has met the conditions for qualification for receipt of service under Article XXV of the General Terms and Conditions of Transporter's FERC Gas Tariff; (iii) and after review and acceptance of such request by Transporter, has executed a supply aggregation service agreement with Transporter for service under Rate Schedule SA pursuant to Article XXV of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule permits Aggregator to aggregate supply pursuant to this Rate Schedule SA from any and all receipt points within pooling area(s) as defined in Article I, Section 33 of the General Terms and Conditions of Transporter's FERC Gas Tariff. Aggregator will assume the responsibility of balancing, by pooling area, the scheduled receipts of gas into the applicable supply aggregation service agreement with scheduled quantities delivered out of the supply aggregation service agreement.

2.2 Receipts into a supply aggregation service agreement can be from a physical receipt point(s) or from transportation or other supply aggregation services at a "paper" pooling point for the designated pooling area(s). Deliveries from a supply aggregation service agreement can be to transportation or other supply aggregation services at a "paper" pooling point for the designated pooling area(s). "Paper" pooling points will be identified on PASSKEY.

3. NOMINATIONS

3.1 Aggregator shall nominate quantities into and out of the relevant supply aggregations service agreement(s).

3.2 In addition to daily nomination rights and obligations as set forth in Article III, Section 4 of the General Terms and Conditions, Aggregator shall have the right to make intra-day and hourly nomination changes as provided in and subject to the conditions set forth in Article III, Section 4(d) and (e) of the General Terms and Conditions.

3.3 Within each pooling area, nominations for quantities received into a supply aggregation service agreement shall balance with deliveries nominated out of the supply aggregation service agreement. Aggregator shall maintain a balance between actual receipts and actual deliveries by pooling area, provided that where differences occur between daily scheduled receipts and scheduled deliveries, Transporter shall allow quantities to be scheduled out of balance up to pipeline operating conditions and limitations. In the event of an operational constraint on its system, Transporter may adjust by pooling area(s) scheduled receipts into, or deliveries out of, Aggregator's supply aggregation service agreement. Aggregator will assume the responsibility for any scheduled imbalances or for any imbalances resulting from allocation(s) at receipt meter(s) where no balancing agreement is in effect.

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FERC Docket: RP97-316-001

**Sub Original Sheet No.43** Sub Original Sheet No.43 : Effective  
Superseding: Original Sheet No. 43

Rate Schedule SA (continued)  
Supply Aggregation Service

- 3.4 At the time of nomination, Aggregator may provide to Transporter a predetermined ranking of both receipts and deliveries. In the event of an interruption or reduction in the supplies or markets, or in the event that pipeline operating conditions require Transporter to adjust scheduled receipts or deliveries as described in Section 3.3 above, Transporter may restrict scheduled quantities based on the Aggregator's pre-determined ranking provided pursuant to this Section 3.4.
  - 3.5 Quantities nominated from receipt points to supply aggregation service agreements shall have the same scheduling priority as the take-away transportation service agreement(s) from the pooling area(s).
4. IMBALANCE RESOLUTION
- 4.1 Transporter will provide notice to Aggregator of any imbalance situation needing resolution and will specify the necessary corrective action. Aggregator shall take corrective action as specified by Transporter, or provide Transporter an alternate schedule for correcting imbalance. In the event that Transporter determines, in its sole discretion, that the Aggregator has not made a good faith effort to correct the imbalance, Transporter has the right, with twenty-four hours prior notice to Aggregator, to reduce receipts into, or deliveries out of, Aggregator's supply aggregation service agreement, based on the pre-determined rankings provided pursuant to Section 3.4 of this Rate Schedule.
  - 4.2 Any imbalances between allocated receipts and allocated deliveries ("allocated imbalance") or any scheduled imbalances pursuant to Section 3 of this Rate Schedule which are not made up before the end of the month shall be the responsibility of Aggregator and shall be resolved pursuant to the cash out provisions of Rate Schedules LMS-MA and LMS-PA. Imbalances under this Rate Schedule SA shall be computed and cashed out separately for each pooling area.

Effective Date: 06/01/1997 Status: Effective

FERC Docket: RP97-316-000

**Original Sheet No. 44** Original Sheet No. 44 : Effective

Rate Schedule SA (continued)  
Supply Aggregation Service

5. GENERAL TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions contained in Volume 1 of Transporter's FERC Gas Tariff as may be amended from time to time.

6. OPERATIONAL INTEGRITY

Nothing in this Rate Schedule shall limit Transporter's right to take action as may be required to adjust receipts and deliveries of scheduled quantities of gas in order to alleviate conditions which threaten the integrity of its system, or the ability of Transporter to transport quantities scheduled by any Shipper.

*Effective Date: 06/01/1997 Status: Effective*

*FERC Docket: RP97-316-000*

**Original Sheet Nos. 45 Through 51** Original Sheet Nos. 45 Through 51 : Effective

Sheet Nos. 45 Through 51 are  
Reserved for Future Use

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**Sixth Revised Sheet No. 52** Sixth Revised Sheet No. 52 : Effective  
Superseding: Fifth Revised Sheet No. 52

GENERAL TERMS AND CONDITIONS

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**First Revised Sheet No. 53** First Revised Sheet No. 53 : Effective  
Superseding: Original Sheet No. 53

GENERAL TERMS AND CONDITIONS

I. DEFINITION OF TERMS

Except where the context expressly states another meaning, the following terms when used in this Tariff and in any service agreement incorporating this Tariff, shall be construed to have the following meanings:

1. The term "Balancing Party" shall mean any person that has entered into a Balancing Agreement with Transporter.
2. The term "Bidder" shall mean any person that submits a bid for released transportation capacity pursuant to the terms of Article XXI of Transporter's General Terms and Conditions.
3. The term "British thermal unit" or "Btu" shall mean the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at a standard pressure of 14.73 dry psia at 60 degrees Fahrenheit.
4. The term "business day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.
5. The terms "Central Clock Time" and "CCT" shall mean Central Daylight Time when daylight savings time is in effect and Central Standard Time when daylight savings time is not in effect.
6. The term "cubic foot" shall mean the quantity of gas that occupies one cubic foot when such gas is at a temperature of 60 degrees Fahrenheit, and at a pressure of 14.73 pounds per square inch absolute (psia).
7. The term "Daily Limit" shall mean the quantity specified in an Operational Flow Order applicable to a receipt or delivery point.
8. The term "Daily Variance Charge" shall mean charges assessed pursuant to Section 4 of Transporter's LMS-MA or LMS-PA Rate Schedules.
9. The term "Daily Variance Tolerance" shall mean the amount by which a Balancing Party can deviate from the Scheduled Quantities at a receipt or delivery point without liability for a Daily Variance Charge, as set forth in Section 4 of Transporter's LMS Rate Schedules.
10. The term "day" or "Gas Day" shall mean a period of twenty-four consecutive hours, beginning and ending at 9:00 A.M. CCT.

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FERC Docket: RP01-338-000

**Fifth Revised Sheet No. 54** Fifth Revised Sheet No. 54 : Effective

Superseding: Fourth Revised Sheet No. 54

GENERAL TERMS AND CONDITIONS

11. The term "Dekatherm" or "dth" shall mean 1,000,000 Btu's. 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. (For reference 1 dekatherm = 1,000,000 Btu's; and 1 gigajoule; and one gigacalorie = 1,000,000,000 calories.) For commercial purposes, the standard conversion factor between dekatherms and gigajoules is 1.055056 gigajoules per dekatherm and between dekatherms and gigacalories is 0.251996 gigacalories per dekatherm. The standard Btu is the International Btu, which is also called the Btu (IT); the standard joule is the joule specified in the SI system of units.
12. The term "Eligible Receipt Point" or "Eligible Delivery Point" shall mean any point covered by a Balancing Agreement, or any other point that Transporter consents to becoming an Eligible Receipt or Delivery Point.
13. The term "Implementation Date" shall mean September 1, 1993.
14. The term "long term firm service agreement" shall mean a firm transportation agreement with a term of more than one year.
15. The term "Mcf" shall mean 1,000 cubic feet of gas.
16. The term "month" shall mean the period beginning at 9:00 A.M. CCT on the first day of the calendar month and ending at 9:00 A.M. CCT on the first day of the next succeeding calendar month.
17. The term "Monthly Cash Out" shall mean payment pursuant to Section 6 of Transporter's LMS-MA or LMS-PA Rate Schedules.
18. As stated in GISB Standard 1.2.6 (Version 1.4), the term "Operational Flow Order(s)" or "OFO" 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.
19. The term "Release Quantity" shall mean the maximum quantity that a Shipper releases under Article XXI of Transporter's General Terms and Conditions, whether for temporary or permanent assignment.



GENERAL TERMS AND CONDITIONS

20. The term "Releasing Shipper" shall mean any shipper that releases capacity pursuant to the provisions of Article XXI of Transporter's General Terms and Conditions.
21. The term "Scheduled Quantity" or "Scheduled Quantities" shall mean the quantity of natural gas that (1) Shipper nominates for receipt at a receipt point (including fuel) or the quantity that Transporter redelivers to Shipper at a delivery point, and that (2) the Balancing Party confirms pursuant to Section 3 of Transporter's LMS-MA or LMS-PA Rate Schedules, and that (3) Transporter schedules for receipt or delivery.
22. The term "Shipper" shall mean any transportation customer of Transporter.
23. The term "Shipper's Representative" shall mean any party operating a Shipper's Transportation agreement(s) pursuant to Article XXIV of Transporter's General Terms and Conditions.
24. The term "summer" shall mean the period commencing April 1 and ending October 31.
25. The term "PASSKEY" or "System" shall mean Transporter's computer information and scheduling system, accessed through Transporter's interactive Internet website or through Electronic Data Interchange. "Electronic Data Interchange" or "EDI" shall mean electronic communication through means other than Transporter's System, that complies with the Electronic Delivery Mechanism Standards of the Gas Industry Standards Board ("GISB").
26. The term "total heating value", when applied to a cubic foot of gas, shall mean the number of Btu's produced by the complete combustion with air, at constant pressure, of one anhydrous (dry) cubic foot of gas under a pressure of 14.73 psia and a temperature of 60 degrees Fahrenheit and when the products of combustion are cooled to the initial temperature of the gas and air and the water formed by combustion is condensed to the liquid state.
27. The term "Transportation Quantity" shall mean the volume of natural gas specified in Shipper's firm transportation agreement that Transporter obligates itself to be ready to transport each day on behalf of Shipper.
28. The term "Transporter" shall mean Midwestern Gas Transmission Company.

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

GENERAL TERMS AND CONDITIONS

29. The term "Unauthorized Oerrun Charge" shall mean the charge prescribed in Section 5 of Transporter's LMS-MA or LMS-PA Rate Schedules assessed against receipts or deliveries in excess of the Daily Limit at a given receipt or delivery point.
30. The term "volume", where used herein or in a gas service contract, shall mean the number of Mcf adjusted for heat content (in Btu's or dth's) as applicable.
31. The term "winter" shall mean the period commencing November 1 and ending March 31.
32. The term "year" shall mean a period of 365 consecutive days; provided, however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.
33. The term "pooling area" shall mean the following points:
  - 1) Supply Area Pooling Area: all points of receipts into Transporter's system beginning at the point of interconnection between Transporter and Tennessee Gas Pipeline Company's system at Portland, Tennessee and ending at the suction side of Compressor Station 2115; and
  - 2) Market Area Pooling Area: all points of receipts into Transporter's system beginning at the discharge side of Compressor Station 2115 and ending at the terminus of Transporter's system at Joliet, Illinois.

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FERC Docket: RS92- 41-003

**Original Sheet No. 57** Original Sheet No. 57 : Effective

GENERAL TERMS AND CONDITIONS

II. QUALITY

1. The provisions set forth below shall apply to all gas delivered to Transporter by Shipper.
  - (a) all gas shall have a total heating value of not less than nine hundred sixty-seven (967) Btus per cubic foot, and not more than eleven hundred (1100) Btu's per cubic foot;
  - (b) all gas shall be commercially free (at prevailing pressure and temperature in Transporter's pipeline) from objectionable odors, dust, hydrocarbon liquids, water and any other substance that might become separated from the gas in Transporter's facilities, and Shipper shall furnish, install, maintain and operate such drips, separators, heaters, and other mechanical devices as may be necessary to effect compliance with such requirements (after having secured the prior approval of Transporter as to the design and construction of such facilities, which approval shall not be unreasonably withheld);
  - (c) all gas shall not contain more than twenty (20) grains of total sulphur, nor more than one fourth (1/4) of one grain of hydrogen sulphide per one hundred (100) cubic feet;
  - (d) all gas shall not contain more than two-tenths of one percent (0.2%) by volume of oxygen and Shipper shall make every reasonable effort to keep the gas free of oxygen;
  - (e) all gas shall not contain more than four percent (4%) by volume of a combined total of carbon dioxide and nitrogen components; provided however, that the total carbon dioxide content shall not exceed three percent (3%) by volume;
  - (f) the temperature of all gas shall not exceed one hundred twenty degrees (120°) Fahrenheit;

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

GENERAL TERMS AND CONDITIONS

- (g) all gas shall have been dehydrated by Shipper for removal of entrained water present therein in a vapor state and in no event contain more than seven (7) pounds of entrained water per million cubic feet, at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch and a temperature of sixty degrees (60°) Fahrenheit as determined by dew-point apparatus approved by the Bureau of Mines or such other apparatus as may be mutually agreed upon.
2. The design and construction of any facilities to be installed by Shipper in order to comply with the quality specifications in Article II Section 1 shall be approved by Transporter prior to such facilities being placed in service, such approval not to be unreasonably withheld.
  3. Tests to determine sulphur, hydrogen sulphide, oxygen, carbon dioxide and nitrogen content shall be made by approved standard methods in general use in the gas industry.
  4. As to gas which fails to meet the quality specifications set out in Section 1 of this Article II, or, if applicable, the quality specifications set out in the Transportation Contract or applicable Rate Schedule, Transporter shall have the right to refuse to accept delivery of such gas and in the event Shipper does not correct the quality deficiency within 48 hours Transporter may terminate all receipts under the Transportation Contract involving the deficient gas.
  5. Notwithstanding the exercise by Transporter of the options in Section 4 above, Shipper shall use its best efforts to correct any quality deficiency in the gas tendered for transportation. Further notwithstanding Transporter's election under Section 4 above, Shipper shall reimburse Transporter for all expenses incurred in repairing injuries to Transporter's facilities resulting from deliveries of gas which do not conform to the quality specifications set forth in Section 1.
  6. Transporter shall have the right to collect from all Shippers delivering gas to Transporter at a common Receipt Point their pro rata share of the cost of any additional gas analysis and quality control equipment which Transporter, at its reasonable discretion, determines is required to be installed at such Receipt Point to monitor the quality of gas delivered. With respect to Shippers subject to Rate Schedules FT, FT-SR, and/or IT, the collection shall be by means of an Incidental Charge.

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FERC Docket: RS92-41-003

Original Sheet No. 59 Original Sheet No. 59 : Effective

#### GENERAL TERMS AND CONDITIONS

7. Separation, Dehydration and Processing: Transporter at its reasonable discretion may require that some or all of the gas to be transported be processed to remove liquid and liquefiable hydrocarbons prior to delivery to Transporter or may require evidence that satisfactory arrangements have been made for the removal of liquid and liquefiable hydrocarbons at a separation and dehydration and/or processing plant on Transporter's system. In the event separation and dehydration and/or processing is to occur after delivery of transportation gas to Transporter, Transporter and Shipper shall determine a mutually agreeable charge for the transportation of liquid and liquefiable hydrocarbons.

#### III. MEASUREMENT AND SCHEDULING OF RECEIPTS AND DELIVERIES

1. Unit of Measurement: The transportation unit of gas received and delivered by Transporter shall be a dekatherm.
2. Determination of Volume and Total Heating Value: The volume and the total heating value of gas received and delivered by Transporter shall be determined for all purposes, including billing by Transporter and payment by Shippers and OBA Operators, on the basis of the electronic measurement equipment installed by Transporter at receipt and delivery points, as follows:
  - (a) The unit of volume, for the purpose of measurement, shall be defined as one cubic foot (1cf) of gas at a temperature of sixty degrees (60°) Fahrenheit, and at a pressure of thirty-three hundredths (.33) pounds per square inch above an assumed atmospheric pressure of fourteen and four tenths (14.4) pounds per square inch resulting in a pressure base of (fourteen and seventy-three hundredths (14.73) pounds per square inch absolute pressure). One thousand (1,000) cubic feet shall be denoted as one (1) Mcf.
  - (b) The total heating value of the gas per cubic foot (Btu/cf) shall be determined by taking the average of the heating values as determined each day by a chromatograph or the chromatographic analysis of a collected gas sample, or any other method mutually agreed upon. The average (flow-weighted) heating value of the gas per cubic foot (Btu/cf) for a unit of time shall be determined by the total dekatherm divided by the total Mcf volume multiplied by 1000.

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**First Revised Sheet No. 60** First Revised Sheet No. 60 : Effective  
Superseding: Original Sheet No. 60

GENERAL TERMS AND CONDITIONS

- (c) Dekatherms shall be determined by multiplying the Mcf volume by the ratio of the heating value per cubic foot to 1,000.
  - (d) The temperature of the gas passing thorough the meters shall be determined continuously by a recording thermometer so installed that it may properly record the temperature of the gas flowing through the meters. The arithmetic averages of the temperature recorded each day shall be used in computing Mcf gas.
  - (e) The specific gravity of the gas delivered shall be determined by the use of chromatographic analysis or any other method mutually agreed upon. Determination of the specific gravity and heating value per cubic foot (Btu/cf) shall be determined at approximately the same time or from the same analyzed gas sample.
  - (f) The deviation of the natural gas from Boyle's Law shall be determined by the use of the tables of formulae published by the American Gas Association Par Research Project NX-19 corrected for carbon dioxide (CO<sub>2</sub>) and nitrogen (N<sub>2</sub>), or any applicable formulae published by the American Gas Association. The molecular percentage of N<sub>2</sub> and CO<sub>2</sub> shall be determined at approximately the same time or from the same analyzed gas sample used for the determination of heating value and shall be used to determine the compressibility factors, with corrections for temperature and pressure.
  - (g) The closing of measurement shall be no later than the fifth (5th) business day after the close of the production month.
3. Determination of Receipts and Deliveries:
- (a) Allocation of Receipts - Unless prohibited by applicable law or regulation, the quantities received by Transporter at any receipt point shall be allocated among Shippers and services in accordance with any allocation procedures specifically agreed to by Transporter and the Balancing Party at the receipt point(s) as set forth in the Balancing Agreement governing the point; provided, however, Transporter will not be required to enter into such arrangements with a party if that party does not meet Transporter's creditworthiness provisions set forth in Article XXV of the General Terms and Conditions.

GENERAL TERMS AND CONDITIONS

- (b) Allocation of Deliveries - Unless prohibited by applicable law or regulation, the quantities delivered by Transporter at any delivery point shall be allocated among Parties in accordance with any allocation procedures specifically agreed to by Transporter and the delivery point(s), as set forth in the Balancing Agreement governing the point provided, however, Transporter will not be required to enter into arrangements (a) with a party if that party does not meet Transporter's creditworthiness provisions set forth in Article XXV of the General Terms and Conditions or (b) with a market aggregator if the aggregator does not demonstrate that it has the physical or contractual ability to control the flow of gas at the applicable delivery point(s) and the contractual right to allocate gas deliveries at such point(s).
- (c) Absence of Balancing Agreement - In the absence of a methodology as described above due to the absence of a Balancing Agreement or for other reasons, the operator, the Up/Down Party(ies) ("UDP"), and/or the Shipper at the receipt and/or delivery point, as applicable, shall advise Transporter, prior to the commencement of the day, of a Predetermined Allocation Methodology ("PDA") to be utilized in allocating scheduled receipts or deliveries among all parties and scheduling services at such points; provided that such methodology must allocate flows based on scheduled quantities. Transporter shall confirm receipt of the PDA within 15 minutes. Confirmation of receipt of PDAs transmitted via EDI shall be Transporter's PDA quick response via EDI. Confirmation of receipt of PDAs transmitted via facsimile shall be the sending party's facsimile transmission report. In the absence of receipt of a PDA, Transporter shall allocate quantities received or delivered at a certain point in proportion to the Scheduled Quantities.
- (d) Notification of Allocation Rules - Upon receipt of a request from a Party, Transporter will notify Party of the applicable rules governing the allocation of Party's gas at Party's Receipt and Delivery Points.
- (e) Correction of Allocations - GISB Standard 2.3.26 (Version 1.4) states: The time limitation for disputes of allocations should 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 or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.
- (f) GISB Standard 2.3.19 (Version 1.4) states: The transportation service providers should accept GISB-approved allocation methodology types from the upstream or downstream custody transfer party who is providing the point confirmation.

4. Scheduling and Allocation

All Shippers and Balancing Parties are responsible for purchasing and maintaining the equipment reasonably necessary to communicate with PASSKEY and for using PASSKEY for all transactions relating to transportation services.

- (a) GISB Standard 1.3.2 (Version 1.4) states: The standard nominations timeline should be as follows: 11:30 A.M. for nominations leaving control of the nominating party; 11:45 A.M. for receipt of nominations by the transporter; noon for quick response; 3:30 P.M. for receipt of completed confirmations by transporter from upstream and downstream connected parties; 4:30 P.M. for receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).

Initial Service: Upon execution of a service agreement, Shipper shall send its nomination(s) to Transporter through PASSKEY with the information specified by the Customer Nomination Form, as set forth in this

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

GENERAL TERMS AND CONDITIONS

Tariff, by no later than 11:30 A.M. CCT on the day prior to the proposed commencement of service (firm or interruptible). If PASSKEY is unavailable, Shipper may fax its nomination(s) to Transporter using the Customer Nomination Form. Transporter shall receive the nomination(s) via PASSKEY or the faxed Customer Nomination Form no later than 11:45 A.M. CCT (12:00 P.M. CCT for an Electronic Data Interchange quick response from Transporter) on the day prior to the proposed commencement of service. A copy of a completed Customer Nomination Form shall be provided to the upstream/downstream connected party(s) at the receipt and delivery points through which Shipper desires to receive service.

No transportation service will commence unless or until Transporter has received the nomination(s) through PASSKEY or by fax, and all applicable upstream/downstream connected parties have submitted to Transporter the information required by Section 3 of Rate Schedules LMS-MA or LMS-PA, as applicable.

The upstream/downstream connected party(s) at the applicable receipt and delivery points will confirm with Transporter through PASSKEY that Shipper's nominated quantities will be received or delivered. If PASSKEY is unavailable, the upstream/downstream connected party may fax its confirmation to Transporter using the Customer Confirmation Form as set forth in this FERC Gas Tariff. The upstream/downstream connected party(s) will provide Transporter with final, completed confirmation no later than 3:30 P.M. CCT on the day prior to the commencement of the nominated service.

- (b) Change in Service: For purposes of scheduling any change in transportation service, Shipper will send its nomination(s) via PASSKEY or fax to Transporter when necessary the Customer Nomination Form, no later than 11:30 A.M. CCT on the day prior to the commencement of the nominated service, indicating the changes requested to be made to the service and the date the revised service is requested to commence. If PASSKEY is unavailable, Shipper may fax its nomination(s) to Transporter using the Customer Nomination Form. A copy of the completed Customer Nomination Form shall be provided by Shipper to the upstream/downstream connected party(s) at the receipt and delivery points through which Shipper receives service pursuant to procedures established by Shipper and such upstream/downstream connected party(s).

Transporter shall receive the nomination(s) by no later than 11:45 A.M. CCT (12:00 P.M. CCT for an Electronic Data Interchange quick response) on the day prior to the commencement of the nominated service. The upstream/downstream connected party(s) at the applicable receipt and delivery points will confirm with Transporter through PASSKEY, or by fax of a Customer Confirmation Form, that Shipper's nominated quantities will be received or delivered. The upstream/downstream connected party(s) will provide Transporter with final, completed confirmation no later than 3:30 P.M. CCT on the day prior to the commencement of the nominated service. In the absence of such final, completed confirmation, and Transporter is unable to contact the upstream/downstream connected party(s), Transporter shall schedule the lesser of the requested change in service or the previously scheduled service.



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- (c) Scheduling Duration: The scheduled service specified in the Customer Nomination Form shall be effective commencing at 9:00 a.m. CCT on the beginning day and terminating at 9:00 a.m. CCT on the ending day, as specified in the Customer Nomination Form, provided that the requested time period is wholly within the term of the applicable service agreement pursuant to which the nomination is submitted.
- (d) Intra-day Nomination Change: GISB Standard 1.3.2 (Version 1.4) states: All Transportation Service Providers should support the following standard nomination cycles:
- (i) The Timely Nomination Cycle: 11:30 a.m. for nominations leaving control of the nominating party; 11:45 a.m. for receipt of nominations by the Transporter; noon to send Quick Response; 3:30 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 4:30 p.m. for receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).
- (ii) The Evening Nomination Cycle: 6:00 p.m. for nominations leaving control of the nominating party; 6:15 p.m. for receipt of nominations by the Transporter; 6:30 p.m. to send Quick Response; 9:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 10:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the day prior to flow).
- Scheduled quantities resulting from an Evening Nomination that does not cause another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped should be effective at 9:00 a.m. on gas day; and when an Evening Nomination causes another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped, the scheduled quantities should be effective at 9:00 a.m. on gas day.
- (iii) The Intra-day 1 Nomination Cycle: 10:00 a.m. for nominations leaving control of the nominating party; 10:15 a.m. for receipt of nominations by the Transporter; 10:30 a.m. to send Quick Response; 1:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 2:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the gas day). Scheduled quantities resulting from Intra-day 1 Nominations should be effective at 5:00 p.m. on gas day.
- (iv) The Intra-day 2 Nomination Cycle: 5:00 p.m. for nominations leaving control of the nominating party; 5:15 p.m. for receipt of nominations by the Transporter; 5:30 p.m. to send Quick Response; 8:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 9:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators (central clock time on the gas day). Scheduled quantities resulting from Intra-day 2 Nominations should be effective at 9:00 p.m. on gas day. Bumping is not allowed during the Intra-day 2 Nomination Cycle.

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Transporter shall schedule Intra-day Nomination changes subject to the restrictions set forth in subsections (f), (g), (h) and (i) hereof. Upon receipt of nomination, Transporter agrees to adjust gas flow in advance of the next intra-day effective time subject to the restrictions set forth in subsections (f), (g), (h) and (i) below provided that Transporter, Shipper and the upstream/downstream connected parties mutually agree in advance to the adjusted gas flow.

- (e) Hourly Changes in Nomination: A customer may change its nomination sixty minutes in advance to be effective on any hour of the day between 10:00 p.m. CCT and 8:00 a.m. CCT by making a nomination in PASSKEY. For Electronic Data Interchange, Transporter shall receive such nomination no later than forty-five minutes in advance of the effective time. Hourly nomination changes must be nominated and confirmed via telephone to Transporter's Gas Control as well as through PASSKEY. Transporter shall schedule Hourly Nomination Changes subject to the restrictions set forth in subsections (f), (g), (h) and (i) below. Upon receipt of nomination, Transporter agrees to adjust gas flow in advance of the next hourly effective time subject to the restrictions set forth in subsections (f), (g), (h) and (i) below provided that Transporter, Shipper and the upstream/downstream connected parties mutually agree in advance to the adjusted gas flow.
- (f) All nominations, including intra-day and hourly nominations, shall be stated in terms of a daily transportation quantity; provided, however, that Transporter shall not be required to schedule any such nomination where the nominated quantity exceeds the maximum daily quantity permitted under the service agreement pursuant to which service is requested or which would require Transporter to provide an unreasonably excessive change in the hourly flow rate contrary to Section 4.5 of Rate Schedule FT-A or Section 4.4 of Rate Schedule FT-GS; provided further that Transporter shall not be required to schedule any intra-day or hourly nomination for a quantity that is less than the quantity of gas that has been scheduled to flow on such day prior to the effective time of such intra-day or hourly nomination; and provided further that the last intra-day or hourly nomination received with respect to a day shall be deemed to be the valid nomination for such day and shall supersede any previous nomination for such day. An intra-day or hourly nomination shall terminate at the end of the day for which it was submitted and the nomination in effect prior to the submission of any intra-day or hourly nomination for such day shall continue in effect for the time period stated in the nomination.

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- (g) **Bump Protection:** Transporter shall not schedule an intra-day or hourly nomination change, if the result of scheduling such nomination would be to bump flowing and/or scheduled transportation under any firm primary or secondary 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 secondary firm service. Transporter shall provide bump notice to the bumped shippers by 2:00 p.m. CCT as to intra-day nominations submitted at the Intra-day 1 Nomination Cycle and by 10:00 p.m. CCT as to intra-day nominations submitted at the Evening Nomination Cycle. Transporter shall provide bump notice by the notice procedures set forth in Article VIII, Section 2(d) of the General Terms and Conditions to the bumped shippers. Transporter will not permit bumping for intra-day nominations submitted by the Intra-day 2 Nomination Cycle.
- (h) **Notification of Scheduling:** The upstream/downstream connected party(s) at the applicable receipt and delivery points will confirm with Transporter through PASSKEY that Shipper's nominated quantities will be received or delivered. Shipper and applicable upstream/downstream connected party(s) will receive notice from Transporter no later than 4:30 p.m. CCT on the day prior to the commencement of the nominated service via PASSKEY of scheduled quantities, any nomination made by Shipper that is not scheduled for delivery, or if any scheduled nomination is amended or changed by Transporter. Transporter shall also make available at the end of the day information on any intra-day or hourly nomination made by Shipper that is scheduled or not scheduled for delivery, or if any scheduled nomination is amended or changed by Transporter.
- (i) Any nomination, including intra-day or hourly nominations, received by Transporter after the nomination deadlines provided in Subsections 4 (a), (b), (d) and (e) above shall be scheduled by Transporter provided that i) Transporter and all affected parties mutually agree to schedule the late nomination and ii) the scheduling of such late nomination does not bump a nomination received prior to the nomination deadlines referred above.
5. **Scheduling Priorities:** Transporter shall schedule receipts and deliveries of gas in the priority categories specified below. Unless otherwise specified, scheduling priority within a category shall be pro rata and in accordance with the supply/market rankings provided pursuant to Section 4 of this Article III.
- (a) Transporter's firm transportation services; provided that (1) quantities scheduled from Primary Receipt Points to Primary Delivery Points shall be scheduled first at any time during the month and shall be given the highest priority, (2) quantities scheduled from Secondary Receipt Points or to Secondary Delivery Points shall be scheduled second ("Second Priority Group"). If there is insufficient capacity to serve all requests in the Second Priority Group then the capacity remaining after scheduling the deliveries from Primary Receipt Points and to Primary Delivery Points will be available to the parties requesting such service on a pro rata basis, based upon the parties' nominations. Any firm shipper requesting service from a Secondary Receipt Point may interrupt gas that is flowing or has been scheduled to flow pursuant to an interruptible service using the affected receipt point, but may not interrupt another firm shipper.
- (b) Current month make up volumes to balance prior daily variances under a Balancing Agreement and volumes rescheduled as a result of an OFO.
- (c) Interruptible and authorized overrun transportation according to the rate applicable to the quantities; provided that any shipper paying a rate above the maximum rate shall be deemed to be paying the maximum applicable rate. Priority for services having the same price ranking shall be determined by the supply and market rankings provided by Shippers and Balancing Parties pursuant to Section 4 of this Article III.
- (d) Make up volumes for all transportation service other than category (b).

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**Substitute Original Sheet No. 65** Substitute Original Sheet No. 65 : Effective

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6. Allocation of Limited Capacity: If, on any day, Transporter determines that the capacity of its system, or any portion thereof including the point(s) at which gas is tendered for transportation, is insufficient to serve all Shippers that are scheduled to receive service on such day, then capacity that requires allocation shall be allocated in a manner that results in curtailment of capacity, to zero if necessary, sequentially in reverse order to the scheduling priorities provided for in Section 5.

No Shipper paying the maximum rate for interruptible service as set forth in the Summary of Rates and Charges in Transporter's Tariff may be curtailed due to a capacity limitation that is the result of a change in the interruptible service for other Shippers; provided, however, that interruptible service may be curtailed due to a change in interruptible service for other Shippers where the change is due to i) the correction of a previously existing condition of the nature set forth in Article X of the General Terms and Conditions or ii) the correction of a previous scheduling error by Transporter.

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7. Supply Deficiencies

If Transporter experiences a supply shortfall due to the under delivery of supply by Shipper(s) to Transporter's mainline, then (a) if the deficient source is known, Transporter will curtail the corresponding firm and/or interruptible markets; or (b) if the deficient sources are undeterminable, then Transporter will localize the smallest affected area and, at the corresponding delivery point, will curtail interruptible service first in reverse scheduling order and then firm services will be curtailed pro rata; provided that verifiable receipt point volumes will not be subject to a supply short fall curtailment. To the extent that information concerning the deficient source is, or becomes, available, Transporter will provide such information via PASSKEY to all curtailed Shippers.

8. Shipper Imbalances

- 8.1 Shipper's Duty to Control Imbalances: A Shipper receiving any transportation service from Transporter will use, or will cause any party receiving or delivering Shipper's gas to use, all reasonable efforts to ensure that receipts and deliveries of gas equal the Scheduled Quantities. A Shipper receiving service from Transporter at a receipt and/or delivery point(s) not covered by a Balancing Agreement shall also be responsible for controlling, and if necessary, adjusting receipts and deliveries of gas to maintain a balance between such receipts, deliveries, and Scheduled Quantities. To the extent a Shipper is out of balance at a point not covered by a Balancing Agreement, such Shipper will be subject to the daily and monthly balancing provisions contained in the LMS-MA Rate Schedule for delivery points or Transporter's LMS-PA Rate Schedule for receipt points. Imbalances at such points will be allocated pro rata based on Scheduled Quantities.
- 8.2 Outstanding Imbalances: Shippers shall remain responsible for imbalances accrued before Implementation Date. Within thirty days of the Implementation Date, Shipper shall be required to "cash out" any outstanding imbalances effective on the day before the Implementation Date in accordance with the procedures established in Transporter's Tariff that was in effect on the day before the Implementation Date unless the parties mutually agree otherwise.
- 8.3 Unauthorized Delivery Charge: Unauthorized deliveries are deliveries of gas made to Transporter at the Receipt Point(s) or from Transporter at Delivery Point(s) prior to submission of the Customer Nomination Form and scheduling provided above.

