

T.W. Phillips Pipeline Corp.: Original Volume No. 1  
Title Page

FERC GAS TARIFF  
ORIGINAL VOLUME NO. 1

of

T.W. Phillips Pipeline Corp.

filed with the  
FEDERAL ENERGY REGULATORY COMMISSION

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**First Revised Sheet No. 1** First Revised Sheet No. 1  
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**Original Sheet No. 3** Original Sheet No. 3

PRELIMINARY STATEMENT

T. W. Phillips Pipeline Corp. is a natural gas pipeline company principally engaged in the business of transporting natural gas in interstate commerce, under authorization granted by and subject to the jurisdiction of the Federal Energy Regulatory Commission. T.W. Phillips Pipeline Corp.'s facilities, all of which are located in Clearfield County, Pennsylvania, consist of a six-inch diameter eight mile pipeline and appurtenant facilities running from an interconnection with Columbia Gas Transmission Corp. in Bogg's Township, Clearfield County, to the ethanol production plant owned by Bionol Clearfield, LLC in the Borough of Clearfield in Clearfield County, Pennsylvania.

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**Substitute Original Sheet No. 4** Substitute Original Sheet No. 4

Superseding: riginal Sheet No. 4

SYSTEM MAP

(Map is provided on hard copy)



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Original Sheet No. 5 Original Sheet No. 5

STATEMENT OF RATES AND CHARGES

|                  |   | Rates      |          |
|------------------|---|------------|----------|
|                  |   | Maximum 1/ | Minimum  |
| Per MMBtu        |   |            |          |
| Rate Schedule FT |   |            |          |
|                  | Recourse Rates:                           |            |          |
|                  | Reservation Rate (Per Month)              | \$16.1794  | \$0.00   |
|                  | Commodity Rate                            |            | \$ 0.00  |
| \$0.00           | Authorized Overrun Rate                   | \$ 0.5319  | \$0.00   |
|                  | ACA Charge                                |            |          |
|                  | Fuel and Gas Loss Retention Percentage 2/ |            | 0.40%    |
| Rate Schedule IT |   |            |          |
|                  | Recourse Rates:                           |            |          |
|                  | Commodity Rate                            |            | \$0.5319 |
| \$0.00           | ACA Charge                                |            |          |
|                  | Fuel and Gas Loss Retention Percentage 2/ |            | 0.40%    |

- 
- 1/ Pursuant to Section 15 of the GT&C, the effective maximum rate for any negotiated rate transportation agreement is the rate agreed to by the parties.
- 2/ The Fuel and Gas Loss Retention Percentage is determined pursuant to Section 18 of the GT&C.

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**Original Sheet No. 6** Original Sheet No. 6

STATEMENT OF NEGOTIATED RATES

Customer Name:

Contract Number:

Rate Schedule:

Maximum Daily Quantity:

Reservation Rate:

Commodity Rate:

Firm Quantity Charge:

Primary Receipt Point(s):  
Name

Primary Delivery Point(s):  
Name

Term of Agreement:

Notes:

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**Substitute Original Sheet No. 7** Substitute Original Sheet No. 7

Superseding: riginal Sheet No. 7

LIST OF NON-CONFORMING SERVICE AGREEMENTS

1. Bionol Clearfield, LLC, FT Agreement No. TWP-001, Non-Conforming Service Agreement dated November 25, 2009, Filed November 30, 2009.

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SHEETS RESERVED FOR FUTURE USE  
Sheet Nos. 8-9

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RATE SCHEDULE FT

1. AVAILABILITY

This Rate Schedule FT is available to any Shipper, provided that:

- 1.1. Shipper has made a valid request for firm transportation service pursuant to Section 6 of the General Terms and Conditions ("GT&C") of this Tariff.
- 1.2. Transporter determines it has available capacity to render the firm transportation service.
- 1.3. Any construction, acquisition, or expansion of facilities necessary to commence and provide the firm transportation service has been completed. Transporter shall not be obligated to add any facilities or to expand the capacity of its system in order to provide transportation service to Shipper pursuant to this Rate Schedule.
- 1.4. Shipper has executed an agreement pursuant to Rate Schedule FT ("FT Agreement") with Transporter.
- 1.5. Shipper has satisfied, and continues to satisfy throughout the term of its FT Agreement, the creditworthiness criteria in Section 7 of the GT&C of this Tariff.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1. Transportation service hereunder will be firm, subject to the availability of capacity, to the provisions of an FT Agreement, and to the GT&C.
- 2.2. On each day during the term of the FT Agreement, Shipper shall be entitled to request service hereunder subject to this Rate Schedule and the GT&C. Nominations for service shall be made pursuant to Section 8 of the GT&C.
- 2.3. Shipper's Primary Receipt Point(s) and Primary Delivery Point(s) shall be designated on Exhibit A to Shipper's FT Agreement, as mutually agreed with Transporter. Shipper's total capacity at Primary Receipt Point(s) and Primary Delivery Point(s) shall not exceed Shipper's Maximum Daily Quantity ("MDQ"). Shipper may nominate service to points other than Shipper's Primary Receipt Point(s) and Primary Delivery Point(s) on a secondary basis, subject to the availability of capacity, and subject to the priorities set forth in Sections 9 and 10 of the GT&C.

RATE SCHEDULE FT  
(Continued)

- 2.4. Pursuant to this Rate Schedule FT and the GT&C of this Tariff, Transporter will receive at the Receipt Point(s) and deliver at the Delivery Point(s) for Shipper's account daily quantities of Gas up to Shipper's MDQ, plus Fuel and Gas Loss, as specified in Shipper's FT Agreement.
- 2.5. Shipper on any day may nominate Authorized Overrun Service ("AOS") pursuant to Section 8 of the GT&C. Transporter shall not be obligated to have capacity available to provide AOS, but shall provide AOS subject to available capacity and the provisions of the GT&C.
- 2.6. Transporter shall have no obligation to receive Gas at the Receipt Point(s) or deliver Gas at the Delivery Point(s) if the Shipper has failed to make and properly implement all necessary arrangements on upstream and downstream systems.
- 2.7. Transporter shall have no obligation to render service if and for so long as Shipper is in default under its FT Agreement or the GT&C.

3. RATES AND CHARGES

- 3.1. The applicable maximum and minimum Recourse Rates for service under this Rate Schedule FT are set forth in the currently effective Statement of Rates and Charges of this Tariff, and are incorporated herein by reference.
- 3.2. Unless Transporter and Shipper agree in writing to a Discounted Rate or a Negotiated Rate, which shall be identified on Exhibit A to the FT Agreement, the rates applicable to Shipper shall be the maximum Recourse Rate as set forth on the effective Statement of Rates and Charges of this Tariff. Any Negotiated Rate shall be pursuant to and subject to Section 15 of the GT&C.
- 3.3. Effective as of the commencement of service, as provided for in the FT Agreement, Transporter shall charge and Shipper shall pay for Transportation under this Rate Schedule each month, or part thereof, if applicable, the following:
  - a) The applicable Recourse or Negotiated Reservation Charge;

RATE SCHEDULE FT  
(Continued)

- Rates  
of  
Shipper  
and
- b) The applicable Recourse or Negotiated Commodity Charge;
  - c) The Annual Charge Adjustment ("ACA") set forth in the Statement of Rates and Charges;
  - d) The applicable Authorized Overrun Charge set forth in the Statement of Rates and Charges;
  - e) The Fuel and Gas Loss Retention Percentage set forth on Transporter's Website; and
  - f) Any other charge or surcharge mutually agreed by Transporter and Shipper or allowed by the Commission as set forth in the Statement of Rates and Charges.

4. MONTHLY BILL

The monthly bill for Rate Schedule FT service shall be equal to:

- 4.1. Reservation Charge - The applicable reservation rate determined under Section 3 of this Rate Schedule multiplied by the Shipper's MDQ established in the FT Agreement (subject to the credit in Section 4.7);
- 4.2. Commodity Charge - The applicable commodity rate determined under Section 3 of this Rate Schedule multiplied by the MMBtu's of Gas scheduled for receipt pursuant to Shipper's FT Agreement during the billing month;
- 4.3. Authorized Overrun Charge - The applicable AOS rate multiplied by any Authorized Overrun quantities scheduled for Shipper during the billing month;
- 4.4. Other Charges - The ACA charge and any other applicable surcharges in the Statement of Rates and Charges, multiplied by the applicable quantities scheduled for Shipper during the billing month; and
- 4.5. New Facilities Charge - When applicable, a charge will be established pursuant to Section 20 of the GT&C.

RATE SCHEDULE FT  
(Continued)

- 4.6. Fuel and Gas Losses - Notwithstanding other sections of this Rate Schedule, Transporter shall retain the quantity of Gas required for Fuel and Gas Losses associated with Transporter's provision of transportation service pursuant to this Rate Schedule. The quantity of Gas retained by Transporter for Fuel and Gas Losses shall be equal to the quantity of Gas scheduled for receipt for Shipper during the billing month, multiplied by the applicable Fuel and Gas Loss Retention Percentage.
- 4.7. Shipper's monthly bill shall, if applicable, be credited pursuant to Section 22.8 of the GT&C for revenues received by Transporter for Shipper's release of capacity during the billing month.

5. RESERVATIONS

Transporter reserves the right to take such actions as may be required to preserve the integrity of its system, including maintenance of service to other firm customers.

6. GOVERNMENTAL AUTHORIZATIONS

Transportation service under this Rate Schedule and effective FT Agreements shall be implemented pursuant to any applicable self-implementing authorizations or program of the Commission for which Transporter has filed or in which Transporter has agreed to participate.

7. GENERAL TERMS AND CONDITIONS

All of the GT&C of this Tariff are applicable to this Rate Schedule and service hereunder, and are made a part hereof.



RATE SCHEDULE IT

1. AVAILABILITY

This Rate Schedule IT is available to any Shipper, provided that:

- 1.1. Shipper has made a valid request for interruptible transportation service pursuant to Section 6 of the General Terms and Conditions ("GT&C") of this Tariff.
- 1.2. Transporter determines it has available capacity to render the interruptible transportation service.
- 1.3. Any construction, acquisition, or expansion of facilities necessary to commence and provide the interruptible transportation service has been completed. Transporter shall not be obligated to add any facilities or to expand the capacity of its system in order to provide transportation service to Shipper pursuant to this Rate Schedule.
- 1.4. Shipper has executed an agreement pursuant to Rate Schedule IT ("IT Agreement") with Transporter.
- 1.5. Shipper has satisfied, and continues to satisfy throughout the term of the IT Agreement, the creditworthiness criteria in Section 7 of the GT&C of this Tariff.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1. Transportation service hereunder will be interruptible, subject to the availability of capacity, to the provisions of an IT Agreement, and to the GT&C.
- 2.2. On each day during the term of the IT Agreement, Shipper shall be entitled to request service hereunder subject to this Rate Schedule and the GT&C. Nominations for service shall be made pursuant to Section 8 of the GT&C.
- 2.3. Shipper's Primary Receipt Point(s) and Primary Delivery Point(s) shall be designated on Exhibit A to Shipper's IT Agreement, as mutually agreed with Transporter. Shipper's total capacity at the Delivery Point(s) and Receipt Point(s) shall not exceed Shipper's Maximum Daily Quantity ("MDQ"). Shipper's nominations at these Receipt Point(s) and Delivery Point(s) shall be subject to the availability of capacity, and subject to the priorities set forth in Sections 9 and 10 of the GT&C.

RATE SCHEDULE IT  
(Continued)

- 2.4. Pursuant to this Rate Schedule IT and the GT&C of this Tariff, Transporter will receive at the Receipt Point(s) and deliver at the Delivery Point(s) for Shipper's account daily quantities of Gas up to Shipper's MDQ, less Fuel and Gas Loss, as specified in Shipper's IT Agreement.
- 2.5. Transporter shall have no obligation to receive Gas at the Receipt Point(s) or deliver Gas at the Delivery Point(s) if the Shipper has failed to make and properly implement all necessary arrangements on upstream and downstream systems.
- 2.6. Transporter shall not be obligated to render service if and for so long as Shipper is in default under its IT Agreement or the GT&C.

3. RATES AND CHARGES

- 3.1. The applicable maximum and minimum Recourse Rates for service under this Rate Schedule IT are set forth on the currently effective Statement of Rates and Charges of this Tariff, and are incorporated herein by reference.
- 3.2. Unless Transporter and Shipper agree in writing to a Discounted Rate or a Negotiated Rate, which shall be identified on Exhibit A to the IT Agreement, the rates applicable to Shipper shall be the maximum Recourse Rate as set forth on the effective Statement of Rates and Charges of this Tariff. Any Negotiated Rate shall be pursuant to and subject to Section 15 of the GT&C.
- 3.3. Effective as of the commencement of service, as provided for in the IT Agreement, Transporter shall charge and Shipper shall pay for Transportation under this Rate Schedule each month, or part thereof, if applicable, the following:
  - a) The applicable Recourse or Negotiated Commodity Charge;
  - b) The Annual Charge Adjustment ("ACA") set forth in the Statement of Rates and Charges;
  - c) The Fuel and Gas Loss Retention Percentage set forth on Transporter's Website; and
  - d) Any other charge or surcharge mutually agreed by Transporter and Shipper or allowed by the Commission as set forth in the Statement of Rates and Charges.