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Original Sheet No. 67 Original Sheet No. 67 : Effective

#### GENERAL TERMS AND CONDITIONS

Transporter shall have the right to refuse tender of or refuse to tender an unauthorized delivery. Upon discovery of an unauthorized delivery, Transporter shall notify the Shipper responsible for the unauthorized delivery. For any unauthorized deliveries that occur after Transporter has notified Shipper, Transporter shall assess a daily charge equal to 200% of the Index Price as determined in accordance with the procedures established in the LMS Rate Schedules. Transporter shall have the right to retain unauthorized deliveries at Receipt Point(s) that have not been cured in accordance with the above after 30 days notice to the responsible party.

- 8.4 Balancing at Contract Termination - Following the termination of the service agreement, Shipper shall be required to "cash out" any remaining excess or deficiency in receipts and deliveries in accordance with the procedures established in the LMS Rate Schedules, unless the parties mutually agree otherwise.

#### IV. MEASURING EQUIPMENT

1. Measuring station: Transporter shall install, maintain, and operate electronic measurement equipment, including Data Acquisition and Control ("DAC"), at all meters that shall be used to measure the volume and total heating value of gas received and delivered by Transporter that have a maximum daily quantity of more than 5,000 dth per day. The cost of such equipment installed by Transporter shall be borne by the Operator at each receipt and delivery point or the Shippers using the point as a Primary Receipt or Delivery Point. The heating value of the gas delivered shall be measured and determined in accord with Section 2(b) and (c) of Article III of the General Terms and Conditions.
  - (a) Orifice Meters: Orifice meters, if used, shall be installed, and gas volumes computed, in accordance with American National Standard Bulletin ANSI/API 2530, Orifice Metering of Natural Gas, dated September, 1985, and any modification and amendments thereof, and shall include the use of flange connections and straightening vanes.
  - (b) Positive Displacement Meters: Diaphragm or rotary meters, if used shall be installed, and volumes computed, in accordance with generally accepted industry practices.

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**Original Sheet No. 68** Original Sheet No. 68 : Effective

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- (c) Turbine Meters: Turbine meters, if used, shall be installed, and volumes computed, in accordance with American Gas Association report 7, dated November, 1984 and any modifications and amendments thereof.
  - (d) Electronic Flow Computers: electronic or other types of flow computers if used, shall be installed, and volumes calculated in accordance with generally accepted industry practices.
  - (e) New Measurement Techniques: If, at any time, a new method or technique is developed with respect to gas measurement or the determination of the factors used in such gas measurement, such new method or technique may be substituted upon mutual agreement thereto by the parties.
2. Check measuring equipment: Check measuring equipment shall be limited to one Transporter, one Shipper and one Operator where each 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 the primary measuring equipment or the operation of the facility or the other party's measuring equipment.
  3. Right to be present: Transporter, Shipper, or Operator shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas under the transportation contract. The records from such measuring equipment shall remain the property of their owner, but, upon request, each will submit to the other its records, together with calculations therefor, for inspection and verification, subject to return within ten days after receipt thereof.
  4. Care required: All installations of measuring equipment applying to or affecting deliveries of gas shall be made in such manner as to permit an accurate determination of the quantity of gas delivered and ready verification of the accuracy of measurement. Care shall be exercised by both parties in the installation, maintenance, and operation of pressure-regulating equipment so as to prevent any inaccuracy in the determination of the volume of gas delivered under the transportation contract.

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5. Calibration and test of meters: The accuracy of Transporter's, Shipper's, or Operator's measuring equipment shall be verified at reasonable intervals and, if requested, in the presence of representatives of Transporter, Shipper, or Operator, but no party shall be required to verify the accuracy of such equipment more frequently than once in any thirty-day period. In the event that a party shall notify the other parties 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 any such special test, if called for, shall be borne by the requesting party if the measuring equipment tested is found to be in error not more than two percent.

If, upon test, any measuring equipment is found to be in error by not more than two percent, previous recordings of such equipment shall be considered accurate in computing deliveries of gas, but such equipment shall be adjusted at once to record accurately.

If, upon test, any measuring equipment shall be found to be inaccurate by an amount exceeding two percent, 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 known definitely, but in case the period is not known or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of last test, not exceeding a correction period of sixteen days.

6. Correction of metering errors - failure of meters: In the event a meter is out of service or registering inaccurately, the volume of gas delivered shall be determined:
- (a) by using the registration of any check meter or meters, if installed and accurately registering; or, in the absence of (a);
  - (b) by correcting the error if the percentage of error is ascertainable by calibration, tests, or mathematical calculation; or, in the absence of both (a) and (b);
  - (c) by estimating the quantity of delivery by deliveries during periods under similar conditions when the meter was registering accurately.



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7. Correction of metering errors - adjustments: A measurement data correction shall become a prior period adjustment (PPA) after the fifth (5th) business day following the production month.

GISB Standard 2.3.14 (Version 1.4) states: Measurement data corrections should 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. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

8. Preservation of metering records: Transporter, Shipper, and Operator shall each preserve for a period of at least one year all test data, charts, and other similar records.

V. INVOICING

1. Monthly invoicing date: Transporter shall prepare invoices (including imbalance statements) no later than the ninth business day of the month for all gas service furnished during the preceding invoicing period. Transporter may render separate invoices for reservation charges, for commodity charges, for cash-out charges, and for other charges. Invoices may be rendered by mail or electronic communication.
2. Right of examination: Both Transporter and Shipper shall have the right to examine at any reasonable time the applicable books and records (or portions thereof) of the other to the extent necessary to verify the accuracy of any statement made under or pursuant to the provisions of the gas service contract. Upon receipt of a request, the requestee will either send the relevant information to the requestor or will provide the requestor the right to review such information in the requestee's offices.

VI. PAYMENTS

1. Monthly payment date: Shipper (or other payor) shall pay Transporter, at a bank designated by Transporter, so that payment is received and Transporter has available funds within ten (10) calendar days from the receipt of the invoice, for the natural gas service purchased by Shipper during the preceding month and billed by Transporter pursuant to the Tariff and the gas service agreement. Shipper (or other Payor) shall provide Transporter with supporting documentation with any payment as well as the appropriate invoice number on the payment(s). Transporter shall apply the payment pursuant to the supporting documentation provided.
2. Remedies for non-payment: Should Shipper fail to pay all of the amount of any invoice as herein provided when such amount is due, Shipper shall pay a Charge for Late Payment. Such Charge for Late Payment shall be determined by multiplying (a) the unpaid portion of the invoice, by (b) the ratio of the number of days from the due date to the date of actual payment to 365, by (c) the interest rate calculated in accordance with Section 154.501 (d) of the Commission's regulations. If such failure to pay continues for thirty (30) days after payment is due and Transporter

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**First Revised Sheet No. 71** First Revised Sheet No. 71 : Effective  
Superseding: Original Sheet No. 71

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has provided Shipper and the FERC with at least fifteen (15) days notice that service will terminate due to the non-payment, Transporter, in addition to any other remedy it may have under the gas service agreement, may terminate the service agreement according to its terms; provided, however, that if Shipper in good faith shall dispute the amount of any such invoice or part thereof and shall pay to Transporter such amounts as it concedes to be correct in addition to providing such remittance detail and documentation identifying the basis for the dispute; and at any time within thirty (30) days after a demand made by Transporter shall furnish good and sufficient surety bond, guaranteeing payment to Transporter of the amount ultimately found due upon such invoices after a final determination, which may be reached either by agreement or judgment of the courts, as may be the case, then Transporter shall not be entitled to terminate the service agreement until default is made on the conditions of such bond; provided further that should Shipper prevail on the dispute, Transporter shall reimburse Shipper for the cost of the surety bond.

3. Adjustment of underpayment overpayment, or error in invoicing: If it shall be found that at any time Shipper has been overcharged or undercharged in any form whatsoever under the provisions of this Tariff, or a gas service agreement and Shipper shall have actually paid the invoice containing such overcharge or undercharge, then within thirty days after the final determination thereof, Transporter shall refund the amount of such overcharge and Shipper shall pay the amount of any such undercharge; provided, however, that interest calculated in accord with Section 2 of this Article VI shall apply to any overcharge or undercharge not paid or refunded within thirty days from the date of the determination of the amount of the undercharge or overcharge. If a claim for an adjustment of the amount invoiced in any statement rendered by Transporter is made, which claim shall include documentation of the error, such error shall be adjusted within thirty (30) days of the determination thereof; provided that any claim for an adjustment must be made no later than six months from the date the invoice to which the claimed error pertains was rendered unless (i) the parties mutually agree otherwise or (ii) the claimed error is the result of a deliberate omission or misrepresentation by either party or a mutual mistake of fact. In all cases in which a claim for an adjustment is made, the Shipper or Transporter, as applicable has 90 days to dispute the claimed adjustment. In the case of adjustment claims made under (i) or (ii) above, the period for resolving adjustments will be tolled until the claimed adjustment is settled.

#### VII. POSSESSION OF GAS

Unless otherwise provided in the service agreement or applicable Rate Schedule, as between Transporter and Shipper, Shipper shall be deemed to be in exclusive control and possession of the gas to be transported (i) prior to receipt by Transporter at the Receipt Point(s), (ii) after receipt by Transporter, when the gas is in the custody of Shipper or Shipper's designee for separation, processing or other handling, and (iii) after delivery by Transporter at the Delivery Point(s);

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otherwise, Transporter shall be in exclusive control and possession of the gas. The party in exclusive control and possession of the gas shall be responsible for all injury or damage caused thereby to any third party. In the absence of gross negligence or willful misconduct on the part of Transporter, Shipper waives any and all claims and demands against Transporter, its officers, employees or agents, arising out of or in any way connected with (i) the quality, use or condition of the gas after delivery from Transporter for the account of such Shipper, (ii) any losses or shrinkage of gas during or resulting from transportation hereunder, and (iii) all other claims and demands arising out of Transporter's performance of its duties hereunder.

VIII. PRESSURE OF GAS DELIVERIES AND OPERATIONAL FLOW ORDERS

1. Pressure of Deliveries

Transporter shall deliver natural gas to Shipper as nearly as practicable at such pressure as may be agreed upon in the gas service contract, provided that the maximum pressure shall be Transporter's line pressure at the Point(s) of Delivery and the minimum pressure shall be 100 pounds per square inch gauge.

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/Balancing Parties in order (1) to alleviate conditions that threaten the integrity of Transporter's 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 PASSKEY, prior notice to all Shippers and Balancing Parties 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 and Balancing Party 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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- (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 (1) first to Shippers/Balancing Parties causing the problem necessitating the OFO or transporting gas in the area of the system in which there is an operational problem, and (2) second to those Shippers/Balancing Parties transporting gas in the area of the system where action is required to correct the problem necessitating the OFO. Transporter will tailor the OFO to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in subsections 2(e) and 2(f).
- (d) Notice: As stated in GISB Standard 5.3.34 (Version 1.4), Transportation Service Providers should provide affected parties with notification of intraday bumps, operational flow orders and other critical notices through the affected party's choice of Electronic Notice Delivery mechanism(s). As stated in GISB Standard 5.2.2 (Version 1.4), "Electronic Notice Delivery" is the term used to describe the delivery of notices via Internet, E-mail and/or EDI/EDM. Pursuant to GISB Standards 5.3.34 and 5.2.2, Transporter shall issue notice of all OFOs to the affected Shipper/Balancing Party via PASSKEY, e-mail or EDI/EDM, at the Shipper/Balancing Party's election. In addition, Transporter shall notify the Shipper/Balancing Party of issuance of an OFO via telephone. Concurrent with notice to the Shipper/Balancing Party, all OFOs shall be posted on PASSKEY. The OFO will set forth (1) the time and date of issuance, (2) the actions Shipper/Balancing Party is required to take, (3) the time by which Shipper/Balancing Party must be in compliance with the OFO, (4) the anticipated duration of the OFO, and (5) any other terms that Transporter may reasonably require to ensure the effectiveness of the OFO. Each Shipper and Balancing Party must designate one or more persons, but not more than three persons, for Transporter to contact on operating matters at any time, on a 24-hour a day, 365-day a year basis. Such contact persons must have adequate authority and expertise to deal with such operating matters. If Transporter cannot contact any Shipper/Balancing Party because that Shipper/Balancing Party has failed to designate a contact person or Shipper's/Balancing Party's contact person is unavailable, Transporter shall not be responsible for any consequences that could have been prevented by communication. Transporter, however, will make reasonable continuing efforts to notify the affected Shipper/Balancing Party.
- (e) Action Alerts: In the event that Transporter determines that due to (1) an ongoing or anticipated weather event, (2) a known equipment problem, or (3) the anticipated continuation of a current system operational problem, action is necessary to avoid a situation in which the system integrity is jeopardized or Transporter's ability to render firm service is threatened, Transporter may issue an Action Alert as set out herein to forestall the development of the situation.

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- (1) Issuance of Alerts -- Action Alerts will be noticed in accord with the procedures set forth in Section 2(d) and will be issued in two stages. A minimum of 48 hours prior to the time that a Shipper/Balancing Party must take the action specified in the Alert, Transporter will issue a notice informing the Shipper/Balancing Party of the known or anticipated problem on the system, the action it will be required to take, and the anticipated time at which it will be required to take the action. Shipper/Balancing Party will be expected to take preliminary actions to assist Transporter in avoiding a system problem. A minimum of 30 hours prior to the time that the Shipper/Balancing Party is required to take the designated action, Transporter will issue specified action instructions. Conformance with these instructions will be mandatory. Transporter, to the greatest extent feasible, will issue the action instructions such that the time of mandatory conformance will correspond with the beginning of the gas day.
- (2) Requested Actions: Upon issuance of an Action Alert, Transporter can request that a Shipper/Balancing Party take any of the following actions, or other similar actions, to the extent that such actions would alleviate the situation:
  - (i) increase or decrease deliveries of gas into the system at specified receipt points;
  - (ii) bring the nominations across all delivery points or, if necessary, at specified delivery points within designated balancing tolerances.
- (f) Balancing Alerts: In the event that, in Transporter's judgment, the Action Alerts under Section 2(e) are not sufficient to address the situation fully or under circumstances in which the operational integrity of the system is more severely threatened, Transporter may issue Balancing Alerts.
  - (1) Issuance of Alerts: Balancing Alerts will be noticed in accord with the procedures set forth in Section 2(d) and will be issued a minimum of eight hours prior to the required action by the Shipper/Balancing Party.
  - (2) Required Actions: Balancing Alerts can be issued to effect any of the following:

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Original Sheet No. 75 Original Sheet No. 75 : Effective

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- (i) curtailment of interruptible services.
  - (ii) restrictions of deliveries to a specific point or points covered by a Balancing Agreement to the aggregate Transportation Quantity under the firm transportation agreements with primary delivery points at the affected locations; and/or
  - (iii) forced balancing such that Balancing Parties will be required to assure that nominations equal flows or that receipts and deliveries fall within the tolerance level designated in the Alert;
- (g) Shipper/Balancing Party Compliance: A Shipper/Balancing Party must comply with an Action Alert and/or Balancing Alert (referred to collectively as OFOs) within the time period set forth therein unless the Shipper/Balancing Party is able to demonstrate that such compliance (1) is not within the Shipper's/Balancing Party's physical control or capability; (2) is prevented by operating conditions on a third party system that are beyond the Shipper's/Balancing Party's control; (3) is precluded by contractual restrictions or the lack of any contract at all with persons other than Transporter; and/or (4) is prevented due to a force majeure event as defined in Article X of Transporter's General Terms and Conditions. The Shipper/Balancing Party shall make a good faith effort to comply with any such OFO, including seeking waivers of any contractual limits with third parties or modifications of operating conditions on third party systems. Shipper/Balancing Party shall notify Transporter immediately if it believes that it is excused from compliance with the OFO for any of the above stated reasons and shall provide Transporter with documentation sufficient to support its basis for non-compliance.
- (h) Penalties: If a Shipper/Balancing Party fails to comply with an Action Alert it shall be subject to twice the otherwise applicable daily charges as provided in Rate Schedule LMS-MA or LMS-PA, as applicable, for any volume of gas by which it deviated from the requirements of the Action Alert. If a Shipper/Balancing Party fails to comply with a Balancing Alert it will be subject to an Unauthorized Charge of \$15.00 for each dekatherm of gas by which it deviated from the requirements of the Balancing Alert. A Balancing Party shall not incur any charges or

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penalties if such charges or penalties would not have been incurred but for Shipper's/Balancing Party's compliance with an Action Alert or Balancing Alert, including any preliminary action taken by Shipper/Balancing Party in response to a warning issued by Transporter as a precondition to an Action Alert. A Shipper/Balancing Party shall not incur any penalties if the Action or Balancing Alert was necessitated exclusively by Transporter's negligence or willful misconduct.

- (i) **Liability of Transporter:** Transporter shall not be liable for any costs incurred by any Shipper/Balancing Party in complying with an OFO. Transporter shall not be responsible for any damages that result from any interruption in Shipper's/Balancing Party's service that is a result of a Shipper's/Balancing Party's failure to comply promptly and fully with an OFO, and the noncomplying Shipper/Balancing Party 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.
- (j) **Unilateral Action:** In the event that (1) Shipper/Balancing Party 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 (c) there is insufficient time to carry out the procedures with respect to Action Alerts or Balancing Alerts, 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.

IX. WARRANTY OF TITLE TO GAS

This Article shall apply to all transportation service unless otherwise provided in the applicable Rate Schedule or service agreement. Shipper warrants for itself, its successors and assigns, that it will have, at the time of delivery of gas hereunder, good title and/or the good right to deliver the gas, that the gas it delivers hereunder shall be free and clear of all liens, encumbrances and claims whatsoever, that Shipper will indemnify Transporter and save Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of any adverse claims of any and all persons to said gas and/or to royalties, taxes, license fees, or charges thereon that are applicable for such delivery of gas and that Shipper will indemnify Transporter and save Transporter harmless from all taxes

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or assessments that may be levied and assessed upon such delivery and that are by law payable by and the obligation of the party making such delivery. If Shipper's title or right to deliver gas to be transported is questioned or involved in any action, Shipper shall not qualify for or shall be ineligible to continue to receive service until such time as Shipper's title or right to deliver is free from question; provided, however, Transporter shall allow Shipper to qualify for or continue receiving service under this Tariff if Shipper furnishes a bond satisfactory to Transporter. Title to the gas received by Transporter at the Receipt Point(s) shall not pass to Transporter, except as provided in Transporter's LMS-MA and LMS-PA Rate Schedules, and title to gas delivered for Transporter's system fuel and uses and gas lost and unaccounted for shall pass to Transporter upon delivery at the Receipt Point(s). To the extent Transporter sells gas to a Shipper or Balancing Party pursuant to the cash out provisions in Rate Schedules LMS-MA or LMS-PA, Transporter shall indemnify and hold Shipper or Balancing Party harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said gas and/or royalties, taxes, license fees, or charges thereon.

X. EXCUSE OF PERFORMANCE

1. Relief from Liability: Neither Transporter nor Shipper shall be liable in damages to the other for any act, omission or circumstance occasioned by or in consequence of any (1) maintenance, construction, tests, rehabilitation, repairs on pipelines or (2) force majeure events, including acts of God, strikes, lockouts or other industrial disturbances, controversies with landowners, acts of the public enemy or terrorists, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, tropical storms or hurricanes, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze-ups, temporary failure of gas supply that was contracted on a firm basis, partial or total failure or unavailability of capacity that was contracted on a firm basis, inability to obtain or unavoidable delay in obtaining materials, supplies, equipment, permits or labor to perform or comply with any obligations or conditions of an agreement, inability to obtain access to right-of-way, the binding order of any court or governmental authority that has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, and whether caused or occasioned by or happening on account of the act or omission of one of the



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parties to the gas service agreement between Transporter and Shipper or some person or concern not a party thereto, not within the control of the party claiming suspension, and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming suspension.

2. Liabilities not relieved: Such causes or contingencies affecting the performance of said gas transportation contract by either party, however, shall not 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 relieve either party of liability unless such party shall give notice and full particulars of the same in writing or by telegraph to the other party as soon as possible after the occurrence relied on. The inability to obtain and resell gas supply at a profit shall not relieve a party of liability. Nothing contained herein shall be construed to require either party to settle or prevent a strike or other controversy with employees or with anyone purporting or seeking to represent employees or a controversy with a landowner.
3. Termination of Agreements: If either Transporter or Shipper shall fail to perform a material covenant or obligation imposed upon it by the gas service agreement, subject to the applicable provisions of this Tariff, then in such event the other party may at its option terminate said agreement by proceeding as follows: the party not in default shall cause a written notice to be served on the party in default stating specifically the cause for terminating the contract and declaring it to be the intention of the party giving the notice to terminate the same; thereupon, the party in default shall have thirty days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the notice of terminating the agreement, and if within said period of thirty days the party in default does so remove and remedy said cause or causes and fully indemnify the party not in fault for any and all consequences of such breach, then such notice shall be withdrawn and the agreement shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes or does not indemnify the party giving the notice for any and all consequences of such breach within said period of thirty days, the agreement shall terminate; provided, however, that Transporter may not terminate the agreement until it has

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**Second Revised Sheet No. 79** Second Revised Sheet No. 79 : Superseded  
Superseding: First Revised Sheet No. 79

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obtained the authorization required by valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction. Any cancellation of the agreement pursuant to the provisions of this paragraph shall be without prejudice to the right of Transporter to collect any amounts then due to it for natural gas transportation service rendered prior to the time of cancellation and shall be without prejudice to the right of Shipper to receive any gas which it has not received but has delivered to Transporter for transportation, prior to the time of cancellation, and without waiver of any remedy to which the party not in default may be entitled for violations of the contract.

#### XI. NOTICES

Except when the General Terms and Conditions of Transporter's tariff requires communication via PASSKEY, any communication, notice, request, demand, statement, or bill provided for in the Tariff or in a service agreement, or any notice that either Transporter or Shipper may desire to give to the other, shall be in writing and shall be considered as duly presented, rendered, or delivered five days after the date the notice is mailed by either post-paid registered or ordinary mail or when sent by telegram, cable, telecopy, telex, express mail service, or such other method mutually agreed upon between the parties. The material so sent shall be addressed to the pertinent party at its last known post office address, or at such other address as either party may designate.

#### XII. MODIFICATION

Except for changes specifically authorized pursuant to the service agreement or Transporter's Tariff, no modification of or supplement to the terms of a service agreement shall be or become effective until Shipper has submitted a request for change through PASSKEY, and Shipper has been notified through PASSKEY of Transporter's agreement to such charge.

#### XIII. NONWAIVER AND FUTURE DEFAULT

No waiver by either Transporter or Shipper of any one or more defaults by the other in the performance of any provisions of a gas service contract shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

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XIV. SCHEDULES AND AGREEMENTS SUBJECT TO REGULATION AND CHANGE

This Tariff, including these General Terms and Conditions and the respective obligations of the parties under the gas service agreements, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction and are subject to change from time to time by addition, amendment, or substitution as provided by law.

XV. OPERATING INFORMATION AND ESTIMATES

At Transporter's request, any Shipper or Balancing Party that has executed a gas service agreement with Transporter shall furnish to Transporter estimates of the daily, monthly, or annual volumes of natural gas required to be delivered by Transporter.

XVI. ELECTION OF RIGHT-OF-FIRST REFUSAL AND EXTENSION OF LONG TERM FIRM SERVICE AGREEMENTS

Unless Transporter and Shipper expressly agree otherwise in Shipper's service agreement, this Article XVI shall apply only to long term firm service agreements at the applicable maximum rate or to long term firm service agreements entered into prior to March 27, 2000 (qualifying agreement(s)). A Shipper holding a qualifying agreement may exercise a right-of-first refusal in accordance with, and subject to, the procedures and limitations set forth below; provided, however, that if the qualifying agreement is at a negotiated or less than maximum rate, such agreement must be extended at the applicable maximum rate for a term of one year or more in order to retain a right-of-first refusal beyond the extended term. Unless Transporter and Shipper expressly agree otherwise in Shipper's service agreement, a right-of-first refusal does not apply to negotiated rate arrangements, to firm service agreements at less than the applicable maximum rate or to firm service agreements with a term of less than one year. If a Shipper, pursuant to the terms of a qualifying agreement, elects to extend its agreement or any portion thereof for less than the automatic extension period provided therein, then Transporter, at its option, shall either accept Shipper's lesser extension period or the capacity under such agreement shall be made available in accordance with the following:

- (a) Transporter shall post the capacity for bidding on PASSKEY 180 days prior to the termination of the service agreement. The capacity will remain posted on PASSKEY for a minimum of 20 days with such posting containing the following information with respect to the capacity:
  - (i) daily and other applicable quantity limitations of capacity available;
  - (ii) Primary Receipt and Delivery Points;
  - (iii) maximum reservation charge as set forth in the Summary of Rates and Charges in Transporter's FERC Gas Tariff;
  - (iv) any minimum acceptable bid;

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**Second Revised Sheet No. 81** Second Revised Sheet No. 81 : Effective  
Superseding: First Revised Sheet No. 81

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- (v) any applicable restrictions; and
  - (vi) the last day of the Bidding Period.
- (b) Upon conclusion of the Bidding Period, Transporter shall evaluate the bids in accord with the present value formula set forth in Article XXI, Section 6 for the evaluation of bids under Transporter's capacity release mechanism; provided that the term used for purposes of the formula will be the lesser of the term proposed by the Bidder or five years; and provided further that any bid rate higher than the maximum applicable rate shall be deemed to be equal to the maximum applicable rate.
- (c) Within 5 days of the close of the Bidding Period, Transporter shall notify Shipper of the bid meeting all the criteria in Section (a) hereof that has the highest present value to Transporter ("Highest Bid"). Shipper shall have 25 days after receiving notice to notify Transporter as to whether it will match the Highest Bid. If the Shipper elects to match the Highest Bid, it must execute a new service agreement that contains the terms of that Bid prior to the termination of its existing long term firm service agreement; provided, however, that shipper shall not be required to pay any rate higher than the maximum applicable rate.
- (d) If Transporter receives no qualifying bids on the capacity, then Shipper may continue to receive service at the maximum rate or such other rate as Transporter and Shipper mutually agree. A Shipper paying the maximum rate, may determine the term of the extended service. A Shipper who continues service under such basis shall retain its right of first refusal.

XVII. GAS RESEARCH INSTITUTE RATE ADJUSTMENT

The rates for Transporter's Funding Services as specified below shall be adjusted from time to time to reflect collections to fund the research, development, and demonstration programs of the Gas Research Institute (GRI) in accord with the procedures herein specified.

1. Funding Services: Funding Services shall include (1) all transportation services under Rate Schedules in Volume No. 1 of Transporter's FERC Gas Tariff and (2) all transportation services for interstate pipelines, intrastate pipelines, distribution customers, or for ultimate consumers under Rate Schedules in Volume No. 2 of Transporter's FERC Gas Tariff; provided, however, that such services shall exclude (1) services for another interstate pipeline that has a GRI rate

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**First Revised Sheet No. 82** First Revised Sheet No. 82 : Effective  
Superseding: Original Sheet No. 82

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adjustment charge in its effective FERC Gas Tariff, (2) transportation service for gas volumes that are purchased from another interstate pipeline and are subject to a GRI rate adjustment charge in its effective FERC Gas Tariff, (3) transportation services for gas volumes that are transported by another interstate pipeline and are subject to a GRI rate adjustment charge in its effective FERC Gas Tariff, and (4) transportation services for which less than the maximum rate is charged (to the extent specified by the adjustment in Section 4 below).

#### 2. Filing of GRI Rate Adjustment

- 2.1 Effective Rate after GRI Rate Adjustment: The effective rates for Funding Services under Rate Schedules in Volume No. 1 of Transporter's FERC Gas Tariff shall be the Rates After Current Adjustment for the rates in each applicable Rate Schedule shown on Transporter's effective Tariff Sheet No. 5 reflecting the Current GRI Rate Adjustment under this Article XVII. The effective rate for Funding Services under Rate Schedules in Volume No. 2 of Transporter's FERC Gas Tariff shall be the sum of the applicable rate on the pertinent tariff sheets within each Rate Schedule and the Current GRI Rate Adjustment on Transporter's effective Tariff Sheet No. 5 in Volume No. 1 of Transporter's FERC Gas Tariff.
- 2.2 Effective Date of Adjustment: The Effective Date of Adjustment for each GRI Rate Adjustment filed pursuant to this Article XVII shall be the date specified in Transporter's filing and, to the extent practicable, shall be the first day of a month. The GRI Rate Adjustment shall become effective on the Effective Date of Adjustment without suspension or refund obligation.
- 2.3 Filing Procedure: At least thirty days prior to the Effective Date of Adjustment, Transporter shall file with the Federal Energy Regulatory Commission and post, as defined in Section 154.16 of the Commission's Regulations, revised Tariff Sheets reflecting the Current GRI Rate Adjustment.

3. Current GRI Rate Adjustment: The Current GRI Rate Adjustment shall be the unit amounts that have been approved for each rate component and rate schedule by the most recent order of the Federal Energy Regulatory Commission approving GRI's research, development, and demonstration program.

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

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4. Disposition of Revenues Collected Under GRI Rate Adjustment: within fifteen days of the receipt of revenues under the GRI Rate Adjustment Transporter shall remit to GRI the amounts collected less any amounts properly payable to a federal, state, or local authority relating to such revenues. For purposes of computing these revenues from discounted transactions, the GRI Rate Adjustment shall be deemed to be the first amount discounted. If the discount is less than the amounts collected under the GRI Rate Adjustment, Transporter shall remit the difference to GRI. If the discount is equal to or greater than the amounts collected under the GRI Rate Adjustment, Transporter shall have no obligation to remit any amounts collected to GRI.
5. Disposition of Revenues Collected Under the Voluntary Contribution Program  

In addition to the amounts remitted to GRI pursuant to Section 4 above, Transporter shall also remit to GRI any amounts collected from Shippers who wish to voluntarily contribute additional amounts to GRI's research, development and demonstration programs (the "Voluntary Contribution Program"). Shippers desiring to contribute to the Voluntary Contribution Program may check the appropriate box on their monthly invoices and include such amounts with their payments.

XVIII. FERC ANNUAL CHARGE ADJUSTMENT

Transporter shall adjust the rates for Funding Services as specified below from time to time to reflect the annual charge assessed Transporter by the Federal Energy Regulatory Commission (Annual Charge) pursuant to Order No. 472 or any other superseding or related rule or order.

1. Funding Services: Funding Services shall include (1) all transportation services under Rate Schedules in Volume No. 1 of Transporter's FERC Gas Tariff, and (2) all transportation services for interstate pipelines, intrastate pipelines, distribution companies, or for ultimate consumers under Rate Schedules in Volume No. 2 of Transporter's FERC Gas Tariff.
2. Filing of Annual Charge Rate Adjustment: The effective rates for Funding Services under Rate Schedules in Volume No. 1 of Transporter's FERC Gas Tariff shall be the Rate After Current Adjustment for each applicable Rate Schedule shown on Transporter's effective Tariff Sheet No. 5 reflecting the Current Annual Charge Rate Adjustment under this Article XVIII.
  - 2.1 Effective Date of Adjustment: The Effective Date of Adjustment for each Annual Charge Rate Adjustment filed pursuant to this Article XVIII shall be October 1 of each year. The Annual Charge Rate Adjustment shall become effective on the Effective Date of Adjustment without suspension or refund obligation.
  - 2.2 Filing Procedures: At least thirty days prior to the Effective Date of Adjustment, Transporter shall file with the Federal Energy Regulatory Commission and post, as defined in Section 154.16 of the Commission's Regulations, revised Tariff Sheets reflecting the Current Annual Charge Rate Adjustment.
3. Current Annual Charge Rate Adjustment: The Current Annual Charge Rate Adjustment shall be the unit amount, adjusted as necessary for heating value and pressure base, that the Federal Energy Regulatory Commission orders to be effective for the fiscal year commencing on the Effective Date of Adjustment.

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4. Retention of Revenues Collected under Annual Charge Rate Adjustment:  
Transporter shall retain all revenues collected under this Article XVIII.  
Except as provided by this Article XVIII, Transporter shall not have the  
right to seek to recover in any proceeding under Section 4(e) of the Natural  
Gas Act any Annual Charges recorded in its FERC Account No. 928.

XIX. INFORMATION AND COMMUNICATIONS REGARDING TRANSPORTATION SERVICES

This article describes the information Transporter will make available pursuant to  
Order Nos. 497, et al. and Order Nos. 636, et. al. of the Federal Energy Regulatory  
Commission and the procedures through which the information will be made available.

1. Access to PASSKEY
- (a) Any person may communicate with Transporter via PASSKEY by:
    - i) acquiring compatible personal computer capability
    - ii) executing a System License Agreement with Transporter; and
    - iii) receiving a user identification number for accessing the System.
  - (b) A Shipper may communicate with Transporter via Electronic Data  
Interchange (EDI) by executing a Trading Partner Agreement with  
Transporter.

2. Posted Information

Any person desiring information on the availability, pricing, or other terms  
of the transportation services can call the Transportation and Exchange  
Services Department (713-420-5555). In addition, Transporter shall provide  
the following information on PASSKEY, updated as indicated:

Transaction	Post	Update	Remove
(a) Capacity Reallocation - Pre-arranged transfer	Transactions Shippers provide on line or within two business days	As Necessary	Upon deal completion

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 FERC Docket: RP01-338-000

**Fifth Revised Sheet No. 85** Fifth Revised Sheet No. 85 : Effective  
 Superseding: Fourth Revised Sheet No. 85

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Transaction	Post	Update	Remove
- Regular releases	Shippers provide on line or within two business days	As necessary	Upon deal completion, notification by Shipper or after one year subject to reposting
- Requests for releases	Requestors provide on line or within two business days	As necessary	Upon deal completion, notification by Shipper or after one year subject to reposting
(b) Unused Firm Capacity*	Daily as required	Daily as required	Permanent feature
(c) Maintenance Schedules	One month in advance	Weekly update as required	Project completion
(d) Capacity Restriction*	Immediately upon occurrence	As necessary	End of one month
(e) Imbalances	Shippers/Balancing Parties	As necessary	After trade completion
(f) Prior Notices of system events*	As applicable	As necessary	Upon termination of the event warranting the OFO
(g) Operational Flow Orders*	Immediately upon request	As necessary	When change occurs
(h) Notice of Meetings, Deadlines, Etc.*	One year in advance if possible	As necessary	End of one year
(i) Discounts	As applicable	As necessary	Two months
(j) Tariff Rates*	As Tariff changes	As necessary	When change occurs
(k) Tariff*	As Tariff changes	As necessary	When change occurs

GISB Standard 5.3.18 (Version 1.4) states: System-wide notices should have a separate category for notices that are not critical. In addition to FERC Order No. 566 affiliated marketer information and Transporter's Index of Customers, information marked by an asterisk (\*) above shall also be provided on Transporter's HTML page, accessible via the Internet's World Wide Web, at [www.epenergy.com](http://www.epenergy.com).



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**Third Revised Sheet No. 86** Third Revised Sheet No. 86 : Superseded  
Superseding: Second Revised Sheet No. 86

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3. Service Complaints

Customers are encouraged to resolve any disputes informally with their designated customer representatives. A formal complaint concerning any transportation services offered by Transporter shall specifically state that it is a complaint under Order No. 497 and shall be directed, preferably in writing, to the Vice President of Transportation Services, P. O. Box 2511, Houston, Texas 77252-2511. The Vice President or his designee will respond initially to the complainant within 48 hours (exclusive of weekends and holidays), and in writing within 30 days.

4. Common Operating Facilities and Personnel

Information on any operating facilities or operating personnel that Transporter shares with any of its marketing affiliates will be available on its Internet web site.

XX. INCORPORATION IN RATE SCHEDULES AND GAS SERVICE AGREEMENTS

These General Terms and Conditions are incorporated in and are a part of Transporter's Rate Schedules and gas service agreements. To the extent there is any inconsistency between terms in these General Terms and Conditions and terms in Transporter's Rate Schedules or gas service agreements, these General Terms and Conditions shall govern. Transporter may waive any rights hereunder or any obligations of Shipper on a basis that is not unduly discriminatory; provided that no waiver shall operate or be construed as a waiver of other or future rights or obligations, whether of a like or different character.

XXI. RELEASES OF FIRM SERVICE

A Shipper (herein referred to as "Releasing Shipper") under Rate Schedule FT-A may notify Transporter that Releasing Shipper desires to be relieved of all or a portion of the Transportation Quantity as set forth in its then effective FT-A Agreement.

A release for the entire remaining term of the Releasing Shipper's service agreement shall effect a permanent assignment. In the event of a permanent assignment, the assignee shall receive all rights and obligations associated with the released capacity.

1. Releasing Shipper's Request for Assignment

A Releasing Shipper that desires to release its rights to service on a basis that does not qualify for an exemption from prior posting pursuant to Section 3 hereof, may post directly on PASSKEY a Release Request, containing the following information:

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**First Revised Sheet No. 87** First Revised Sheet No. 87 : Effective  
Superseding: Original Sheet No. 87

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- (a) Releasing Shipper's name and FT-A Agreement number;
- (b) the maximum daily quantity to be released (Release Quantity), including any minimum acceptable Release Quantity;
- (c) the proposed commencement date and term of the release (including any minimum acceptable term);
- (d) the Primary Receipt Points and Primary Delivery Points for the released service and the amount of the firm capacity to be released at each such point (the total receipt point capacity released shall equal the total delivery point capacity released);
- (e) the reservation and/or usage rates and all other applicable rates, charges and surcharges for the released service, including any applicable minimum rate(s);
- (f) whether the transportation rights are to be subject to recall or reput in accord with Section 12(f) of this Article XXI, and if so, the specific conditions for recall or reput of the capacity;
- (g) whether contingent bids will be accepted for evaluation and, if so, whether the contingency can extend beyond the Bidding Period; if the contingency may extend beyond the Bidding Period, whether, and for what time period, the next highest bidder will be obligated to acquire the capacity should the winning contingent bidder exercise its option not to take the capacity;
- (h) whether the release is contingent on Releasing Shipper's ability to release associated capacity on another pipeline and, if so, all conditions associated with such contingency;
- (i) whether bids based on a volumetric rate will be accepted and any special conditions associated with release on a volumetric basis, including any minimum volumetric commitment expressed as a quantity or as a percentage;
- (j) any objective, non-discriminatory bid evaluation method (including a tie-breaking methodology) that Releasing Shipper desires to utilize to determine the award of released transportation rights; such standard may include the net value to Releasing Shipper of a bid for the capacity on other pipelines or a combination of the value of the bids for Shipper's released capacity on Transporter and on another pipeline;

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- (k) the manner in which any refunds in rates and charges ordered by FERC with respect to the released capacity will be allocated between Releasing Shipper and Replacement Shipper;
- (l) whether the Releasing Shipper has made prior arrangements with a person to release such person such transportation rights ("Prearranged Bidder"). In such event, the Releasing Shipper additionally shall submit:
  - I) the identity of the Prearranged Bidder;
  - ii) the term, Release Quantity and reservation and/or usage rates and all other applicable rates, charges and surcharges to which the Prearranged Bidder has agreed;
  - iii) a statement that the Prearranged Bidder has agreed unconditionally to accept the transportation rights on the terms prescribed in the Release Request; and
  - iv) evidence that the Prearranged Bidder meets the creditworthiness requirement of Section 5(a), unless the Releasing Shipper requests Transporter to waive the application of such requirement for the Prearranged Bidder and for other Bidders on a non-discriminatory basis and provides Transporter with a guarantee satisfactory to Transporter of all financial obligations of the Replacement Shipper under its Released Transportation Service Agreement prior to commencement of service to the Replacement Shipper.
- (m) whether the Releasing Shipper will accept bids for several packages of capacity that in combination total the amount of capacity offered for release;
- (n) whether or not the Releasing Shipper will require the Replacement Shipper to indemnify the Releasing Shipper against claims arising from the release;
- (o) posting, matching or bidding periods for the release within the guidelines set forth in Section 8 of this Article XXI;
- (p) any other conditions of the release including (i) whether Releasing Shipper will require Replacement Shipper to execute a contract with the Releasing Shipper to execute a contract with the Releasing Shipper with respect to the released transportation capacity, a copy of which shall be provided by Releasing Shipper to Transporter upon request; ii) date when Releasing Shipper would like bid releases posted for bidding.

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2. Replacement Shipper's Request for Assignment

A Shipper that desires to acquire rights to certain transportation service may post on PASSKEY in accord with Section 4(b), a Replacement Shipper Request which shall contain the following information:

- (a) Replacement Shipper's name;
- (b) the maximum daily quantity desired;
- (c) the desired commencement date and term of the transportation service;
- (d) the desired Primary Receipt and Primary Delivery Point capacity for the transportation service;
- (e) the maximum rate(s) that Replacement Shipper will pay for the transportation service;
- (f) whether Replacement Shipper is willing to acquire capacity rights on a recallable basis; and
- (g) whether Replacement Shipper's request is contingent, and if so, the basis for the contingency.

3. Releases Permitted Without Prior Posting

A Releasing Shipper may release some or all of its transportation rights without competitive bidding if its proposed release qualifies under this Section 3.

- (a) Short-Term Release Election: Competitive bidding for released capacity will not be required if:
  - i) the release term is thirty-one days or less;
  - ii) the Releasing Shipper provides Transporter with the information specified in Section 1(a)-(f) (k) (l) and (p) with respect to the short term release; and

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- iii) either the Releasing Shipper acts as agent for the Replacement Shipper with respect to the released capacity and agrees to remain directly liable for all rates, charges and surcharges associated with the released capacity; or prior to commencement of service, the short-term Replacement Shipper enters into a Released Transportation Service Agreement with Transporter (a) incorporating the information required by Section 3(a)(ii) and (b) establishing creditworthiness in accord with the same standards and procedures as provided for Bidders in Section 5(a).

Pursuant to 18 C.F.R. Section 284.8(i) of the Federal Energy Regulatory Commission's ("FERC's") regulations, until September 30, 2002, a release made pursuant to this Section 11.3(a) may not roll-over, renew or otherwise be extended beyond the term described in Section 11.3(a)(i) unless (a) the Releasing Shipper follows the prior posting and competitive bidding procedures, or (b) the release does not contain the same capacity as or overlaps the capacity contained in the original release; provided that the Releasing Shipper may use this Section 3(a) to release the capacity again to the same Replacement Shipper after 28 days from the original date that the release period has expired. After September 30, 2002, releases made pursuant to this Section 3(a) may not rollover, renew, or otherwise be extended to a term greater than thirty days unless (a) the Replacement Shipper agrees to pay the applicable maximum rates and meet all other terms and conditions of the release, (b) the Releasing Shipper follows the prior posting and bidding procedures; or (c) the release does not contain the same capacity as, or overlaps the capacity contained in, the original release; provided that the Releasing Shipper may use this Section 3(a) to release the capacity again to the same Replacement Shipper after 28 days from the original date that the release period has expired.

- b) Maximum Rate Prearranged Bidder: Competitive bidding for released capacity will not be required if a Prearranged Bidder has agreed to pay the maximum applicable rates, provided that:
  - (i) the Releasing Shipper provides Transporter with the information specified in Section 1(a)-(f), (k), (l), and (p);
  - (ii) prior to the commencement of service the Prearranged Bidder enters into a Released Transportation Service Agreement with Transporter (a) incorporating the information required by Section 3(b)(i) and (b) establishing creditworthiness in accord with the same standards and procedures as are provided for Bidders in 5(a); and
  - (iii) during the period until September 30, 2002, pursuant to 18 C.F.R. Section 284.8(i) of the FERC's regulations, the release term is one year or more, or the release is otherwise exempt from prior posting and competitive bidding pursuant to Section 3(a) above.

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**Second Revised Sheet No. 91** Second Revised Sheet No. 91 : Superseded  
Superseding: First Revised Sheet No. 91

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4. Posting of Release Requests and Replacement Shipper Requests
  - a) Releasing Shipper shall post all applicable information required by Section 1 on PASSKEY, which system will automatically assign an individual release number to such Release Request. The period of time for posting of the information ("Posting Period"), and the period of time during which bids will be received on such Release Request ("Bidding Period"), shall be as set forth in Section 8 unless otherwise specified in the Release Request. The Bidding Period shall be enclosed within the Posting Period.
  - b) Releasing Shipper may withdraw its Release Request, by written or electronic notice of withdrawal, up to the close of the applicable Bidding Period where unanticipated circumstances justify and no minimum bid has been submitted.

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- (c) Replacement Shipper shall post all applicable information required by Section 2 on PASSKEY. Such requests shall remain posted for a period of four weeks or until a transaction is effected, whichever is shorter.
  - (d) Transporter makes no representation or warranty to any party concerning the accuracy or completeness of any posted information or concerning the willingness or ability of any Releasing Shipper to release transportation rights hereunder or of any Replacement Shipper to accept transportation rights hereunder. Transporter shall not be liable to any party for any damages, of any nature whatsoever, including without limitation any special, incidental or consequential damages, or any other kind that may arise in connection with the posting of information hereunder, except as provided in the System License Agreement or the Trading Partner Agreement entered into between Transporter and each user of PASSKEY.
5. Bidding for Transportation Rights
- a) Persons that desire to bid on released transportation rights must pre-qualify with Transporter by entering into a Released Transportation Service Agreement with Transporter and by demonstrating creditworthiness, in the same manner and subject to the same standards and procedures as required for firm shippers under Article XXV of these General Terms and Conditions including the prepayment for service required under Article XXV, Section 2. The creditworthiness requirement shall be continuing in nature in the same manner and to the same extent as prescribed for firm shippers under Article XXV of these General Terms and Conditions. Transporter will waive the creditworthiness requirement on a non-discriminatory basis for Bidders on a Release Request, and permit them to submit Bids, if the Releasing Shipper provides Transporter with a guarantee satisfactory to Transporter of all financial obligations of the Replacement Shipper under its Released Transportation Service Agreement prior to the commencement of service to the Replacement Shipper.
  - b) Bidders prequalified pursuant to Section 5(a) may submit Bids during the Bidding Period applicable to a Release Request. All bids must be submitted via PASSKEY. In transmitting a Bid, Bidders recognize that such Bids will be accessible by other Bidders through PASSKEY; provided that PASSKEY will be programmed such that upon submission, all bids will be assigned a bid number and the identity of the Bidder will not be revealed during the Bidding Period.

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**First Revised Sheet No. 93** First Revised Sheet No. 93 : Effective  
Superseding: Original Sheet No. 93

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- c) Bidding will be an iterative process in that a Bidder may submit any number of Bids during the Bidding Period; provided that each new submission of a Bid effects the withdrawal of any previous Bid submitted by Bidder such that a Bidder cannot have more than one Bid in contention for the same capacity at one time. If a Bidder withdraws its Bid, resubmitting a new one, such new Bid must be at a higher rate. A Bidder retains the right to withdraw its Bid, by resubmitting a new bid or with written or electronic notice of withdrawal to Transporter, until the close of the Bidding Period at which time such Bid shall become binding.
  - d) Bids must contain the information on the Bid Form set forth in this Tariff, in particular a Bid must state:
    - i) the identity of the Bidder (which will be concealed during the Bidding Period);
    - ii) the FT-A Agreement number of the Releasing Shipper and Release Request number to which the Bid relates;
    - iii) the bid rate(s) that the Bidder is willing to pay for the released transportation rights, which must be no less than any minimum bid rate(s) specified in the Release Request;
    - iv) the maximum daily quantity (MDQ) for the Bid, which must equate to the maximum Release Quantity specified in the Release Request or be no less than any minimum Release Quantity specified in the Release Request;
    - v) the term for which the Bidder wishes to obtain the transportation rights, which must be the same as the term specified in the Release Request, or be no less than any minimum term specified in the Release Request; and
    - vi) whether the bid is contingent, and if so, the basis of the contingency.
6. Determination of a Successful Bidder for Transportation Rights
- The determination of the successful Bidder shall be effected in accordance with the following procedures:
- a) Bid Evaluation Methodologies: The Releasing Shipper shall specify in the Release Request one of the following bid evaluation methodologies: (i) highest rate, (ii) net revenue, or (iii) present value. A Release Request submitted specifying one of these methods shall be accorded the timeline treatment described in Section 8. However, the Releasing Shipper may choose another bid evaluation method and this request shall be accorded the timeline treatment described in Section 8. Transporter shall apply the method chosen to determine the successful bidders as mandated thereby, provided that the volumes released to each successful bidder shall be no less than one dekatherm. If the Releasing Shipper desires to award more than one winner, the Releasing Shipper should allow for the acceptance of partial TQ bids.



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- b) If the present value method is chosen, then Transporter shall evaluate the Bids and award the capacity based on the following procedures:

Transporter shall determine the bid or bids having the highest present value ("PV") based on the following formula:

$$PV = (\text{Bid Rate}) \times (\text{Bid MDQ}) \times \frac{1 - (1+i)^{-N}}{i}$$

where

Bid Rate = for firm releases, the reservation charge that the Bidder has agreed to pay; for interruptible releases, the usage charge that the Bidder has agreed to pay.

Bid MDQ = the MDQ stated in the Bid.

i = interest rate per month (which shall be the then current maximum yield on five-year U.S. Government Treasury note divided by 12), (Transporter will post the current Treasury note rate on PASSKEY); and

N = term proposed by the Bidder.

- c) If the net revenue method is chosen, Transporter shall determine the bid or bids having the highest net revenue (NR) using the following formula:

$$NR = (\text{Bid Rate}) \times (\text{Bid Term}) \times (\text{Bid TQ})$$

where

Bid Rate = the daily charge which the Bidder has agreed to pay; for reservation rate bids, the charge is calculated by dividing the bid rate received from the Bidder by 30.4 days per month (average days per month in a 365-day year).

Bid Term = the term proposed by the Bidder, in days.

Bid TQ = the TQ stated in the Bid, measured in dekatherms.

- d) If a Release Request includes a Prearranged Bidder, then the released transportation rights shall be awarded to the Prearranged Bidder (a) if its Bid has a value, determined in accordance with Section 6(a) equal to or higher than the highest value of the Bids submitted by all other Bidders, or (b) if the Prearranged Bidder agrees to match any Bid having a higher value, as applicable, within the time period provided by Section 8.

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**Second Revised Sheet No. 95** Second Revised Sheet No. 95 : Superseded  
Superseding: First Revised Sheet No. 95

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- e) If only one Bidder has submitted a Bid that reflects the highest value, then the transportation rights shall be awarded to that Bidder, subject to any Prearranged Bidder's exercise of its right of first refusal (matching) as set forth above.
- f) If two or more Bidders have submitted Bids that reflect the highest value, then subject to any Prearranged Bidder's exercise of its right of matching, the released transportation rights will be awarded on the basis of a lottery that is limited to such Bidders, unless the Releasing Shipper has specified an alternative means for awarding the released capacity as between two or more equal bids ("alternative tie breaker"). The winner of the lottery or alternative tie breaker shall be awarded the transportation rights for which it has submitted a Bid. Transporter will conduct the lottery or alternative tie breaker in a non-discriminatory manner.
- g) For informational purposes only, Transporter shall post on PASSKEY the identity of the winning Bidder and the terms of the successful bid, as well as the identity of all Bidders on the applicable Release Request.
- h) Prior to the commencement of service pursuant to the Release Request, Transporter shall prepare and transmit to the successful Bidder on a timely basis an Exhibit "R-1" to its Released Transportation Service Agreement stating the Release Quantity, rates, term, maximum receipt quantities at all Primary Receipt Points and maximum delivery quantities at all Primary Direct Points, and any special terms and conditions for each awarded release. An identical Exhibit "R-1" shall be added to the

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**First Revised Sheet No. 96** First Revised Sheet No. 96 : Effective  
Superseding: Original Sheet No. 96

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Releasing Shipper's FT-A Agreement to reflect that the Releasing shipper has released all or a portion of its transportation rights and the terms of such release. A Replacement Shipper that subsequently obtains additional transportation rights by successfully bidding on a subsequent Release Request is not required to execute an additional Released Transportation Service Agreement; rather, each such additional successful bid shall be the subject of an additional exhibit (designated sequentially "Exhibit R-2", "Exhibit R-3", etc.) To be added to such Replacement Shipper's Released Transportation Service Agreement. Transporter shall prepare all the Exhibits for Releasing Shippers and Replacement Shippers based on the information in the applicable Release incorporated in the transportation service agreement to which it relates and shall thereby amend such agreement effective upon commencement of service to the Replacement Shipper. Such Exhibits shall not require execution by the Releasing Shipper or Replacement Shipper to become effective.

- i) Prior to the commencement of service pursuant to any Release Request, the Replacement Shipper shall submit to Transporter, in accord with Article XXV, of these General Terms and Conditions, a check in an amount equal to the lesser of \$10,000 or the total reservation charges under its Released Transportation Service Agreement (or corresponding Exhibit) applicable to the released service for a three month period; provided that if the release is for less than a three month period; provided that if the release is for less than a three month period and the total reservation charge for the release is less than \$10,000, then the prepayment required will be equal to the total reservation charges for the released services.

7. Failure of Bidder to Honor Winning Bid

In the event a Bidder is successful but does not accept the capacity attained by such successful bid (provided that nonacceptance is not excused by a prestated contingency), then such Bidder shall forfeit the prepayment required under Section 6(f) and shall be barred from bidding for released capacity for a one-year period.

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8. Applicable Deadlines

- a) For releases, GISB Standard 5.3.2 (Version 1.4) provides the following Bidding Periods:

For short-term releases (less than 5 months):

- offers should be tendered by 1 P.M. on the day before nominations for short-term releases (less than 5 months);
- open season ends no later than 2 P.M. on the day before nominations are due (evaluation period begins at 2 P.M. during which contingency is eliminated, determination of best bid is made, and ties are broken);
- evaluation period ends at 3:15 P.M.;
- match or award is communicated by 3:15 P.M.;
- match response by 4 P.M.;
- award posting by 5 P.M.;
- posting of pre-arranged deals not subject to bid by 9 A.M. the day of nominations;
- contract tendered with contract number by 10 A.M.; contract executed; nomination possible for next day gas flow (Central Clock Time).

For longer term releases (five months or more):

- offers should be tendered by 1 P.M. four business days before award for long-term releases;
- open season ends no later than 2 P.M. on the day before nominations are due (open season is three business days);
- evaluation period begins at 2 P.M. during which contingency is eliminated, determination of best bid is made, and ties are broken;
- evaluation period ends at 3:15 P.M.;
- match or award is communicated by 3:15 P.M.;
- match response by 4 P.M.;
- award posting by 5 P.M.;
- posting of pre-arranged deals not subject to bid by 9 A.M. the day of nominations;
- contract tendered with contract number by 10 A.M.; contract executed; nomination possible for next day gas flow (Central Clock Time).

- b) The deadlines set forth in this Section 8 are only applicable if (i) all the information provided by the parties to the transaction is valid and the Replacement Shipper has been determined to be creditworthy before the capacity release bid is tendered; and (ii) there are no special terms or conditions of the release. Nominations by the winning bidder may be submitted for the next gas flow day or at the times otherwise specified for intra-day or hourly nominations.

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9. Reassignment of Released Capacity

A Replacement Shipper shall be allowed to release the capacity under its Released Transportation Service Agreement, provided that the original release was not volumetrically based, and the re-release is for the entire amount of the capacity thereunder.

10. Submission of Information

Shippers shall submit all necessary information, Release Requests, Replacement Requests, and bids to Transporter via PASSKEY.

11. Marketing of Released Capacity

Transporter shall have no obligation to market any capacity available to be released by a Shipper. Transporter, however, may agree to market capacity for a Releasing Shipper and may negotiate a fee with the Releasing Shipper for such service.

12. Further Conditions on Release of Transportation Rights

- a) Persons participating in this release program agree to be bound by and shall comply with the terms and conditions of this Tariff, and all applicable Commission rules, orders and regulations.
- b) All terms and conditions in all Release Requests must be objectively stated, applicable to all Bidders and nondiscriminatory.
- c) The minimum term for any release shall be one day and the maximum term shall be the remaining term of the Releasing Shipper's Transportation Service Agreement.
- d) Pursuant to 18 C.F.R. Section 284.8(i) of the FERC's regulations, until September 30, 2002, the applicable rate(s) for releases with terms of less than one year shall be the rate(s) set by the Releasing Shippers. For all other releases, and for all releases after September 30, 2002, the rates shall be as follows: the rate for a volumetric release shall not exceed the daily demand rate for the released capacity. Such rate for volumetric releases only applies to the reservation portion of the rate; the Replacement Shipper will also be liable for all usage charges. The rates for all other releases shall be the applicable reservation rate and commodity rate, as well as all other applicable rates, charges and surcharges set forth in this Tariff, notwithstanding any discount to such rates, charges or surcharges then in effect for the Releasing Shipper.

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**Substitute Second Revised Sheet No. 99** Substitute Second Revised Sheet No. 99 : Superseded  
Superseding: First Revised Sheet No. 99

GENERAL TERMS AND CONDITIONS

- e) All terms and conditions of all releases must be consistent with the terms and conditions of the Releasing Shipper's Service Agreement and with this Tariff, including the provisions on nominations and scheduling of service and curtailment of service.
  
- f) A Releasing Shipper that has released its capacity subject to recall, upon occurrence of the event(s) allowing recall, may effect a recall by notifying Transporter and Replacement Shipper by 8:00 A.M. Central Clock Time on the day of the nomination deadline on the day preceding the effective date of the recall provided that Releasing Shipper may not effect a partial day recall of capacity. Such notification will confirm that the conditions of recall have been met and will be accompanied by the scheduling information required by Article III. A Releasing Shipper may specify in the Release Request whether the recalled capacity is to be reput to the original Replacement Shipper and the terms of the reput. These terms may be either: (i) reput must be accepted by the original Replacement Shipper for the original terms of the release or (ii) reput may be accepted at the option of the original Replacement Shipper for the original terms of the release. The Releasing Shipper may effect a reput by notifying Transporter and Replacement Shipper by 8:00 A.M. Central Clock Time on the day of the nomination deadline on the day prior to the effective date of the reput of entitlements to Replacement Shipper.

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- g) Transporter may invalidate any Release Request or any Bid subsequent to its posting on PASSKEY that does not conform in all respects to the requirements of Transporter's Tariff, and such invalidated Release Request or Bid shall be deemed null and void.
- h) Notwithstanding any release hereunder, all Releasing Shippers shall remain responsible for payment of the reservation charge for firm transportation service released; provided, however, that Transporter and Shipper may, in connection with their agreement to a Negotiated Rate under a firm transportation rate schedule, agree upon payment obligations and crediting mechanisms in the event of a capacity release that vary from or are in addition to those set forth herein and in Subsection (i) of this Section; provided that nothing in the foregoing proviso shall authorize Transporter or Shipper to violate the FERC's policy with respect to negotiation of terms and conditions of service. The Releasing Shipper shall receive a demand credit equaling the demand charges for which Transporter has invoiced the Replacement Shipper. The demand charges for the purposes of this Section consist of (i) the base demand rate, and (ii) all applicable surcharges; provided that for releases made on a volumetric basis, the demand charges shall equal (i) the daily demand rate multiplied by the applicable volumes plus (ii) all applicable surcharges. A Releasing Shipper paying a discounted rate shall be entitled to receive any revenues from the release of its capacity that exceed the amount of the applicable surcharges.
- i) Transporter shall invoice Replacement Shipper in accordance with Article V of the General Terms and Conditions based upon the rates, charges and surcharges incorporated by Exhibit into the Released Transportation Service Agreement as a result of the release. The reservation charges for the Replacement Shipper will include the reservation rate at which the firm transportation service is released including all adjustments subject to Sections 12(d) and 12(h) above. The commodity charges for the Replacement Shipper will include the maximum commodity rate including all adjustments subject to Section 12(d) above. If the Replacement Shipper fails to pay all or any portion of any bill by the due date specified on the invoice, Transporter shall send an invoice to the Releasing Shipper for all unpaid amounts up to the amount of the Releasing Shipper's reservation charge, which the Releasing Shipper shall pay to Transporter with interest on the unpaid amount, which interest shall be calculated from the date that Transporter credited the Releasing Shipper for the applicable demand charges in accord with (h) above. Releasing Shipper shall submit the payment within ten days of receipt of Transporter's invoice. Releasing Shipper shall be responsible for obtaining reimbursement for any such payment from Replacement Shipper. Failure of either the Replacement Shipper or Releasing Shipper to pay bills shall entitle Transporter to exercise the remedies available under the applicable service agreements and this Tariff, including suspension of service to the Releasing Shipper and the Replacement Shipper, as well as any other remedies available to Transporter.

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- j) Any increase in Transporter's rates, charges, and surcharges shall remain the responsibility of the Releasing Shipper; provided, however, that the Releasing Shipper may provide in its Release Request and the subsequent Exhibit R for the rates, charges or surcharges for released transportation rights to increase in accordance with any increases in Transporter's rates, charges and surcharges. In either circumstance, any refunds of any rates or charges ordered by the FERC shall be paid by Transporter to the Releasing Shipper and/or the Replacement Shipper in the manner specified in the Release Request and incorporated in the Released Transportation Service Agreement.
- k) The Replacement Shipper's service under a release shall be subject to and governed by the terms and conditions of the Releasing Shipper's service agreements, the FT-A Rate Schedule, and the Released Transportation Service Agreement.
- l) Transporter shall accept nominations, schedule service, afford priority of service and curtail service based on instructions and communications from the Releasing Shipper and the Replacement Shipper that are consistent with one another and with the terms and conditions of Transporter's Tariff and their respective service agreements. In the event that instructions or nominations from the Releasing Shipper and Replacement Shipper are, in Transporter's sole opinion, inconsistent or conflicting, Transporter shall use reasonable efforts to contact the Releasing Shipper and Replacement Shipper to resolve the conflicting communications. In the event Transporter is unable to resolve the conflict prior to the time that it must take the required action, Transporter shall comply with the instructions of the Releasing Shipper; provided however that such instructions must not be inconsistent with Transporter's Tariff or the terms of either the Releasing Shipper's or Replacement Shipper's service agreement, in Transporter's sole opinion. The Releasing Shipper will indemnify Transporter against any claim or suit by the Replacement Shipper, its successors or assigns, arising from any action taken by Transporter in reliance upon the Releasing Shipper's nominations and instructions and will hold Transporter harmless for any action taken by Transporter in reliance upon the nominations and scheduling instructions



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**First Revised Sheet No. 102** First Revised Sheet No. 102 : Effective  
Superseding: Original Sheet No. 102

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of the Replacement Shipper. The Replacement Shipper will indemnify Transporter against any claim or suit by the Releasing Shipper, its successors or assigns, arising from any action taken by Transporter in reliance upon the nominations and scheduling instructions of the Replacement Shipper and will hold Transporter harmless for any actions taken by Transporter in reliance upon the instructions of the Releasing Shipper.

#### XXII. DISPOSITION OF EXCESS GAS

Transporter may make interruptible sales of gas from time-to-time pursuant to the cash-out procedures of Section 6 of Rate Schedules LMS-MA and LMS-PA. Further, under the cash-out procedures of the LMS Rate Schedules and in order to alleviate conditions that threaten the integrity of its system, Transporter may periodically acquire quantities of gas that are excess to system needs. Transporter shall have the right to make interruptible sales of such excess gas and gas for cash-outs from time to time at system receipt points pursuant to the terms of the blanket certificate of public convenience and necessity granted to Transporter pursuant to 18 C.F.R. Section 284.284(6) and Order No. 636 of the Federal Energy Regulatory Commission. Such sales shall be made under rates, terms and conditions mutually agreed upon between Transporter and purchasers, provided, however, that all such sales shall be fully interruptible and shall be curtailable pro rata without regard to transportation arrangements made by purchasers.

#### XXIII. TAKE OR PAY DEMAND SURCHARGE

Transporter shall adjust the rates for Affected Services from time to time to reflect Shipper's allocable share of the Transition Costs assessed to Transporter by Tennessee Gas Pipeline Company (Tennessee) as shown in the Summary of Rates and Charges of Volume No. 1 of Transporter's FERC Gas Tariff.

##### 1. Affected Services

- 1.1 The Affected Services for Demand Surcharges shall include services under Rate Schedule FT-A and FT-GS, that were converted from sales services as of June 15, 1988.

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**First Revised Sheet No. 103** First Revised Sheet No. 103 : Effective  
Superseding: Original Sheet No. 103

GENERAL TERMS AND CONDITIONS

2. Determination of Demand Surcharges

The effective rates for Affected Services shall be the Demand Rate Surcharge for each Shipper served under the Affected Services determined pursuant to this Article XXIII and shown on the Summary of Rates and Charges of Volume No. 1 of Transporter's FERC Gas Tariff.

2.1 Effective Date of Surcharge and Surcharge Period: The effective date of Surcharge for each Demand Rate Surcharge filed pursuant to this Article XXIII shall be July 1 and January 1 of each year. The Demand Rate Surcharge for each surcharge period shall become effective on the effective date of surcharge. The initial surcharge period shall be from July 1, 1992 through December 31, 1992. Subsequent surcharge periods shall be the six months commencing January 1, or July 1 during which the Demand Surcharge shall be effective.

2.2 Filing Procedure: At least thirty days prior to the effective date of surcharge, Transporter shall file with the Commission and post, as defined in Section 154.16 of the Commission's Regulations, revised Tariff Sheets to Volume No. 1 of Transporter's FERC Gas Tariff reflecting the Demand Rate Surcharge to be effective for each Shipper (and those former Shippers who are affected pursuant to Section 5 of this Article XXIII).

3. Demand Rate Surcharge

The Demand Rate Surcharge for each surcharge period shall be determined for each Shipper served by Transporter's Affected Services by multiplying (a) the total amount of Tennessee surcharges to be assessed to Transporter during the surcharge period and (b) Shipper's Allocation Percentage; provided, any Shipper may elect to make a lump sum payment of its balance in lieu of paying the extended Demand Surcharge.

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**Third Revised Sheet No. 104** Third Revised Sheet No. 104 : Superseded  
Superseding: Sub Second Revised Sheet No. 104

GENERAL TERMS AND CONDITIONS

4. Direct Billing for Former Customers

In the event a Shipper that as of June 15, 1988, had not terminated its contract and received necessary abandonment authorization, subsequently terminates its gas service agreement with Transporter, Transporter shall, beginning in the first month following the termination of the gas service agreement, bill the former Shipper for each Surcharge Period the same amount that Transporter would have billed the Shipper pursuant to Section 3, provided, however, such Shipper shall have the option of extinguishing its obligations by a lump sum payment.

XXIV. AGENCY

A Shipper may delegate to a third party (Shipper's Representative): (a) authority to exercise certain or all rights and perform certain or all obligations set forth in one or more agreements entered into between Shipper and Transporter ("Delegated Agreements"); or (b) responsibility for electronic communication and linkage services, subject to the following conditions. A Shipper may delegate to as many Shipper's Representatives as it deems necessary, the specific rights and obligations set forth in (a) and (b) above pursuant to the terms and conditions of the respective Agency Authorization Agreement and the terms and conditions of the underlying Delegated Agreements. A Shipper may not delegate to more than one Shipper's Representative the same rights and/or obligations for a Delegated Agreement(s) pursuant to the terms and conditions of the applicable Agency Authorization Agreement.