Rates

Shipper  
and

RATE SCHEDULE IT  
(Continued)

4. MONTHLY BILL

The monthly bill for Rate Schedule IT service shall be equal to:

- 4.1. Commodity Charge - The applicable commodity rate determined under Section 3 of this Rate Schedule multiplied by the MMBtu's of Gas scheduled for receipt pursuant to Shipper's IT Agreement during the billing month;
- the State- 4.2. Other Charges - The ACA charge and any other applicable surcharges in  
ment of Rates and Charges, multiplied by the applicable quantities scheduled for Shipper during the billing month; and
- 4.3. New Facilities Charge -When applicable, a charge will be established pursuant to Section 20 of the GT&C.
- Trans- 4.4. Fuel and Gas Losses - Notwithstanding other sections of this Rate Schedule,  
porter shall retain the quantity of Gas required for Fuel and Gas Losses associated with Transporter's provision of transportation service pursuant to this Rate Schedule. The quantity of Gas retained by Transporter for Fuel and Gas Losses shall be equal to the quantity of Gas scheduled for receipt for Shipper during the billing month, multiplied by the applicable Fuel and Gas Loss Retention Percentage.

5. RESERVATIONS

Transporter reserves the right to take such actions as may be required to preserve the integrity of its system, including maintenance of service to other firm customers.

6. GOVERNMENTAL AUTHORIZATIONS

Transportation service under this Rate Schedule and effective IT Agreements shall be implemented pursuant to any applicable self-implementing authorizations or program of the Commission for which Transporter has filed or in which Transporter has agreed to participate.

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**Original Sheet No. 17** Original Sheet No. 17

RATE SCHEDULE IT  
(Continued)

7. GENERAL TERMS AND CONDITIONS

All of the GT&C of this Tariff are applicable to this Rate Schedule and service hereunder, and are made a part hereof.

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**Original Sheet No. 18** Original Sheet No. 18

SHEETS RESERVED FOR FUTURE USE  
Original Sheet Nos. 18-25

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

Except where the context expressly states another meaning, the following terms when used in this Tariff and in any Transportation Agreement or Rate Schedule incorporating this Tariff, shall be construed to have the following meanings:

- 1.1. "Authorized Overrun" is a nomination accepted by Transporter that exceeds Shipper's Maximum Daily Quantity.
- 1.2. "Authorized Overrun Service" (or "AOS") means service provided by Transporter for Shipper's Authorized Overrun quantities. Authorized Overrun Service is subject to available capacity, and subject to an Authorized Overrun Charge shown on the Statement of Rates and Charges.
- 1.3. "Available Capacity" is the capacity in Transporter's system that is not subscribed or scheduled for service under the terms of Transporter's Rate Schedules.
- 1.4. "Btu" shall mean one (1) British Thermal Unit. The reporting basis for Btu shall be 14.73 dry psia and 60 degrees F.
- 1.5. "Business Day" is Monday through Friday, excluding Federal Banking Holidays.
- 1.6. "Central Clock Time" (or "CCT") means Central Time, adjusted for Daylight Savings Time.
- 1.7. "Columbia" means Columbia Gas Transmission Corporation.
- 1.8. "Commission" means the Federal Energy Regulatory Commission or any successors thereto.
- 1.9. "Commodity Charge" means the commodity rate component of the rate applicable to service under Rate Schedules FT and IT, as specified in Transporter's Tariff and the FT Agreement or IT Agreement between Shipper and Transporter.
- 1.10. "Day" means a twenty-four (24) hour period of time from 9:00 a.m. to 9:00 a.m. Central Clock Time.
- 1.11. "Delivery Point" means the point(s) where Transporter delivers Gas to Shipper, or for Shipper's account. The Delivery Point(s) shall be specified in Shipper's FT Agreement or IT Agreement.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 1.12. "Discounted Rate" means a rate or rate formula for service under any RateSchedule contained in this Tariff established pursuant to Section 16 of the GT&C.
- 1.13. "FT Agreement" means an agreement pursuant to Rate Schedule FT.
- 1.14. "Force Majeure" has the meaning specified in Section 27 of the GT&C.
- 1.15. "Fuel and Gas Loss" means Gas consumed in pipeline operations, including fuel, operational use, and losses.
- 1.16. "Gas" means methane and such other hydrocarbon constituents, or a mixture of two or more of them which, in any case, meets the quality specifications of the Tariff.
- 1.17. "GT&C" means the General Terms and Conditions of this FERC Gas Tariff.
- 1.20. "Gross Calorific Heating Value" means the quantity of heat expressed in Btus produced by the complete combustion at constant pressure of one anhydrous (dry) cubic foot of Gas with air at a temperature of sixty degrees (60°) Fahrenheit and at a pressure of 14.73 psia, when the products of the combustion are cooled to the initial temperature of the Gas and air and the water formed by combustion is condensed to the liquid state.
- 1.21. "Imbalance" has the meaning specified in Section 13 of the GT&C.
- 1.22. "Initial Facilities" means the facilities authorized to be constructed and operated in the first certificate of public convenience and necessity issued by the Commission.
- 1.23. "IT Agreement" means an agreement pursuant to Rate Schedule IT.
- 1.24. "Intra-day Nomination" is a nomination submitted after the nomination deadline whose effective time is as stated in Section 8 of the GT&C.
- 1.25. "MDQ" means the Maximum Daily Quantity.
- 1.26. "MMBtu", "Dekatherm" or "Dth", means one million (1,000,000) British Thermal Units ("Btu") and shall be the standard unit for purposes of nominations, scheduling, invoicing, and balancing. Allocated quantities and imbalances shall be expressed in the same units as nominated quantities.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 1.27. "Month" means the period from 9:00 a.m. Central Clock Time on the first day of the calendar month and ending at 9:00 a.m. Central Clock Time on the first day of the next succeeding calendar month.
- 1.28. "NAESB" means the North American Energy Standards Board.
- 1.29. "NAESB Standard" means a standard issued by NAESB and adopted by the Commission.
- Schedule 1.30. "Negotiated Rate" means a rate or rate formula for service under any Rate contained in this Tariff established pursuant to Section 15 of the GT&C.
- 1.31. "Nomination" shall mean the requests for service submitted pursuant to Section 8 of the GT&C.
- refer- 1.32. "Operational Balancing Agreement" (or "OBA") is a contract between parties which specifies the procedures to manage operating balances at an interconnect as enced in Section 13.1 of the GT&C.
- 1.33. "Operational Flow Order" (or "OFO") is an order issued pursuant to Section 11 of the GT&C.
- 1.34. "Person" means a natural person, sole proprietorship, firm, trust, trustee, executor, administrator or other legal personal representative, partnership, limited partnership, joint venture, syndicate, company or corporation with or without share capital, unincorporated association, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted.
- 1.35. "Prepayment", with respect to requests for capacity or service, means that amount of money that must be submitted by a Shipper along with a request for service. With respect to creditworthiness, prepayment means the advance payment for transportation services rendered by Transporter.
- 1.36. "Psia" means pounds per square inch absolute.
- 1.37. "Psig" means pounds per square inch gauge.



GENERAL TERMS AND CONDITIONS  
(Continued)

- 1.38. "Receipt Point" means any point at which Gas is tendered by or for Shipper's account. The Receipt Point(s) shall be specified in Shipper's FT Agreement or IT Agreement.
- 1.39. "Recourse Rate" means the applicable maximum and minimum rates stated on the Statement of Rates and Charges in this Tariff, which shall be applicable unless Transporter and Shipper agree in writing to a Negotiated Rate or Discounted Rate.
- 1.40. "Released Capacity" means capacity reserved under the terms of an effective FT Agreement that a Releasing Shipper seeks to release, on either a permanent or temporary basis.
- 1.41. "Releasing Shipper" (or "Releasor") means a Shipper who holds or acquires firm capacity rights and who elects to release all or a part of such capacity.
- 1.42. "Replacement Shipper" means a Shipper who acquires all or part of the rights to capacity held by a Releasing Shipper under the terms of an effective FT Agreement,  
on either a permanent or temporary basis.
- 1.43. "Reservation Charge" means the reservation charge component of the rate applicable  
to service under Rate Schedule FT as specified in Transporter's Tariff and the FT Agreement between Shipper and Transporter.
- 1.44. "Scheduled Quantity" is the quantity of Gas a Shipper nominates for receipt by Transporter at a Receipt Point and for redelivery by Transporter for Shipper at a Delivery Point, and that Transporter or Operator schedules for transportation.
- 1.45. "Shipper" means a Person who executes an FT Agreement or an IT Agreement with Transporter for transportation service under any Rate Schedule of Transporter's tariff.
- 1.46. "System" means Transporter's pipeline and related facilities.
- 1.47. "Tariff" means Transporter's FERC Gas Tariff, as amended from time to time by Transporter.
- 1.48. "Transportation" of Gas means Transporter's receipt of Gas for Shipper's account at the Receipt Point and the delivery, for Shipper's account, of Gas at the Delivery Point(s).

GENERAL TERMS AND CONDITIONS  
(Continued)

- 1.49. "Transporter" means T. W. Phillips Pipeline Corp.
- 1.50. "Unauthorized Gas" means volumes of Gas received or delivered for Shipper's account that exceeds Shipper's confirmed nomination.
- 1.51. "Website" means Transporter's website located at <http://www.twp-pipelinecorp.com>.
- 1.52. "Year" means a period of 365 consecutive days, except that any year which contains the date February 29 shall consist of 366 consecutive days.

2. GAS QUALITY

2.1 General Requirement - Natural gas delivered to Transporter and redelivered to Shipper shall at all times conform to the quality provisions set forth in this Section. Transporter shall not be required to receive gas from Shipper or for Shipper's account that does not conform to the requirements of this Section. Shipper shall indemnify Transporter and save it harmless from all suits, actions, regulatory proceedings, damages, costs, losses and expenses arising out of the failure of said gas to conform to such gas quality provisions.

2.2 Heating Value - Neither Shipper nor Transporter shall be required to accept natural gas having a Heating Value of less than 967.

2.3 Objectionable Properties - The gas received and delivered by Transporter:

- (a) shall be commercially free from particulates or other solid or liquid matter which might interfere with its merchantability or cause injury to meters or interference with proper operation of the lines, regulators, and other equipment of Transporter;
- (b) shall not contain more than twenty-five hundredths ("0.25") grains of hydrogen sulfide per one hundred ("100") cubic feet of gas;

GENERAL TERMS AND CONDITIONS  
(Continued)

- one (c) shall not contain more than twenty ("20") grains of total sulfur per hundred ("100") cubic feet of gas.
- million (d) shall not contain more than seven ("7") pounds of water vapor per cubic feet of gas at the base pressure and temperature of fourteen and ("psia") seventy-three hundredth ("14.73") pounds per square inch absolute and sixty degrees Fahrenheit ("60° F"). The water vapor content will be determined in accordance with the latest methods in the gas industry, using apparatus approved by Transporter;
- neon; (e) shall not contain more than four percent (4%) by volume of combined carbon dioxide, nitrogen, and inert components, e.g., helium, argon,
- volume of (f) shall not contain more than one and twenty-five hundredths percent ("1.25%") by volumes of carbon dioxide;
- (g) shall not contain more than two hundredths percent ("0.02%") by oxygen;
- will (h) shall not have a cricondentherm hydrocarbon dewpoint of greater than indus- twenty-five degrees Fahrenheit ("25° F"). The hydrocarbon dewpoint be determined in accordance with approved methods used in the gas try, using apparatus approved by Transporter;
- (i) shall have a flowing temperature of no greater than one hundred and twenty degrees Fahrenheit ("120° F");
- cap- (j) shall not contain any microbiological organisms or bacterial agent able of causing or contributing to injury to Transporter's pipeline facilities or interfere with the operation of Transporter's facilities.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 2.4 Transporter and Shipper may agree, or governmental authorities may require, that the gas be odorized by use of a malodorant agent of such character as to indicate by a distinctive odor the presence of gas.
- 2.5 Transporter may refuse to accept gas or may impose additional gas quality specifications and restrictions if transporter, in its reasonable judgment, determines that harm to transporter's facilities or operations could reasonably be expected to occur if it receives gas that fails to meet such additional specifications and restrictions.