1. Transporter, Shipper and Shipper's Representative must enter into an Agency Authorization Agreement in one of the forms provided in this Tariff: (i) Agency Authorization Agreement or (ii) Agency Authorization Agreement for Electronic Data Interchange. Such Agency Authorization Agreement must be submitted to Transporter, via PASSKEY, at least two business days prior to the requested effective date. Any changes to the Agreement must be submitted (i) via PASSKEY to Transporter and (ii) in writing to Balancing Parties at the

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**Fourth Revised Sheet No. 105** Fourth Revised Sheet No. 105 : Superseded  
Superseding: Third Revised Sheet No. 105

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receipt and delivery points through which the delegated service is received two business days prior to the effective date of the requested change. Shipper's Representative shall have all rights and obligations under the Delegated Agreements as set forth in the Agency Authorization Agreement. Shipper's delegation to its Representative(s) pursuant to this Article XXIV shall not confer to either Shipper or Shipper's Representative(s) rights outside of or in contravention of the terms and conditions of the Delegated Agreements.

2. Transporter may rely on communications and actions of Shipper's Representative for all purposes that are within the authority conveyed by the Agency Authorization Agreement. Such communications with, and actions by, Shipper's Representative that are within the authority conveyed by the Agency Authorization Agreement shall be deemed communications with or actions by Shipper. Shipper shall indemnify and hold Transporter harmless from suits, actions, costs, losses and expenses (including, without limitation, attorney's fees) arising from claims associated with Transporter's reliance on such communications and actions of Shipper's Representative. If Shipper's Representative fails to meet such obligations under the Delegated Agreements, then, without Transporter being obligated to proceed against such representative, Shipper shall be liable for all obligations under the Delegated Agreements.
3. A third party may administer and aggregate rights under multiple Delegated Agreements as the Shipper's Representative for one or more Shippers; provided however, that such representative (1) shall separately administer and account for each Delegated Agreement, including without limitation submitting nominations and calculating any imbalances and (2) shall utilize such Delegated Agreements for the transportation, supply aggregation or balancing of gas for only those Shippers that have delegated the rights and obligations under their Delegated Agreements.

XXV. REQUESTS FOR SERVICE

Subject to any conditions set forth in the applicable rate schedule, this Article shall govern qualification for receipt of service from Transporter.

1. Requests for Service

All persons requesting transportation service under Rate Schedules FT-A, FT-GS and IT or persons requesting balancing agreements or supply aggregation service agreements must provide, via PASSKEY or by fax when necessary, the information required by this Section 1 and by Transporter's Service Request Form, in order to

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FERC Docket: RP00-233-000

**Second Revised Sheet No. 106** Second Revised Sheet No. 106 : Superseded  
Superseding: First Revised Sheet No. 106

GENERAL TERMS AND CONDITIONS

qualify for service. No request for service will be entered on Transporter's log, as required by Section 284.13 of the Commission's Regulations, or scheduled for receipt and delivery until all of the required information has been provided.

Any request shall include the following:

- (i) Gas Quantities: The maximum daily delivery quantity applicable to each Receipt Point(s) and Delivery Point(s) stated in dekatherms, the Transportation Quantity for service under Rate Schedule FT-A or FT-GS, and the estimated total quantities to be received and transported over the delivery period.
- (ii) Receipt/Delivery Point: The designated Primary Receipt Point(s) and Primary Delivery Point(s) for the requested transportation together with the name and entity delivering gas to Transporter and the name of the entity to receive the gas from Transporter.
- (iii) Term: The proposed commencement and termination dates of service.
- (iv) Shipper Certification: A statement by the Shipper certifying that all necessary upstream and downstream arrangements will be in place on the date the service is to commence and that Shipper will have title or the right to acquire title to the gas to be delivered to Transporter.
- (v) Facilities: Identification and location of any facilities to be constructed or installed by any party affected by the proposed service.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**First Revised Sheet No. 107** First Revised Sheet No. 107 : Superseded  
Superseding: Original Sheet No. 107

GENERAL TERMS AND CONDITIONS

2. Prepayment for Service

- (a) All Shippers requesting firm service under Rate Schedule FT-A or DDS service under Rate Schedule LMS-MA, including released transportation service, must submit payment to Transporter in an amount equal to the lesser of \$10,000 or the total reservation charge(s) applicable to the proposed service for a three month period. All such prepayments made to Transporter are to be sent to Transporter's designated bank at an address to be furnished by Transporter. The remittance should reference the customer's request ID.
  
- (b) If Transporter determines that firm capacity is available to satisfy a request or a successful bid for released capacity, then Transporter shall approve on-line, or by fax when necessary, the applicable Service Agreement, as set forth in Transporter's FERC Gas Tariff, with the agreed upon terms and conditions contained therein. Shipper shall execute on-line, or execute and return via fax, if necessary, the Service Agreement within the time period specified by the applicable tariff provision. Shipper's execution on-line shall consummate a binding contract between the parties. The entire amount of the prepayment shall be credited to Shipper's invoice for the first three months of service. In the event that the service agreement is not executed and returned to Transporter within 30 days after Transporter tendered it, Transporter shall consider the request for service invalid and retain the entire amount of the prepayment.

Effective Date: 05/01/2000 Status: Effective

FERC Docket: RP00-233-000

**Fourth Revised Sheet No. 108** Fourth Revised Sheet No. 108 : Superseded  
Superseding: Third Revised Sheet No. 108

GENERAL TERMS AND CONDITIONS

- (c) If Transporter determines that firm capacity is not available to satisfy a request for service, then Transporter shall so notify Shipper via PASSKEY, and the entire amount of the prepayment shall be refunded, with interest.

3. Modification of Service

Any modification of an existing service shall be requested either through PASSKEY or, when necessary, by Shipper's submission via fax of a new Service Request Form with a notation on the form that the service requested is a modification of an existing service. Such request, after having been fully processed and accepted by Transporter, shall be deemed to be an amendment to the underlying service agreement.

4. Credit Evaluation

4.1 Unless previously provided to Transporter in the prior three months, a Shipper seeking service from Transporter under Rate Schedules FT-A, FT-S, LMS-A, LMS-A, SA or IT must provide:

- (a) a copy of Shipper's most recent audited financial statement or financial statements certified by the Chief Financial Officer or Chief Accounting Officer of the Shipper (which certificate shall state that such financial statements fairly present the financial condition and results of operations of the Shipper for the period indicated therein) prepared in accordance with generally accepted accounting principles or, for non-U.S.-based Shippers, prepared in accordance with equivalent standards;
- (b) a copy of Shipper's most recent twelve months audited financial statement or Annual Report and, if applicable, Form 10-K; and
- (c) a list of Shipper's affiliates, including parent and subsidiaries, if applicable.

4.2 In the event Shipper cannot provide the information in Section 4.1 above, Shipper shall, if applicable, provide that information for its parent company. Transporter shall not be required to perform or to continue service under any Rate Schedule on behalf of any Shipper who is or has become insolvent or who, at Transporter's request, fails within a reasonable period to demonstrate creditworthiness; provided, however such Shipper may receive service under any Rate Schedule if Shipper prepays for such service or furnishes good and sufficient security, as determined by Transporter in its reasonable discretion, in amount equal to the cost of performing the service requested by Shipper for a three month period.

GENERAL TERMS AND CONDITIONS

For purposes herein, the insolvency of a Shipper shall be conclusively demonstrated by the filing by Shipper or any parent entity thereof (hereinafter collectively referred to as "the Shipper") of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction in the premises adjudging the Shipper bankrupt or insolvent, or approving, as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Shipper under the Federal Bankruptcy Act or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Shipper or of any substantial part of its property, or the ordering of the winding-up or liquidation of its affairs, with said order or decree continuing unstated and in effect for a period of sixty (60) consecutive days.

XXVI. PERMANENT ASSIGNMENT OF FIRM TRANSPORTATION CAPACITY ON UPSTREAM PIPELINES

1. Unless assigned prior to the Implementation Date, on the Implementation Date, each Shipper shall take assignment of its full allocated share of Transporter's upstream firm transportation capacity. Each former firm sales customer's full commensurate share shall be calculated as a percentage of Transporter's upstream capacity entitlements, which percentage is attained by dividing each former firm sales customer's sales contract demand or maximum delivery obligation on Transporter's system established pursuant to the Stipulation and Agreement as amended in Docket Nos. RP91-78 and CP92-108 under Transporter's former Rate Schedule CD-1, SR-1, or SR-T as of the date immediately preceding the Implementation Date by the sum of all such sales contract demands and maximum delivery obligations of former sales customers on Transporter's system.
2. All assignments pursuant to Section 1 of this Article XXVI (Initial Assignments) will be permanent and will be effective on the Implementation Date. Upon the effective date of such assignment, Transporter shall be relieved of all rights and obligations associated with the assigned upstream capacity, including but not limited to any and all charges, and Transporter shall have no further liability of any kind with respect to either the upstream capacity or the assignment unless such liability was the result of negligence or error prior to the assignments. Shippers taking assignments of capacity on Tennessee pursuant to Section 1 of this Article shall be subject to any Order No. 636 transition costs (other than PGA costs) billed by Tennessee through reservation surcharges applicable to the firm capacity assigned hereunder by Tennessee after the effective date of the assignments. The effective date of such surcharges and the date of such assignment of capacity on Tennessee pursuant to Section 1 of this Article, rather than the date when Tennessee incurs the costs giving rise to such Order No. 636 transition cost surcharges, shall be dispositive for the purposes of determining liability under this Article XXVI. If, for any



Effective Date: 09/01/1993 Status: Effective

FERC Docket: RP94-297-000

**Original Sheet No. 109A** Original Sheet No. 109A : Effective

GENERAL TERMS AND CONDITIONS

reason, Transporter incurs other liabilities related to orstemming from the implementation of restructured services pursuant to Order No. 636 et. seq., then Shippers' liability for such amounts shall be limited to the level of liability that the Shipper would have had on the Implementation Date. The foregoing is subject to and nothing herein shall be construed to modify or change the terms of the Stipulation and Agreement, as amended, in Docket Nos. RP91-78 and CP92-108.

GENERAL TERMS AND CONDITIONS

3. Initial Assignments of upstream capacity shall occur hereunder pursuant to 18 C.F.R., Section 284.242.

All Initial Assignments pursuant to this Article must be effectuated before Transporter releases any capacity under the terms of the upstream pipeline's capacity release mechanism contained in such upstream pipeline's FERC Gas Tariff. If Transporter releases capacity under the upstream pipeline's capacity release program, such capacity remains available for permanent assignment; provided, however, that any release made prior to the permanent assignment would remain in force for its term.

4. Initial Assignments of Transporter's upstream capacity shall be offered to Shippers in the Docket No. RS92-41 proceedings prior to the Implementation Date to be effective on the Implementation Date. Transporter shall assign upstream capacity to all Shippers who request assignment subject to the priorities set forth in (1) above.

XXVII. DISCOUNTING POLICY

Transporter may, from time to time, selectively adjust any or all of the rates charged to any individual shipper for service under Part 284 of the Commission's regulations for which maximum and minimum rates are stated in this FERC Gas Tariff. Discounting of rate charges shall, however, be done in the following order:

Demand	Commodity*
1. GRI Surcharge	1. GRI Surcharge
2. Base Rate	2. Base Rate

\* ACA Surcharge is non-discountable.

XXVIII. CONSTRUCTION AND FINANCING OF LATERALS

Unless otherwise agreed to by the parties, Transporter shall not be required to own, construct or install gas supply or market area lateral facilities. In the event Transporter agrees to own, construct or install gas supply or market area lateral facilities, Transporter shall do so on a not unduly discriminatory basis, and may require the reimbursement of costs associated therewith as agreed to by the parties. In the event that Transporter determines that it will construct facilities that will result in the expansion of its pipeline system, Transporter shall offer the proposed expansion capacity to all Shippers on a non-discriminatory basis. Nothing in this policy statement shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act. Nothing in this policy statement, further, shall prevent Transporter from contesting an application for service filed pursuant to Section 7(c) of the Natural Gas Act. Transporter reserves the right to seek a waiver of the policy set forth herein, for good cause shown.

Effective Date: 05/01/2001 Status: Effective  
FERC Docket: RP01-338-000

**Eighth Revised Sheet No. 110A** Eighth Revised Sheet No. 110A : Effective  
Superseding: Seventh Revised Sheet No. 110A

GENERAL TERMS AND CONDITIONS (Continued)

XXIX. PERIODIC REPORTS

The following is a list of periodic reports that Transporter must make pursuant to Commission order or to a settlement initiated under Parts 154 or 284 of the Commission's regulations:

1. Cash Out Report: This report reflects the net cash out activity for the prior year which, for purposes of the report, begins on the restructuring anniversary of September 1 and must be filed with the Commission at the end of each annual period. For more information, see Transporter's LMS-MA Rate Schedule.
2. OFO Report: This report provides details regarding OFOs if issued during the previous quarter and must be provided to all Shippers and Balancing Parties quarterly. For more information, see Article VIII of the General Terms and Conditions of Transporter's FERC Gas Tariff.

XXX. GAS INDUSTRY STANDARDS BOARD (GISB) STANDARDS

Pursuant to Order Nos. 587, et al. promulgated by the FERC in Docket No. RM96-1, for GISB Standards that do not otherwise require implementing tariff provisions, the following GISB Standards are hereby incorporated, by reference to the GISB Standard Number and version, into Transporter's FERC Gas Tariff.

GISB Standards (Version 1.4) 1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.3.2(v) and (vi), 1.3.3, 1.3.7, 1.3.15, 1.3.16, 1.3.17, 1.3.18, 1.3.20, 1.3.22, 1.3.23, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.47, 1.3.48, 1.3.49, 1.3.50, 1.3.51, 1.3.52, 1.3.53, 1.3.54, 1.3.55, 1.3.56, 1.3.57, 1.3.58, 1.3.59, 1.3.60, 1.3.61, 1.3.62, 1.3.63, 1.3.79, 1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7, 2.2.1, 2.3.1, 2.3.8, 2.3.9, 2.3.10, 2.3.12, 2.3.13, 2.3.15, 2.3.16, 2.3.17, 2.3.18, 2.3.19, 2.3.20, 2.3.23, 2.3.24, 2.3.27, 2.3.31, 2.3.32, 2.3.33, 2.3.34, 2.3.35, 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.17, 3.3.20, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.4.1, 3.4.2, 3.4.3, 3.4.4, 4.1.16, 4.1.17, 4.1.18, 4.1.19, 4.1.20, 4.1.21, 4.1.22, 4.1.23, 4.1.24, 4.1.25, 4.1.26, 4.1.27, 4.1.28, 4.1.29, 4.1.30, 4.1.31, 4.1.32, 4.1.33, 4.1.34, 4.1.35, 4.1.36, 4.1.37, 4.1.38, 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.3.1, 4.3.2, 4.3.3, 4.3.5, 4.3.6, 4.3.7, 4.3.8, 4.3.9, 4.3.10, 4.3.11, 4.3.12, 4.3.13, 4.3.14, 4.3.15, 4.3.16, 4.3.17, 4.3.18, 4.3.19, 4.3.20, 4.3.21, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.29, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.37, 4.3.38, 4.3.39, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.51, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.56, 4.3.57, 4.3.58, 4.3.59, 4.3.60, 4.3.61, 4.3.62, 4.3.63, 4.3.64, 4.3.65, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.70, 4.3.71, 4.3.72, 4.3.73, 4.3.74, 4.3.75, 4.3.76, 4.3.77, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 5.2.1, 5.2.2, 5.3.5, 5.3.6, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.17, 5.3.18, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.24, 5.3.25, 5.3.26, 5.3.27, 5.3.28, 5.3.29, 5.3.30, 5.3.31, 5.3.32, 5.3.33, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7, 5.4.8, 5.4.9, 5.4.10, 5.4.11, 5.4.12, 5.4.13, 5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.4.18, 5.4.19.

XXXI. POOLING OF GAS SUPPLIES

Any party may aggregate nominations for receipt points within Pooling Areas for delivery to confirmed transportation or other supply aggregation service pursuant to the terms and conditions of Transporter's Rate Schedule SA. Shippers who choose to receive supplies from a supply aggregator may elect to return to nominating point-to-point transportation service at the next applicable nomination deadline.

Effective Date: 10/08/2001 Status: Effective  
FERC Docket: RP01-598-000

**Second Revised Sheet No. 110B** Second Revised Sheet No. 110B : Effective  
Superseding: First Revised Sheet No. 110B

GENERAL TERMS AND CONDITIONS (Continued)

XXXII. NON-CONFORMING AGREEMENTS

1. West Fork Land Development Company, L.L.C. Gas Transportation Agreement Dated February 9, 2000
2. Nicor Gas, Letter Agreement dated March 27, 2000 to Gas Transportation Agreement dated November 1, 2000
3. Nicor Gas, Letter Agreement dated March 27, 2000 to Gas Transportation Agreement dated November 1, 2000

XXXIII. OFF-SYSTEM SERVICES

From time to time, Transporter may enter into service agreements with other interstate and intrastate pipelines, local distribution, and storage companies ("off-system services"). In the event that Transporter acquires off-system services, Transporter will use such for operational reasons or to render service for its customers. In the event that Transporter utilizes off-system services on behalf of its customers, it will only render such service to customers pursuant to Transporter's FERC Gas Tariff and subject to Transporter's approved rates, as such tariff and rates may change from time to time.

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97-316-000

**First Revised Sheet No. 111** First Revised Sheet No. 111 : Effective  
Superseding: Original Sheet Nos. 111 Through 119

Supply Aggregation Service Agreement  
(For Use Under Rate Schedule SA)

THIS AGREEMENT is made and entered into as of \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between MIDWESTERN GAS TRANSMISSION COMPANY, a Delaware Corporation, hereinafter referred to as "Transporter" and \_\_\_\_\_, a \_\_\_\_\_ Corporation, hereinafter referred to as "Aggregator." Transporter and Aggregator shall collectively be referred to herein as the "Parties."

ARTICLE I

SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof and of Transporter's Rate Schedule SA, Transporter agrees to permit Aggregator to aggregate nominations for all receipt points within pooling area(s) for delivery to confirmed transportation or supply aggregation service(s).

ARTICLE II

CHARGES FOR SUPPLY AGGREGATION SERVICE

- 2.1 IMBALANCE CASH-OUTS - Commencing upon the date of execution hereof, any charges related to monthly imbalances to be paid by Aggregator to Transporter for the supply aggregation service provided herein shall be in accordance with Transporter's Rate Schedules SA, LMS-PA and LMS-MA as well as the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 2.2 CHANGES IN CHARGES - Aggregator agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the charges applicable to service pursuant to Transporter's Rate Schedule SA, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules or this Agreement. Transporter agrees that Aggregator may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE III

BILLINGS AND PAYMENTS

Transporter shall bill and Aggregator shall pay all charges in accordance with Articles V and VI, respectively, of the General Terms and Conditions of Transporter's Gas Tariff.

Supply Aggregation Service Agreement (continued)  
(For Use Under Rate Schedule SA)

ARTICLE IV

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule SA and the General Terms and Conditions incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE V

REGULATION

This Agreement shall be subject to all applicable lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

ARTICLE VI

TERM

- 6.1 This contract shall be effective as of \_\_\_\_\_ and shall remain in force and effect on a month to month basis thereafter unless this contract is terminated as hereinafter provided. This contract may be terminated by either Transporter of Aggregator upon 30 days prior written notice to the other.
- 6.2 Any portion of this Agreement necessary to resolve or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Midwestern's Gas Tariff shall survive the other parts of the Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Aggregator of such imbalance no later than twelve months after the termination of this Agreement.
- 6.3 This Agreement will terminate automatically in the event aggregator fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Tariff.

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97-316-000

**Original Sheet No. 113** Original Sheet No. 113 : Effective

Supply Aggregation Service Agreement (continued)

(For Use Under Rate Schedule SA)

6.4 Transporter may, in its sole discretion, suspend or terminate this Agreement in the event Aggregator fails to comply with any of the provisions of this Agreement or with any of the terms and conditions of Transporter's FERC Tariff. Transporter shall give Aggregator 30 days prior notice of Aggregator's failure to so comply.

ARTICLE VII

NOTICE

Except as 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:

TRANSPORTER:       Midwestern Gas Transmission Company  
                          P. O. Box 2511  
                          Houston, Texas 77252-2511  
                          Attention: Transportation Services

Aggregator:

Notices: \_\_\_\_\_  
          \_\_\_\_\_  
          \_\_\_\_\_  
          \_\_\_\_\_

Attention: \_\_\_\_\_

BILLING: \_\_\_\_\_  
          \_\_\_\_\_  
          \_\_\_\_\_

Attention: \_\_\_\_\_

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

ARTICLE VIII

ASSIGNMENTS

8.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**First Revised Sheet No. 114** First Revised Sheet No. 114 : Superseded  
Superseding: Original Sheet No. 114

Supply Aggregation Service Agreement (continued)

(For Use Under Rate Schedule SA)

- 8.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

ARTICLE IX

MISCELLANEOUS

- 9.1 The interpretation and performance of this Contract shall be in accordance with and controlled by the laws of the State of Texas, without regard to the doctrines governing choice of law.
- 9.2 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.
- 9.3 Unless otherwise expressly provided in this Agreement or Transporter's Gas Tariff, no modification or supplement to the terms and provisions stated in this Agreement shall be or become effective until Aggregator has submitted a request for change through PASSKEY and Aggregator has been notified through PASSKEY of Transporter's agreement to such change. Such modifications or supplements shall be set forth on Exhibit A attached to this Agreement.



Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97-316-000

**Original Sheet No. 115** Original Sheet No. 115 : Effective

Supply Aggregation Service Agreement (continued)

(For Use Under Rate Schedule SA)

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

MIDWESTERN GAS TRANSMISSION COMPANY

By: \_\_\_\_\_  
Agent and Attorney-in-Fact

Aggregator

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

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

DATE: \_\_\_\_\_

Effective Date: 06/01/1997 Status: Effective

FERC Docket: RP97-316-000

**Original Sheet No. 116** Original Sheet No. 116 : Effective

SUPPLY AGGREGATION SERVICE AGREEMENT

EXHIBIT "A"

SUPPLY AGGREGATION SERVICE AGREEMENT

DATED \_\_\_\_\_, \_\_\_\_\_

BETWEEN

MIDWESTERN GAS TRANSMISSION COMPANY

AND

\_\_\_\_\_

Special Terms:

*Effective Date: 06/01/1997 Status: Effective*

*FERC Docket: RP97-316-000*

**Original Sheet Nos. 117 Through 119** Original Sheet Nos. 117 Through 119 : Effective

Sheet Nos. 117 Through 119 are  
Reserved for Future Use

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 120 Original Sheet No. 120 : Effective

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between Midwestern Gas Transmission Company, a Delaware corporation hereinafter referred to as "Transporter", and \_\_\_\_\_, a \_\_\_\_\_ corporation, hereinafter referred to as "Shipper". Transporter and Shipper shall be collectively referred to as "Parties."

WITNESSETH:

That, in consideration of the premises and of the mutual agreements herein contained, Transporter and Shipper agree as follows:

ARTICLE I - DEFINITIONS

The definitions found in Article I of Transporter's General Terms and Conditions are incorporated herein by reference.

ARTICLE II - TRANSPORTATION

Transportation Service - Transporter agrees to accept and receive daily on a firm basis, at Eligible Receipt Point(s), from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Transportation Quantity and deliver to or for the account of Shipper to authorized Delivery Point(s) an equivalent quantity of gas.

ARTICLE III - POINTS OF RECEIPT AND DELIVERY AND ASSOCIATED PRESSURES

- 3.1 The Primary Point(s) of Receipt and Delivery shall be those points specified on Exhibit A attached hereto. Shipper shall have access to secondary receipt and delivery points as specified in the applicable rate schedule (FT-A or FT-GS) pursuant to which Shipper's volumes are being transported. Priority of transportation to such secondary points shall be determined in accord with Article III, Section 5 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 3.2 Shipper may request a change to the Primary Points of Receipt and/or Primary Points of Delivery provided in this Agreement by submitting to Transporter a Service Request Form in accord with Article XXV of the General Terms and Conditions of Transporter's FERC Gas Tariff. Priority of transportation service to such additional Points of Receipt and/or Delivery shall be determined pursuant to Article III, Section 5 of the General Terms and Conditions.

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

**Original Sheet No. 121** Original Sheet No. 121 : Effective

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

3.3 Shipper shall deliver, or cause to be delivered, to Transporter the gas to be transported hereunder at pressures sufficient to deliver such gas into Transporter's system at the Receipt Point(s), provided such pressure shall not exceed Transporter's maximum allowable operating pressure. Transporter shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in Transporter's system at the Delivery Point(s).

ARTICLE IV - FACILITIES

All facilities are in place to render the service provided for in this Agreement.

or

(If facilities are contemplated to be constructed, a brief description of the facilities will be included, as well as who is to construct, own and/or operate such facilities.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ARTICLE V - QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENTS

For all gas received, transported and delivered hereunder, the Parties agree to the quality specifications and standards for measurement as provided for in the General Terms and Conditions of Transporter's FERC Gas Tariff. Transporter shall be responsible for the operation of measurement facilities at the Delivery Point(s) and at the Receipt Point(s). In the event that measurement facilities are not operated by Transporter, then the responsibility for operations shall be deemed to be that of the Balancing Party at such point. If measurement facilities are not operated by Transporter and there is no Balancing Party at such point, then the responsibility for operations shall be deemed to be Shipper's.

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

ARTICLE VI - RATES FOR SERVICE

- 6.1 Transportation Charge - Commencing on the date of the rates, charges and surcharges to be paid by Shipper to Transporter, including compensation for system fuel and losses, shall be in accordance with Transporter's applicable effective Rate Schedule (FT-A or FT-GS) and the General Terms and Conditions of Transporter's Tariff. Except as provided to the contrary in any written or electronic agreement(s) between Transporter and Shipper in effect during the term of this Agreement, Shipper shall pay Transporter the applicable maximum rate(s) and all other applicable charges and surcharges specified on the effective Tariff Sheet No. 5 in Transporter's FERC Gas Tariff and in this Rate Schedule. Transporter and Shipper may agree that a specific discounted rate will apply only to certain volumes. Transporter and Shipper may agree that a specified discounted rate will apply only to specified volumes (MDQ, TQ, commodity volumes or Authorized Overrun) under the Agreement; that a specified discounted rate will apply only if specified volumes are achieved (with the maximum rates applicable to volumes above the specified volumes or to all volumes if the specified volumes are never achieved); that a specified discounted rate will apply only during specified periods of the year or over a specifically defined period of time; and/or that a specified discounted rate will apply only to specified points, zones, markets or other defined geographical areas. Transporter and Shipper may agree to a discounted rate pursuant to the provisions of this Section 6.1 provided that the discounted rate is between the applicable maximum and minimum rates for this service.
- 6.2 Incidental Charges - Upon execution of this Agreement, Shipper agrees to pay Transporter for all known and anticipated filing fees, reporting fees or similar charges required for the rendition of the transportation service provided for herein. Further, Shipper agrees to reimburse Transporter for all such fees within thirty (30) days after receiving proof of payment from Transporter.
- 6.3 Changes in Rates and Charges - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates, charges, terms and conditions applicable to service pursuant to the Rate Schedule under which this service is rendered, (b) the Rate Schedule(s) pursuant to which service hereunder is rendered, and (c) any provisions of the General Terms and Conditions in Transporter's FERC Gas Tariff applicable to those Rate Schedules, as such Tariff may be revised or replaced from time to time. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VII - RESPONSIBILITY DURING TRANSPORTATION

As between the Parties hereto, it is agreed that from the time gas is delivered by Shipper to Transporter at the Receipt Point(s) and prior to delivery of such gas to or for the account of Shipper at the Delivery Point(s), Transporter shall have the unqualified right to commingle such gas with other gas in its system and shall have the unqualified right to handle and treat such gas as its own.

ARTICLE VIII - BILLING & PAYMENTS

Billings and payments under this Agreement shall be in accordance with the terms and conditions of Transporter's FERC Gas Tariff as such Tariff may be revised or replaced from time to time.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 123 Original Sheet No. 123 : Effective

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

ARTICLE IX - RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

This Agreement and all terms and provisions contained or incorporated herein are subject to the effective provisions of Transporter's applicable Rate Schedule(s) as set forth on Exhibit A and Transporter's General Terms and Conditions on file with the FERC, or other duly constituted authorities having jurisdiction, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC, which Rate Schedule(s) and General Terms and Conditions are incorporated by reference. To the extent a term or condition set forth in this Contract is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Contract is inconsistent with the applicable Rate Schedule, the Rate Schedule shall govern unless the relevant provision is inconsistent with General Terms and Conditions.

ARTICLE X - REGULATION

10.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval or authorization is not so obtained or continued.

All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

10.2 The transportation service described herein shall be provided subject to Part 284, Subpart G of the FERC regulations.

10.3 In the event the Parties are unable to obtain all necessary and satisfactory regulatory approvals for service on facilities prior to the expiration of two (2) years from the effective date hereof, then, prior to receipt of such regulatory approvals, either Party may terminate this Agreement by giving the other Party at least thirty (30) days prior written notice, and the respective obligations hereunder, except for the provisions of Section 6.2 herein, shall be of no force and effect from and after the effective date of such termination.

Effective Date: 11/01/2000 Status: Effective  
FERC Docket: RP01- 21-000

**First Revised Sheet No. 124** First Revised Sheet No. 124 : Superseded  
Superseding: Substitute Original Sheet No. 124

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

ARTICLE XI - WARRANTIES

Shipper agrees to indemnify and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses (including reasonable attorneys fees) arising from or out of breach of any warranty, express or implied, by Shipper herein. Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XII - TERM OF AGREEMENT

12.1 This Agreement shall become effective on the date of its execution, and shall be implemented no later than the first day of the month following the later of the date of execution or the completion of any necessary facilities on Transporter's system and shall remain in full force and effect until \_\_\_\_\_ ("Primary Term") and shall continue thereafter on a month to month basis unless terminated by either Party upon at least thirty (30) days written notice to the other Party; provided, however, that if the Primary Term is one year or more, then any rights to Shipper's extension of this Agreement after the Primary Term shall be governed by Article XVI of the General Terms and Conditions of Transporter's FERC Gas Tariff. Provided further, if the FERC or other governmental body having jurisdiction over the service rendered pursuant to this Agreement authorizes abandonment of such service, this Agreement shall terminate on the abandonment date permitted by the FERC or such other governmental body.



Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 125** Second Revised Sheet No. 125 : Superseded  
Superseding: First Revised Sheet No. 125

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

- 12.2 Any portions of this Agreement necessary to resolve or cash-out imbalances under this Agreement upon its termination, as required by the General Terms and Conditions of Transporter's FERC Gas Tariff, shall survive the other parts of this Agreement until such time as such balancing has been accomplished.
- 12.3 In addition to any other remedy Transporter may have, this Agreement will terminate automatically in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder when that amount is due, provided Transporter shall give Shipper thirty days notice prior to any termination of service. Service may continue hereunder if within the thirty day notice period satisfactory assurance of payment is made in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Tariff.

ARTICLE XIII - NOTICES

Except when notice is required through PASSKEY, any notice, request, demand, statement, or bill provided for in this Agreement or any notice that either Party may desire to give to the other shall be in writing and mailed by registered mail to the post office address of the Party intended to receive the same as follows:

TRANSPORTER:       Midwestern Gas Transmission Company  
                          P.O. Box 2511  
                          Houston, TX 77252-2511  
                          Attention: Transportation Services

SHIPPER:

NOTICES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

BILLING: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

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

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 126** Second Revised Sheet No. 126 : Superseded  
Superseding: First Revised Sheet No. 126

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

ARTICLE XI - ASSIGNMENTS

- 14.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument that it has executed or may execute hereafter as security for indebtedness. Either Party, without relieving itself of its obligations under this Agreement, may assign any of its rights hereunder to a company with which it is affiliated. Otherwise, Shipper shall not assign this Agreement or any of its rights and obligations hereunder, except in accord with Article XXI of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 14.2 Any person or entity that succeeds by purchase, merger, or consolidation to the properties, substantially or as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

ARTICLE XV - MISCELLANEOUS

- 15.1 Except for changes specifically authorized pursuant to this Agreement, no modification of or supplement to the terms and conditions hereof shall be or become effective until Shipper has submitted a request for change through PASSKEY and Shipper has been notified through PASSKEY of Transporter's agreement to such change.
- 15.2 No waiver by any Party of any one or more defaults by the other in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.
- 15.3 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 Choice of Law doctrine that refers to the laws of another jurisdiction.
- 15.4 Exhibit A attached hereto is incorporated herein by reference and made a part of this Agreement for all purposes.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

**Original Sheet No. 127** Original Sheet No. 127 : Effective

FIRM GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule FT-A or FT-GS)

15.5 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 Transporter's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

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

MIDWESTERN GAS TRANSMISSION COMPANY

BY \_\_\_\_\_  
TITLE: Agent and Attorney-in-Fact

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

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92-41-003

Original Sheet No. 128 Original Sheet No. 128 : Effective

Date: \_\_\_\_\_

EXHIBIT A TO THE  
FIRM TRANSPORTATION AGREEMENT  
DATED \_\_\_\_\_

Shipper: \_\_\_\_\_  
Rate Schedule: \_\_\_\_\_  
Transportation Quantity: \_\_\_\_\_  
Proposed Commencement Date: \_\_\_\_\_

Primary Receipt Point(s): Name	Meter No.	Maximum Daily Quantity	Interconnect Party	Location County, State
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Primary Delivery Point(s): Name	Meter No.	Maximum Daily Quantity	Interconnect Party	Location County, State
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Name of entity(s) to deliver gas to  
Transporter: \_\_\_\_\_

Name of entity(s) to receive gas from  
Transporter: \_\_\_\_\_

New Facilities Required: \_\_\_\_\_

New Facilities Charge: \_\_\_\_\_

(This Exhibit A supersedes and cancels Exhibit A dated \_\_\_\_\_ to the Firm  
Transportation Agreement dated \_\_\_\_\_.)

MIDWESTERN GAS TRANSMISSION COMPANY

(SHIPPER)

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

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

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

**Original Sheet No. 129** Original Sheet No. 129 : Effective

INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

THIS AGREEMENT is entered into this \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between Midwestern Gas Transmission Company, a Delaware corporation, hereinafter referred to as "Transporter" and \_\_\_\_\_, a \_\_\_\_\_ corporation, hereinafter referred to as "Shipper." Transporter and Shipper shall be collectively referred to herein as "Parties."

WITNESSETH:

That, in consideration of the premises and of the mutual agreements herein contained, Transporter and Shipper agree as follows:

ARTICLE I - DEFINITIONS

The definitions found in Article I of Transporter's General Terms and Conditions are incorporated herein by reference.

ARTICLE II - TRANSPORTATION

Transporter agrees to accept and receive daily, on an interruptible basis, as determined by the operating conditions on Transporter's system, at the Receipt Point(s), from Shipper such quantity of gas as Shipper makes available up to the Maximum Interruptible Quantity of \_\_\_\_ dekatherms and deliver for Shipper to the Delivery Point(s) an equivalent quantity of gas.

ARTICLE III - RECEIPTS AND DELIVERIES

3.1 Points of Receipt and Delivery: All Eligible Receipt and Delivery Points on Transporter's system shall be available for gas transported under this Agreement. Priority of transportation service to such points shall be determined pursuant to Article III, Section 5 of the General Terms and Conditions of Transporter's Tariff.

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

**Original Sheet No. 130** Original Sheet No. 130 : Effective

INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

3.2 Pressure. Shipper shall deliver, or cause to be delivered, to Transporter the gas to be transported hereunder at pressures sufficient to deliver such gas into Transporter's system at the Receipt Point(s), provided such pressure shall not exceed Transporter's maximum allowable operating pressure. Transporter shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in Transporter's system at the Delivery Point(s).

ARTICLE IV - QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENTS

For all gas received, transported and delivered hereunder, the Parties agree to the quality specifications and standards for measurement as provided for in the General Terms and Conditions of Transporter's FERC Gas Tariff. Transporter shall be responsible for the operation of measurement facilities at the Delivery Point(s) and at the Receipt Point(s). In the event that measurement facilities are not operated by Transporter, then the responsibility for operations shall be deemed to be that of the Balancing Party at such point. If measurement facilities are not operated by Transporter and there is no Balancing Party at such point, then the responsibility for operations shall be deemed to be Shipper's.

ARTICLE V - FACILITIES

The facilities necessary to receive, transport and deliver gas as described herein are in place and no new facilities are anticipated to be required.

or

(If facilities are contemplated to be constructed, a brief description of the facilities will be included, as well as who is to construct, own and/or operate such facilities.)

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INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

ARTICLE VI - RATES FOR SERVICE

- 6.1 Transportation Charge - The rates, charges and surcharges to be paid by Shipper to Transporter for the transportation service provided for herein, including compensation for system fuel and losses, shall be in accordance with Transporter's effective Rate Schedule IT and the General Terms and Conditions of Transporter's FERC Gas Tariff. Except as provided to the contrary in any written or electronic agreement(s) between Transporter and Shipper in effect during the term of this Agreement, Shipper shall pay Transporter the applicable maximum rate(s) and all other applicable charges and surcharges specified on the effective Tariff Sheet No. 5 in Transporter's FERC Gas Tariff and in this Rate Schedule. Transporter and Shipper may agree that a specified discounted rate will apply only to specified volumes under the Agreement; that a specified discounted rate will apply only if specified volumes are achieved (with the maximum rates applicable to volumes above the specified volumes or to all volumes if the specified volumes are never achieved); that a specified discounted rate will apply only during specified periods of the year or over a specifically defined period of time; and/or that a specified discounted rate will apply only to specified points, zones, markets or other defined geographical areas. Transporter and Shipper may agree to a discounted rate pursuant to the provisions of this Section 6.1 provided that the discounted rate is between the applicable maximum and minimum rates for this service.
- 6.2 Changes in Rates and Charges - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates, charges, terms and conditions applicable to service pursuant to Transporter's IT Rate Schedule (b) Transporter's IT Schedule and (c) any provisions of the General Terms and Conditions in Transporter's FERC Gas Tariff applicable to those Rate Schedules, as such Tariff may be revised or replaced from time to time. Without prejudice to Shipper's right to contest such changes, Shipper agrees to pay the effective rates and charges for service rendered pursuant to this Agreement.
- 6.3 Incidental Charges - Upon execution of this Agreement, Shipper agrees to pay Transporter for all known and anticipated filing fees, reporting fees or similar charges required for the rendition of the transportation service provided for herein. Further, Shipper agrees to reimburse Transporter for all other filing fees, reporting fees or similar charges paid by Transporter to the FERC or any other agency in connection with the retention of the transportation service provided for herein within thirty (30) days after receiving proof of payment from Transporter. Further, Shipper agrees to be responsible for, and pay all amounts relating to, all other incidental charges in accordance with the terms and conditions of Transporter's effective Rate Schedule IT and the General Terms and Conditions in Transporter's FERC Gas Tariff.

ARTICLE VII - RESPONSIBILITY DURING TRANSPORTATION

As between the Parties hereto, it is agreed that from the time gas is delivered by Shipper to Transporter at the Receipt Point(s) and prior to delivery of such gas to or for the account of Shipper at the Delivery Point(s), Transporter shall have the unqualified right to commingle such gas with other gas in its system and shall have the unqualified right to handle and treat such gas as its own.

ARTICLE VIII - BILLING & PAYMENTS

Billing and payments under this Agreement shall be in accordance with the terms and conditions of Transporter's FERC Gas Tariff as such Tariff may be revised or replaced time to time.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

**Original Sheet No. 132** Original Sheet No. 132 : Effective

INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

ARTICLE IX - RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

This Agreement and all terms and provisions contained or incorporated herein are subject to the effective provisions of Transporter's IT Rate Schedule and Transporter's General Terms and Conditions on file with the FERC, or other duly constituted authorities having jurisdiction, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC, which Rate Schedule and General Terms and Conditions are incorporated herein by reference and made a part hereof for all purposes. To the extent a term or condition set forth in this Contract is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Contract is inconsistent with Transporter's IT Rate Schedule, the IT Rate Schedule shall govern unless the relevant provision is inconsistent with Transporter's General Terms and Conditions.

ARTICLE X - TERM OF AGREEMENT

- 10.1 This Agreement shall become effective on the date of its execution, and shall be implemented upon the receipt of all necessary regulatory approvals satisfactory to Transporter, subject to scheduling requirements, and shall remain in full force and effect for an initial term of one month from the date of execution. The Agreement will remain in full force and effect on a month to month basis unless terminated by either Party upon at least 30 days prior written notice of such termination to the other Party.
- 10.2 Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement upon its termination, as required by the General Terms and Conditions of Transporter's FERC Gas Tariff, shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance no later than twelve months after the termination of this Agreement.
- 10.3 In addition to any other remedy Transporter may have, this Agreement will terminate automatically in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder when that amount is due, provided Transporter shall give Shipper thirty days notice prior to any termination of service. Service may continue hereunder if within the thirty day notice period satisfactory assurance of payment is made in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Tariff.



INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

ARTICLE XI - REGULATION

- 11.1 This Agreement shall be subject to all applicable governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval or authorization is not so obtained or continued. Further, if any governmental body having jurisdiction over the service provided for herein authorizes abandonment of such service on a date other than the Termination Date as defined in Section 10.1 herein, then the Termination Date shall nevertheless be the abandonment date so authorized.
- 11.2 Promptly following the commencement of service under this Agreement, the Parties will file, or cause to be filed, and diligently prosecute, any necessary applications or notices with all necessary regulatory bodies for approval of the service provided for herein.
- 11.3 In the event the Parties are unable to obtain all necessary and satisfactory regulatory approvals for service prior to the expiration of two (2) years from the effective date hereof, then, prior to receipt of such regulatory approvals, either Party may terminate this Agreement by giving the other Party at least thirty (30) days prior written notice, and the respective obligations hereunder, except for the provisions of Section 6.4 herein, shall be of no force and effect from and after the effective date of such termination.

ARTICLE XII - ASSIGNMENTS

- 12.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument that it has executed or may execute hereafter as security for indebtedness. Either Party, without relieving itself of its obligations under this Agreement, may assign any of its rights hereunder to a company with which it is affiliated. Otherwise, Shipper shall not assign this Agreement or any of its rights and obligations unless it shall first have obtained the written consent of Transporter.
- 12.2 Any person or entity that succeeds by purchase, transfer, merger, or consolidation to the properties, substantially or as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

ARTICLE XIII - WARRANTIES

13.1 In addition to the warranties set forth in Article IX of the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit A attached hereto. Shipper agrees to indemnify and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Check the applicable provision(s):

\_\_\_\_\_ The transportation is pursuant to Subpart B of Part 284 of the FERC's Regulations. Shipper warrants that the service is on behalf of an intrastate pipeline or a local distribution company.

\_\_\_\_\_ The transportation is pursuant to Section 284.222 of the FERC's Regulations. Shipper warrants that the service is on behalf of an interstate pipeline.

\_\_\_\_\_ The transportation is pursuant to Section 284.223 of the FERC's Regulations.

(c) Shipper agrees to indemnify and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses (including reasonable attorneys fees) arising from or out of breach of any warranty, express or implied, by Shipper herein. Transporter shall not be obligated to provide or continue service in the event of any breach of warranty.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 135** Second Revised Sheet No. 135 : Superseded  
Superseding: First Revised Sheet No. 135

INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

13.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XIV - 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:

TRANSPORTER:

Midwestern Gas Transmission Company  
P. O. Box 2511  
Houston, Texas 77252-2511

SHIPPER:

NOTICES:

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

BILLING:

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

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

ARTICLE XV - MISCELLANEOUS

- 15.1 Except for changes specifically authorized pursuant to this Agreement, no modification of or supplement to the terms and conditions hereof shall be or become effective until Shipper has submitted a request for change through PASSKEY and Shipper has been notified through PASSKEY of Transporter's agreement to such change.
- 15.2 No waiver by any Party of any one or more defaults by the other in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

**Original Sheet No. 136** Original Sheet No. 136 : Effective

INTERRUPTIBLE GAS TRANSPORTATION AGREEMENT  
(For Use Under Rate Schedule IT)

- 15.3 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 Choice of Law doctrine that refers to the laws of another jurisdiction.
- 15.4 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 Transporter's option. If the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

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

MIDWESTERN GAS TRANSMISSION COMPANY

BY \_\_\_\_\_  
TITLE: Agent and Attorney-in-Fact

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

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-004

**Substitute Original Sheet No. 137** Substitute Original Sheet No. 137 : Effective

BALANCING AGREEMENT  
(For Use at Receipt Points)

This Agreement is entered into this \_\_\_\_\_, day of \_\_\_\_\_, 19\_\_ by and between  
Midwestern Gas Transmission Company, a Delaware corporation ("Transporter") , and  
\_\_\_\_\_, a \_\_\_\_\_ corporation ("Balancing Party").

W I T N E S S E T H:

WHEREAS, Transporter receives natural gas for transportation at the receipt point(s)  
specified in Exhibit "A" attached hereto (Receipt Point(s));

WHEREAS, the gas actually delivered at the Receipt Point(s) is at times different  
than the quantities nominated and scheduled to be transported by Transporter from those  
points ("Scheduled Quantities");

WHEREAS, Transporter and Balancing Party desire to allocate the natural gas  
received at the Receipt Point(s) based upon Scheduled Quantities and to allocate any  
difference between such Scheduled Quantities and actual receipts at the Receipt Point(s)  
(Operational Imbalance) to this Agreement;

WHEREAS, Transporter and Balancing Party desire to resolve the Operational  
Imbalances in accordance with Transporter's Rate Schedule LMS-PA; and

WHEREAS, Transporter and Balancing Party desire to implement operating rules  
designed to encourage conduct that maintains Transporter's system balance in a manner that  
facilitates the movement of gas for transportation purposes.

NOW, THEREFORE, Transporter and Balancing Party agree as follows:

ARTICLE I - DEFINITIONS

The definitions set forth in Article I are incorporated herein by reference.

ARTICLE II - NOMINATIONS AND CONFIRMATIONS

2.1 Confirmation of Nominations - Prior to the beginning of each month this Agreement is  
in effect, Balancing Party shall confirm or cause to be confirmed the quantities  
nominated to be delivered by Balancing Party or for Balancing Party's account by  
Transporter at the Receipt Point(s) commencing on the first day of the month  
following the confirmation. Absent notice from Transporter to the contrary, such  
confirmed nominations shall be scheduled by Transporter and shall become Scheduled  
Quantities.

BALANCING AGREEMENT  
(For Use at Receipt Points)

Balancing Party shall reconfirm any modification to such confirmations or cause such modification to be reconfirmed prior to the commencement of the revised service. Transporter shall notify Balancing Party or Balancing Party's designee of any problems regarding the scheduling of gas in accordance with confirmations hereunder within one business day after each daily confirmation and within four business days after the end of the calendar month for an aggregate of all confirmations for a calendar month unless mutually agreed to otherwise. Balancing Party shall notify Transporter or cause Transporter to be notified of any errors in the Scheduled Quantities within one business day of receipt of such information from Transporter.

If Balancing party fails to confirm the quantities to be transported at any Receipt Point(s) in accordance with the above, and such failure continues for two business days or more (whether or not such days are consecutive) after 24 hour written notice to the Balancing Party by Transporter for each occurrence of Balancing Party's failure to confirm, then the affected Receipt point(s) shall be deleted from Exhibit A upon written notice from Transporter at the end of that calendar month.

- 2.2 Allocations Based on Scheduled Quantities - The Parties intend that the quantity actually delivered at the Receipt Point(s) will equal the Scheduled Quantities. Balancing Party shall use all reasonable efforts to ensure that the quantities actually received at the Receipt Point(s) equal the Scheduled Quantities. Unless prohibited by applicable law or regulation, all transportation services provided by Transporter shall be allocated each day in accordance with Rate Schedule LMS-PA of Transporter's Tariff or by such method as may be mutually agreed to by both Parties.
- 2.3 Allocation of Variances - The difference on any day between the Scheduled Quantities at all Receipt Points and the total actual quantity received at the Receipt Point(s) shall be the Daily Variance and shall be allocated to this Agreement and resolved pursuant to the provisions of Rate Schedule LMS-PA. The difference between the sum of the Scheduled Quantities during a calendar month and the total actual quantity received at the Receipt Point(s), during the calendar month shall be the Monthly Operational Imbalance. Any Monthly Operational Imbalances will be corrected in accordance with Article III.
- 2.4 Reports on Actual Deliveries - Should Transporter not have the ability to monitor actual deliveries at any Receipt Point(s) on a daily basis, Balancing Party shall provide to Transporter the best available information compiled on a daily basis

BALANCING AGREEMENT  
(For Use at Receipt Points)

on the actual receipts at such Receipt Point(s) within two business days after the date of receipt. Furthermore, the Balancing Party shall provide or have provided to Transporter meter statements within four (4) business days after the close of a calendar month at any Receipt Point(s) where Transporter does not operate the meter. If the Balancing Party does not provide such information or meter statements at any Receipt Point(s), or the information provided contains significant inaccuracies as reasonably determined by Transporter, and such conditions continue for fifteen days or more (whether or not such days are consecutive) after the first notice to the Balancing Party, then all affected Receipt Points shall be deleted from this Agreement upon written notice from Transporter at the end of that calendar month.

- 2.5 Unauthorized Overruns - Balancing Party may not deliver gas at a Receipt Point in excess of the Daily Limit applicable to a Receipt Point, Balancing Party shall be subject to an unauthorized overrun charge of fifteen dollars (\$15.00) for each dth of excess volumes delivered. The Daily Limit applicable to a Receipt Point shall be stated in an Operational Flow Order issued pursuant to Article VIII of the General Terms and Conditions of Transporter's Tariff.

ARTICLE III - CORRECTION OF OPERATIONAL IMBALANCES

- 3.1 Corrections During the Month - Estimated metered quantities, or actual metered quantities where available, shall be used by Transporter for purposes of adjustments under this Section on a daily basis during the calendar month to determine the estimated Operational Imbalance at (all of) the Receipt Point(s). Transporter shall make the estimated Daily Variances and Monthly Operational Imbalance available to Balancing Party by the end of the third business day after each production day. Transporter may make or Balancing Party may make or cause to be made adjustments in nominations and actual deliveries upon 24 hours notice by making imbalance make up nominations pursuant to this Agreement and in accordance with Transporter's Tariff. Any adjustments will offset pre-existing imbalances accrued during that month.
- 3.2 Corrections in Subsequent Periods - As soon as practicable following the close of each month, Transporter will send Balancing Party a statement setting forth the accrued Daily Variance Charges and the Monthly Operational Imbalance existing at the end of the prior month. Any Monthly Operational Imbalance shall be resolved in cash in accordance with Rate Schedule LMS-PA of Transporter's FERC Gas Tariff Volume No. 1, unless the Parties mutually agree otherwise.
- 3.3 Measurement of Operational Imbalance - Any gas received or delivered pursuant to this Agreement shall be adjusted for variation in Btu content. Measurement of gas for all purposes shall be in accordance with Transporter's FERC Gas Tariff.

BALANCING AGREEMENT  
(For Use at Receipt Points)

- 3.4 Mutual Assistance Provision - In recognition that Balancing Party has a significant amount of control over the flow of gas onto Transporter's system and can assist in alleviating balancing problems or remedying supply deficiencies, upon mutual agreement, Balancing Party will increase or decrease flows independent from nominations. This agreement is subordinate to Balancing Party's contractual obligations (as well as subject to operational constraints placed on the producers behind the point by geological or equipment conditions). In any month such assistance is provided to Transporter, Transporter will waive all Daily Variance Charges amassed by Balancing Party in the month during periods when an OFO is not in effect. The agreement to provide mutual assistance shall be at the sole discretion of the Balancing Party and subordinate to the right of the Balancing Party to operate its properties in a manner that constitutes prudent and efficient operation. Any daily variance resulting from a Balancing Party's assistance pursuant hereto shall not be considered in the calculation of such Balancing Party's Monthly Operational Imbalance.
- 3.5 Operational Integrity - Nothing in this Article III shall limit Transporter's right to take action as may be required to adjust receipts of gas in order to alleviate conditions that threaten the integrity of its system.

ARTICLE IV - TERM

- 4.1 Duration of Agreement - Subject to the other termination rights provided herein, this Agreement shall be in full force and effect from the date hereof for a primary term of one (1) year and shall continue thereafter on a month-to-month basis unless terminated by either Party giving thirty days prior written notice, with the termination to be effective at the end of a calendar month. Notwithstanding the above, if any material problems arise as a result of the provisions of this Agreement, then the Parties will enter into good faith negotiations to amend this Agreement to resolve such problems. If the Parties are unable to resolve such problems as a result of such negotiations, then either Party may terminate this Agreement upon forty-eight (48) hours' prior written notice with the termination to be effective at the end of a calendar month.
- 4.2 Continuing Obligations - Following the termination of this Agreement, any remaining Operational Imbalance shall be resolved in cash in accordance with Rate Schedule LMS-PA of Transporter's FERC Gas Tariff Volume No. 1, unless the Parties mutually agree otherwise.
- 4.3 This Agreement will terminate automatically in the event that Balancing Party fails to pay all of the amount of any bill for service rendered by Transporter in accordance with Transporter's General Terms and Conditions.



BALANCING AGREEMENT  
(For Use at Receipt Points)

ARTICLE V - CHARGES

- 5.1 Current Charges - Commencing upon the date of execution, the rates, charges, and surcharges to be paid by Balancing Party to Transporter for the service provided herein shall be in accordance with Transporter's Rate Schedule LMS-PA and the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 5.2 Incidental Charges - Balancing Party agrees to reimburse Tennessee for any filing or similar fees, which have not been previously paid for by Balancing Party that Transporter incurs in rendering service hereunder.
- 5.3 Changes in Rates and Charges - Balancing Party agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule LMS-PA, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Balancing Party may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VI - MISCELLANEOUS

- 6.1 Warranties - Balancing Party warrants (i) that as to any gas that it delivers or causes to be delivered to Transporter hereunder to correct an Operational Imbalance that such gas will be free and clear of all liens, encumbrances and claims whatsoever; (ii) that it will at the time of delivery have the right to deliver or cause to be delivered such gas; (iii) that it has the right to allocate all (of its) deliveries from the Receipt Points in accordance with this Agreement; and (iv) that it will indemnify and save Transporter harmless from suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas or to royalties, overriding royalties, taxes, or other charges thereon or with regard to the allocation of gas hereunder. Balancing Party will pay or cause to be paid, all royalties, overriding royalties, taxes or other charges due on the gas delivered to Transporter and will file all necessary reports with federal or state agencies associated with the gas delivered to Transporter. If the federal or state law or taxing agency requires Transporter to pay such charges directly to the agency or other person and to file any reports on such deliveries, Balancing Party will act as Transporter's agent in paying the necessary charges and filing the necessary reports. Balancing Party represents and warrants to Transporter that all requisite authorizations, if any, have been obtained as to any gas that Balancing Party delivers or causes to be delivered hereunder. The Balancing Party or

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

**First Revised Original Sheet No. 142** First Revised Original Sheet No. 142 : Effective  
Superseding: Substitute Original Sheet No. 142

BALANCING AGREEMENT  
(For Use at Receipt Points)

Balancing Party's designee agrees to take the necessary corrective action requested by Transporter in accordance with this Agreement and shall perform all acts and duties required to nominate, confirm and deliver gas hereunder. If the Balancing Party fails to take such corrective action, then this Agreement shall terminate upon written notice from Transporter at the end of that calendar month. Transporter may act, and shall be fully protected in acting, in reliance upon any and all acts performed by Balancing Party to nominate, confirm and deliver gas hereunder and to allocate deliveries on behalf of any producers covered by this Balancing Agreement as though they were done or executed by the Producers.

- 6.2 Governing Bodies - This Agreement shall be subject to all applicable laws, federal or state, and to all applicable rules and regulations of any duly authorized federal, state or other government agency having jurisdiction. THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW.
- 6.3 Waivers - No waiver by either Party of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of different character.
- 6.4 Billings and Payments - Transporter shall bill and Balancing Party shall pay for the resolution of Operational Imbalances and any charges assessed under Rate Schedule LMS-PA in cash in accordance with Articles V and VI, respectively, of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 6.5 Incorporation of Tariff - Unless otherwise stated herein, Rate Schedule LMS-PA and the General Terms and Conditions specified in Transporter's FERC Gas Tariff are incorporated as part of this Agreement.
- 6.6 Notices - 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 Party's address shown on Exhibit A hereto or such other address as either Party may designate by written notice to the other.
- 6.7 Receipt Points - Subject to the provisions of Transporter's FERC Gas Tariff and the other provisions of this Agreement, Balancing Party may add or delete Receipt Points to Exhibit A upon notice to Transporter and Balancing Party unless such Receipt Points has previously been deleted from Exhibit A pursuant to Sections 2.1 or 2.4, in which case Transporter's consent will be required.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 143** Second Revised Sheet No. 143 : Superseded  
Superseding: First Revised Sheet No. 143

BALANCING AGREEMENT  
(For Use at Receipt Points)

- 6.8 Conflicts - If there is any conflict or discrepancy between this Agreement and any other agreement between Transporter and Balancing Party with regard to allocations of receipts at Receipt Points, the terms of this Agreement shall govern and control. If there is any conflict or discrepancy between this Agreement and Rate Schedule LMS-PA, the terms of Rate Schedule LMS-PA shall govern. If there is any conflict or discrepancy between this agreement and the General Terms and Conditions specified in Transporter's FERC Gas Tariff, the General Terms and Conditions shall govern.
- 6.9 Except for changes specifically authorized pursuant to this Agreement, no modification of or supplement to the terms and conditions hereof shall be or become effective until Shipper has submitted a request for change through PASSKEY and Balancing Party has been notified through PASSKEY of Transporter's agreement to such change.

The Parties' signatures below will evidence their agreement to this Balancing Agreement.

\_\_\_\_\_

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

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

MIDWESTERN GAS TRANSMISSION COMPANY

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

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

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 144** Second Revised Sheet No. 144 : Superseded  
Superseding: First Revised Sheet No. 144

EXHIBIT A  
TO THE BALANCING AGREEMENT  
FOR USE AT RECEIPT POINTS  
DATED \_\_\_\_\_

Receipt Point(s)	Meter Nos.	Balancing Party's Balancing Role*
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

If Balancing Party will serve as an Aggregator, producers for whom it will aggregate hereunder and corresponding meter numbers are as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Notices not made through PASSKEY shall be made to:

Transporter  
Midwestern Gas Transmission Company  
P. O. Box 2511  
Houston, Texas 77252-2511  
Attn: Transportation Services

Shipper  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Invoices  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

With regard to operational matters, Balancing Party shall have the right to designate different personnel or locations to receive notices from Midwestern for different periods of the week.

\* Balancing Party must state the role that it will play at each Receipt Point as either producer, Operator or Aggregator.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 145** Second Revised Sheet No. 145 : Superseded  
Superseding: First Revised Sheet No. 145

EXHIBIT A  
TO THE BALANCING AGREEMENT  
FOR USE AT RECEIPT POINTS  
DATED \_\_\_\_\_

Name, address, telephone, fax, and PASSKEY access number(s) of Balancing Party's designee (if any) for purposes of making and receiving notices from Transporter:

\_\_\_\_\_  
\_\_\_\_\_

The listing of a designee above does not give such designee the right to make confirmations and/or nominations hereunder.

MIDWESTERN GAS TRANSMISSION COMPANY

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

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

(Balancing Party)

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

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

(This Exhibit A supersedes and cancels Exhibit A dated \_\_\_\_\_ to the Operational Balancing Agreement dated \_\_\_\_\_.)

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

Original Sheet No. 146 Original Sheet No. 146 : Effective

BALANCING AGREEMENT  
(For Use Pursuant at Points of Delivery)

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_ by and between Midwestern Gas Transmission Company, a Delaware corporation, ("Transporter"), and \_\_\_\_\_, a \_\_\_\_\_ corporation, (Balancing Party). Transporter and Balancing Party shall be referred to collectively herein as "Parties".

W I T N E S S E T H:

WHEREAS, Transporter transports natural gas to the delivery point(s) specified in Exhibit A attached hereto (Delivery Point(s)) and Balancing Party receives such gas from Transporter at such point(s); and

WHEREAS, the gas actually delivered at the Delivery Point(s) is at times different than the quantities nominated and scheduled to be transported by Transporter to those point(s) ("Scheduled Quantities");

WHEREAS, Transporter and Balancing Party desire to aggregate all quantities delivered at all of the Delivery Points for balancing purposes and to allocate natural gas delivered at Delivery Point(s) based upon Scheduled Quantities and to allocate any difference between such Scheduled Quantities and actual deliveries at the Delivery Point(s) ("Operational Imbalance") to this Agreement; and

WHEREAS, Transporter and Balancing Party desire to correct the Operational Imbalances in subsequent periods in accordance with Transporter's Rate Schedule LMS-MA; and

WHEREAS, Transporter and Balancing Party desire to implement operating rules designed to encourage conduct that maintains Transporter's system balance in a manner that facilitates the movement of gas for transportation purposes; and

WHEREAS, Balancing Party has elected a daily delivery quantity ("DDQ") of \_\_\_\_\_ Dth in accord with Section 1 of Rate Schedule LMS-MA.

NOW, THEREFORE, Transporter and Balancing Party agree as follows:

ARTICLE I - DEFINITIONS

The definitions found in Article I of Transporter's General Terms and Conditions are incorporated herein by reference.

BALANCING AGREEMENT  
(For Use at Delivery Points)

ARTICLE II - NOMINATIONS AND CONFIRMATIONS

- 2.1 Confirmation of Nominations - Prior to the beginning of the month in which service is to commence, Balancing Party shall confirm the quantities nominated to be transported to the Delivery Point(s) commencing on the first day of the month following confirmation. The quantities confirmed through this process shall become the Scheduled Quantities. Any modification to such Scheduled Quantities shall be reconfirmed by Balancing Party prior to the commencement of the revised service. Transporter shall notify Balancing Party of any problems regarding the scheduling of gas in accordance with confirmations hereunder within one business day after such confirmation, unless mutually agreed otherwise. Balancing Party shall notify Transporter of any errors in the Scheduled Quantities within one business day of receipt of such information from Transporter. If Balancing Party fails to confirm the quantities to be transported at any Delivery Point(s) in accordance with the above, and such failure continues for two business days or more (whether or not such days are consecutive) after 24 hours written notice to the Balancing Party by Transporter for each occurrence of Balancing Party's failure to confirm, then such affected Delivery Points shall be deleted from Exhibit "A" upon written notice from Transporter at the end of that calendar month.
- 2.2 Allocations Based on Scheduled Quantities - The Parties intend that the quantity actually delivered at the Delivery Point(s) will equal the Scheduled Quantities. Balancing Party shall use all reasonable efforts to ensure that the quantities actually delivered at the Delivery Point(s) equal the Scheduled Quantities. Unless prohibited by applicable law or regulation, all gas delivered by Transporter shall be allocated each day based upon the Scheduled Quantities or by such other methods as may be mutually agreed to by both Parties.
- 2.3 Allocation of Variances - The difference on any day between the Scheduled Quantities and the actual quantity delivered at the Delivery Point(s) shall be the Daily Variance and shall be allocated to this Agreement. The difference between the sum of the Scheduled Quantities during a calendar month and the total actual quantity delivered at the Delivery Point(s) during the calendar month shall be the Monthly Operational Imbalance. Any Monthly Operational Imbalances will be resolved in accordance with Article III.
- 2.4 Unauthorized Overruns - On any day that Balancing Party takes gas in excess of the Daily Limit applicable to a Delivery Point controlled by Balancing Party, Balancing Party shall be subject to an unauthorized overrun charge of fifteen dollars (\$15.00) for each dth of excess volumes taken beyond a 2% allowable variation. The Daily Limit shall be posted in an Operational Flow Order issued pursuant to Article VIII of the General Terms and Conditions of Transporter's Tariff.

BALANCING AGREEMENT  
(For Use at Delivery Points)

- 2.5 Reports on Actual Deliveries - Should Transporter not have the ability to monitor actual deliveries at any Delivery Point on a daily basis, Balancing Party shall provide to Transporter the best available information compiled on a daily basis on the actual deliveries at such Delivery Point(s) within two business days after the date of delivery. Furthermore, the Balancing Party shall provide meter statements within three (3) business days after the close of a month at any Delivery Point(s) where Transporter does not operate the meter. If the Balancing Party does not provide such information or meter statements at any Delivery Point(s), or the information provided contains significant inaccuracies as reasonably determined by Transporter, and such conditions continue for fifteen days or more (whether or not such days are consecutive) after the first notice to the Balancing Party, then such Delivery Point(s) will be deleted from Exhibit A upon written notice from Transporter at the end of that calendar month. Any Delivery Point that is deleted from this Agreement in accordance with this section, may be added to Exhibit A in the future if the Parties mutually agree.

ARTICLE III - CORRECTION OF OPERATIONAL IMBALANCES

- 3.1 Corrections in Flow Rates During A Day - Balancing Party will be able to request adjustments to actual deliveries at its Delivery Points at any time during the day by coordinating with Transporter's gas dispatchers. Transporter will use reasonable efforts to deliver those changed quantities when the operating conditions on Transporter's system permits, taking into consideration the nominations made by firm customers on Transporter's system.
- 3.2 Corrections During the Month - Estimated metered quantities, or actual metered quantities where available, may be used by Transporter for purposes of adjustments under this Section on a daily basis during the month to determine the estimated Operational Imbalance at all of the Delivery Point(s). Transporter shall make the estimated Daily Variances and Monthly Operational Imbalances at each Delivery Point available to Balancing Party by the third business day after each production day. Transporter or Balancing Party may make adjustments in nominations and actual deliveries upon 24 hours notice by making imbalance make up nominations pursuant to this Agreement and in accordance with the applicable provisions of Transporter's Tariff. Any such adjustments will offset pre-existing imbalances accrued during the month.



BALANCING AGREEMENT  
(For Use at Delivery Points)

- 3.3 Corrections in Subsequent Periods - As soon as practicable following the close of each month, Transporter will send Balancing Party a statement setting forth the accrued Daily Variances and the Monthly Operational Imbalance existing at the end of the prior month. Any Monthly Operational Imbalance shall be corrected in cash in accordance with Rate Schedule LMS-MA of Transporter's Tariff unless the Parties mutually agree otherwise.
- 3.4 Measurement of Operational Imbalance - Any gas received or delivered pursuant to this Agreement to correct an Operational Imbalance shall be adjusted for variation in Btu content. Measurement of gas for all purposes shall be in accordance with Transporter's FERC Gas Tariff.
- 3.5 Operational Integrity - Nothing in this Article III shall limit Transporter's right to take action as may be required to adjust deliveries of gas in order to alleviate conditions that threaten the integrity of its system.

ARTICLE IV - TERM

- 4.1 Duration of Agreement - Subject to the other termination rights provided herein, this Agreement shall be in full force and effect from the date hereof for a primary term commensurate to that of the underlying converted sales contract at the Delivery Point(s) (including all extension rights provided in the converted contract) and shall continue thereafter on a month-to-month basis unless canceled by either Party upon thirty days' prior written notice with the termination to be effective at the end of a calendar month. Transporter shall have the right to terminate this Agreement in the event that the Balancing Agreement between Tennessee and Transporter is terminated. Notwithstanding the above, if any material problem arises as a result of the provisions of this Agreement, then the Parties will enter into good faith negotiations to amend this Agreement to resolve such problems.
- 4.2 Continuing Obligations - Following the termination of this Agreement, any remaining Operational Imbalance shall be resolved in cash in accordance with Rate Schedule LMS-MA of Transporter's FERC Gas Tariff Volume No. 1, unless the Parties mutually agree otherwise.
- 4.3 This Agreement will terminate automatically in the event that Balancing Party fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the General Terms and Conditions of Transporter's Tariff.