3. MEASUREMENT

- 3.1. The volume and the total heating value of Gas received and delivered by Transporter shall be determined as follows:

- 3.1.1. The unit of Gas received and delivered by Transporter shall be an MMBtu.
- 3.1.2. The unit of volume, for the purpose of measurement, shall be one cubic foot of natural gas at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute, a temperature base of sixty degrees (60°) Fahrenheit (519.67 ° R Absolute), and without adjustment for water vapor content.
- 3.1.3. Measurement Unit. The Measurement Unit shall be one MMBtu of natural gas and shall be calculated by multiplying the volume delivered in Mcf by a fraction, the numerator of which is the Heating Value and the denominator of which is 1,000.

- 3.2. The factors required to determine the volume of Gas received, such as pressure, temperature, specific gravity, supercompressibility and deviations from Boyle's Law, shall be calculated in accordance with the applicable American Gas Association Bulletin and any modifications and amendments thereof, and applied in a practical manner.

GENERAL TERMS AND CONDITIONS  
(Continued)

3.3. Resolving Differences at the Delivery Point(s) - If the testing and calibration performed at the Delivery Point(s) pursuant to Section 4 show that any item of equipment installed by Transporter does not conform to the accuracy requirements of Section 4, all previous readings of that item of equipment shall be corrected to zero error for any period which the equipment was known to be in error. If this period is not known, the correction shall be made for a period extending back one-half of the time elapsed since the last testing and calibration performed. During any period when any item of equipment installed at the Delivery Point(s) by Transporter is inoperable or known to be in error, the measurements provided by the corresponding item of equipment installed by Shipper, if any, shall be used if determined to be accurate. If neither item of equipment is operable or accurate, or available in the case of Shipper's equipment, the specification to be measured shall be determined by the parties hereto on the basis of the best data available using the first of the following methods which is

feasible:

by

3.3.1. By correcting the error if the percentage of error is ascertainable calibration, test, or mathematical calculations; or

similar

3.3.2. By comparing deliveries made during the preceding period under delivery conditions when the equipment was registering accurately.

Sulfide

3.4. Measurement of Heating Value, Carbon Dioxide, Oxygen, Nitrogen and Hydrogen

Transporter's Gas chromatograph installed at the Receipt Point or other suitable as determined by Transporter, upstream Gas chromatograph shall be used to measure the heating value, carbon dioxide, oxygen and nitrogen levels in the Gas stream.

3.5. Determination of Total Delivered MMBtu

The total number of MMBtus delivered shall be determined by Section 3.1. If the total MMBtu results obtained by use of Transporter's equipment differ by two percent or more from the results obtained by use of Shipper's check metering equipment, then Transporter and Shipper shall each be required to calibrate its measurement equipment. If such calibrations indicate that Transporter's measurement equipment is not within the tolerance levels set forth in Section 3.3 and that Shipper's measurement equipment is within the tolerance levels set forth in Section 3.3., then Shipper's measurement equipment shall be used. If such calibrations indicate that neither parties' measurement equipment is within the tolerance levels set forth in Section 3.3, then the provisions of Section 3.4 shall be followed to resolve any measurement inaccuracies.

GENERAL TERMS AND CONDITIONS  
(Continued)

3.6. Prior Period Adjustments

Pursuant to NAESB Standards 2.3.7, 2.3.11, 2.3.12, 2.3.13, 2.3.14: The cutoff for the closing of measurement is five (5) business days after the business month.

For treatment of measurement prior period adjustments, treat the adjustment by taking it back to the transportation month. A meter adjustment becomes a prior period adjustment after the fifth (5th) business day following the business month.

For reporting measurement prior period adjustments, report it with the restated line item with new total quantity for the day and the month. Estimate missing or late measurement data and treat actual as a prior period adjustment, with the measuring party to provide the estimate. Measurement data corrections should be processed within six (6) months of the transportation month with a three (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.

4. MEASURING EQUIPMENT

4.1. With respect to Gas received and delivered under a FT or IT Agreement, unless otherwise mutually agreed upon, all measuring facilities shall be installed, if necessary, and owned, maintained and operated by Transporter or Transporter's designee near the Receipt Point and Delivery Point.

4.2. All meters and measuring equipment for the determination of volume, Gross Heating Value and relative density shall be approved pursuant to, and installed and maintained in accordance with, the currently published standards of the American Gas Association, or as mutually agreed upon. Notwithstanding the foregoing, all installation of equipment applying to or affecting deliveries of Gas shall be made in such manner as to permit an accurate determination of the quantity and Gross Heating Value of Gas delivered and ready verification of the accuracy of measurement. Care shall be exercised by all parties in the installation, maintenance and operation of pressure regulating equipment so as to prevent any inaccuracy in the determination of the energy of Gas delivered under the FT or IT Agreement.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 4.3. Calibration and adjustment of each party's meters and related equipment shall be performed solely by the party. Each party, however, shall provide the other with seven (7) days prior written notice of all calibration and adjustment, and representatives of the other party may be present for such events.
- 4.4. Either Transporter or Shipper 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 other's measuring equipment. Any pressure or volume control regulators installed by one party shall be operated so as not to interfere with the other party's measuring equipment.
- 4.5. The measuring equipment so installed by either party, together with any building erected by it for such equipment, shall remain the property of the party that  
per-  
repairing,  
formed the installation. However, either party shall have the right to have representatives present at the time of any installing, cleaning, changing,  
inspecting, testing, calibrating or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of the delivery of Gas. 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 there from, for inspection and verification, subject to return within 30 days after receipt thereof.
- 4.6. Transporter and Shipper shall preserve for a period of at least five (5) years  
all  
the  
test data and other similar records or such longer period as may be required by Commission.
5. PRESSURES AT RECEIPT AND DELIVERY POINTS
- 5.1. Unless otherwise agreed between Transporter and Shipper, 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 Point. Unless otherwise agreed between Transporter and Shipper, Transporter shall deliver Gas to Shipper at Transporter's line pressure existing at the Delivery Point, subject to  
Transporter  
protecting its operational integrity and pressure requirements, if any, specified in the FT and IT Agreements.
- 5.2. Atmospheric Pressure - For purposes of measurement, calculations, and meter calibration, the average absolute atmospheric (barometric) pressure shall be 14.4 psia. In the event electronic computer measurement is used, the absolute Gas pressure will be measured directly, using an absolute pressure measuring device for continuous input to the electronic computer.

GENERAL TERMS AND CONDITIONS  
(Continued)

6. PROCEDURES FOR REQUESTING SERVICE

- 6.1. Subject to any conditions set forth in the applicable Rate Schedules, this shall govern qualifications for receipt of service under Rate Schedules FT and IT.
- 6.2. Shipper information: All Shippers requesting service from Transporter must provide the following information in writing to Transporter.
- 6.2.1. Shipper's legal name in full and DUNS number.
  - 6.2.2. Shipper's mailing address for notices and billing.
  - 6.2.3. Shipper's street address if different from above.
  - 6.2.4. The name(s), telephone number(s) and fax number(s) of Shipper responsible for nominations and/or dispatching.
  - 6.2.5. The name(s), telephone number(s) and fax number(s) of Shipper responsible for payment of invoices.
  - 6.2.6. The name(s), telephone number(s) and fax number(s) of Shipper responsible for other matters.
  - 6.2.7. Whether the Shipper is affiliated with Transporter.
  - 6.2.8. Type of service requested.
  - 6.2.9. Requested MDQ, stated in MMBtu per day.
  - 6.2.10. Estimated total quantities of Gas to be received and transported over delivery period.
  - 6.2.11. Requested date of commencement of service.
  - 6.2.12. Requested term of service.



GENERAL TERMS AND CONDITIONS  
(Continued)

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6.2.13. Requested Receipt Point(s) and Delivery Point(s), together with the of the entity delivering Gas to Transporter and the name of the receive Gas from Transporter.

6.2.14. If applicable, a copy of an executed agreement between Shipper and a party authorizing Shipper to act on behalf of the third party to the service requested. If Shipper requests service on behalf of a party, Shipper shall provide the name, address, telephone number and mary business of the third party.

a) No Requests for service will be processed until Shipper vided to Transporter a completed Service Request Form, information regarding any specific affiliation with All completed Service Request Forms must be sent by U. S. Service, by express mail, by courier, or by facsimile,

T. W. Phillips Pipeline Corp.  
502 Keystone Drive, Suite 400  
Warrendale, PA 15086  
Attn: Robert M. Hovanec, Executive Vice  
  
Phone: (800) 522-8416  
Facsimile: (724) 287-5021

President

6.3. If Transporter determines that it has available capacity which will support additional firm services, then Transporter will post availability of such capacity and make such capacity available for firm service(s). Transporter may conduct an Open Season for such capacity. An Open Season shall be the period of time during which Transporter will receive bids for the available capacity and such period of time shall be posted. The posting of an Open Season shall not preclude Transporter from negotiating with any potential shippers regarding the available capacity.

6.4. If requests for firm service exceed available capacity, then capacity will be allocated based (1) on highest bid, or (2) pro rata among equal bids. The highest bid will be determined based on the highest economic value of the bids, using a net present value ("NPV") determination. The NPV determination will be based on the volume, rate, and term specified in the bids. Transporter may also consider any operational conditions or limitations affecting the bids or the availability of the capacity.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 6.5. Shipper must certify that all necessary upstream and downstream arrangements will be in place on the date the service is to commence and that the Shipper will have title or the right to acquire title to the Gas to be delivered to Transporter;
- 6.6. Shipper shall identify the location of any facilities to be constructed or installed by any party affected by the proposed service.
- 6.7. Shipper's request shall include a statement that it is willing to abide by the terms of the applicable Rate Schedule, including the GT&C.
- 6.8. If requesting any firm service, Shipper shall make a prepayment by wire transfer in an amount equal to the lesser of the Shipper's applicable rates multiplied by Shipper's MDQ for two (2) months service or \$10,000. The prepayment, plus the accrued interest from the date payment is received until the date service commences, shall be applied to the first month's invoice, and to the invoices of subsequent month(s), as necessary, until the amount is fully credited. The accrued interest herein shall be computed in a manner consistent with Section 154.501(d) of the Commission's Regulations.
- 6.8.1. If the requested service is not available, Transporter shall refund the entire amount of the prepayment within thirty (30) days of notification by Transporter that service cannot be provided.
- 6.9. Shipper shall meet creditworthiness provisions set forth in Section 7 of the GT&C.
- 6.10. Reservation of capacity for new services or expansion projects.
- 6.10.1. Reservation of Capacity for New Service - Unless allowed by Transporter on a not unduly discriminatory basis, a request for service shall be made no earlier than one hundred and eighty (180) days prior to the proposed commencement date of service. Transporter may reserve capacity for such new service if Transporter determines that such reservation is economic-ally justified. Transporter shall, on a limited-term basis up to the in-service date of the new service request, make generally available any additional capacity reserved under this Section. The construction of any the facilities required for a new service is addressed in Section 20 of the GT&C.

GENERAL TERMS AND CONDITIONS  
(Continued)

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6.10.2. Reservation of Capacity for Expansion Projects - Transporter may for a future expansion project any currently available unsubscribed city or capacity to become available at some future date, provided capacity is not subject to a Right of First Refusal ("ROFR"). Transporter may reserve capacity only for a future expansion project for open season has been held or will be held within one (1) year of the Transporter posts such capacity as being reserved. Capacity may be ved for up to one (1) year prior to Transporter filing for approval for the expansion project, and thereafter until such is placed into service. Transporter shall, on a limited-term basis the in-service date of the expansion project, make generally any capacity reserved under this section.

7. CREDITWORTHINESS

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7.1. General - Transporter shall not be required to (a) execute a FT or IT Agreement providing for service under the applicable Rate Schedule for any Shipper who to meet Transporter's standards for creditworthiness, or (b) initiate service for a Shipper who fails to meet Transporter's standards for creditworthiness, or (c) continue service for any Shipper who is or has become non-creditworthy or who, at Transporter's request, fails within a reasonable period to demonstrate creditworthiness pursuant to Transporter's standards. If Shipper is found to be non-creditworthy, Transporter will, upon request, inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

7.2. Credit Appraisal Information - Transporter shall perform a credit appraisal, if applicable, by utilizing any or all of the following information which Shipper shall furnish to Transporter:

7.2.1. A copy of Shipper's most recent audited financial statements;

7.2.2. A copy of Shipper's most recent twelve (12) month audited financial state-  
ments or Annual Report and, if applicable, SEC 10-K form;

7.2.3. A list of Shipper's affiliates, including parent and subsidiaries, if applicable;

GENERAL TERMS AND CONDITIONS  
(Continued)

- reference  
reason-  
available;  
the
- 7.2.4. A bank reference and two trade references. The results of the checks must show that Shipper's obligations are being paid on a ably prompt basis;
- 7.2.5. Any credit reports from credit reporting agencies, which are and/or,
- 7.2.6. Such other information or guarantees as may be mutually agreed to by parties.
- 7.3. Credit Evaluation - For purposes herein, a shipper shall be deemed creditworthy if:
- Poor's,  
based
- 7.3.1. Shipper's senior unsecured debt is rated at least BBB by Standard & Baa2 by Moody's, or an equivalent rating as determined by Transporter on financial information; or
- 7.3.2. The Shipper prepays for service, or provides an irrevocable letter of credit to secure payment of an amount equal to:
- reservation  
service
- does not  
Schedule  
to the
- 7.3.2(a)  
and shall  
Shipper  
stan-
- a) For Shippers under Rate Schedule FT - the sum of the charge times, Shipper's MDQ applicable to the proposed for three (3) month period; or
- b) For Shippers taking service under a Negotiated Rate that include a reservation charge, or for Shippers under Rate IT - an amount equal to the commodity charges applicable proposed service for a three (3) month period; and
- c) Shipper shall provide the security specified in Sections and 7.3.2(b), as applicable, for the period there stated continue to provide security for as long thereafter as fails to otherwise satisfy Transporter's creditworthiness dards; or

GENERAL TERMS AND CONDITIONS  
(Continued)

- satisfac-  
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- 7.3.3. Shipper provides a guarantee of financial performance in a form  
tory to Transporter and for the term of the Transportation Agreement  
a corporate affiliate of the Shipper or a third party, either of  
meets the creditworthiness standards set forth in this section; or
- creditworthiness,  
Transporter  
discriminatory.
- 7.3.4. Shipper provides some other security or assurance of  
which in Transporter's judgment is adequate for the service.  
shall apply this provision in a manner that is not unduly
- 7.4. Other Creditworthiness Requirements - Shipper must also meet the following  
criteria in order to be deemed creditworthy for purposes of this section:
- laws  
under  
or  
made  
of  
bills  
court's
- 7.4.1. Shipper must not be operating under any chapter of the bankruptcy  
and must not be subject to liquidation or debt reduction procedures  
state laws, such as an assignment for the benefit of the creditors,  
any informal creditors' committee assignment. An exception can be  
for a Shipper who is debtor in possession operating under Chapter XI  
the Federal Bankruptcy Act but only with adequate assurances that the  
will be paid promptly as a cost of administration under the federal  
jurisdiction;
- proceed-  
deteriora-  
insolv-
- 7.4.2. Shipper must not be subject to pending liquidation or regulatory  
ings in state or federal courts that could cause a substantial  
tion in its financial condition or that could cause a condition of  
ency or adversely affect its ability to exist as an on-going business  
entity; and
- judg-
- 7.4.3. Shipper must have no significant outstanding collection lawsuits or  
ments that would jeopardize Shipper's ability to remain solvent.
- 7.5. Maintenance of Creditworthiness/Suspension of Service - If Shipper's credit  
standing ceases to meet Transporter's credit requirements during the period of  
service, then Transporter has the right to require security as specified herein.

GENERAL TERMS AND CONDITIONS  
(Continued)

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7.5.1. If Transporter concludes that a Shipper is non-creditworthy, shall provide written notice to Shipper within ten (10) days after determination is made. If requested by Shipper, Transporter shall a written explanation of the reasons for this determination. A may challenge Transporter's determination by providing a written to Transporter's explanation within ten (10) days after the is provided by Transporter. Transporter shall respond to such in writing within ten (10) days. Upon notification by Transporter Shipper no longer meets Transporter's creditworthiness standards, must, within ten (10) business days, pay for one (1) month of service advance to continue service. Any re-evaluation of credit by in response to such a rebuttal by the Shipper shall be based on the criteria set out in this section and shall be performed as provided this section.

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7.5.2. If the Shipper has not satisfied the requirements in this section by end of the specific prior notice period, Transporter may immediately pend service to Shipper.

Transporter  
Shipper,

7.5.3 If Shipper has not satisfied the requirements of this section, may terminate service after 30 days notice to the Commission and consistent with section 154.602 of the Commission's regulations.

7.6. Shipper may continue to receive transportation service by providing one of the following within thirty (30) days of Transporter's notification that Shipper no longer meets Transporters creditworthiness standards:

in a  
from  
which

7.6.1. Guarantee - Shipper may provide a guarantee of financial performance form satisfactory to Transporter and for the term of the FT Agreement a corporate affiliate of the Shipper or a third party, either of meets the creditworthiness standards set forth in this section;

GENERAL TERMS AND CONDITIONS  
(Continued)

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- 7.6.2. Cash Security Deposit - Shipper may provide a cash security deposit service via cleared check or wire transfer. The deposit must be sufficient to cover the applicable reservation and commodity charges for (3) months of service and shall be maintained until Shipper meets transporter's creditworthiness standards. Transporter will accrue cash security deposits based on interest rates established by the commission;
- accept-
- 7.6.3. Letter of Credit - Shipper may post a Letter of Credit in a form acceptable to Transporter; or
- and
- 7.6.4. Other Security - Shipper may provide such other security as Shipper and Transporter may mutually agree upon.
- reasonably
- 7.7. Any suspension of service hereunder shall continue until Transporter is satisfied that Shipper is creditworthy under this section or until Shipper has provided adequate assurance of future performance under this section.
- 7.8. If Transporter determines that Shipper becomes creditworthy without security, any security requirements under this section shall be terminated and any prepayment amounts (including any applicable interest) released to Shipper from escrow within five (5) business days after such determination.
- capacity
- 7.9. Security Requirements for Expansion Capacity After Operational Commencement of Transporter's Initial Facilities - The security requirement for expansion available after operational commencement of Transporter's Initial Facilities may be identified in an open season, in Transporter's postings, or in agreements with Shippers. The amount of security required for such expansion capacity or on lateral facilities will be determined by Transporter and may be up to the cost of the facilities to be constructed. Where new facilities serve multiple shippers, an individual Shipper's maximum security obligation will be no more than its proportionate share of the total cost of the new facilities.

GENERAL TERMS AND CONDITIONS  
(Continued)

8. NOMINATIONS

8.1. General

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8.1.1. Transporter provides personnel available to handle nominations seven days a week, twenty-four (24) hours a day. Whenever Shipper desires service, Shipper shall furnish to Transporter a separate nomination each nominated point under each FT or IT Agreement with a beginning end date for flow which can be for any duration within the term of applicable FT or IT Agreement; provided, however, any such nomination shall not be binding to the extent Shipper submits subsequent nomination(s). All nominations should be considered original nominations should be replaced to be changed. When a nomination for a date range received, each day within that range is considered an original nomination. When a subsequent nomination is received for one or more days within range, the previous nominations is superseded by the subsequent nomination only to the extent of the days specified. The days of the nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only.

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8.1.2. For non-Intra-day Nominations, a rollover option is available such that a Shipper shall have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of the Shipper's contract. All nominations should be based on a daily quantity and all volumes shall be expressed in MMBtu per day and shall be stated for each point.

volumes  
Shipper

8.2. If an upstream or downstream party requires additional information, if the transported are subject to a discounted rate, of if additional information is otherwise required by Transporter, then, upon notification by Transporter, must include in each nomination such additional information as is specified by Transporter. Nominations must be submitted to Transporter through Transporter's Website, or such other means as are mutually agreed upon by Transporter and Shipper. The sending party should adhere to nomination, confirmation and scheduling deadlines. The receiving party may waive any submittal deadline in this section.

8.3. The standard quantity for nominations, confirmation and scheduling is MMBtu's per day. The standard Btu is the International Btu. The International Btu is specified for use in the Gas measurement standards of the American Gas Association, the American Petroleum Institute, the Gas Processors Association and the American Society for Testing Materials.



GENERAL TERMS AND CONDITIONS  
(Continued)

- 8.4. For service required on any day under each of Shipper's FT or IT Agreements, Shipper shall provide Transporter with a nomination(s) providing the Shipper's requested Receipt Point(s), contract numbers, the applicable service, the quantity of Gas to be delivered, the requested Delivery Point(s), and such additional information as Transporter determines to be necessary.
- 8.5. General Rules and Timeline - Pursuant to NAESB Standards 1.3.2, 1.3.3, 1.3.5, 1.3.6, 1.3.20, 1.3.21; the standard nominations timeline shall be as follows:
- 8.5.1. 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 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 Time on the day prior to flow).
- 8.5.2. 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 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 Transporter to provide scheduled quantities to affected Shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (Central Time on the day prior to flow). Scheduled quantities resulting from an Evening Nomination that does not cause another Service Requester on Transporter 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 Transporter to receive notice that it is being bumped, the scheduled quantities should be effective at 9:00 a.m. on Gas day.
- 8.5.3. The Intraday 1 Nomination Cycle - 10:00 a.m. for nominations leaving control of the nominating party; 10:15 a.m. for receipt of nominations by 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 Transporter to provide scheduled quantities to affected Shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (Central Time on the Gas day). Scheduled quantities resulting from Intraday 1 Nominations should be effective at 5:00 p.m. on Gas day.

GENERAL TERMS AND CONDITIONS  
(Continued)

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8.5.4. The Intraday 2 Nomination Cycle - 5:00 p.m. for nominations leaving of the nominating party; 5:15 p.m. for receipt of nominations by 5:30 p.m. to send Quick Response: 8:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected 9:00 p.m. for Transporter to provide scheduled quantities to affected Shippers and point operators (Central Time on the Gas day). quantities resulting from Intraday 2 Nominations should be effective 9:00 p.m. on Gas day. Bumping is not allowed during the Intraday 2 Nominations Cycle.

8.5.5. In addition to making scheduled quantities information available by 4:30 p.m., at the end of each day Transporter shall make available to Shippers information containing scheduled quantities, including scheduled Intraday Nominations and any other scheduling changes. All nominations shall include Shipper defined begin dates and end dates. All nominations excluding Intraday Nominations shall have rollover options. Shipper shall have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the terms of Shipper's contract. Nominations received after the nomination deadline shall be scheduled after nominations received before the nomination deadline. The receiver of nomination initiates confirmation with the caveat that the receiver of the confirmation may relieve the obligation of confirmation, right to confirmation, and scheduling deadlines. The party receiving the request has the right to waive the deadline.

8.5.6 Pursuant to NAESB Standard 1.3.2(v), for purposes of Standards 1.3.2 ii, iii, and iv, "provide" shall mean, for transmittals pursuant to 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

8.6. Any change in a daily scheduled quantity implemented during the day shall only be recognized pro rata to the fraction of the day remaining at the time the change is implemented. Changed daily scheduled quantity shall not exceed an amount equal to Shipper's Contracted Capacity multiplied by the fraction of the day remaining at the time the changes are implemented, nor less than zero at any point in time. Transporter shall be under no obligation to accept such revisions for Shipper nominations made under Transporter's Interruptible Transportation Service.

GENERAL TERMS AND CONDITIONS  
(Continued)

8.7. Pursuant to NAESB Standards 1.3.9, 1.3.11, 1.3.13; all nominations, including Intraday Nominations, shall be based on a daily quantity; thus, an intraday nominator need not submit an hourly nomination. Intraday Nominations shall include an effective date and time. The interconnected parties shall agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in the FT or IT Agreement or Tariff. Intraday Nominations can be used to request increases or decreases in total flow, changes to receipt points, or changes to delivery points of scheduled Gas. Intraday Nominations do not rollover (i.e., Intraday Nominations span one day only). Intraday Nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if an Intraday Nomination modifies an existing nomination.

8.8. Delegation of Nomination Authority to Agent - A Shipper may delegate to any third party the responsibility for submitting nominations and receiving confirmations or performing other administrative duties under any effective FT or IT Agreement, subject to the following conditions:

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- 8.8.1. Any designation of a third party as agent, or any change in such  
tion, must be provided in writing to Transporter at least two (2)  
days prior to the requested effective date of the designation.
- 8.8.2. The written designation must specify any limits on the authority of  
agent, including any time limit for the designation. Transporter may  
reject any Shipper's request to delegate responsibilities if the  
tions on the designation would impose undue administrative burdens on  
Transporter.
- 8.8.3. Transporter will rely on communications from a Shipper's agent for  
nomination purposes, except to the extent the designation is  
limited. Communications by Transporter to such agent will be deemed  
notice to Shipper.
- 8.8.4. Any third party may administer multiple transportation agreements as  
agent for one or more Shippers, but the agent must make nominations  
otherwise administer and account separately for each transportation  
agreement.

GENERAL TERMS AND CONDITIONS  
(Continued)

9. SCHEDULING PRIORITY

- 9.1. If Transporter is unable on any day to satisfy all nominations for service, then Transporter will schedule service in the following order of priority from first scheduled to last scheduled:
- and  
nominations  
this  
MDQ.
- 9.1.1. First, nominations within Shipper's MDQ from Primary Receipt Points Primary Delivery Points under Rate Schedule FT; if all such cannot be satisfied, Transporter shall schedule nominations within priority level pro rata based on nominated quantities with Shipper's
- Points or  
nominations  
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- 9.1.2. Second, nominations within Shipper's MDQ from Secondary Receipt Secondary Delivery Points under Rate Schedule FT; if all such cannot be satisfied, Transporter shall schedule nominations within priority level pro rata based on nominated quantities within MDQ.
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- 9.1.3. Third, AOS under Rate Schedule FT and nominations under Rate Schedule if all such nominations cannot be satisfied, Transporter shall nominations within this priority level by price from highest to provided that scheduling will be pro rata based on nominated among Shippers paying the same rate; and provided further that, for poses of scheduling nominations under this section, Negotiated Rates exceed the maximum Recourse Rate will be treated as though equal to maximum Recourse Rate.
- 9.1.4. Fourth, any other nominations for services under this Tariff.
- 9.2. Transporter shall use service requester provided rankings when making reductions during the scheduling and curtailment process when this does not conflict with tariff-based rules. Pursuant to NAESB Standard 2.3.26, the time limitation for disputes of allocations shall be six (6) months from the date of the initial month-end allocation with a three (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.