BALANCING AGREEMENT  
(For Use at Delivery Points)

ARTICLE V - DDS AND IMBALANCE CHARGES

- 5.1 Current Charges - Commencing upon the date of execution, the rates, charges, and surcharges (including those for any DDS services that has been elected) to be paid by Balancing Party to Transporter shall be in accordance with Transporter's Rate Schedule LMS-MA and the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 5.2 Incidental Charges - Balancing Party agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Balancing Party which Transporter incurs in rendering service hereunder.
- 5.3 Changes in Rates and Charges - Balancing Party agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule LMS-MA, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VI - MISCELLANEOUS

- 6.1 Warranties - Balancing Party warrants (i) that as to any gas that it delivers or causes to be delivered to Transporter hereunder to correct an Operational Imbalance that it will have good title to such gas, free and clear of all liens, encumbrances and claims whatsoever; (ii) that it will at the time of delivery have the right to deliver or cause to be delivered such gas; (iii) that it has the right to allocate all deliveries from the Delivery Points in accordance with this Agreement, and (iv) that it will indemnify and save Transporter harmless from suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas or to royalties, overriding royalties, taxes, or other charges thereon or with regard to the allocation of gas hereunder. Balancing Party represents and warrants to Transporter that all requisite authorizations, if any, have been obtained as to any gas that Balancing Party delivers or causes to be delivered hereunder.
- 6.2 Governing Bodies - This Agreement shall be subject to all applicable laws, federal or state, and to all applicable rules and regulations of any duly authorized federal, state or other government agency having jurisdiction. THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 151** Second Revised Sheet No. 151 : Superseded  
Superseding: First Revised Sheet No. 151

BALANCING AGREEMENT  
(For Use at Delivery Points)

- 6.3 Waivers - No waiver by either Party of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of different character.
- 6.4 Billings and Payments - Transporter shall bill and Balancing Party shall pay for the correction of Operational Imbalances and any charges assessed under Rate Schedule LMS-MA in cash in accordance with of the General Terms and Conditions specified in Transporter's FERC Gas Tariff.
- 6.5 Incorporation of Tariff - Unless otherwise stated herein, Rate Schedule LMS-MA and the General Terms and Conditions specified in Transporter's FERC Gas Tariff are incorporated as part of this Agreement.
- 6.6 Notices - 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 Party's address shown on Exhibit A hereto or such other address as either Party may designate by written notice to the other.
- 6.7 Conflicts - If there is any conflict or discrepancy between this Agreement and any other agreement between Transporter and Balancing Party with regard to allocations of deliveries at Delivery Points, the terms of this Agreement shall govern and control. If there is any conflict or discrepancy between this Agreement and Rate Schedule LMS-MA, the terms of Rate Schedule LMS-MA shall govern. If there is any conflict or discrepancy between this Agreement and the General Terms and Conditions specified in Transporter's FERC Gas Tariff, the General Terms and Conditions shall govern.
- 6.8 Except for changes specifically authorized pursuant to this Agreement, no modification of or supplement to the terms and conditions hereof shall be or become effective until Balancing Party has submitted a request for change through PASSKEY and Balancing Party has been notified through PASSKEY of Transporter's agreement to such change.

The Parties' signatures below will evidence their agreement to this Balancing Agreement.

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

MIDWESTERN GAS TRANSMISSION COMPANY

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

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 152** Second Revised Sheet No. 152 : Superseded  
Superseding: First Revised Sheet No. 152

Date: \_\_\_\_\_

EXHIBIT A TO THE BALANCING AGREEMENT DATED \_\_\_\_\_

Delivery Point(s)	Daily Delivery Quantity	Meter Nos.
_____	_____	_____
_____	_____	_____
_____	_____	_____

Notices not made through PASSKEY shall be made to:

Transporter	Shipper
Midwestern Gas Transmission Company	_____
P. O. Box 2511	_____
Houston, Texas 77252-2511	_____
Attn: Transportation Services	Attn: _____
	Notices
	_____
	_____
	Attn: _____
	Billings

With regard to operational matters, Balancing Party shall have the right to designate different personnel or locations to receive notices from Transporter for different periods of the week.

MIDWESTERN GAS TRANSMISSION COMPANY

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

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

(Balancing Party)

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

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

(This Exhibit A supersedes and cancels Exhibit A dated \_\_\_\_\_ to the Balancing Agreement dated \_\_\_\_\_.)

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-004

**Substitute Original Sheet No. 153** Substitute Original Sheet No. 153 : Effective

BALANCING AGREEMENT  
(For Use by Aggregator at Delivery Points)

This Agreement dated and effective \_\_\_\_\_, \_\_\_\_\_ by and between Midwestern Gas Transmission Company, a \_\_\_\_\_ corporation (Transporter), and \_\_\_\_\_, a \_\_\_\_\_ corporation, (Balancing Party). Transporter and Balancing Party shall be referred to collectively herein as "Parties".

W I T N E S S E T H:

WHEREAS, Transporter transports natural gas to the delivery point(s) specified in Exhibit A attached hereto (Delivery Points) and Balancing Party receives such gas from Transporter; and

WHEREAS, the gas actually delivered to the Delivery Points is at times different than the quantities scheduled to be transported by Transporter to those points(s) ("Scheduled Quantities"); and

WHEREAS, Transporter and Balancing Party desire to aggregate all quantities delivered at all of the Delivery Points for balancing purposes and to allocate natural gas delivered at the Delivery Point(s) based upon Scheduled Quantities and to allocate any difference between such Scheduled Quantities and actual deliveries at the Delivery Point(s) (Operational Imbalance) to this Agreement; and

WHEREAS, Transporter and Balancing Party desire to resolve the Operational Imbalances in subsequent periods in accordance with Transporter's Rate Schedule LMS-MA; and

WHEREAS, Transporter and Balancing Party desire to implement operating rules designed to encourage conduct that maintains Transporter's system balance in a manner that facilitates the movement of gas for transportation purposes; and

WHEREAS, Balancing Party has been given authority to perform balancing and scheduling at the delivery points on Exhibit A attached on behalf of the Third Parties listed on Exhibit A and such authority does/does not include authority to use DDS service;

NOW, THEREFORE, Transporter and Balancing Party covenant and agree as follows:

ARTICLE I - DEFINITIONS

The definitions found in Article I of Transporter's General Terms and Conditions are incorporated herein by reference.

BALANCING AGREEMENT  
(For Use by Aggregator at Delivery Points)

ARTICLE II - NOMINATIONS AND CONFIRMATIONS

- 2.1 Confirmation of Nominations - Prior to the beginning of the month in which service is to commence, Balancing Party shall confirm the quantities nominated to be transported by Transporter to the Delivery Point(s) commencing on the first day of the month following the confirmation. The quantities confirmed through this process shall become the Scheduled Quantities. Any modification to such Scheduled Quantities shall be reconfirmed by Balancing Party prior to the commencement of the revised service. Transporter shall notify Balancing Party of any problems regarding the scheduling of gas in accordance with confirmations hereunder within one business day after such confirmation, unless mutually agreed to otherwise. Balancing Party shall notify Transporter of any errors in the Scheduled Quantities within two business days of receipt of such information from Transporter. If Balancing Party fails to confirm the quantities to be transported and/or purchased at any Delivery Point(s) in accordance with the above, and such failure continues for two business days or more (whether or not such days are consecutive) after 24 hours written notice to the Balancing Party by Transporter for each occurrence of Balancing Party's failure to confirm, then such affected Delivery Point(s) shall be deleted from Exhibit A upon written notice from Transporter at the end of that calendar month.
- 2.2 Allocations Based on Scheduled Quantities - The Parties intend that the quantity actually delivered at the Delivery Point(s) will equal the Scheduled Quantities. Balancing Party shall use all reasonable efforts to ensure that the quantities actually delivered at the Delivery Point(s) equal the Scheduled Quantities. Unless prohibited by applicable law or regulation, all gas delivered by Transporter shall be allocated each day based upon the Scheduled Quantities or by such other methods as may be mutually agreed to by both Parties.
- 2.3 Allocation of Variances - The difference on any day between the Scheduled Quantities and the actual quantity delivered at the Delivery Point(s) shall be the Daily Variance and shall be allocated to this Agreement. The difference between the sum of the Scheduled Quantities during a calendar month and the total actual quantity delivered at the Delivery Point(s) during the calendar month shall be the Monthly Operational Imbalance. Any Operational Imbalances will be resolved in accordance with Article III.
- 2.4 Unauthorized Overruns - One any day that Balancing Party takes gas in excess of the Daily Limit applicable to a Delivery Point, Balancing Party shall be subject to an unauthorized overrun charge of fifteen (\$15.00) for each dth of excess volumes taken beyond a 2% allowable variation. The Daily Limit shall be posted in an Operational Flow Order issued pursuant to Article VIII of Transporter's General Terms and Conditions.

BALANCING AGREEMENT  
(For Use by Aggregator at Delivery Points)

- 2.5 Reports on Actual Deliveries - Should Transporter not have the ability to monitor actual deliveries at the Delivery Point on a daily basis, Balancing Party shall provide to Transporter the best available information compiled on a daily basis on the actual deliveries at such Delivery Point(s) within two business days after the date of delivery.

Furthermore, the Balancing Party shall provide meter statements within three (3) business days after the close of a month at any Delivery Point(s) where Transporter does not operate the meter. If the Balancing Party does not provide such information or meter statements at any Delivery Point(s), or the information provided contains significant inaccuracies as reasonably determined by Transporter, and such conditions continue for fifteen days or more (whether or not such days are consecutive) after the first notice to the Balancing Party, then such Delivery Point(s) will be deleted from Exhibit A upon written notice from Transporter at the end of that calendar month. Any Delivery Point that is deleted from this Agreement in accordance with this Section, may be added to Exhibit A in the future if the Parties mutually agree.

ARTICLE III - CORRECTION OF OPERATIONAL IMBALANCES

- 3.1 Corrections in Flow Rates During A Day - Balancing Party will be able to request adjustments to actual deliveries at its Delivery Points at any time during the production day by coordinating with Transporter's gas dispatchers. Transporter will use reasonable efforts to deliver those changed quantities when the operating conditions on Transporter's system permits, taking into consideration the nominations made by firm customers on Transporter's system.
- 3.2 Corrections During the Month - Estimated metered quantities, or actual metered quantities where available, may be used by Transporter for purposes of adjustments under this Section on a daily basis during the production month to determine the estimated Operational Imbalance at all of the Delivery Point(s). Transporter shall make the estimated Daily Variances and Monthly Operational Imbalance at each Delivery Point available to Balancing Party on or before the third business day after each production day. Transporter or Balancing Party may make adjustments in nominations and actual deliveries upon 24 hours notice by making imbalance make up nominations pursuant to this Agreement and in accordance with the applicable provisions of Transporter's Tariff. Any such adjustments will offset pre-existing imbalances accrued during the month.
- 3.3 Corrections In Subsequent Periods - As soon as practicable following the close of each month, Transporter will send Balancing Party a statement setting forth the accrued Daily Variances and the Monthly Operational Imbalance existing at the end of the prior month. Any Monthly Operational Imbalance shall be resolved in cash in accordance with Rate Schedule LMS-MA, unless the Parties mutually agree otherwise.

BALANCING AGREEMENT  
(For Use by Aggregator at Delivery Points)

- 3.4 Measurement of Operational Imbalance - Any gas received or delivered pursuant to this Agreement to correct an Operational Imbalance shall be adjusted for variation in Btu content. Measurement of gas for all purposes shall be in accordance with Transporter's FERC Gas Tariff.
- 3.5 Operational Integrity - Nothing in this Article III shall limit Transporter's right to take action as may be required to adjust deliveries of gas in order to alleviate conditions that threaten the integrity of its system.

ARTICLE IV - TERM

- 4.1 Duration of Agreement - Subject to the other termination rights provided herein, this Agreement shall be in full force from \_\_\_\_\_, 19\_\_, for a primary term of one month and shall continue thereafter on a month-to-month basis unless cancelled by either Party upon thirty days' prior written notice with the termination to be effective at the end of a calendar month. Notwithstanding the above, if any material problems arise as a result of the provisions of this Agreement, then the Parties will enter into good faith negotiations to amend this Agreement to resolve such problems. If the Parties are unable to resolve such problems as a result of such negotiations, then either Party may terminate this Agreement upon forty-eight (48) hours' prior written notice, with the termination to be effective at the end of a calendar month.
- 4.2 Continuing Obligations - Following the termination of this Agreement, any remaining Operational Imbalance shall be resolved in cash in accordance with Rate Schedule LMS-MA of Transporter's FERC Gas Tariff, unless the Parties mutually agree otherwise.
- 4.3 This Agreement will terminate automatically in the event that Balancing Party fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the General Terms and Conditions of Transporter's Tariff.

ARTICLE V - DDS AND IMBALANCE CHARGES

- 5.1 Current Charges - Commencing upon the date of execution, the rates, charges, and surcharges (including those for any DDS services) to be paid by Balancing Party to Transporter shall be in accordance with Transporter's Rate Schedule LMS-MA and the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 5.2 Incidental Charges - Balancing Party agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Balancing Party, which Transporter incurs in rendering service hereunder.



BALANCING AGREEMENT  
(For Use by Aggregator at Delivery Points)

- 5.3 Changes in Rates and Charges - Balancing Party agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule LMS-MA, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VI - MISCELLANEOUS

- 6.1 Warranties - Balancing Party warrants that as to any gas that it delivers or causes to be delivered to Transporter hereunder to correct an Operational Imbalance, and (ii) that it will at the time of delivery have the right to deliver or cause to be delivered such gas; (iii) that it has the right to allocate all deliveries from the Delivery Points in accordance with this Agreement, and (iv) that it will indemnify and save Transporter harmless from suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas or to royalties, overriding royalties, taxes, or other charges thereon or with regard to the allocation of gas hereunder. Balancing Party represents and warrants to Transporter that all requisite authorizations, if any, have been obtained as to any gas that Balancing Party delivers or causes to be delivered hereunder and represents that all delivery points covered by this Agreement will have not a maximum daily quantity from the Transporter's system exceeding 10,000 Dth.
- 6.2 Governing Bodies - This Agreement shall be subject to all applicable laws, federal or state, and to all applicable rules and regulations of any duly authorized federal, state or other government agency having jurisdiction over the transactions described herein. THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.
- 6.3 Waivers - No waiver by either Party of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of different character.
- 6.4 Billings and Payments - Transporter shall bill and Balancing Party shall pay for the correction of Operational Imbalances in cash in accordance with the General Terms and Conditions specified in Transporter's FERC Gas Tariff.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 158** Second Revised Sheet No. 158 : Superseded  
Superseding: First Revised Sheet No. 158

BALANCING AGREEMENT  
(For Use by Aggregator at Delivery Points)

- 6.5 Incorporation of Tariff - Unless otherwise stated herein, Rate Schedule LMS-MA and the General Terms and Conditions specified in Transporter's FERC Gas Tariff are incorporated as part of this Agreement.
- 6.6 Notices - Except as otherwise expressly provided in this Agreement or the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the Party's address shown on Exhibit A hereto or such other address as either Party may designate by written notice to the other.
- 6.7 Conflicts - If there is any conflict or discrepancy between this Agreement and any other Agreement between Transporter and Balancing Party with regard to allocations of deliveries at Delivery Points, the terms of this Agreement shall govern and control. If there is any conflict of discrepancy between this Agreement and Rate Schedule LMS-MA, the terms of Rate Schedule LMS-MA shall govern. If there is any conflict or discrepancy between this Agreement and the General Terms and Conditions specified in Transporter's FERC Gas Tariff, the General Terms and Conditions shall govern.
- 6.8 Except for changes specifically authorized pursuant to this Agreement, no modification of or supplement to the terms and conditions hereof shall be or become effective until Balancing Party has submitted a request for change through PASSKEY and Balancing Party has been notified through PASSKEY of Transporter's agreement to such change.

The Parties' signatures below will evidence their agreement to this Balancing Agreement.

MIDWESTERN GAS TRANSMISSION COMPANY

BY: \_\_\_\_\_  
Agent and Attorney-in-Fact

Balancing Party

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

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

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 159** Second Revised Sheet No. 159 : Superseded  
Superseding: First Revised Sheet No. 159

BALANCING AGREEMENT  
(For Use by Aggregator at Delivery Points)

EXHIBIT A

dated \_\_\_\_\_ to the Balancing Agreement  
between \_\_\_\_\_,  
(Aggregator) and Midwestern Gas Transmission Company, (Transporter)

Delivery Point	Third Parties	DDS Quantity
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Notices not made through PASSKEY shall be made to:

Transporter  
Midwestern Gas Transmission Company  
P.O. Box 2511  
Houston, Texas 77252-2511  
Attn: Transportation Services

Shipper  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Notices  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Billings

With regard to operational matters, Aggregator shall have the right to designate different personnel or locations to receive notices from Transporter for different periods of the week.

MIDWESTERN GAS TRANSMISSION COMPANY

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

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

(Balancing Party)

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

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

(This Exhibit A supersedes and cancels Exhibit A dated \_\_\_\_ to the Balancing Agreement dated \_\_\_\_.)

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

Original Sheet No. 160 Original Sheet No. 160 : Effective

PIPELINE BALANCING AGREEMENT  
(For Use at Interconnections with Interstate Pipelines)

This Agreement is entered into this \_\_\_\_\_, day of \_\_\_\_\_, 1993 by and between Midwestern Gas Transmission Company, a Delaware corporation ("Transporter") and \_\_\_\_\_, a \_\_\_\_\_ corporation, ("Pipeline"). Transporter and Pipeline shall be referred to herein as "Parties".

WHEREAS, the facilities operated by Transporter and by Pipeline interconnect at the "Interconnection Point(s)" specified on Exhibit A attached hereto;

WHEREAS, Pipeline and Transporter either receive gas delivered at the Interconnection Point(s), or deliver gas received at the Interconnection Point(s), and Pipeline and Transporter have entered into agreements with others (hereinafter "Shipper Agreements") whereby such Shippers cause gas to be delivered or received at the Interconnection Points.

WHEREAS, the Pipeline will provide 24 hour a day, 365 day a year dispatch and has the resources to alter the flow at the Receipt and/or Delivery Points; and

WHEREAS, the Receipt and/or Delivery Points are subject to flow control and the flow is measured and reported through equipment meeting Electronic Custody Transfer Standards.

NOW, THEREFORE, Pipeline and Transporter agree as follows:

ARTICLE I - DEFINITIONS

The definitions found in Article I of Transporter's General Terms and Conditions are incorporated herein by reference.

ARTICLE II - NOMINATIONS AND CONFIRMATIONS

- 2.1 Confirmation of Nominations - Prior to the first day of each month, the Parties shall reconcile and confirm electronically or in writing the transportation nominations received by each from Shippers for whom the Parties would deliver or receive gas at the Interconnection Point(s). The quantities determined through this reconciliation and confirmation shall be the "Scheduled Quantities". Any changes to such Scheduled Quantities shall be effective only if agreed to electronically or in writing by both Parties. Such communication regarding changes shall be in a form mutually agreeable to the Parties. Nominations received pursuant to the Shipper Agreements shall be confirmed electronically or orally with subsequent confirmation in writing or as otherwise mutually agreed to by both Parties.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 161 Original Sheet No. 161 : Effective

PIPELINE BALANCING AGREEMENT  
(For Use at Interconnections with Interstate Pipelines)

2.2 Allocations Based on Scheduled Quantities - The Parties intend that the quantity actually delivered and received each day at the Interconnection Point(s) will equal the Scheduled Quantities. Each Party will allocate quantities that are to be delivered and received at the Interconnection Point(s) among the Shipper Agreements and/or the Party's respective Shippers commensurate with the Scheduled Quantities for each transaction. Any imbalance created when the actual physical flow is different than the Scheduled Quantities will be the "Operational Imbalance", which will be the responsibility of the Parties to eliminate pursuant to this Agreement.

ARTICLE III - CORRECTION OF OPERATIONAL IMBALANCES

3.1 Corrections in Flow Rates During A Day - The Parties will be able to request adjustments to actual deliveries or receipts at any time during the production day by coordination between the Parties' gas dispatchers. Each Party will use reasonable efforts to deliver or receive those changed quantities when the operating conditions on each Party's system permits, taking into consideration the nominations made by firm customers on each Party's system. In the event that an Interconnection Point(s) is unable to achieve the scheduled flow rate, the Parties agree that swift corrective action will be taken.

3.2 Corrections During the Month - Estimated metered quantities, or actual metered quantities where available, may be used by Transporter for purposes of adjustments under this Section on a daily basis during the production month to determine the estimated Operational Imbalance at each Interconnection Point(s). Physical flow adjustments will be made for daily imbalances within 72 hours of notice by Transporter unless mutually agreed to otherwise. Transporter shall make the estimated Daily and Monthly Operational Imbalance at each delivery or receipt meter available to Pipeline on or before the third business day after each production day. In the event that a capacity constraint occurs on either Party's pipeline system that results in curtailment of quantities through an Interconnection Point(s), the Party on whose system the constraint has occurred shall determine the reallocation of quantities to the Shippers. Such change in allocation shall be confirmed electronically or in writing pursuant to the provisions of Article II above. If the constraint occurs at an Interconnection Point, the Party that operates the meter at an Interconnection Point shall be deemed to have the constraint on its system. To the extent that a Pipeline has a record of not meeting its balancing obligations (i.e., in-kind make-up within 72 hours), Transporter will have a right to terminate this Agreement upon 30 days notice.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 162 Original Sheet No. 162 : Effective

PIPELINE BALANCING AGREEMENT  
(For Use at Interconnections with Interstate Pipelines)

- 3.3 Corrections In Subsequent Periods - The physical flow at each Interconnection Point each month will be determined and communicated by Transporter to Pipeline electronically or in writing as soon as possible during the month following the month in question. The Parties agree to "in kind" balancing between the pipelines when the imbalance at the end of the month is within 1% of the total monthly Scheduled Quantities at the meter. Any "in kind" imbalance carried over from the prior month will become part of the current Monthly Imbalance. Any imbalance existing at the time of the implementation of a new Pipeline Balancing Agreement will be held separately and settled independently. When the Monthly Imbalance is greater than 1% of the monthly Scheduled Quantities at the meter, the entire imbalance will be cashed out in accordance the LMS-PA Rate Schedule in Transporter's FERC Gas Tariff, unless the imbalance was caused by failure of Transporter to adjust flow control at the meter, or unless the Parties agree otherwise.
- 3.4 Measurement of Operational Imbalance - Measurement of gas for all purposes shall be in accordance with Transporter's FERC Gas Tariff.
- 3.5 Operational Integrity - Nothing in this Article II shall limit a Party's right to take action as may be required to adjust deliveries of gas in order to alleviate conditions that threaten the integrity of its system.

ARTICLE IV - TERM

Duration of Agreement - Subject to the other termination rights provided herein, this Agreement shall be in full force and effect from the date hereof for a primary term of one (1) year and shall continue thereafter on a month-to-month basis unless terminated by either Party giving thirty days' written notice, with the termination to be effective at the end of a calendar month. Notwithstanding the above, if any material problems arise as a result of the provisions of this Agreement, then the Parties will enter into good faith negotiations to amend this Agreement to resolve such problems. If the Parties are unable to resolve such problems as a result of such negotiations, then either Party may terminate this Agreement upon forty-eight (48) hours' prior written notice with the termination to be effective at the end of a calendar month.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 163 Original Sheet No. 163 : Effective

PIPELINE BALANCING AGREEMENT  
(For Use at Interconnections with Interstate Pipelines)

ARTICLE V - MISCELLANEOUS

- 5.1 Warranties - Pipeline warrants that as to any gas that it delivers or causes to be delivered to Tennessee hereunder to correct an Operational Imbalance (i) that it will at the time of delivery have the right to deliver or cause to be delivered such gas: (ii) that it has the right to allocate all deliveries from the Interconnection Points in accordance with this Agreement, and (iii) that it will indemnify and save Transporter harmless from suits, actions, debts, accounts, damages, cost, losses and expenses arising from or out of adverse claims of any or all persons to said gas or to royalties, overriding royalties, taxes, or other charges thereon or with regard to the allocation of gas hereunder. Pipeline represents and warrants to Transporter that all requisite authorizations, if any, have been obtained as to any gas that Pipeline delivers or causes to be delivered hereunder.
- 5.2 Governing Bodies - This Agreement shall be subject to all applicable laws, federal or state, and to all applicable rules and regulations of any duly authorized federal, state or other government agency having jurisdiction over the transactions described herein. The interpretation and performance of this contract shall be in accordance with and controlled by the laws of the state of Texas, without regard to choice of law doctrine that refers to the laws of another state.
- 5.3 Waivers - No waiver by either Party of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of different character.
- 5.4 Billings and Payments - If required, the Parties shall invoice and pay for the correction of Operational Imbalances in cash in accordance with Articles V and VI, respectively, of the General Terms and Conditions specified in Transporter's FERC Gas Tariff.
- 5.5 Incorporation of Tariff - Unless otherwise stated herein, the General Terms and Conditions specified in Transporter's FERC Gas Tariff are incorporated as part of this Agreement.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 164 Original Sheet No. 164 : Effective

PIPELINE BALANCING AGREEMENT  
(For Use at Interconnections with Interstate Pipelines)

- 5.6 Notices - Except as otherwise provided in this Agreement or the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed the Party's address shown on the attached Exhibit A or such other address as either Party may designate by written notice to the other.
- 5.7 Conflicts - If there is any conflict or discrepancy between this Agreement and any other Agreement between Transporter and Pipeline with regard to allocations at Interconnect Points, the terms of this Agreement shall govern and control.

The Parties' signatures below will evidence their agreement to this Pipeline Balancing Agreement.

MIDWESTERN GAS TRANSMISSION COMPANY

BY: \_\_\_\_\_  
Agent and Attorney-in-Fact

PIPELINE

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

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



Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 165** Second Revised Sheet No. 165 : Superseded  
Superseding: First Revised Sheet No. 165

PIPELINE BALANCING AGREEMENT  
EXHIBIT A  
To the Pipeline Balancing Agreement  
Between Midwestern Gas Transmission Company  
and \_\_\_\_\_  
Dated \_\_\_\_\_, \_\_\_\_\_

Interconnection Point between Transporter and \_\_\_\_\_:

Contract:

Meter Number(s)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any notice required under this Agreement or Transporter's Tariff not made through PASSEY shall be sent to:

Transporter:  
Notices: Midwestern Gas Transmission Company  
P.O. Box 2511  
Houston, Texas 77252-2511  
Attention: Volume Control

Billings: Midwestern Gas Transmission Company  
P.O. Box 2511  
Houston, Texas 77252-2511  
Attention: Accounting

Pipeline:  
Notices: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Billings: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

**Original Sheet No. 166** Original Sheet No. 166 : Effective

PIPELINE BALANCING AGREEMENT  
EXHIBIT A  
To the Pipeline Balancing Agreement  
Between Midwestern Gas Transmission Company  
and \_\_\_\_\_  
Dated \_\_\_\_\_, 19\_\_

With regard to operational matters, Pipeline shall have the right to designate different personnel or locations to receive notices from Tennessee for different periods of the week.

Transporter:

Midwestern Gas Transmission Company

By: \_\_\_\_\_  
Agent and Attorney-in-Fact

Pipeline:  
\_\_\_\_\_

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

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

Effective Date: 09/01/1993 Status: Effective  
FERC Docket: RS92- 41-003

**Original Sheet No. 167** Original Sheet No. 167 : Effective

FORM OF RELEASED TRANSPORTATION SERVICE AGREEMENT

(Applicable to firm transportation rights  
released pursuant to Article XXI of the  
General Terms and Conditions of this Tariff)

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_ by and between MIDWESTERN GAS TRANSMISSION COMPANY, a Delaware corporation, hereinafter called "Transporter" and \_\_\_\_\_, a \_\_\_\_\_ corporation, hereinafter variously called "Bidder" or "Replacement Shipper." Transporter and Bidder or Replacement Shipper shall be referred to collectively herein as "Parties".

WHEREAS, Transporter owns and operates an interstate natural gas transmission system and provides transportation service for third-party shippers on such system;

WHEREAS, Transporter's Tariff on file with the Federal Energy Regulatory Commission (FERC) permits firm transportation shippers under Transporter's Rate Schedule FT-A to release some or all of their transportation rights under the terms and conditions presented in the Tariff;

WHEREAS, Bidder desires to submit bids for transportation rights released by one or more firm shippers and Transporter's Tariff requires Bidder to enter into this Released Transportation Service Agreement as a pre-condition to the submission of any such bids; and

WHEREAS, Transporter is willing to enter into this Agreement with Bidder and provide transportation service to Bidder as a Replacement Shipper to the extent it obtains released transportation rights;

NOW THEREFORE, in consideration of the mutual covenants and agreements as herein set forth, the Parties hereto agree as follows:

ARTICLE I - DEFINITIONS

The definitions found in Article I of Transporter's General Terms and Conditions are incorporated herein by reference.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 168 Original Sheet No. 168 : Effective

FORM OF RELEASED TRANSPORTATION SERVICE AGREEMENT

ARTICLE II - RELEASED TRANSPORTATION RIGHTS

- 2.1 In the event transportation rights are released to Bidder, Transporter shall prepare and submit to Bidder an Exhibit R-1 setting forth the Release Quantity, applicable receipt and delivery points, the rates to be paid for service using released rights and any special terms and conditions applicable to such released transportation rights, including conditions of curtailment or recall. If Replacement Shipper subsequently obtains additional released transportation rights pursuant to the terms and conditions of Transporter's Tariff, an additional exhibit (designated sequentially as Exhibit R-2, Exhibit R-3, etc.) shall be added to this Agreement for each such award of transportation rights. Each such Exhibit shall be added to this Agreement without any requirement of execution by Replacement Shipper and, upon such addition, shall be incorporated in and be considered a part of this Agreement.

ARTICLE III - GOVERNING TERMS AND CONDITIONS

- 3.1 This Agreement shall be subject to, shall be governed by, and shall incorporate the applicable provisions of Transporter's Tariff, including, without limitation, Article XXI of the General Terms and Conditions thereof, the Governing Rate Schedule and special terms and conditions stated in each Exhibit hereto with respect to the released transportation rights described in such Exhibit. Subject to the terms, conditions and limitations of this Agreement and Transporter's Tariff, Replacement Shipper shall be deemed a Shipper for purposes of Transporter's FT-A Rate Schedule and the applicable provisions of Transporter's Tariff and shall be subject to all obligations thereof.
- 3.2 With respect to the Release Quantity, Replacement Shipper shall have all of the rights and obligations of "Shipper" and Transporter shall have all of the rights and obligations of "Transporter" under the firm transportation contract between Releasing Shipper and Transporter listed on Exhibit A.
- 3.3 Transporter expressly reserves all rights granted to it by Transporter's FT-A Rate Schedule and the applicable provisions of its Tariff to file at the FERC and place into effect unilaterally such changes as Transporter deems necessary or desirable from time-to-time in the rates, charges, terms, and conditions applicable to service under the Tariff or FT-A Rate Schedule, in order to assure Transporter just and reasonable rates, charges, and terms and conditions of service.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 169 Original Sheet No. 169 : Effective

FORM OF RELEASED TRANSPORTATION SERVICE AGREEMENT

ARTICLE IV - TERM

This Agreement shall become effective on the date first written above and shall remain in force and effect until terminated by either Party upon thirty days prior written notice to the other Party; provided however, no such termination may take effect during the term of any release of transportation rights to Replacement Shipper hereunder.

ARTICLE V - SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. No assignment or transfer by either Party of any of its rights hereunder, except for transfers pursuant to the release program set forth in Transporter's Tariff, shall be made without the prior written consent of the other Party. Such consent shall not be unreasonably withheld. No such consent of Transporter or Replacement Shipper shall be required when an assignment by Replacement Shipper or Transporter is the result of, and part of, a corporate acquisition, merger or reorganization. Nothing contained herein shall prevent either Party from pledging, mortgaging or assigning its rights hereunder as security for its indebtedness and either Party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under this Agreement. As between the parties hereto, such assignment shall become effective on the first day of the month following written notice that such assignment has been effectuated. Upon request of either Party, the other Party shall acknowledge in writing any permitted assignment described herein and the right of any permitted assignee (and any assignee upon enforcement of any assignment made as security for indebtedness) to enforce this Agreement against such other Party, and shall also deliver such certificates, copies of corporate documents and opinions of counsel as may be reasonably requested by such permitted assignee relating to such Party, this Agreement and any other matters relevant thereto. No permitted assignment shall relieve the assigning Party from any of its obligations under this Agreement. Replacement Shipper hereby confirms that the rights of Transporter under this Agreement that may be assigned include any right given or reserved to Transporter in the Agreement to consent to any assignment or transfer by Replacement Shipper of its rights and obligations thereunder.

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 170 Original Sheet No. 170 : Effective

FORM OF RELEASED TRANSPORTATION SERVICE AGREEMENT

ARTICLE VI - GOVERNMENTAL BODIES

Notwithstanding any other provision hereof, this Agreement shall be subject to all laws, statutes, ordinances, regulations, rules and court decisions of governmental entities now or hereafter having jurisdiction.

ARTICLE VII - REPLACEMENT SHIPPER'S INDEMNIFICATION

- 7.1 Replacement Shipper recognizes that its rights to transportation service hereunder are solely those rights released by Releasing Shipper. The Replacement Shipper agrees that it will indemnify Transporter against any claim or suit of any kind by any Releasing Shipper, its successor or assigns arising from any action taken by Transporter in reliance upon the nominations, scheduling instructions or other communications from Replacement Shipper or its agents. Replacement Shipper further agrees that it will hold Transporter harmless for any action taken by Transporter in reliance upon the nominations, scheduling instructions, or other communications of the Releasing Shipper or its agents. Replacement Shipper further recognizes and agrees that Transporter shall have no obligation to honor any nomination or scheduling request from Replacement Shipper or its agents that in Transporter's sole opinion conflicts with communications or instructions received by Transporter from the Releasing Shipper (or its agents) or with the terms of Transporter's Tariff.
- 7.2 Replacement Shipper agrees to indemnify Releasing Shipper against any claim or suit of any kind by Transporter, its successor or assigns, or by a third party arising from any action taken by a Replacement Shipper under this Released Transportation Agreement.