GENERAL TERMS AND CONDITIONS  
(Continued)

10. CURTAILMENT PRIORITY

10.1. Transporter shall have the right to curtail or discontinue services, in whole or in part, on all or a portion of its System at any time for reasons of Force Majeure or when capacity or operating conditions so require. Transporter shall provide Shipper notice of such curtailment as is reasonable under the circumstances.

10.2. If for any reason Transporter is unable on any day to deliver all of the quantities of Gas scheduled, service shall be curtailed in the following order of priority from first curtailed to last curtailed:

10.2.1. First, scheduled quantities other than those under 10.2.2 and 10.2.3.

10.2.2. Second, AOS under Rate Schedule FT and service under Rate Schedule IT curtailed by price from lowest to highest; provided that curtailment be pro rata based on scheduled quantities among Shippers paying the rate; and provided further that for purposes, of curtailment under section, Negotiated Rates that exceed the maximum Recourse Rate will be treated as though equal to the maximum Recourse Rate.

10.2.3. Third, service within Shipper's MDQ from Primary and Secondary Points or Primary and Secondary Delivery Points under Rate Schedules curtailed pro rata based on scheduled quantities.

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11. OPERATIONAL FLOW ORDERS

11.1. Circumstances Warranting Issuance - Transporter shall have the right to issue Operational Flow Orders ("OFO") as specified in this section that require actions by Shippers in order (1) to alleviate conditions that threaten or could threaten the safe operations or integrity of Transporter's system, (2) to maintain pipeline operations at the pressures required to provide efficient and reliable firm transportation services, and (3) to maintain the system in balance for the foregoing purposes.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 11.2. Applicability of OFO - To the extent practicable, based on Transporter's good faith judgment concerning the situations requiring remediation, an OFO will be directed (1) first to Shippers causing the problem necessary in which there is an operational problem, and (2) second to those Shippers transporting Gas in the area of the system where action is required to correct the problem necessitating the OFO. Transporter will notify affected Shippers of termination of an OFO promptly after concluding that the OFO can safely be removed.
- 11.3. Notice of an OFO will be issued via telephone and followed by a facsimile. OFOs will also be posted on Transporter's Website. Transporter shall also post, as soon as available, information about operational parameters, which affect when an OFO will begin and end (e.g., significant changes in pressure on any pipeline segment, status of facility repairs, etc.). Transporter shall provide as much advance warning as practicable of: (i) conditions which may create the need to issue an OFO; and (ii) the issuance, termination or modification of an OFO. Transporter will endeavor to post the notice that it will issue an OFO on its Website before 4:00 p.m. Eastern Time or otherwise will endeavor to notify Shippers via its Website by 4:00 p.m. Eastern Time that they should check Transporter's Website again at a specified later time to see whether an OFO will be in effect for the next day. Additionally, if Shipper has provided to Transporter the e-mail address as specified in NAESB Standard 5.3.35, such posting will be provided via e-mail in the format as defined in NAESB Standard 5.3.38 at least four (4) hours prior to the start of the day before an OFO will be effective as to a Shipper; provided, however, that Transporter may issue an OFO on as little as one (1) hour notice where operationally necessary. Such notice shall specify the anticipated duration of the OFO. An OFO will be effective at the start of a day and will continue until the end of the day and through the end of the successive days until Transporter notifies Shippers on its Website that the OFO has been lifted.
- 11.4. Shipper Compliance - A Shipper must comply with an OFO within the time period set forth therein unless the shipper is able to demonstrate that such compliance is prevented due to a Force Majeure event as defined in Section 27 of the GT&C, provided however, that the Shipper shall make a good faith effort to comply with any such OFO.
- 11.5. Waiving of Penalty/Charges - A shipper shall not incur any charges or penalties if such charges or penalties resulted from Shipper's compliance with an OFO, including any preliminary action taken by Shipper in response to an OFO watch issued by Transporter as a precondition to an OFO.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 11.6. Failure to Respond to OFO
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- 11.6.1. Unilateral Action - In the event that Shipper does not respond to an or the actions taken thereunder are insufficient to correct the problem for which the OFO was issued, or there is insufficient time carry out the procedures with respect to OFO's, Transporter may take unilateral action, including the curtailment of firm service, to the circumstances warranting the issuance of the OFO pursuant to this Section 11.1.
- 11.6.2. OFO Penalty - If a Shipper fails to comply with an OFO it will be to an OFO Penalty for each MMBtu of Gas by which it deviated from the requirements of the OFO. The daily OFO Penalty shall be computed on a price per MMBtu equal to three times the midpoint of the range prices reported for Columbia Gas Transmission Corporation - published in Gas Daily for the day(s) on which the OFO is issued.
- 11.6.3. Amounts collected by Transporter as payment of OFO penalties, net of sulting costs, shall be credited to firm shippers who complied with OFO.
- 11.7. Liability of Transporter - Transporter shall not be liable for any costs incurred by any Shipper in complying with an OFO. Transporter shall not be responsible any damages resulting from a Shipper's failure to comply promptly and fully with an OFO, and the non-complying Shipper shall indemnify Transporter against any claims of responsibility. However, Transporter shall use reasonable efforts to minimize any such costs or damages.

12. UNIFORM QUANTITIES

Shipper shall deliver and receive Gas in uniform daily quantities during any month, and in uniform hourly quantities during any day; provided however, Transporter may allow hourly receipts and deliveries at other than uniform quantities, if Transporter determines that, it can do so without impairment of its other service obligations.

GENERAL TERMS AND CONDITIONS  
(Continued)

13. IMBALANCES AND OVERRUNS

13.1. Responsibility for Balancing - Shippers are obligated to deliver and receive Gas in conformance with their confirmed nominations. Transporter will enter into an Operational Balancing Agreement ("OBA") at all points of interconnection between its system and the system of another interstate or intrastate pipeline. If an OBA is not in place or the imbalance is beyond the terms of the OBA, Shippers are responsible for conforming their takes at Delivery Points with their deliveries to Transporter at Receipt Points each day. Transporter has no obligation to deliver for the account of a Shipper more volumes of Gas than Transporter has received for the account of the Shipper or to accept for the account of the Shipper more volumes of Gas than are being delivered for the account of the Shipper on any day.

13.2. Monthly Imbalances - Where Shipper has created a monthly imbalance on Transporter's pipeline that has not been eliminated through netting and trading, Shipper shall pay Transporter a Monthly Imbalance Charge in the following amounts:

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this  
deliveries

13.2.1. Normal Operating Conditions - For monthly imbalances accumulated normal operating conditions, Shipper's Monthly Imbalance Charge shall equal zero for monthly imbalances between zero and 5 percent, and per MMBtu for imbalances in excess of 5 percent. For purposes of section, Shipper's actual cumulative receipts during normal operating conditions shall be stated as a percent of actual cumulative during normal operating conditions during the billing month.

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13.2.2. OFO Operating Conditions - For monthly imbalances accumulated during periods when an OFO pursuant to Section 11 is in effect, Shipper's Monthly Imbalance Charge on monthly imbalances shall be as set forth in the applicable bracket:

| Monthly Imbalance | Imbalance Charge per MMBtu       |
|-------------------|----------------------------------|
| >5% - 7%          | \$25 plus the Daily Index Price  |
| >7% - 15%         | \$50 plus the Daily Index Price  |
| >15%              | \$100 plus the Daily Index Price |



GENERAL TERMS AND CONDITIONS  
(Continued)

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For purposes of this section, Shipper's monthly imbalance shall equal differences between Shipper's actual cumulative receipts during OFO operating conditions and Shipper's actual cumulative deliveries OFO operating conditions stated as a percent of Shipper's actual tive deliveries during OFO operating condition during the billing

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For purposes of this section, the Daily Index Price shall equal the in the range of prices reported each day for Columbia Gas Corporation - Appalachia published by Gas Daily. If Gas Daily is no longer published, an equivalent index or indicator shall be published Transporter's Website and this definition will be revised.

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13.2.3 Whenever Shipper's actual cumulative receipts during Billing Month less than actual cumulative deliveries, Transporter will recover the of the volumes owed to Transporter by assessing Shipper the costs associated with the excess gas taken during the Billing Month. Such costs will be based on the highest daily price reported for Gas Transmission Corporation - Appalachia as published by Gas Daily during the billing month that the imbalance occurred multiplied by per's imbalance volumes.

13.3. Contract Termination - Shipper shall coordinate with Transporter to reduce to zero, within 60 days of contract termination, Shipper's Net Imbalance.

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termination.

13.3.1. For purposes of this section, Shipper's Net Imbalance shall equal the sum of Shipper's monthly imbalances remaining at contract

13.4. Imbalance Netting and Trading - Transporter will net Shipper's imbalances on a monthly basis across all of Shipper's FT or IT Agreements. Shipper may trade any imbalances incurred under this section with other shippers on Transporter's system, provided the imbalances to be traded are off-setting. Whenever requested and whenever possible, Transporter will post requests to trade imbalances on Transporter's Website. Trades may be completed by notifying Transporter between 8:00 a.m. and 5:00 p.m. Eastern Time on any business day. Trades will be deemed completed upon notification to Transporter.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 13.5. Unauthorized Overrun Charge - If Shipper exceeds its MDQ without approval of the Transporter, Shipper shall pay a rate equal to twice the AOS rate set forth on the Statement of Rates and Charges for each MMBtu of Gas taken in excess of Shipper's MDQ.
- 13.6. Waiver - Transporter may waive its right to collect all or any portion of the charges assessed Shipper under this section, provided that such waiver is granted in a nondiscriminatory manner.

14. CREDITING AND PENALTY REVENUES

14.1. Amounts OFO and Imbalance Penalties

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penalties

14.1.1. Amounts collected by Transporter as payment of OFO and Imbalance penalties, pursuant to Sections 11 and 13 of the GT&C, net of any costs shall be credited to Eligible Shippers in the month such are invoiced.

as

14.1.2. For a given month, Eligible Shippers with regard to OFOs are defined Shippers who complied with Transporter's OFO.

Ship-

14.1.3. For a given month, Eligible Shippers with regard to Imbalances are pers who did not incur an Imbalance penalty.

15. NEGOTIATED RATES

- 15.1. Transporter and Shipper may agree to a rate under any Rate Schedule which may deviate in either form or level or both from the applicable maximum Recourse Rates set forth in the Statement of Rates and Charges in this Tariff. If Transporter and Shipper do not agree to a Negotiated Rate, the applicable Recourse Rates for that service will be available.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 15.2. Filing Requirement - No later than the business day on which Transporter commences service at a Negotiated Rate (or if the day on which Transporter commences service is not a business day, then no later than the next business day thereafter), Transporter will file either the FT or IT Agreement or a tariff sheet stating the exact legal name of the Shipper, the Negotiated Rate, the Rate Schedule, the receipt and delivery points, the contract quantity, and , where applicable, the exact formula underlying a Negotiated Rate for any FT or IT
- Agree-
- ment. To the extent any transportation agreement deviates in any material respect from the Form of Service Agreement in the tariff for the applicable Rate Schedule, such agreement will be filed with the Commission.
- 15.3. Precondition - Transporter and Shipper have executed an FT or IT Agreement for a Negotiated Rate. At the time of execution, service was available for Shipper under one or more of the Rate Schedules generally applicable to all Shippers at a Recourse Rate.
- 15.4. Allocation of Capacity - For purposes of allocating subsequent capacity, whether by Transporter or pursuant to the capacity release provisions of Section 22 of the GT&C, a Negotiated Rate Shipper paying a rate higher than the maximum applicable Recourse Rate will be deemed to be paying a rate equal to such maximum Recourse Rate. The price cap for bidding for capacity under the ROFR provisions in Section 23 of the GT&C is the maximum Recourse Rate.
- 15.5. Capacity Release - The release of capacity under an FT Agreement is capped at the maximum Recourse Rate, except for releases where no such rate cap applies; provided, however, the Negotiated Rate Shipper will continue to be obligated to pay Transporter any difference by which the revenue due under the FT Agreement
- exceeds
- the revenue received from the Replacement Shipper. Transporter and a Negotiated Rate Shipper may agree upon payment obligations and crediting mechanisms, which vary from or are different from those set forth in Transporter's capacity release provisions in Section 22 of the GT&C.

GENERAL TERMS AND CONDITIONS  
(Continued)

15.6. Accounting Treatment - Transporter will establish a new sub-account to record the revenues from any Negotiated Rate transactions and shall maintain supporting information at a level of detail sufficient for Natural Gas Act Section 4 rate change filing purposes. Transporter will maintain records that keep separate and identifiable each volume transported, billing determinant, surcharge, and revenue associated with a Negotiated Rate to permit filings in the form of Statement G, I, and J in future rate proceedings.

16. DISCOUNTED RATES

16.1. Transporter has the right to discount its rate from the maximum rates set forth on the Statement of Rates and Charges, provided such rate is not below the stated minimum rate. In the event that Transporter agrees to discount its rate to Shipper below Transporter's maximum rate under Transporter's Rate Schedules, the applicable discount terms may be reflected on the FT and IT Agreement(s) and will apply without the discount constituting a material deviation from Transporter's applicable pro forma FT or IT Agreement(s).

16.2. Order of Discounting - To the extent Transporter discounts the rates for service, the rates for service will be deemed to have been discounted in the following order: (1) Reservation Charge; and (2) Commodity Charge, but no charges will be discounted below the stated minimum rate.

17. ANNUAL CHARGE ADJUSTMENT

17.1. Purpose - This section is filed pursuant to Section 154.402 and Subpart B of Part 382 of the Commission's Regulations under the Natural Gas Act ("NGA"). The intent and purpose of this section is to establish an Annual Charges Adjustment ("ACA") provision under which Transporter can recover from its customers annual charges assessed to it by the Commission pursuant to Part 382 of the Commission's Regulations. All amounts assessed pursuant to Part 382 of the Commission's Regulations shall be recorded in Account 928.

17.2. Applicability - The ACA surcharge shall be applicable to all transportation trans-actions performed by Transporter.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 17.3. Basis of the ACA Surcharge - The rates for all transactions shall be adjusted by a unit charge to recover ACA-related costs. Such unit charge shall be that increment, adjusted to Transporter's pressure base and Heating Value, if required, which has been established by the Commission. The ACA surcharge shall be applied to the commodity component of rates.
- 17.4. Filing Procedure - The ACA surcharge shall be filed annually by Transporter at least thirty (30) days prior to the effective date of charge, as defined in Section 17.5 below. Any such filing shall become effective on the effective date of charges hereunder without suspension or refund obligation.
- pur- 17.5. The effective date of adjustment for each annual charge rate adjustment filed pursuant to this section shall be October 1 of each year. The ACA surcharge shall become effective on the effective date of adjustment without suspension or refund obligation.
- 17.6. Transporter shall retain all revenues collected under this section. Except as provided by this section, Transporter shall not have the right to seek to recover in any proceeding under Section 4 of the NGA any annual charges recorded in its FERC Account No. 928.
- 17.7. Payment - Transporter shall remit to the Commission, within forty-five (45) days of the issuance of the bill by the Commission, payment of the annual charge assessed Transporter unless Transporter has filed a petition under 18 C.F.R. §382.105. Payment must be made to the United States Treasury.

GENERAL TERMS AND CONDITIONS  
(Continued)

18. FUEL AND GAS LOSS RETENTION PERCENTAGE

18.1 Applicability: Fuel and Gas Loss Quantities shall be furnished in kind by Shipper. The Fuel and Gas Loss Reimbursement Percentage ("FRP") shall apply to Rate Schedule FT and IT. The total FRP will be the sum of two components: a Base FRP and an FRP True-up Adjustment percentage. The FRP will be shown on the Statement of Rates and Charges of this Tariff. The Base FRP will be determined pursuant to Section 18.3. The FRP True-up Adjustment will be determined pursuant to Section 18.4. The Fuel and Gas Loss Percentage shall be expressed as a percentage of receipt quantities which Shipper must provide Transporter in addition to quantities Transporter will deliver to Shipper.

18.2 Annual FRP Filing: Transporter will make an annual limited Natural Gas Act section 4 filing setting forth proposed changes to the Base FRP and the FRP True-up Adjustment. Revisions to the Base FRP and the FRP True-up Adjustment. Revisions to the Base FRP and FRP True-up Adjustment will be filed no later than March 1 of each year and will become effective on April 1 of that year.

18.3 Determination of the Base FRP: The Base FRP will be calculated by dividing the Fuel and Gas Loss Quantities retained for the 12-month period covering the preceding January through December by the total transportation volumes projected to be scheduled for the 12-month period the FRP will be in effect. Transporter will round the resulting percentage to the nearest 0.01 percent.

Adjust-  
volumes

18.4 Determination of the FRP True-up Adjustment: To determine the FRP True-up  
ment, Transporter will first calculate the FRP "True-up Quantity." The True-up  
quantity shall equal the difference between the Fuel and Gas Loss quantities  
received from Shipper(s) during the 12-month period covering the preceding  
January through December and the actual Fuel and Gas Loss quantities experienced  
on Transporter's system during the same period. The FRP True-up Adjustment will  
be calculated by dividing the True-up Quantity by the total transportation  
projected to be scheduled for the same twelve-month period the FRP will be in  
effect. Transporter will round the resulting percentage to the nearest 0.01%.

GENERAL TERMS AND CONDITIONS  
(Continued)

18.5 Interim Adjustment to FRP: If Transporter determines that actual Fuel and Gas Loss quantities diverge significantly from the quantities retained through the FRP mechanism, Transporter may make an interim limited Natural Gas Act section 4 filing to revise the FRP.

19. BILLING AND PAYMENT

19.1. Transporter shall render invoices on or before the tenth (10th) day of each month for all Gas delivered in the preceding monthly billing period. Invoices may be rendered to Shipper by mail, electronically or facsimile. When information

neces-

sary for billing purposes is in the control of Shipper, such information shall be delivered to Transporter by Shipper on or before the fifth (5th) day of the month following the month in which service was provided.

19.2. Shipper shall pay to Transporter at its designated office on or before the fifteenth (15th) day of each month for the Gas delivered by Transporter during the preceding month and invoices by Transporter.

19.3. Should Shipper fail to pay the entire 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 of 365, and by (c) the interest rate determined 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, Transporter may suspend service; and, if Transporter has provided Shipper and the Commission with at least thirty (30) days notice that service will terminate due to the non-payment, Transporter, in addition to any other remedy it may have under the service contract, may after application to and authorization by the Commission, if that authorization is necessary, terminate the service contract; 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 indentifying the basis of the dispute, and at any time within thirty (30) days after a demand is made by Transporter shall furnish good and sufficient surety bond or such other mutually agreeable security, 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 FT or IT Agreement until default be made in the conditions of such bond.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 19.4. Payments received shall be applied first to accrued interest, then to the previously outstanding principal due, lastly, to the most current principal due.
- 19.5. If Shipper disputes the amount of any invoice for any reason, Shipper shall notify Transporter of the dispute within ten (10) business days after receipt of the invoice. If Shipper fails to notify Transporter of the dispute within ten (10) business days, the disputed invoice shall be paid in full according to the term of the FT or IT Agreement, but the payment shall be subject to the interest rate determined in accordance with Section 154.501(d) of the Commission's regulations. Any refund due to Shipper under this section shall be due and payable fifteen (15) days after the final resolution of the dispute.
- 19.6. If an invoice is in dispute, Shipper shall pay the portion not in dispute and provide documentation identifying the basis for the dispute. If Shipper in good faith:
- 19.6.1. Disputes the amount of any such bill or part thereof;
  - 19.6.2. Pays to Transporter such amounts as it concedes to be correct;
  - 19.6.3. Provides Transporter with a written notice including a full description of the reasons for the dispute, together with copies of supporting documents;
  - 19.6.4. At any time thereafter within twenty (20) days of a demand made by Transporter furnishes good and sufficient surety bond or other mutually agreeable security guaranteeing payment to Transporter of the amount ultimately reached, then Transporter shall not be entitled to suspend further transportation services because of such non-payment pursuant to this section unless and until default be made in the conditions of such bond.



GENERAL TERMS AND CONDITIONS  
(Continued)

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

20. NEW FACILITIES POLICY

- 20.1. Transporter is under no obligation to build, acquire and/or install new or expanded pipelines, taps and metering facilities necessary to provide transportation service to any new or existing Shipper. Transporter may construct facilities on a non-discriminatory basis.
- 20.2. Except as provided in Section 20.4, Shipper shall reimburse Transporter: (a) for the costs of any facilities installed by Transporter with Shipper's consent to receive, measure, transport or deliver Gas for Shipper's account, and (b) for any and all filing fees required in connection with Shipper's FT or IT Agreement that Transporter is obligated to pay to the Commission. Any reimbursement due Transporter by Shipper shall be due and payable to Transporter within ten (10) days receipt of Transporter's bill. Transporter may consent that such reimbursement, plus carrying charges thereon, be amortized over a mutually agreeable period. Carrying charges shall be computed using Commission-established interest rates.
- 20.3. For the purposes of this section, Transporter's construction, acquisition, and/or installation costs shall include, but shall not be limited to: Transporter's design costs, equipment costs, labor costs, material costs, supervision costs, construction financing costs (including a return on equity), taxes (whether income or otherwise), operating fees, filing fees, right of way costs, environmental compliance costs and permitting costs.
- 20.4. Transporter may waive all or a portion of the facility cost reimbursement require- ment if Transporter determines that the expected throughput, revenues or other benefits make construction of the facilities economical to Transporter. Transporter shall treat requests for waiver in a manner which is not unduly discrimina- tory.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 20.5. Within ninety (90) days after commencing service for the requesting Shipper, Transporter shall determine the actual cost of constructing and installing the requested facilities. If the actual cost is less than the new facilities cost paid by the requesting Shipper under this section, the difference shall be refunded to the requesting Shipper within thirty (30) days of such determination. If the actual costs is greater than the new facilities cost paid by the requesting Shipper under this section, the difference shall be paid by the requesting Shipper within thirty (30) days of such determination.
- 20.6. Unless mutually agreed otherwise by Transporter and Shipper, Transporter shall have title to, own and operate all new facilities added to its system pursuant to this section.
21. WARRANTY TO TITLE
- 21.1. Subject to the Commission's regulations on capacity release, Shipper represents and warrants that at the time of delivery by Transporter, Shipper will have good and right title to the natural gas. In the event any adverse claim to or against the natural gas delivered to Transporter hereunder, or any part thereof, is made by any person, Transporter may refuse to accept delivery of such natural gas until the dispute as to ownership of said natural gas is settled by agreement between Shipper or any other person and such adverse claimant and or by the final decree of a court of competent jurisdiction unless Shipper provides indemnity in form and amounts secured by letter of credit or other appropriate credit support reasonably satisfactory to Transporter, for any liability it may incur in connection with such adverse claim.
- 21.2. Notwithstanding the transfer of the natural gas at the Receipt Point, Shipper shall retain title to the natural gas while it is being transported and delivered by Transporter, pursuant to this Agreement, and Shipper shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such natural gas before, during and after receipt by Transporter. Shipper agrees to indemnify Transporter and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court, from any and all persons, arising from or out of claims of title, personal injury or property damage from the natural gas or other charges thereon.
- 21.3. Title to the Gas received by Transporter at the Receipt Point(s) shall not pass to Transporter, except that title to Gas delivered to Transporter's (1) Fuel and Gas losses, (2) imbalance or cash-out volumes where applicable, and (3) Gas left on system by Shippers, shall pass to Transporter upon delivery at the Receipt Point(s).

GENERAL TERMS AND CONDITIONS  
(Continued)

22. CAPACITY RELEASE

22.1. Capacity Eligible for Release - Shippers under Rate Schedule FT shall be permitted to release their capacity on a temporary or permanent basis, in accordance with this section. Capacity eligible to be released hereunder shall be limited to the firm capacity reserved by the Releasing Shipper, as defined by the Primary Receipt Point(s) and the Primary Delivery Point(s) contained in the Shipper's FT Agreement. Releases may be made on an interruptible (i.e., subject to recall) or firm basis and may be billed by Transporter based on usage.