ARTICLE VIII - MISCELLANEOUS PROVISIONS

- 8.1 No waiver by any 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 of a different character.
- 8.2 The headings of the Articles of this Agreement are inserted for convenience of reference only and shall not affect the meaning or construction thereof.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 171** Second Revised Sheet No. 171 : Superseded  
Superseding: First Revised Sheet No. 171

FORM OF RELEASED TRANSPORTATION SERVICE AGREEMENT

- 8.3 As to all matters of construction and interpretation, this agreement shall be interpreted by the laws of the state of Texas, without regard to its conflict of laws provisions.
- 8.4 This Agreement, including all provisions expressly incorporated by reference, constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, representations and understandings, written or oral, pertaining thereto. Except as otherwise provided herein, any modifications, amendments or changes to this Agreement shall be binding upon the Parties only if agreed upon by both Parties hereto in a written instrument or by an electronic contract form which expressly refers to this Agreement.
- 8.5 Except for changes specifically authorized pursuant to this Agreement, no modification of or supplement to the terms and conditions hereof shall be or become effective until Shipper has submitted a request for change through PASSKEY and Shipper has been notified through PASSKEY of Transporter's agreement to such change.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first set forth above.

\_\_\_\_\_  
(Replacement Shipper)

MIDWESTERN GAS TRANSMISSION COMPANY  
(Transporter)

By \_\_\_\_\_

By \_\_\_\_\_

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

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

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 172** Second Revised Sheet No. 172 : Superseded  
Superseding: First Revised Sheet No. 172

EXHIBIT R-1  
to the  
Released Transportation Service Agreement  
between Midwestern Gas Transmission Company (Transporter)  
and \_\_\_\_\_ (Replacement Shipper)  
Dated \_\_\_\_\_

Release Quantity: \_\_\_\_\_ Bid Rate: \_\_\_\_\_  
Governing Rate Schedule: \_\_\_\_\_ Term: \_\_\_\_\_  
Releasing Shipper: \_\_\_\_\_  
Commencement Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Primary Receipt Points	Meter Nos.	Max. Receipt Quantity
_____	_____	_____
_____	_____	_____
_____	_____	_____

Primary Receipt Points	Meter Nos.	Max. Delivery Quantity
_____	_____	_____
_____	_____	_____
_____	_____	_____

Additional Conditions of Release: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Notices not made through PASSKEY shall be made to:

Midwestern Gas Transmission Company  
P. O. Box 2511  
Houston, TX 77252-2511  
Attn: Transportation Services  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

Releasing Shipper:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Replacement Shipper:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**Second Revised Sheet No. 173** Second Revised Sheet No. 173 : Superseded  
Superseding: First Revised Sheet No. 173

Sheet No. 173 is Reserved for Future Use.

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**Second Revised Sheet No. 174** Second Revised Sheet No. 174 : Superseded  
Superseding: First Revised Sheet No. 174

Sheet No. 174 is Reserved for Future Use.

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**Second Revised Sheet No. 175** Second Revised Sheet No. 175 : Superseded  
Superseding: First Revised Sheet No. 175

Sheet No. 175 is Reserved for Future Use.

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**First Revised Sheet No. 176** First Revised Sheet No. 176 : Superseded  
Superseding: Substitute Original Sheet No. 176

Sheet No. 176 is Reserved for Future Use.

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**First Revised Sheet No. 177** First Revised Sheet No. 177 : Superseded  
Superseding: Original Sheet No. 177

Sheet No. 177 is Reserved for Future Use.

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**Second Revised Sheet No. 178** Second Revised Sheet No. 178 : Superseded  
Superseding: First Revised Sheet No. 178

Sheet No. 178 is Reserved for Future Use.

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**Third Revised Sheet No. 179** Third Revised Sheet No. 179 : Superseded  
Superseding: Second Revised Sheet No. 179

Sheet No. 179 is Reserved for Future Use.

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**Second Revised Sheet No. 180** Second Revised Sheet No. 180 : Superseded  
Superseding: First Revised Sheet No. 180

Sheet No. 180 is Reserved for Future Use.



Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 181 Original Sheet No. 181 : Effective

SERVICE REQUEST FORM

Midwestern Gas Transmission Company  
P.O. Box 2511  
Houston, Texas 77252

Attention: Director of Marketing and Transportation Services

Re: Service on \_\_\_\_\_ New Service \_\_\_\_\_ Firm-FT-A \_\_\_\_\_ LMS-MA  
Midwestern Gas \_\_\_\_\_ Modification of \_\_\_\_\_ Firm-FT-GS \_\_\_\_\_ LMS-PA  
Transmission \_\_\_\_\_ Service  
Company \_\_\_\_\_ Interruptible \_\_\_\_\_ PL Bal.  
Agmt.

\_\_\_\_\_ (Shipper) hereby requests transportation service on  
Midwestern Gas Transmission Company (Midwestern) and concurrently provides the  
following information in connection with this request:

1. Complete legal name of Shipper:  
\_\_\_\_\_
2. Type of legal entity and state of incorporation:  
\_\_\_\_\_  
\_\_\_\_\_

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 182 Original Sheet No. 182 : Effective

SERVICE REQUEST FORM

3. Type of company:

- \_\_\_\_\_ Local Distribution Company
- \_\_\_\_\_ Intrastate Pipeline
- \_\_\_\_\_ Interstate Pipeline
- \_\_\_\_\_ Producer
- \_\_\_\_\_ End-User
- \_\_\_\_\_ Marketer
- \_\_\_\_\_ Broker
- \_\_\_\_\_ Other (fill in)

4. Name of Shipper's contact, address and telephone number through which correspondence for the following should be directed:

Contact For Request: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact for Notices: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact For Invoices: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Midwestern reserves the right to require proof that Shipper's request meets the requirements of the applicable Commission regulations.)

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92-41-003

**Original Sheet No. 183** Original Sheet No. 183 : Effective

SERVICE REQUEST FORM

5. If Shipper is requesting service be performed by Midwestern for Shipper acting as agent for another entity, please specify the full legal name of such entity.

\_\_\_\_\_

6. (a) Location (i.e. state(s)) of the ultimate delivery point of gas to be transported:

\_\_\_\_\_

(b) Location (i.e. state(s)) of the origin of the gas to be transported:

\_\_\_\_\_

7. Date service is proposed to commence:

\_\_\_\_\_

8. Term of service:

\_\_\_\_\_ months

\_\_\_\_\_ years

SERVICE REQUEST FORM

9. If additional or new facilities are required to receive or deliver gas for the transportation service requested herein, please provide a description of facilities required, location, and requested in-service date and, if transportation service to be provided using the new facilities is to a customer that is located in the service area of local distribution company, please specify the name of the local distribution company.

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10. The Transportation Quantity to be transported is \_\_\_\_\_ Dth. The estimated total quantity of gas to be transported during the requested term of service is \_\_\_\_\_ Dth. (These amounts do not include quantities for Midwestern's system fuel and uses and gas lost and unaccounted for.)

11. Provide the name and a description of the Primary Receipt Point(s) into Midwestern's system and the maximum daily quantities expressed in Dth of gas to be delivered by Shipper for each point.

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12. Provide the name and description of the Primary Delivery Point(s) where Midwestern will redeliver the gas and the maximum daily quantities expressed in Dth and Mcf's of gas to be redelivered by Midwestern at each point.

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Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92-41-003

Original Sheet No. 185 Original Sheet No. 185 : Effective

SERVICE REQUEST FORM

- 13. Credit Evaluation - Please provide a copy of Shipper's most recent quarterly financial statement, which must conform with the specifications set forth in Article XXV of Transporter's General Terms and Conditions, most recent annual report and Form 10K and a complete list of all affiliates including parent and subsidiary companies.
  
- 14. Is requestor affiliated with Midwestern Gas Transmission Company?  
\_\_\_\_\_ Yes \_\_\_\_\_ No  
If yes, what is the percentage of affiliation? \_\_\_\_\_%
  
- 15. Is shipper affiliated with Midwestern Gas Transmission Company?  
\_\_\_\_\_ Yes \_\_\_\_\_ No  
If yes, what is the percentage of affiliation? \_\_\_\_\_%
  
- 16. Is your supplier affiliated with Midwestern Gas Transmission Company?  
\_\_\_\_\_ Yes \_\_\_\_\_ No  
If yes, what is the percentage of affiliation? \_\_\_\_\_%

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92- 41-003

Original Sheet No. 186 Original Sheet No. 186 : Effective

SERVICE REQUEST FORM

17. For marketing affiliates of Midwestern Gas Transmission Company only, does the cost of gas exceed the sales price, less associated costs including transportation, i.e. is the gas being sold at a loss?  Yes  No  Unknown

If so, by how much? \_\_\_\_\_

If applicable, Shipper agrees by its signature below to provide this information within twenty-five calendar days after the month in which the transportation service occurred.

Shipper understands that this request form, complete and unrevised as to format, must be received by Midwestern before the service request will be accepted and processed.

Shipper, by its signature, certifies to Midwestern (1) that the information above is correct and accurate and that all necessary transportation arrangements with the upstream and downstream Transporters have been or will be secured prior to the commencement of the requested transportation service (2) that Shipper will have title, or the right to acquire title, to the gas that is to be delivered to Midwestern and (3) that Shipper will advise Midwestern on any changes in the information provided in item 16 five business days prior to the end of any month for the preceding month's transportation business in which a change occurred.

Very truly yours,

\_\_\_\_\_  
By \_\_\_\_\_

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92-41-003

**Original Sheet No. 187** Original Sheet No. 187 : Effective

On Behalf of Entities

Exhibit A to  
Service Request Form dated \_\_\_\_\_  
Submitted by \_\_\_\_\_

METER

Name

On Behalf of Entity\*

\*Local Distribution Company on Intrastate Pipeline for service under Subpart B, Part 284.

Effective Date: 05/01/2000 Status: Effective  
 FERC Docket: RP00-233-000

**Third Revised Sheet No. 188** Third Revised Sheet No. 188 : Superseded  
 Superseding: Second Revised Sheet No. 188

CUSTOMER NOMINATION FORM  
 MIDWESTERN GAS TRANSMISSION COMPANY  
 HOUSTON, TEXAS

Service Requestor Contract: \_\_\_\_\_  
 Service: \_\_\_\_\_

Type of

Service Requestor Name: \_\_\_\_\_  
 \_\_\_\_\_

Attention:

Cycle (please circle one): Timely Intraday Evening Intraday Cycle 1 Intraday  
 Cycle 2 Hourly (9:00 a.m.) (9:00 a.m.) (5:00 p.m.) (9:00 p.m.)

RECEIPT				DELIVERY						
BEGINNING DOWNSTREAM DATE ID #	BEGINNING DOWNSTREAM TIME NAME	END QUANTITY DATE (Dths)	LOC/ LOC PROP RAN	UPSTREAM ID #	UPSTREAM NAME	QUANTITY (Dths)	RANK	FUEL (Dths)	LOC/ LOC PROP	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	

Legend:

Customer Contact:

Loc = Meter Number  
 Upstream/Downstream ID Number = Duns #

Date:

Transaction Types:

Phone #:

- 01-Current Business
- 02-Authorized Contract Overrun
- 03-Imbalance Payback from TSP
- 04-Imbalance Payback to TSP
- 14-Extended Receipt/Delivery Service
- 26-Park Service
- 27-Park Withdrawal
- 28-Loan Service
- 29-Loan Payback

Fax #:





Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-002

**First Revised Sheet No. 190** First Revised Sheet No. 190 : Effective  
Superseding: Original Sheet No. 190

FORM OF RELEASE REQUEST

Midwestern Gas Transmission Company  
P.O. Box 2511  
Houston, Texas 77252-2511  
(713) 757-4390

FOR TRANSPORTER'S USE:  
RELEASE REQUEST NO. \_\_\_

Attention: Transportation Services

Re: Request to Release Rights to  
Firm Transportation Service

\_\_\_\_\_ ("Releasing Shipper") hereby submits its request to release transportation rights held by Releasing Shipper under its Firm Transportation Service Agreement ("Service Agreement") with Midwestern Gas Transmission Company ("Transporter"). Releasing Shipper proposes to release such rights pursuant to the General Terms and Conditions of Transporter's Tariff on file with the Federal Energy Regulatory Commission. The terms of the proposed release are as follows:

1. Releasing Shipper's Service Agreement number and responsible contact person for this Release Request:

\_\_\_\_\_  
\_\_\_\_\_

2. Maximum Daily Quantity of firm service rights to be released (may be stated as minimum/maximum range):
3. Commencement Date and term of release (may be stated as range of acceptable terms):
4. Primary Receipt and Delivery Points for Transportation Service:

Primary Receipt Points	Meter Number	Firm Rights To Be Released At Such Point(s)
_____	_____	_____
_____	_____	_____
_____	_____	_____

FORM OF RELEASE REQUEST

Primary Delivery Points	Meter Number	Firm Rights To Be Released At Such Point(s)
_____	_____	_____
_____	_____	_____
_____	_____	_____

5. All applicable rates, charges and surcharges for the release (including any minimum acceptable rates):
6. (a) Transportation rights to be released will/will not be subject to recall:  
(b) Conditions for recall are:
7. (a) Transportation rights to be released are/are not contingent on ability to release associated capacity on another pipeline.  
(b) Conditions associated with contingency:
8. (a) Contingent bids will/will not be accepted.  
(b) Contingency can/cannot extend beyond the Bidding Period for \_\_\_\_ days.
9. (a) Bids based on a one part volumetric rate will/will not be accepted.  
(b) The methodology for evaluating one part bids: \_\_\_\_\_  
\_\_\_\_\_
10. Alternative non-discriminatory economic standard for determination of the award of transportation rights, including alternative tie breaker to choose between bids of equal value:

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 192** Second Revised Sheet No. 192 : Superseded  
Superseding: First Revised Sheet No. 192

FORM OF RELEASE REQUEST

11. If Releasing Shipper has already obtained a Bidder that is prepared to accept all terms and conditions of this Release Request ("Prearranged Bidder"), Releasing Shipper must provide the following information:
  - a) the complete legal name of the Prearranged Bidder, type of legal entity and state of incorporation:
  - b) the rates, charges and surcharges that the Prearranged Bidder agrees to pay for the Release Request:
  - c) the term and the Maximum Daily Quantity agreed to by the Prearranged Bidder:
12. Releasing Shipper will/will not accept bids for several packages of capacity that in combination total the amount of capacity offered for release.
13. Releasing Shipper will/will not require Replacement Shipper to indemnify the Releasing Shipper against claims arising from the release.
14. Releasing Shipper will/will not specify an alternative posting period to that specified in Section 8 of Article XXI of Transporter's General Terms and Conditions. Such alternative posting periods shall be \_\_\_\_\_.
15. Other Conditions of the Release: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Releasing Shipper understands that Transporter reserves the right to invalidate any Release Request subsequent to its posting on PASSKEY to the extent it is incomplete or fails to conform in any manner to the requirements of Transporter's tariff.

Releasing Shipper, by the signature of its authorized representative, represents and certifies to Transporter that 1) the individual signing below is authorized to sign this Release Request for Releasing Shipper; 2) the information above is true, complete and correct; and 3) if this Release Request includes a Prearranged Bidder, the Prearranged Bidder has agreed irrevocably to accept the transportation rights described herein on the terms and conditions set forth herein.

Submitted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Shipper)

By \_\_\_\_\_

Title \_\_\_\_\_

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-002

**First Revised Sheet No. 193** First Revised Sheet No. 193 : Effective  
Superseding: Original Sheet No. 193

FORM OF BID

Midwestern Gas Transmission Company  
P.O. Box 2511  
Houston, Texas 77252-2511  
(713) 757-4390

Attention: Transportation Services

Re: Bid on Released Rights to  
Firm Transportation Service

\_\_\_\_\_ ("Bidder") hereby submits this Bid for released firm  
transportation rights specified in the Release Request identified below. The terms of  
this Bid are as follows:

1. Complete legal name of Bidder, type of legal entity and state of incorporation:
  2. Transportation Service Agreement Number of Releasing Shipper and Release Request number to which bid relates:
  3. The Maximum Daily Quantity for the Bid:
  4. The rate(s) that Bidder is willing to pay for released transportation rights:
  5. Term for which Bidder wishes to obtain the transportation rights:
  6. The Bid is/is not contingent on ability to release associated capacity on another pipeline (if contingent, the basis for the contingency):
- 
-

Effective Date: 09/01/1993 Status: Effective

FERC Docket: RS92-41-003

**Original Sheet No. 194** Original Sheet No. 194 : Effective

FORM OF BID

Bidder, by the signature of its authorized representative, represents and certifies to Transporter that (1) the individual signing below is authorized to sign this Bid for Bidder, and (2) the information above is true, complete and correct.

Submitted this \_\_\_\_ day of \_\_\_\_\_, 199\_.

\_\_\_\_\_  
(Bidder)

By \_\_\_\_\_

Title \_\_\_\_\_

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 195** Second Revised Sheet No. 195 : Superseded  
Superseding: First Revised Sheet No. 195

SYSTEM LICENSE AGREEMENT

This System License Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_, by and between Tennessee Gas Pipeline Company and Midwestern Gas Transmission  
Company ("Pipeline") and \_\_\_\_\_ ("Subscriber"). Pipeline and  
Subscriber shall be collectively referred to as the "Parties."

WITNESSETH:

That, in consideration of the premises and mutual agreements herein contained, Pipeline  
and Subscriber agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

Pipeline shall make available for use by Subscriber Pipeline's interactive computer  
system, (the "System"). Subscriber shall use the System to (1) request new services  
under applicable rate schedules; (2) request and execute amendments of existing service  
agreements; (3) nominate quantities for receipt and delivery by Pipeline pursuant to an  
existing service agreement under any of Pipeline's rate schedules; (4) 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;  
(5) participate in Pipeline's capacity release program (e.g., post release requests, bid  
on capacity) in accord with provisions of the General Terms and Conditions of Pipeline's  
FERC Gas Tariff; and (6) use the Pipeline Mapping System. 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.

ARTICLE II - TERMS AND CONDITIONS OF AUTHORIZED USE

2.1 Upon Subscriber's request, Pipeline will make available to Subscriber any software  
necessary to operate the System. Pipeline and Subscriber will agree on the number  
of copies that Pipeline will make available to Subscriber, not to exceed five (5)  
copies. Subscriber is not authorized to make any additional copies without the  
express written consent of Pipeline. Any System software remains the property of  
Pipeline and Subscriber shall return to Pipeline any software issued by Pipeline  
within five (5) days of the expiration or termination of this Agreement or within  
five (5) days of any demand by Pipeline for the return of such software upon breach  
by Subscriber of its obligations hereunder.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 196** Second Revised Sheet No. 196 : Superseded  
Superseding: First Revised Sheet No. 196

SYSTEM LICENSE AGREEMENT

- 2.2 Subscriber recognizes that the System will operate properly only if Subscriber utilizes the hardware and software as posted on Pipeline's web site under "Notices."
- 2.3 Pipeline will provide Subscriber with a User ID and a unique password for each authorized user within Subscriber. 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 the Pipeline.
- 2.4 Subscriber shall identify one or more of its employees and/or officers to perform the contracting function and thereby legally bind Subscriber to any service agreement or amended service agreement entered into with Pipeline. Subscriber represents and warrants to Pipeline that the person(s) that have been designated for the contracting function have been duly authorized by the Subscriber to enter into service agreements or amended service agreements with Pipeline.
- 2.5 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 invalidate upon 72 hours prior notice any password or User ID.



Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Third Revised Sheet No. 197** Third Revised Sheet No. 197 : Superseded  
Superseding: Second Revised Sheet No. 197

SYSTEM LICENSE AGREEMENT

Subscriber shall defend and indemnify Pipeline from and against any and all claims, demands and actions, and any resulting loss, costs, damages and expenses (including court costs and reasonable attorneys fees) of any nature whatsoever that may be asserted against or imposed upon Pipeline by any person as a result of the unauthorized or otherwise improper use of any User ID or password issued by Pipeline to Subscriber, except when such unauthorized or improper use is the result of negligence or wrongful conduct on the part of Pipeline.

ARTICLE III - INITIATION/MODIFICATION OF SERVICE

- 3.1 Following transmittal of Subscriber's request for service or amendment of existing service, such request shall be evaluated and accepted or rejected by Pipeline in accord with the General Terms and Conditions of its FERC Gas Tariff. If such request is accepted by Pipeline, Subscriber will be notified by Pipeline of such acceptance via the System and Subscriber shall execute on-line the requested new service or amendment of existing service.
- 3.2 With respect to requests for new transportation or storage service, Subscriber, at the time that it executes on-line its request in accord with Section 3.1 above, agrees to be bound by the terms and conditions of the pro-forma service agreement contained in Pipeline's FERC Gas Tariff that corresponds to the Rate Schedule under which the Shipper is seeking service, as modified to incorporate the terms of the service request.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Third Revised Sheet No. 198** Third Revised Sheet No. 198 : Superseded  
Superseding: Second Revised Sheet No. 198

SYSTEM LICENSE AGREEMENT

- 3.3 With respect to requests for modifications to meters in an existing service agreement between Subscriber and Pipeline, the Subscriber agrees to be bound by the terms and conditions of the pro forma contract amendment contained in Pipeline's FERC Gas Tariff, as modified to incorporate the meter modifications executed on-line by Subscriber.

ARTICLE IV - RELEASE AND DISCLAIMER OF LIABILITY/INDEMNIFICATION

- 4.1 Except for the negligence, bad faith, fraud or willful misconduct of Pipeline, Pipeline expressly disclaims any and all liability for loss and 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 negligent or otherwise 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 Pipeline's General Terms and Conditions, and also including electrical shortage and/or power outages; (4) any defects in computer hardware or (5) any interruption or in malfunction of electronic communication or transmission not within Pipeline's control. Such causes or contingencies affecting the performance of this Agreement shall not relieve Pipeline or liability in the event (a) it fails to use due diligence to remedy the situation and remove the causes or contingencies affecting performance of this Agreement or (b) it fails to give Subscriber notice and full particulars of the same in writing or by telegraph or facsimile as soon as possible after the event or situation arises.

Effective Date: 09/03/1998 Status: Effective  
FERC Docket: RP98-368-000

**First Revised Sheet No. 199** First Revised Sheet No. 199 : Effective  
Superseding: Substitute Original Sheet No. 199

SYSTEM LICENSE AGREEMENT

4.2 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 of the System except for claims involving rights in the System or involving the negligence, bad faith, fraud or willful misconduct of Pipeline.

ARTICLE V - TERM

This Agreement shall be and continue in full force and effect from the date of execution hereof until twelve months after implementation of restructured services pursuant to Order No. 636 by Tennessee Gas Pipeline Company and shall continue thereafter on a month to month basis unless terminated by Pipeline for the due cause or at the request of Subscriber. Subscriber agrees that Pipeline shall have the unilateral right to file with the appropriate regulatory authority to make changes in the rates, charges, terms and conditions applicable to service pursuant to this agreement or any provisions of the General Terms and Conditions applicable to this Agreement. Pipeline agrees that Subscriber may protest or contest the aforementioned filings and that Subscriber does not waive any rights it may have with respect to such filings.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 200** Second Revised Sheet No. 200 : Superseded  
Superseding: First Revised Sheet No. 200

SYSTEM LICENSE AGREEMENT

ARTICLE VI - 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: Tennessee Gas Pipeline Company  
(As Appropriate)      Midwestern Gas Transmission Company  
                                  P. O. Box 2511  
                                  Houston, Texas 77252-2511  
                                  Attention: Transportation Services

SUBSCRIBER:

Attention:

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

ARTICLE VII - MISCELLANEOUS

7.1 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 Condition and the terms and conditions of any relevant rate schedules, all of which terms and conditions are incorporated herein by reference. In the event of a conflict between the terms and conditions of this Agreement and any other applicable terms and conditions set forth in Pipeline's FERC Gas Tariff, such other terms and conditions shall govern. For Subscriber's convenience, the terms and provisions of Pipeline's FERC Gas Tariff are available on the System. In the event of a conflict between what is displayed on the System and Pipeline's currently effective FERC Gas Tariff on file with the Federal Energy Regulatory Commission (FERC), Pipeline's currently effective Tariff on file with FERC shall govern.

Effective Date: 09/03/1998 Status: Effective  
FERC Docket: RP98-368-000

**First Revised Sheet No. 201** First Revised Sheet No. 201 : Effective  
Superseding: Substitute Original Sheet No. 201

SYSTEM LICENSE AGREEMENT

- 7.2 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.
- 7.3 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.
- 7.4 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.
- 7.5 Unless otherwise expressly provided in this Agreement or in Pipeline's FERC Gas Tariff, no modification of a supplement to the terms and provisions hereof shall be or become effective, until Subscriber has submitted a request for change in accordance with Article III hereof.
- 7.6 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.
- 7.7 Pipeline reserves the right to modify or terminate the System at any time.

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 202** Second Revised Sheet No. 202 : Superseded  
Superseding: First Revised Sheet No. 202

SYSTEM LICENSE AGREEMENT

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

TENNESSEE GAS PIPELINE COMPANY  
MIDWESTERN GAS TRANSMISSION COMPANY

By: \_\_\_\_\_  
Agent and Attorney-in-Fact

SUBSCRIBER

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

\_\_\_\_\_  
Title

*Effective Date: 05/01/2000 Status: Effective*

*FERC Docket: RP00-233-000*

**Second Revised Sheet No. 203** Second Revised Sheet No. 203 : Superseded  
Superseding: First Revised Sheet No. 203

Sheet No. 203 is Reserved for Future Use.

Effective Date: 08/01/1998 Status: Effective  
FERC Docket: RP98-331-000

Original Sheet No. 204 Original Sheet No. 204 : Superseded

AGENCY AUTHORIZATION AGREEMENT  
FOR  
ELECTRONIC DATA INTERCHANGE

This Agreement is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_, ("Contract Holder"), \_\_\_\_\_, ("Limited Agent") and Tennessee Gas Pipeline Company and/or Midwestern Gas Transmission Company and/or East Tennessee Natural Gas Company ("Transporter").

WITNESSETH:

WHEREAS Contract Holder has rights and obligations under certain contracts with Transporter;

WHEREAS, Limited Agent has executed an Electronic Data Interchange Trading Partner Agreement ("TPA") with Transporter;

WHEREAS Contract Holder has expressed its desire to assign certain electronic communication, linkage services and related administrative responsibilities to Limited Agent;

NOW THEREFORE, Contract Holder, Transporter, and Limited Agent agree as follows:

1. Agency: Contract Holder hereby agrees that for the term of this Agreement Limited Agent shall have sole and exclusive responsibility on Contract Holder's behalf for the electronic communication, linkage services and related administrative responsibilities identified in Exhibit A to the TPA between Transporter and the Limited Agent for all agreements entered into between Contract Holder and Transporter (the "Contracts"). Except as set forth in this Section 1, Contract Holder shall retain sole and exclusive responsibility for all other forms of communication and related administrative responsibilities with Transporter for the Contracts.
2. Indemnity: Transporter will rely on communications and actions of Limited Agent for all purposes within the scope of the agency described in Section 1 above as such communications and actions relate to the Contracts. Contract Holder agrees to indemnify and hold Transporter harmless against any and all claims arising from Transporter's actions in reliance on communications with Limited Agent. Limited Agent agrees to indemnify and hold Transporter harmless against any and all claims that are brought by Contract Holder against Transporter that arise from or relate to this Agency Authorization Agreement, provided, however, nothing herein shall relieve Transporter of liability for its own negligence.
3. Term: The term of this Agreement shall be for one month beginning \_\_\_\_\_ and will continue in full force month-to-month thereafter unless terminated by Limited Agent, Contract Holder or Transporter by written notice from any Party to all other Parties five (5) business days prior to the termination taking effect.
4. Regulation: This Agreement shall be subject to all applicable governmental statutes, orders, rules, and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval or authorization is not so obtained or continued.
5. Waiver: No waiver by any Party of one or more defaults by the other in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.



Effective Date: 08/01/1998 Status: Effective  
FERC Docket: RP98-331-000

**Original Sheet No. 205** Original Sheet No. 205 : Superseded

AGENCY AUTHORIZATION AGREEMENT  
FOR  
ELECTRONIC DATA INTERCHANGE (continued)

- 6. The interpretation and performance of this agreement shall be in accordance with the laws of the state of Texas without regard to choice of law doctrine that refers to the laws of another jurisdiction.
- 7. The Parties agree and stipulate that the services to be performed pursuant to this Agreement by each Party are uniquely tied to the Parties performing the services. Therefore the rights and obligations pursuant to this agreement may not be assigned.
- 8. In the event of a conflict between the provisions of this Agreement and Transporter's General Terms and Conditions, the provisions of Transporter's General Terms and Conditions shall govern.

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

Contract Holder: \_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

Limited Agent: \_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

Tennessee Gas Pipeline Company  
Midwestern Gas Transmission Company  
East Tennessee Natural Gas Company

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

Effective Date: 05/01/2000 Status: Effective  
FERC Docket: RP00-233-000

**Second Revised Sheet No. 225** Second Revised Sheet No. 225 : Superseded  
Superseding: First Revised Sheet No. 225

AGENCY AUTHORIZATION AGREEMENT

This Agreement is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_, ("Contract Holder"), \_\_\_\_\_, ("Agent") and Tennessee Gas Pipeline Company and/or Midwestern Gas Transmission Company ("Transporter").

WITNESSETH:

WHEREAS Contract Holder has rights and obligations under certain contracts with Transporter;

WHEREAS Contract Holder has expressed its desire to transfer certain rights and obligations, pursuant to one or more of the above referenced agreements, to Agent;

NOW THEREFORE, Contract Holder, Transporter, and Agent agree as follows:

1. Authorization: Contract Holder hereby authorizes Agent to exercise the rights and/or perform the obligations ("Agency Functions") set forth in Exhibit A for one or more of the contracts listed on Exhibit A and entered into between Contract Holder and Transporter pursuant to Transporter's tariff.

Contract Holder may authorize Agent to exercise two types of Agency Functions: (i) Party Level Functions and (ii) Contract Level Functions. The Party Level Functions are as follows:

- (a) Confirmations: Agent is authorized to confirm all nominations at all meters on behalf of the Contract Holder;
- (b) Right to Create New Contracts and Bid on Released Capacity: Agent is authorized to enter into new contracts with Transporter on behalf of the Contract Holder, to bid on released capacity, and to create a new contract in the event Agent obtains the released capacity;
- (c) Access to Reports: Agent is granted access to all reports regarding the Contract Holder's Contracts; and
- (d) Full Agency: Agent is authorized to perform all Agent Functions on behalf of the Contract Holder for existing and new contracts, including nominating, confirmations, creating new contracts, bidding on capacity release offers, freely amending contracts (including, but not limited to, the right to change primary points), releasing capacity, receiving billing and viewing all reports.

Contract Holder may assign separate Party Level Functions to one or more agents (up to a maximum of one agent per function), with the exception of Full Agency; the Contract Holder may assign only one agent Full Agency rights.

The Contract Level Functions are as follows:

- (a) Nomination Rights: pursuant to the Contracts listed on Exhibit A, Agent is authorized to nominate on behalf of the Contract Holder quantities of gas up to the Delegated Quantities for the Contracts and Delegated Quantities shown on Exhibit A; provided that Contract Holder shall have the right to overrule Agent's actions if Contract Holder timely notifies Transporter of the revised nomination and Contract Holder specifically indicates to Transporter that this Agency Authorization Agreement is temporarily suspended and the period of time that such suspension shall last. Transporter shall not accept nominations from Agent which exceed the Delegated Quantities set forth in Exhibit A.

AGENCY AUTHORIZATION AGREEMENT (continued)

- (b) Amendment Rights and Capacity Release: Agent is authorized to freely amend the contracts, including but not limited to the right to change primary receipt or delivery points, and the right to release capacity to third parties on a short-term or long-term basis for a term which may exceed the term of this Agency Authorization Agreement. Contract Holder and Agent understand and agree that it is Contract Holder's responsibility to determine whether Agent is authorized to release capacity for a term which exceeds the term of this Agency Authorization Agreement. Contract Holder may delegate the Contract Level Functions in this section (b) to only one Agent per Contract listed in Exhibit A;
- (c) Billing Rights: Agent is authorized to make all payments to Transporter for services rendered pursuant to the Contracts listed in Exhibit A, governing rate schedules and Transporter's General Terms and Conditions; provided that if Agent does not make all payments due, the Contract Holder shall be held liable for payment and if payment has not been received by Transporter from Agent within 10 days after the payment due date, the invoice for amounts due shall be sent to the Contract Holder; and
- (d) Access to Reports: Agent is granted access to all reports for the Contracts listed on Exhibit A.

With the exception of the Contract Level Functions in (b) above, Contract Holder may assign the foregoing Contract Level Functions to one or more agents for the Contracts listed on Exhibit A.

Contract Holder and Agent also understand and agree that Agent is required to comply with all provisions of the Contract(s) and of Transporter's FERC Gas Tariff governing the transportation, storage, supply aggregation and/or balancing of gas.

- 2. This Agency Authorization Agreement shall be executed pursuant to Article III, Section 15 of the General Terms and Conditions and shall not take effect until Contract Holder has provided Transporter with a completed Exhibit A. Exhibit A shall be incorporated by reference and made a part of this Agreement for all purposes.
- 3. Indemnity: Transporter will rely on communications and actions of Agent for all specified purposes related to the specified Contracts as set forth in Exhibit A. Contract Holder agrees to indemnify and hold Transporter harmless against any and all claims arising from Transporter's actions in reliance on communications with Agent. Agent agrees to indemnify and hold Transporter harmless against any and all claims that are brought by Contract Holder against Transporter and that arise from or relate to this Agency Authorization Agreement or the Contracts, provided, however, nothing herein shall relieve Transporter of liability for its own negligence.
- 4. Term: The term of this Agreement shall be for a term beginning \_\_\_\_\_ and will continue in full force thereafter unless terminated by Agent, Contract Holder or Transporter by written notice from any Party to all other Parties two (2) business days prior to the effective date of the termination.
- 5. Regulation: This Agreement shall be subject to all applicable governmental statutes, orders, rules, and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval or authorization is not so obtained or continued.
- 6. Waiver: No waiver by any Party of one or more defaults by the other in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.