22.2. Shipper Release Notice - A Shipper that desires to release any or all of its firm capacity under this section must notify Transporter electronically on the Website of its intent to release capacity and the terms of the release (hereafter

referred

to as "Shipper Notice"). A Shipper Notice shall be posted on the Website upon receipt by Transporter or such other time which must comply with the timeline set forth in this section, as requested by Releasing Shipper. This Shipper Notice shall include:

22.2.1. Releasing Shipper's name and contract number;

22.2.2. The specific quantity of capacity to be released;

22.2.3. If the request for release is on a permanent basis;

will

22.2.4. The Receipt Point(s) and Delivery Point(s) at which Releasing Shipper release capacity and the quantity of capacity to be released at each

point;

22.2.5. The term of the release;

22.2.6. Whether Releasing Shipper is willing to release an amount less than requested and for a shorter time period than requested;

Replace-

22.2.7. Whether Releasing Shipper conditions the release to not allow the ment Shipper to effect a change in the Primary Receipt and/or

Delivery

Point(s) listed on Exhibit A to the Releasing Shipper's FT Agreement;

GENERAL TERMS AND CONDITIONS  
(Continued)

22.2.8. The conditions of Releasing Shipper's right of recall as well as  
methods and rights associated with returning the previously recalled capacity  
to the Replacement Shipper, if applicable;

22.2.9. Whether contingent bids will be accepted and when the contingency  
must be removed;

22.2.10. The identity of a Prearranged Replacement Shipper ("PRS"), if applicable;

22.2.11. The minimum rate, including the tariff reservation rate and all demand  
dollars surcharges as a total number or as stated separately, expressed in  
and cents or percentage of maximum Tariff rate, term, and quantity of  
capacity Releasing Shipper will accept, if any, and whether bids  
using a volumetric rate for the collection of Reservation Charges will be  
accepted and whether Releasing Shipper requires a volumetric commitment. The  
maxi- mum volumetric rate that may be bid shall not exceed the one hundred  
per- cent (100%) load factor equivalent of the maximum rate, unless the  
Commis- sion by rule or order allows a higher rate, which reservation rate  
equals the AOS rate for the applicable service being released as set forth  
on the effective rate tariff sheets. Transporter shall support  
volumetric releases with volumetric commitments by fully accounting for  
volumetric and reservation components, consistent with the rules and regulations  
enunciated by the Commission. The maximum reservation rate that may  
be bid shall not exceed the maximum rate for the applicable service  
being released as set forth on the applicable currently effective Tariff  
sheets.

22.2.12. Releasing Shipper shall post the Shipper Notice on Transporter's Website.  
withdrawal Offers should be binding until written or electronic notice of  
with- is received by Transporter. The releasing party has the right to  
circumstances draw its offer during the bid period, where unanticipated  
justify and no minimum bid has been made.

22.2.13. When a Releasing Shipper presents a PRS that is on the approved bidders  
list, such Replacement Shipper initiates confirmations of prearranged  
deals electronically as a prerequisite to the awarding of the Shipper  
Notice.

GENERAL TERMS AND CONDITIONS  
(Continued)

con- 22.2.14. The terms Releasing Shipper imposes may not conflict with any provision of the FT Agreement, Rate Schedule or GT&C. In the event of such  
flict, Transporter may withdraw the Shipper Notice from posting.

22.3. Exceptions to Bidding

(31) 22.3.1. At Shipper's option, a Shipper Notice for a release of thirty-one  
bidding days or less with a designated PRS shall not be subject to the  
process in accordance with this section. An exempt capacity release  
shall not contain an evergreen provision and cannot be reassigned to  
the same PRS within twenty-eight (28) days from the termination of each  
release, except in the event the PRS is bidding the Maximum Rate or  
is bidding on a second release under a different FT Agreement.

and 22.3.2. In the event Releasing Shipper presents a PRS that is on the approved  
of bidders list, and such PRS agrees to pay the applicable Maximum Rate  
agrees to all other conditions of the release prior to the submission  
assigned the Shipper Notice to Transporter, the released capacity will be  
pro- to the PRS and such Shipper Notice shall be exempt from the bidding  
cess in accordance with this section. The PRS will be posted as the  
winning bidder in accordance with this section.

22.3.3. Timing of Capacity Releases Exempt from Bidding - For non-biddable  
releases, the posting of the Shipper Notice for prearranged deals not  
subject to bid are due (Central Time):

- a) Timely Cycle - by 10:30 a.m. on a business day
- b) Evening Cycle - by 5:00 p.m. on a business day
- c) Intra-day 1 Cycle - by 9:00 a.m. on a business day
- d) Intra-day 2 Cycle - by 4:00 p.m. on a business day

hour The capacity release addendum number will be issued within one (1)  
avail- of the award posting. Nomination is possible beginning at the next  
able nomination cycle for the effective date of the capacity release  
addendum.

GENERAL TERMS AND CONDITIONS  
(Continued)

22.4. Bidding Process

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22.4.1. In order to submit a valid bid under this capacity release program, party, including a PRS, must be on the approved bidders list. To be the approved bidders list, a party must meet the provisions of this section and have executed a Capacity Release Transportation Service agreement with Transporter in the form as set forth in this Tariff. A party shall remain on the approved bidders list until such party notified Transporter to the contrary, no longer meets the credit qualifications in this section, or is suspended from the approved bidders list in the event and for such time as such party fails to pay part or the entire amount of any bill for service.

22.4.2. The capacity release timeline is applicable to all parties involved in the Capacity Release process; however, it is only applicable if (1) the information provided by the parties to the transaction is valid and the acquiring Shipper has been determined to be creditworthy before the capacity release bid is tendered; and (2) there are no special terms or conditions of the release.

a) For biddable release (less than one year)

On a business day:  
12:00 p.m.  
Time by which Releasing Shipper shall post the Shipper the Website.

1:00 p.m.  
Bidding period ends and evaluation period begins during contingency is eliminated, determination of best bid is ties are broken.

2:00 p.m.  
Evaluation period ends and award posting if no match Communication of match or award is due.

2:30 p.m.  
Match response is due.

3:00 p.m.  
Award posting where match is required.

GENERAL TERMS AND CONDITIONS  
(Continued)

b) For biddable releases (one (1) year or more)  
The timeline is the same as biddable releases for less than one (1) year except that the Releasing Shipper shall post the Shipper Notice on the Website by 12:00 p.m. Central Time four (4) business days before award for long-term release. Open Season ends no later than 1:00 p.m. Central Time on the business day before timely nominations are due (Open Season is three (3) business days).

22.4.3. For the capacity release business process timing model in this section, only the following methodologies are supported by Transporter and provided to Releasing Shippers as choices from which they may select and, once chosen, should be used in determining the awards from the bid(s) present value. Other choices of bid evaluation methodology (including other Transporter. releasing shipper defined evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of evaluation. However, Transporter is not required to offer other choices or similar timeline treatment for other choices, nor is Transporter held to the evaluation. timeline should the Releasing Shipper elect another method of

22.4.4. All bids must be expressed in dollars and cents or percents of maximum rate, whichever is stated in the Shipper Notice, include the required bid information and must be received and posted electronically through the Website. Bids shall be posted on the Website with any contingencies identified and with the bidder's identity deleted.

22.4.5. A bidder may submit only one bid at a time in response to a Shipper time Notice. A bidder may withdraw its bid through the Website at any value prior to the close of the posting period specified in the Shipper Notice without prejudice to its submitting another bid with an economic value equal to or greater than the economic value of the withdrawn bid.

22.4.6. Where there is a PRS and an offer which is better than the bid submitted on by the PRS, Transporter will notify the PRS by 2:00 p.m. Central Time the day capacity is awarded and the PRS will have until 2:30 p.m. to match the better offer and obtain the right to the released capacity. In the event the PRS does not match the better bid, Transporter shall award the capacity to the party who made the best bid.

GENERAL TERMS AND CONDITIONS  
(Continued)

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22.4.7. Bids shall be binding until written or electronic notice of received by Transporter. Bids cannot be withdrawn after the bid ends.

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22.4.8. In the event that a winning bid has an unacceptable contingency, and Transporter is not notified through the Website that such contingency been removed within the time period specified in the Shipper Notice, contingent bid will be rejected by Transporter.

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22.4.9. The Releasing Shipper may define in the Shipper Notice the criteria determining the best bid. If the Releasing Shipper does not specify criteria, Transporter shall use the highest economic value to the best bid. If there are multiple bids meeting the minimum Transporter shall award the bids, best bid first, until all offered city is awarded. Transporter will notify, through the Website by p.m. Central Time following the end of the posting period, or by 3:00 Central Time if a matching period is applicable, the PRS or Shipper that capacity has been awarded. Transporter shall allow re-releases on the same terms and basis as the primary release (except prohibited by the Commission's regulations).

22.4.10. Transporter will post the winning bid and Replacement Shipper's identify on the Website for at least five (5) business days.

22.5. Rights and Obligations of Releasing and Replacement Shippers

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22.5.1. Releasing Shipper shall remain liable for all its contractual including the Reservation Charges, Negotiated Rates, Discounted and all other applicable charges and surcharges, attributable to the released capacity unless otherwise agreed to in writing and in Transporter. In the event of a permanent release, Transporter may liability of Releasing Shipper for all its contractual obligations.

22.5.2. When capacity is awarded to Replacement Shipper, Releasing Shipper adjust or reconfirm its nominations to reflect the capacity released. Transporter may automatically change Releasing Shipper's nominations zero for the FT Agreement under which capacity was released unless nominations are adjusted or reconfirmed by the Releasing Shipper.



GENERAL TERMS AND CONDITIONS  
(Continued)

- respect
- 22.5.3. Releasing Shipper shall retain any Rights of First Refusal with to the released capacity, unless such release is a permanent release.
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- 22.5.4. Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity (scheduled or unscheduled) the Timely Nomination cycle and the Evening Nomination cycle, and unscheduled released capacity at the Intra-Day 1 and Intra-Day 2 tion cycles by providing notice to Transporter by the following times each cycle: 8:00 a.m. Central Time for the Timely Nomination cycle; p.m. Central Time for the Evening Nomination cycle; 8:00 a.m. Central Time for the Intra-Day 1 Nomination cycle, and 3:00 p.m. for the Day 2 Nomination cycle. Notification to Replacement Shippers provided Transporter within one (1) hour of receipt of recall notification.
- 22.5.5. Any bid submitted will bind Replacement Shipper or PRS to the terms the bid if Transporter selects such bid as the best bid. If all the formation provided by the Releasing Shipper, the bidder/PRS is valid, Replacement Shipper is creditworthy, and there are no special terms conditions, Transporter will issue and execute the Addendum to the city Release Transportation Agreement within one (1) hour of awarding winning bid.
- 22.5.6. The capacity release addendum number will be issued within one (1) of the award posting. Nomination is possible beginning at the next able nomination cycle for the effective date of the capacity release addendum; however, in no event will Gas flow on Replacement Shipper's agreement prior to the effective date of the release as posted in the Shipper Notice.
- 22.5.7. Replacement Shipper is liable for all obligations attributable to the rate schedule and related tariff provisions under which the release place.
- 22.5.8. Replacement Shipper is responsible for payment of the applicable tion Charge, Commodity Charge, and all other applicable charges and charges consistent with its winning bid. In the event of payment subject to this section, Transporter may elect to terminate that ment Shipper's Capacity Release Service Agreement, which shall all service.

GENERAL TERMS AND CONDITIONS  
(Continued)

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22.5.9. Once Replacement Shipper or PRS is notified of a winning bid, such placement Shipper or PRS shall have all the rights and obligations specified under the Releasing Shipper's Rate Schedule, the Releasing Shipper's FT Agreement and the GT&C including the right to release capacity pursuant to this section unless the conditions prescribed by Shipper Notice require otherwise. Transporter shall allow the same terms and basis as the primary release (except as prohibited the Commission's regulations).

22.5.10. Replacement Shipper shall have no ROFR applicable with respect to the released capacity, unless such release is permanent.

22.5.11. Replacement Shipper shall have the right to nominate secondary delivery points, subject to the availability of capacity, and subject to the priorities set forth in Sections 9 and 10 of the GT&C.

22.6. Rights and Obligations of Transporter

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22.6.1. Transporter shall determine the best bid based upon the best bid. Transporter shall have the right but not the obligation, to reject, whole or in part, the terms of any Shipper Notice or bid which is discriminatory or conflicts with any order or regulation issued by the Commission, or provision of the FT Agreement, FT Rate Schedules or GT&C. Shipper Notice shall be rejected in its entirety unless Shipper partial rejection. Transporter shall provide notification to through the Website, of the reason(s) for rejecting a release notice the notice of rejection.