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FERC Docket: RP00-233-000

**First Revised Sheet No. 227** First Revised Sheet No. 227 : Superseded  
Superseding: Original Sheet No. 227

AGENCY AUTHORIZATION AGREEMENT (continued)

7. The interpretation and performance of this Agreement shall be in accordance with the laws of the state of Texas without regard to choice of law doctrine that refers to the laws of another jurisdiction.
8. Conflicts: In the event of a conflict between the provisions of this Agreement and the General Terms and Conditions of Transporter's FERC Gas Tariff, the General Terms and Conditions shall govern.
9. The Parties agree and stipulate that the services to be performed pursuant to this Agreement by each Party are uniquely tied to the Parties performing the services. Therefore the rights and obligations pursuant to this agreement may not be assigned.

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

Contract Holder: \_\_\_\_\_

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

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

Agent: \_\_\_\_\_

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

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

Tennessee Gas Pipeline Company  
Midwestern Gas Transmission Company

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

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



Effective Date: 06/01/1997 Status: Effective

FERC Docket: RP97- 59-003

Original Sheet No. 228 Original Sheet No. 228 : Superseded

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

THIS ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT (the "Agreement") is made as of \_\_\_\_\_, 19\_\_\_\_, by and between Tennessee Gas Pipeline Company ("TGPC"), a corporation with offices at 1001 Louisiana, Houston, Texas, and \_\_\_\_\_ ("Trading Partner"), a(n) \_\_\_\_\_ corporation with offices at \_\_\_\_\_ (together, the "parties").

RECITALS

WHEREAS, for the mutual benefit of the parties, the parties desire to facilitate transactions, reports, and other information exchanged ("Transactions") by use of available means of electronic communication and linkage services ("Third Party Services") which electronically transmit and receive data in agreed formats in substitution for on-line transmittal and/or conventional paper-based documents;

WHEREAS, Third Party Services will be provided by a third party provider;

WHEREAS, the parties desire to enter into this Agreement to govern their relationship with respect to electronic data interchange ("EDI") Transactions; and

WHEREAS, the parties desire to assure that such Transactions are not legally invalid or unenforceable as a result of there not being a handwritten, original signature of an authorized agent of one of the parties attesting to the validity of such Transactions.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits to be derived and the representations and warranties, conditions and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

Section 1. Definitions.

If not elsewhere defined in this Agreement, capitalized terms used in this Agreement shall have the meaning ascribed to them below:

"Acceptance Document" is defined in Section 3.3.

"Affiliate" means any person that, directly or indirectly, controls, or is controlled by, or under common control with, another person. For the purposes of this definition, "control" (including the terms "controlled by" and "under common control with"), as used with respect to any person, means the power to direct or cause the direction of the management and policies of such person, directly or indirectly, whether through the ownership of voting securities or by contract or otherwise.

"Agent" means an employee of a party which the party has authorized to sign EDI Agreements on behalf of such party.

"Agreement" is defined in the recitals above.

"Documents" is defined in Section 2.1.

"EDI" is defined in the recitals above.

"EDMs" is defined in Section 2.4.

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FERC Docket: RP97- 59-003

Original Sheet No. 229 Original Sheet No. 229 : Superseded

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT (Continued)

"EDM Site" is the business unit responsible for sending and receiving all EDI Transactions to a party.

"Emergency Notice" is defined in Section 2.4.1.

"Emergency Situations" is defined in Section 2.4.1.

"Functional Acknowledgment" is defined in Section 3.2.2.

"GISB Standards" means those Gas Industry Standards Board proposed industry commercial standards in the form promulgated as regulatory requirements by the Federal Energy Regulatory Commission ("FERC") from time to time.

"ISA Identifier" is defined as exchanging parties identifiers.

"Provider" is defined in Section 2.2.1.

"Receipt Computer" is the computer in one party's control which receives information or data transmitted by the other party.

"Response Document" is defined in Section 3.2.3.

"Retransmission Timeframe" is defined in the Appendix.

"Signature Code(s)" is defined in Section 2.5.

"Signed Documents" is defined in Section 5.3.2.

"TGPC" is defined in the recitals above.

"Third Party Services" is defined in the recitals above.

"Trading Partner" is defined in the recitals above.

"Transactions" is defined in the recitals above.

Section 2. Prerequisites.

2.1. Documents: Standard. Each party may electronically transmit to, or receive from, the other party any of the transaction sets ("Transaction Sets") listed in the Exhibit(s) of the Appendix, together with Transaction Sets that the parties may 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 unless justifiably relied upon by the receiving party. All documents shall be transmitted in accordance with the standards and published industry guidelines set forth in the Appendix. The Appendix to this Agreement is attached hereto and made a part hereof; the Appendix and Exhibit(s) thereto hereafter are referred to as the "Appendix". In the event of a conflict between the provisions in the body of this Agreement and the Appendix, the Appendix will govern.

2.2. Third Party Service Providers.

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

2.2.2. Each party shall be responsible for the costs of any Provider with which it contracts, unless otherwise set forth in the Appendix. Unless otherwise stated in the Appendix, the sending party shall pay all costs to deliver its data to the receiving party's Receipt Computer and the receiving party shall pay all costs to retrieve the data.

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FERC Docket: RP97- 59-003

Original Sheet No. 230 Original Sheet No. 230 : Superseded

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT (Continued)

2.2.3. Neither party controls or warrants the performance of a Provider to the other. One party shall not be liable to the other for the acts or omissions of a Provider while that Provider is transmitting, receiving, storing or handling Documents or data, or performing related activities. This provision does not limit any claim of a party against a Provider in respect to any act or omission.

2.3. System Operations. Each party, at its own expense, shall provide and maintain equipment, software, services and testing necessary to effectively and reliably transmit and receive Documents. Any special data retention requirements shall be set forth in the Appendix.

2.4. Security Procedures. Each party shall properly use those security procedures, including those specified in the GISB standards, if any, which are reasonably sufficient to ensure that all transmissions of Documents are authorized and to protect its business records and data from improper access. When Electronic Delivery Mechanisms ("EDMs") on the Internet are used, both the manner in which public encryption keys are to be changed or exchanged, and the procedures required for changing and exchanging public encryption keys when a Provider is elected, will be specified in the Appendix.

2.4.1. Security Key Exchanges. The parties shall inform each other of the routine scheduled frequency with which they intend to change their public key. The noticed party will make the key change within a reasonable period commencing on a date of which the noticed party has informed the requesting party. However, in emergency situations in which it is necessary to change a key immediately ("Emergency Situations"), each party shall effect a key change within 24 hours from the time which the party first receives notice of the Emergency Situation ("Emergency Notice") from the other party. The parties agree that such Emergency Notice will only be given when reasonably necessary to protect significant assets of the party seeking the key change. Each party shall provide the other party with their "public key" in one of the two manners outlined below:

- a. via a certified or receipted mail service using a diskette with the public key contained in an ASCII text file, or
- b. via an SMTP mail message with the public key contained in the body.

Under either of the above options, known representatives of the party making the key change must orally verify the public key by checking the fingerprint of the key. The oral verification may be accomplished via phone, or by other, comparable, means.

2.5. Signatures. Each party shall adopt, as its signature, an electronic identification consisting of symbol(s) or code(s) which are to be affixed to or contained, where required, in the Document transmitted by such party ("Signature Code(s)"). Such Signature Code(s) shall be specified in the Appendix. In such cases where a Signature Code(s) is required for one or more Transaction Set(s), the requirement shall be specified in the Appendix applicable to such Transmission Set(s). Each party agrees that the Signature Code(s) of such party affixed to or contained in any transmitted Document shall be sufficient to verify such party originated such Document(s). Neither party shall disclose to any unauthorized person the Signature Code(s) of the other party.

Section 3. Transmissions.

3.1. Proper Receipt. Documents shall not be deemed to have been properly received, and no Document shall give rise to any obligation, until accessible to the receiving party at such party's Receipt Computer designated in the Appendix, subject to the exception set forth in section 4.1. Where the parties employ the services of Providers to transmit and receive Documents, the Receipt Computer shall be defined in the Appendix as the receiving party's electronic mailbox or URL provided by the receiving party's Provider.



Effective Date: 06/01/1997 Status: Effective

FERC Docket: RP97- 59-003

Original Sheet No. 231 Original Sheet No. 231 : Superseded

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT (Continued)

3.1.1. Date and time of receipt of a Transaction such as a nomination is defined in a data element in the HTTP response. Such data element is called "time-c", and indicates completion of processing at the receiving Internet server.

3.2. Verification.

3.2.1. Upon proper receipt of any Document, the receiving party shall promptly and properly transmit a Functional Acknowledgment (defined below) in return, unless otherwise specified in the Appendix.

3.2.2. For the purposes of this Agreement, a "Functional Acknowledgment" means an ASCX12 Transaction Set 997, which confirms a Document (in the format specified by such acknowledgment) has been received and whether all required portions of the Document are syntactically correct, but which does not confirm the substantive content(s) of the related Document.

3.2.3. By mutual agreement, the parties may designate in the Appendix a "Response Document" Transaction Set as a substitute for, or in addition to, an ASCX12 Transaction Set 997. A "Response Document" is a document which confirms that a Document (in the format specified by such acknowledgment) has been received, and whether all required portions of the Document are syntactically correct, and contains data sent by the receiving party to the sending party in response to the substantive content of the related Document at the time of the transmission of the related Document. If the parties designate a Response Document as a substitute for a Functional Acknowledgment, the time requirements in the Appendix applicable to Functional Acknowledgments shall apply to such Response Documents.

3.2.4. A Functional Acknowledgment, or a Response Document that has been designated in the Appendix as a substitute for a Functional Acknowledgment, shall constitute conclusive evidence that a Document has been properly received.

3.3. Acceptance. If acceptance of a Document is required by the Appendix, any such Document which has been properly received shall not give rise to any obligation unless and until the party initially transmitting such Document has properly received in return an "Acceptance Document" (as specified in the Appendix).

3.4. Garbled Transmission. 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. In the absence of such a notice and where a Functional Acknowledgment or Response Document resulted, the originating party's records of the contents of such Document shall control.

3.5. Retransmissions. If the originating party of a Document has not properly received a corresponding Functional Acknowledgment or Response Document within the Retransmission Timeframe indicated in the Appendix, the originating party shall retransmit the Document.

Section 4. System Failure. Communications Failure: In the event of an electronic communication failure which prevents transmission of Documents by a party (the "Affected Party"), the parties will follow the following backup procedure:

a. the Affected Party will immediately notify the other parties of the failure by telephone, telegraph, or by the most rapid means then available;

b. the Affected Party will deliver a copy of the Document, physically signed by an authorized agent of the Affected Party, the signature being written over the area of the document in which the Signature Code would otherwise have been electronically affixed, or, if no such location is visibly apparent, next to the sending party's agent's name (for the purposes of this subsection, a fax transmission of a physically signed document qualifies as being a copy of the Document);

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

**Original Sheet No. 232** Original Sheet No. 232 : Superseded

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT (Continued)

c. if requested by the receiving party, the Affected Party shall deliver a copy of the Documents to the receiving party, saved on a computer storage diskette, and identified in a manner which will allow the receiving party to attribute the copy to the associated Transaction; and

d. when the communication failure has been corrected, the Affected Party may send notice to the other parties (the "Noticed Parties") in the manner prescribed in this Agreement, informing the Noticed Parties of the Affected Party's intention to resume EDM Transactions. Within twenty-four (24) hours of the Noticed Parties' receipt of this notice, the parties agree to resume normal EDM Transactions.

If the above procedure is followed, a binding contractual relationship will have formed immediately upon the receipt by the Affected Party of an acknowledgment accepting the Affected Party's offered terms, according to ordinary contract principles.

Section 5. Transaction Terms.

5.1. Terms and Conditions. This Agreement is to be considered part of any other written agreement referencing it or referenced in the Appendix. In the absence of any other written agreement applicable to any Transaction made pursuant to this Agreement, such Transaction (and any related communication) also shall be subject to one of the following (CHECK ONE):

those terms and conditions, including any terms for payment, included in the Appendix.

the terms and conditions included on each party's standard printed applicable forms attached to or identified in the Appendix [as the same may be amended from time to time by either party upon written notice to the other]. The parties acknowledge that the terms and conditions set forth on such forms may be inconsistent, or in conflict, but agree that any conflict or dispute that arises between the parties in connection with any such Transaction will be resolved as if such Transaction had been effected through the use of such forms.

such additional terms and conditions as may be determined in accordance with applicable law.

The terms of this Agreement shall prevail in the event of any conflict with any other terms and conditions applicable to any Transaction. Notwithstanding the foregoing and Section 6.1 of this Agreement, if any party determines that this Agreement is in conflict with either that party's existing tariff or an obligation imposed by a governmental entity exercising jurisdiction over that party, then the affected party shall give immediate notice 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 6.3, effective immediately upon receipt of such notice by the other party to this Agreement.

5.2. Confidentiality. No information contained in any Document or otherwise exchanged between the parties shall be considered confidential except to the extent provided in sections 2.4 and 2.5, by written agreement between the parties, or by applicable law.

5.3. Validity; Enforceability.

5.3.1. 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.

5.3.2. Any Documents properly transmitted pursuant to this Agreement shall be considered in connection with (i) any Transaction, (ii) any other written agreement described in Section 5.1, or (iii) this Agreement, to be a "writing" or "in writing"; and any such Document when containing, or to which there is affixed, a Signature Code ("Signed Documents") shall be deemed for all purposes to have been "signed" and to

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-005

**Substitute Original Sheet No. 233** Substitute Original Sheet No. 233 : Superseded  
Superseding: Original Sheet No. 233

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT (Continued)

constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

5.3.3. The conduct of the parties pursuant to this Agreement, including the use of Signed Documents properly transmitted pursuant to this Agreement, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the parties in furtherance of this Agreement, any Transaction and any other written agreement described in Section 5.1.

5.3.4. Documents Hierarchy. It is the express intent of the parties that Documents which are transacted and maintained according to this Agreement be given the same evidentiary weight as the physically signed originals of corresponding documents related to the same Transaction.

5.3.5. The parties agree not to contest the validity or enforceability of Signed Documents 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 hearsay rule, or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.

Section 6. Miscellaneous.

6.1. Term. This Agreement shall be effective as of the date first set forth above 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 pursuant to an EDI transaction; further provided, however, that any termination 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. Notwithstanding any other provision of this Agreement, a party shall be entitled to immediately terminate this Agreement, upon delivery of notice of termination, if the other party (i) breaches the covenants of Section 5.2, (ii) uses the EDI for purposes other than those Transactions contemplated by the parties when entering into this Agreement unless by mutual agreement of the parties, or (iii) uses the EDI either illegally or for illegal purposes.

6.2. Exclusion of Certain 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. Any limitation on direct damages to software and hardware arising from this Agreement shall be set forth in the Appendix.

6.3. Notice. Any notice provided or permitted to be given under this Agreement must be in writing, but may be served by deposit in the mail, addressed to the party to be notified, postage prepaid, and registered or certified, with a return receipt requested. Notice given by registered mail shall be deemed delivered and effective on the date of delivery shown on the return receipt. Notice may be served in any other written manner, including telex, telecopy, telegram, E-mail, etc., but shall be deemed delivered and effective as of the time of actual delivery. 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. For purposes of notice, the addresses of the parties shall be as set forth in the Appendix.

Effective Date: 06/01/1997 Status: Effective

FERC Docket: RP97- 59-003

Original Sheet No. 234 Original Sheet No. 234 : Superseded

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT (Continued)

6.4. Assignment. No party shall assign its rights and obligations in and under this Agreement without first obtaining prior written consent of the other party. The consent of the other party may be withheld in the sole discretion of the non-assigning party. However, 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 the party's Affiliate or successor assumes this Agreement.

6.5. Limitation on Liability. In no event shall either party be liable to the other party for consequential, incidental or punitive loss, damages or expenses (including lost profits or savings) even if advised of their possible existence.

6.6. Force Majeure. Neither party shall be liable for any delays or failures in performance due to circumstances beyond its control.

6.7. Survival of Covenants. The covenants, representations and agreements of Sections 2.2.3, 4, 5, 6.2, 6.5, 6.7, 6.9, 6.10, 6.15, 6.16, and 6.19 of this Agreement are of a continuing nature and shall survive the expiration, termination or cancellation of this Agreement, regardless of reason.

6.8. Waiver. The failure of a party to insist upon strict performance of any provision of this Agreement shall not constitute a waiver of, or estoppel against asserting, the right to require performance in the future. A waiver or estoppel in any one instance shall not constitute a waiver or estoppel with respect to a later breach.

6.9. Severability. If any of the terms and conditions of this Agreement are held by any court of competent jurisdiction to contravene, or to be invalid under, the laws of any political body having jurisdiction over this subject matter, that contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as reformed to the extent necessary to render valid the particular provision or provisions held to be invalid, consistent with the original intent of that provision and the rights and obligations of the parties shall be construed and enforced accordingly, and this Agreement shall remain in full force and effect as reformed.

6.10. Applicable Law. As Trading Partners are accessing TGPC's and/or TGPC's Affiliates' information on servers in Houston, Texas, and TGPC's and TGPC's Affiliates' information shall be deemed provided in Texas, this Agreement shall be deemed governed by and construed in accordance with the internal law, and not the law of conflicts, of the State of Texas.

6.11. Construction. The headings in this Agreement are inserted for convenience and identification only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any other provision hereof. Whenever the context requires, the gender of all words used in this Agreement shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and the plural.

6.12. Counterpart Execution. This Agreement may be executed in any number of counterparts with the same effect as if all the parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument when executed by the contractual binding point of contact for each party.

6.13. Successors and Assigns. Except as otherwise provided, this Agreement shall apply to, and shall be binding upon, the parties hereto, their respective successors and permitted assigns, and all persons claiming by, through, or under any of these persons.

6.14. Reliance. All factual recitals, covenants, agreements, representations and warranties made herein shall be deemed to have been relied on by the parties in entering into this Agreement.

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

**Original Sheet No. 235** Original Sheet No. 235 : Superseded

ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT (Continued)

6.15. No Third Party Beneficiary. Any agreement to pay an amount or any assumption of liability herein contained, express or implied, shall be only for the benefit of the undersigned parties and their permitted successors and assigns, and such agreements and assumption shall not inure to the benefit of the obligees of any other party, whomsoever, it being the intention of the undersigned that no one shall be deemed to be a third party beneficiary of this Agreement.

6.16. Drafting Party. This Agreement expresses the mutual intent of the parties to this Agreement. Accordingly, the rule of construction against the drafting party shall have no application to this Agreement.

6.17. Incorporation of Exhibits. All exhibits attached to this Agreement are incorporated into this Agreement as fully as if stated within the body of this Agreement.

6.18. No Partnership or Joint Venture. Nothing contained in this Agreement shall be construed as creating a partnership, joint venture or other entity or combination among the parties and each party shall remain solely responsible for the actions of its own employees and representatives.

6.19. Good Faith Dispute Resolution Procedures. If a disagreement under this Agreement arises between TGPC and/or TGPC's Affiliates and Trading Partner, prior to sending a formal demand letter from counsel or filing a lawsuit, TGPC and/or TGPC's Affiliates and Trading Partner will seek in good faith to resolve the dispute by agreement. Agreement will not be considered unachievable until the matter has been turned over to an officer of TGPC and/or TGPC's Affiliates and Trading Partner respectively and they are unable to resolve the matter. Unreasonable delay on the part of an officer to attend to a dispute will indicate that agreement is unachievable. Agreement between TGPC and/or TGPC's Affiliates and Trading Partner in a dispute may include disposition of the matter, agreement to submit the dispute to arbitration or agreement upon a conciliatory method.

EXECUTED effective as provided above.

TENNESSEE GAS PIPELINE COMPANY

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

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

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

TRADING PARTNER

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

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

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

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

Original Sheet No. 236 Original Sheet No. 236 : Superseded

APPENDIX (Page 1)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
[Applies across all transaction set types]

COMPANY NAME: Tennessee Gas Pipeline Companies  
STREET ADDRESS: 1001 Louisiana, Houston, TX 77002  
ATTENTION: \_\_\_\_\_  
PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_  
OTHER NOTICE METHOD & ADDRESS: E-mail address via Internet:  
\_\_\_\_\_

LEGAL ENTITY COMMON CODE  
1  
(D-U-N-S Number ):  
[Please check which business unit your company will trade with]

[ ]	Tennessee Gas Pipeline
[ ]	Midwestern Gas Transmission
[ ]	East Tennessee Natural Gas

BUSINESS REPRESENTATIVE CONTACT:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EDI CONTACT:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PGP KEY EXCHANGE CONTACT:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1  
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Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

**Original Sheet No. 237** Original Sheet No. 237 : Superseded

APPENDIX (Page 2)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
[Applies across all transaction set types]

COMPANY NAME: \_\_\_\_\_  
[Trading Partner Name]

STREET ADDRESS: \_\_\_\_\_

ATTENTION: \_\_\_\_\_

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

OTHER NOTICE METHOD & ADDRESS:  
\_\_\_\_\_

COMPANY NAME: \_\_\_\_\_  
[Third Party Service Provider, if any]

STREET ADDRESS: \_\_\_\_\_

ATTENTION: \_\_\_\_\_

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

OTHER NOTICE METHOD & ADDRESS:  
\_\_\_\_\_



Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

**Original Sheet No. 238** Original Sheet No. 238 : Superseded

APPENDIX (Page 3)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
[Applies across all transaction set types]

1. COMPANY COMMUNICATION INFORMATION:

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

ISA QUALIFIER: \_\_\_\_\_ ISA ID: \_\_\_\_\_

Uniform Resource Locator (hostname or IP Address, any non-standard port, directory, program name):  
\_\_\_\_\_

Basic Authentication userid and password: \_\_\_\_\_

PGP User ID (alpha, spaces, numbers only - no special characters):  
\_\_\_\_\_

COMPANY NAME: \_\_\_\_\_  
[Third Party Service Provider and/or Trading Partner Name]

ISA QUALIFIER: \_\_\_\_\_ ISA ID: \_\_\_\_\_

Uniform Resource Locator (hostname or IP Address, any non-standard port, directory, program name):  
\_\_\_\_\_

Basic Authentication userid and password: \_\_\_\_\_

PGP User ID (alpha, spaces, numbers only - no special characters):  
\_\_\_\_\_

<sup>1</sup>  
Legal Entity Common Code (D-U-N-S Number ) to be used in envelope tags for Internet EDM:  
\_\_\_\_\_

Backup Uniform Resource Locator (hostname or IP Address, any non-standard port, directory, program name) (optional):  
\_\_\_\_\_

Backup Basic Authentication userid and password (optional):  
\_\_\_\_\_  
\_\_\_\_\_

<sup>1</sup>  
A registered trademark of Dun & Bradstreet Corporation.

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

Original Sheet No. 239 Original Sheet No. 239 : Superseded

APPENDIX (Page 4)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
[Applies across all transaction set types]

2. STANDARDS: 18 C.F.R. 284.10, as approved by FERC, and as changed by FERC, from time to time, and Tennessee Gas Pipeline Companies EDI implementation guides, as those may be changed from time to time.
3. INDUSTRY GUIDELINES: ANSI ASC X12
4. FILE ENCRYPTION PROCEDURES FOR INTERNET ELECTRONIC DELIVERY MECHANISMS (EDM):
  - a) Contact for public key exchange (emergency and scheduled):  
\_\_\_\_\_  
\_\_\_\_\_
  - b) Method of contact and related information such as phone number and/or e-mail address:  
\_\_\_\_\_  
\_\_\_\_\_
  - c) Chosen method of key exchange (examples: public encryption keys must be communicated in electronic form):  
\_\_\_\_\_  
\_\_\_\_\_
  - d) Scheduled public key exchange procedures (if any; also, please include frequency):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - e) Emergency public key exchange procedures:  
\_\_\_\_\_  
\_\_\_\_\_
  - f) Verification procedures to confirm appropriate exchange of public keys:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. TERMS AND CONDITIONS: It is agreed that both parties will conduct a mutual EDI test of the transmission of data by utilizing test documents and a test site ("Test") before implementing transmission of actual processing in the production environment ("Production"). Test of Trading Partners EDI transfers should include data that should be as reflective of the data which will actually be sent by the Trading Partner in the Production. No actual production of documents will be transmitted until notification of the Trading Partner by Pipeline that successful testing has been achieved under Pipeline's requirements.
6. DATA RETENTION: (If no special data retention procedures have been agreed upon, enter "None".)  
\_\_\_\_\_

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

**Original Sheet No. 240** Original Sheet No. 240 : Superseded

APPENDIX (Page 5)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
[Applies across all transaction set types]

7. REFERENCED AGREEMENTS:

- (1) Trading Partner's Transportation Service Agreement(s) with Pipeline.
- (2) Any and all agreements between Trading Partner and Pipeline executed subsequent to the execution of this Appendix which relate to transportation service or the aggregation of transportation data.

8. LIMITATION ON DAMAGES: Tennessee Gas Pipeline Companies expressly disclaim any and all warranties, express, implied, or statutory, related to the use of this EDI and Third Party Providers of services used in the EDI to the fullest extent of the General Terms and Conditions of the applicable Pipeline's FERC Gas Tariff.

9. CONFIDENTIAL INFORMATION: ( See Section 3.2. (If no limitation has been agreed upon, enter "None".))

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10. DATE AND TIME OF RECEIPT OF TRANSACTION IS DEFINED in data element in the HTTP response called "time-c".

11. The General Terms and Conditions of the applicable Pipeline's FERC Gas Tariff are hereby incorporated into this Appendix, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

**Original Sheet No. 241** Original Sheet No. 241 : Superseded

APPENDIX (Page 6)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
[Applies across all transaction set types]

LIST OF EXHIBITS

EXHIBIT NUMBER	TRANSACTION SET NUMBER	DOCUMENT NAME
_____	_____	_____
_____	_____	_____
_____	_____	_____

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: \_\_\_\_\_

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

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

on behalf of Tennessee Gas Pipeline, Midwestern Gas Transmission, and East Tennessee Natural Gas

TRADING PARTNER  
COMPANY NAME:

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

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

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

Effective Date: 06/01/1997 Status: Effective  
FERC Docket: RP97- 59-003

Original Sheet No. 242 Original Sheet No. 242 : Superseded

EXHIBIT A  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATE \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)

Re: Electronic Data Interchange Trading Partner Agreement by and between  
\_\_\_\_\_ [Trading Partner] and  
\_\_\_\_\_ [Pipeline(s)],  
dated \_\_\_\_\_

Gentlemen:

\_\_\_\_\_ [Provider] hereby ratifies and accepts the  
captioned Electronic Data Interchange Trading Partner Agreement ("Agreement") in its  
role as Third Party Service Provider ("Provider") for \_\_\_\_\_  
[Customer]. Provider will comply with the terms and conditions of the captioned  
agreement as a party thereto. \_\_\_\_\_ ("Pipeline(s)") is  
entitled to rely on the actions of Provider under and with respect to the captioned  
Agreement. Pipeline(s) will be fully protected in relying on Provider action and  
Provider, without limitation, indemnifies and holds harmless Pipeline(s) for its  
reliance on Provider's actions against any and all claims and damages arising as a  
consequence of or in connection with such reliance. Without limiting the foregoing,  
Pipeline(s) has the right to rely on the time indicated in a completed transmission  
(i.e. fully successful and received by Pipeline's internal backend computer system) when  
attempting to schedule timely nominations.

If the forgoing represents your understanding of the agreement between the  
parties, please sign in the signature space provided below.

THIRD PARTY PROVIDER  
COMPANY NAME: \_\_\_\_\_

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

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

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

TRANSPORTATION CUSTOMER  
COMPANY NAME: \_\_\_\_\_

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

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

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

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

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

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

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

Effective Date: 06/01/1997 Status: Effective  
 FERC Docket: RP97- 59-005

**Substitute Original Sheet No. 243** Substitute Original Sheet No. 243 : Superseded  
 Superseding: Original Sheet No. 243

EXHIBIT \_\_\_\_\_ (Sequential Number)  
 ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
 DATED \_\_\_\_\_  
 TO BE EFFECTIVE \_\_\_\_\_ (Date)

Mark Application Transactions Sets Transaction Corresponding Number to Exhibit	Transaction Set Number and Name	ANSI Version	Your Company as Sender (S) or Receiver (R)	Document ID to be Included in GS02 (R)	Document ID to be Included in GS03 (S)	Response Set
	850 Shipper to Transporter Nomination	3040	S		850NM	
	855 Nomination Quick Response	3040	R	855NM		
	865 Scheduled Quantity	3040	R	865SQ		
	850 Request for Confirmation	3040	R	850CR		
	855 Confirmation Response	3040	S		855CR	
	860 Pre-determined Allocation	3040	S		860PA	
	865 Pre-determined Allocation Quick Response	3040	R	865PA		
	811 Shipper Imbalance	3040	R	811SI		
	865 Allocation Statement	3040	R	865AS		
	867 Measurement Information Statement	3040	R	867MI		
	811 Transportation/Sales Invoice	3040	R	811IV		
	820 Payment Remittance	3040	S		820PR	
	822 Statement of Account	3040	R	822SA		
	840 Firm Transportation and Storage-Offer	3040	R	840OF		
	843 Firm Transportation Storage-Bid Review	3040	R	843BR		
	843 Firm Transportation and Storage-Award Notice	3040	R	843AN		
	843 Firm Transportation and Storage-Withdrawal	3040	R	843WD		
	840 Electronic Withdrawal Upload	3040	S		840WD	
	840 Operationally Available and Unsubscribed Capacity	3040	R	840OA		
	846 Upload of Request for Download	3040	S		846RD	
	846 Response to Upload of Request for Download	3040	R	846DR		
	864 System Wide Notices	3040	R	864SN		
	864 Notes/Special Instructions - Outbound	3040	R	864SI		
	864 Notes/Special Instructions - Inbound	3040	S		864NI	
	840 Upload to Pipeline of Prearranged Deal (UPPD)	3040	S		840PD	
	843 UPPD - Validation	3040	R	843PD		
	843 UPPD - Bidder Confirmation	3040	S		843BC	
	824 UPPD - Bidder Confirmation Validation	3040	R	824BV		
	567 UPPD - Final Disposition	3040	R	567FD		

A functional Acknowledgement (Transaction Set 997) is required for each transaction set.  
 \* The version of the Transaction Set shall be as approved by FERC, and as changed by FERC from time to time.

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

TRADING PARTNER  
 COMPANY NAME:

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

BY:

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

NAME:

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

TITLE:

---

on behalf of Tennessee Gas Pipeline,  
Midwestern Gas Transmission, and  
East Tennessee Natural Gas.

GENERAL TERMS AND CONDITIONS (continued)

PCB Adjustment in effect after the Initial Adjustment Period until such shippers have recovered all amounts paid pursuant to this Article after the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper after the Initial Adjustment Period, to the total amount collected under this Article after the Initial Adjustment Period. Any additional refunds will be made to all shippers that paid the PCB Adjustment in effect during the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper during the Initial Adjustment Period, to the total amount collected under this Article during such period.

8. Disputes

All disputes arising under this Article shall be resolved in accordance with the procedures set forth in Article VIII of the Stipulation.

XXXV. RESTRUCTURING COST RECOVERY

Transporter's recovery of restructuring costs from Shipper's receiving firm or interruptible transportation services under Part 284 Rate Schedules shall be governed by the terms of the February 28, 1997 Stipulation and Agreement ("Restructuring Cost Settlement") filed with the Commission in Tennessee Gas Pipeline Company, Docket Nos. RP93-151 et al.

As to Non-Contesting Parties to the Restructuring Cost Settlement, this Article XXXV supersedes the provisions of Article XXIV and Article XXVI as of the Effective Date of the Restructuring Cost Settlement. Contesting Parties to the Restructuring Cost Settlement shall continue to be subject to rates and charges adjusted pursuant to the provisions of Article XXIV and Article XXVI of the General Term and Conditions of this FERC Gas Tariff.

XXXVI. GAS INDUSTRY STANDARDS BOARD (GISB) STANDARDS

Pursuant to Order Nos. 587, et al. promulgated by the FERC in Docket No. RM96-1, for GISB Standards that do not otherwise require implementing tariff provisions, the following GISB Standards are hereby incorporated, by reference to the GISB Standard Number and version, into Transporter's FERC Gas Tariff.

GISB Standards (Version 1.2) 1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 3.4.1, 3.4.2, 3.4.3, 5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7, 5.4.8, 5.4.9, 5.4.11, 5.4.12, 5.4.13, 5.4.16, 5.4.17.

GISB Standards (Version 1.3) 1.2.1, 1.2.2, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.3.2(v) and (vi), 1.3.3, 1.3.7, 1.3.15, 1.3.20, 1.3.22, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 2.2.1, 2.3.1, 2.3.9, 2.3.10, 2.3.12, 2.3.13, 2.3.15, 2.3.20, 2.3.23, 2.3.24, 2.3.27, 2.3.31, 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.17, 3.3.20, 3.3.21, 3.3.22, 3.4.4, 4.1.16, 4.1.17, 4.1.18, 4.1.19, 4.1.20, 4.1.21, 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.3.1, 4.3.2, 4.3.3, 4.3.5, 4.3.6, 4.3.7, 4.3.8, 4.3.9, 4.3.10, 4.3.11, 4.3.12, 4.3.13, 4.3.14, 4.3.15, 4.3.16, 4.3.17, 4.3.18, 4.3.19, 4.3.20, 4.3.21, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.29, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 5.2.1, 5.3.10, 5.3.11, 5.3.12, 5.3.17, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.25, 5.3.26, 5.3.27, 5.3.28, 5.3.29, 5.3.30, 5.4.10, 5.4.14, 5.4.15.

XXXVII. NON-CONFORMING AGREEMENTS

1. TransCapacity Limited Partnership TPA dated October 17, 1997
2. National Capacity Registry Service Corporation TPA dated January 2, 1998