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22.6.2. Transporter shall not have any liability to any Shipper, Releasing Shipper, Replacement Shipper, bidder or any other party as a result of Transporter's performance of its obligations under its capacity program, and such Shippers, Releasing Shippers, Replacement and bidders shall indemnify Transporter from and against any and all losses, damages, expenses, claims, suits, actions and proceedings ever threatened, incurred or initiated as a result of Transporter's performance hereunder, except to the extent such loss, damage, expense, claim, suite, action or proceeding is the result of Transporter's negligence, or willful misconduct, provided that Transporter shall be responsible for direct damages, if any, resulting from Transporter's negligence.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 22.6.3. Transporter shall have no obligations to market any capacity to be released by a Releasing Shipper. Transporter, however, may agree to market capacity for a Releasing Shipper and may negotiate a fee with the Releasing Shipper for such service.
- 22.7. Term
- 22.7.1. Any release under this section shall be for a minimum term of at least one Gas day.
- 22.7.2. Any release under this section shall be for a maximum term expiring on the earlier of:
- a) The last date this Tariff provision shall be effective;
  - b) The expiration date of Releasing Shipper's FT Agreement release is for the full term of such agreement, or
  - c) The expiration date specified by the Releasing Shipper in the Shipper Notice.
- 22.8. Billing Adjustment to Releasing Shipper
- 22.8.1. Transporter shall credit Releasing Shipper's monthly bill to reflect the Reservation Charge invoiced to Replacement Shipper, provided however, negotiated that in connection with a release of a volumetric rate, or a less rate with no reservation charge, Transporter shall credit Shipper's monthly bill with the amounts invoiced to the Replacement Shipper, provision any amounts attributable to variable costs, which Transporter shall oblige retain; and, provided further, that notwithstanding any other is of this Tariff, Transporter and Shipper may agree upon a payment reservation tion, sharing arrangement, or crediting mechanism that varies from or next in addition to the provisions of this section.
- 22.8.2. If Replacement Shipper fails to pay all or any part of the Reservation Charge so credited within thirty (30) days of its due date, then such unpaid amount plus interest will be charged to Releasing Shipper's monthly bill and will be due and payable by Releasing Shipper in accordance with this section.

GENERAL TERMS AND CONDITIONS  
(Continued)

23. RIGHT OF FIRST REFUSAL

- 23.1. Except for negotiated rate contracts, if an FT Agreement at the maximum Recourse Rate for a term of twelve (12) or more consecutive months of service contains no automatic extension provision, Shipper shall be entitled to a ROFR to the renewal of its Transportation Quantity in accordance with the procedures set forth in this section. Prior to the termination of any FT Agreement and prior to Transporter posting the availability of capacity under this section, if applicable, Transporter and Shipper may mutually agree to modify or extend such agreement, with respect to all or a portion of the underlying MDQ, on a case-by-case basis and in a not unduly discriminatory manner.
- 23.2. Unless otherwise agreed to in Shipper's FT Agreement, Shipper must provide written notice to Transporter at least 180 days prior to the termination date if the Shipper wants to exercise its ROFR.
- 23.3. Transporter shall post the capacity for bidding on its Website no later than 180 days prior to the expiration of Shipper's FT Agreement. The capacity will remain posted on the Website for a minimum of twenty (20) days ("ROFR Bidding Period"), with such posting containing the following information with respect to the capacity:
- a) Daily Transportation Quantity;
  - b) Receipt and Delivery Points;
  - c) Maximum reservation charge;
  - d) Any applicable restrictions; and
  - e) The last day of the ROFR Bidding Period.

Transporter may require bidders to insure that offers are bona fide by providing financial assurances satisfactory to Transporter.

- ROFR 23.4. A Shipper may elect to retain a portion of its Contracted Capacity subject to rights, in which case Transporter's pre-granted abandonment authority shall apply to the remainder of the service.

GENERAL TERMS AND CONDITIONS  
(Continued)

23.5. Upon conclusion of the ROFR Bidding Period, Transporter shall evaluate the bids in accordance with the procedures set forth in Section 22 for the evaluation of bids under Transporter's capacity release mechanism, provided that any bid rate higher than the maximum applicable Recourse Rate shall be deemed to be equal to the maximum applicable Recourse Rate. Transporter shall not be required to accept any bid at less than Transporter's maximum applicable Recourse Rate.

maximum

23.6. If Transporter receives no bids, or if Transporter receives no bids at its applicable Recourse Rate and Transporter determines not to accept any bids below the maximum applicable Recourse Rate, Transporter shall notify Shipper of the bid having the highest value to Transporter ("Highest Bid"), or that no bids were received. If Transporter receives a bid at its maximum applicable Recourse Rate, or if it accepts any bid below the maximum applicable Recourse Rate, Transporter shall, within five (5) days of the close of the ROFR Bidding Period, inform Shipper of the offer to purchase capacity solicited pursuant to this section that Transporter intends to accept. Shipper shall have twenty-five (25) days after receiving notice to notify Transporter as to whether it will match the Highest Bid in terms of price, quantity and duration. If the Shipper elects to match the Highest Bid, it must execute a new transportation agreement that contains the terms of the Highest Bid; provided, however, that Shipper shall not be required to pay any rate higher than the maximum applicable Recourse Rate. If the Shipper fails to match the offer presented by Transporter, Transporter shall enter into an FT Agreement with the Person submitting the competing offer.

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23.7. If Transporter receives no bids at the maximum applicable Recourse Rate and porters refuses to accept a lower bid, Transporter may abandon service to Shipper, unless Shipper agrees to pay the maximum applicable Recourse Rate for a period of one (1) year, or if Transporter and Shipper negotiate the terms and conditions of an FT Agreement extension.

24. SECONDARY POINT RIGHTS

Subject to the priorities set out in Sections 9 and 10 of the GT&C, Shippers under any firm rate schedule shall have the right to use all Receipt and Delivery Points on Transporter's system on a secondary basis as alternatives to the primary points specified in the FT Agreement.

GENERAL TERMS AND CONDITIONS  
(Continued)

25. COMMUNICATION REGARDING SERVICES

- 25.1. System and Service Information - Whenever possible, information on the availability, pricing or other terms of the transportation services will be made available on Transporter's Website.
- 25.2. Access to Transporter's Website - Information about Transporter's system and its capacity shall be provided on Transporter's Website.
- a) This Website provides a menu of information available; is downloadable; older transactions, contains com- with is backed up daily, with the most recent entries displayed ahead of entries; is periodically purged of information on completed with purged information archived on the Website for three years; links that separate critical system-wide notices from non-critical notices; and contains a search function.
- b) A Shipper may gain use of Transporter's Website by: (1) Acquiring compatible PC capability and receiving a user identification number for accessing the system; or (2) Executing a Website Access Agreement Transporter.
- 25.3. Except as otherwise provided herein, any notice, request, or demand concerning service under any FT or IT Agreement will be posted on Transporter's Website. System-wide notices should have a separate category for notices that are not critical.
- 25.4. Except as provided otherwise in this Tariff or the FT or IT Agreement, operational communications may be made by telephone or other mutually agreeable means without subsequent written confirmation, unless written confirmation is requested by either party hereto.
- 25.5. All notices concerning the limitation or interruption or the transportation of Gas supplies or other similar matters concerning the dispatching of Gas, which would be effective with seventy two (72) hours of the notice shall be provided via Transporter's Website. Confirmations shall be given via Internet E-mail or direct notification to the party's Internet URL address, to be chosen by the affected party and posted on Transporter's Website.

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(Continued)

- 25.6. Except as otherwise specifically provided in this Tariff, any notice to be given by Shipper shall be in writing and shall be sufficient if personally delivered or sent by mail or facsimile transmission (with confirmation of receipt) to the following address:

T. W. Phillips Pipeline Corp.  
502 Keystone Drive, Suite 400  
Warrendale, PA 15086  
Attn: Executive Vice President

Any notice shall be deemed received on the date delivered if transmitted via facsimile, telecopied, or personally delivered, or five (5) days following deposit in the mail if mailed in the manner set out above. The designation or address of the party to be notified may be changed at any time by delivery of written notice of that change to the other party.

- 25.7. 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 filed pursuant to Commission rules and shall be addressed to address listed in Section 25.6.
- 25.8. Transporter shall inform Shipper within forty eight (48) hours that the inquiry has been received and inform Shipper of Transporter's initial response to the inquiry and proposed course of action. Each inquiry will be noted on the transportation request log. Each inquiry shall be investigated, and, within thirty (30) days of inquiry, Transporter shall inform Shipper in writing of the action, if any, taken in response to Shipper's inquiry. Transporter shall maintain a separate file for all shipper inquiries and Transporter's responses.

GENERAL TERMS AND CONDITIONS  
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26. NORTH AMERICAN ENERGY STANDARDS BOARD ("NAESB") STANDARDS

Transporter adopts or exceeds all of the Business Practices and Electronic Communication Standards which were required by the Commission in 18 C.F.R. Section 284.12(b) in accordance with Order Nos. 587, et seq. In addition to the standards reflected in other provisions of this Tariff, the following NAESB Wholesale Gas Quadrant ("WGQ") standards, definitions and data sets, Version 1.8 and Order No. 698, are incorporated herein by reference:

General Standards (version 1.8): 0.2.1, 0.3.1 and 0.3.2.

Creditworthiness Standards (version 1.8): 0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.8, 0.3.9 and 0.3.10.

Gas/Electric Operational Communication Standards (Version 1.8): 0.2.1, 0.2.2, 0.2.3, 0.3.11, 0.3.12, 0.3.13, 0.3.14, and 0.3.15.

Nominations Related Principles and Standards (version 1.8):

|         |             |         |         |         |         |         |         |         |
|---------|-------------|---------|---------|---------|---------|---------|---------|---------|
| 1.2.13, | 1.2.1,      | 1.2.2,  | 1.2.5,  | 1.2.8,  | 1.2.9,  | 1.2.10, | 1.2.11, | 1.2.12, |
|         | 1.3.1,      |         |         |         |         |         |         |         |
| 1.3.22, | 1.3.2 (vi), | 1.3.4,  | 1.3.7,  | 1.3.8,  | 1.3.14, | 1.3.15, | 1.3.16, | 1.3.19, |
|         | 1.3.24,     |         |         |         |         |         |         |         |
| 1.3.33, | 1.3.25,     | 1.3.26, | 1.3.27, | 1.3.28, | 1.3.29, | 1.3.30, | 1.3.31, | 1.3.32, |
|         | 1.3.34,     |         |         |         |         |         |         |         |
| 1.3.43, | 1.3.35,     | 1.3.36, | 1.3.37, | 1.3.38, | 1.3.39, | 1.3.40, | 1.3.41, | 1.3.42, |
|         | 1.3.44,     |         |         |         |         |         |         |         |
| 1.3.69, | 1.3.45,     | 1.3.46, | 1.3.51, | 1.3.64, | 1.3.65, | 1.3.66, | 1.3.67, | 1.3.68, |
|         | 1.3.70      |         |         |         |         |         |         |         |
| 1.3.79. | 1.3.71      | 1.3.72, | 1.3.73, | 1.3.74, | 1.3.75, | 1.3.76, | 1.3.78  | and     |

Flowing Gas Related Principles and Standards (version 1.8):

|         |             |         |         |         |         |         |         |         |
|---------|-------------|---------|---------|---------|---------|---------|---------|---------|
| 2.3.8,  | 2.2.1,      | 2.2.2,  | 2.2.3,  | 2.2.4,  | 2.3.1,  | 2.3.2,  | 2.3.3,  | 2.3.4,  |
|         | 2.3.9,      |         |         |         |         |         |         |         |
| 2.3.22, | 2.3.10,     | 2.3.15, | 2.3.16, | 2.3.17, | 2.3.18, | 2.3.19, | 2.3.20, | 2.3.21, |
|         | 2.3.23,     |         |         |         |         |         |         |         |
| 2.3.42, | 2.3.24,     | 2.3.25, | 2.3.27, | 2.3.28, | 2.3.29, | 2.3.30, | 2.3.31, | 2.3.41, |
|         | 2.3.43,     |         |         |         |         |         |         |         |
| 2.3.52, | 2.3.44,     | 2.3.45, | 2.3.46, | 2.3.47, | 2.3.48, | 2.3.49, | 2.3.50, | 2.3.51, |
|         | 2.3.53,     |         |         |         |         |         |         |         |
| 2.3.62, | 2.3.54,     | 2.3.55, | 2.3.56, | 2.3.57, | 2.3.58, | 2.3.59, | 2.3.60, | 2.3.61, |
|         | 2.3.63,     |         |         |         |         |         |         |         |
|         | 2.3.64, and |         | 2.3.65. |         |         |         |         |         |

Invoicing Related Principles and Standards (version 1.8):

|         |         |         |         |         |         |         |         |         |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 3.3.7,  | 3.1.1,  | 3.1.2,  | 3.2.1,  | 3.3.1,  | 3.3.2,  | 3.3.3,  | 3.3.4,  | 3.3.5,  |
|         | 3.3.8,  |         |         |         |         |         |         |         |
| 3.3.21, | 3.3.9,  | 3.3.10, | 3.3.11, | 3.3.12, | 3.3.13, | 3.3.14, | 3.3.16, | 3.3.20, |
|         | 3.3.22, |         |         |         |         |         |         |         |
|         | 3.3.25, | and     | 3.3.26. |         |         |         |         |         |



GENERAL TERMS AND CONDITIONS  
(Continued)

|          |  |          |          |             |          |          |              |          |
|----------|--|----------|----------|-------------|----------|----------|--------------|----------|
|          | Quadrant Electronic Delivery Mechanism Related Principles and Standards (version 1.8): |          |          |             |          |          |              |          |
| 4.2.9,   | 4.2.1,   | 4.2.2,   | 4.2.3,   | 4.2.4,      | 4.2.5,   | 4.2.6,   | 4.2.7,       | 4.2.8,   |
|          | 4.2.11,  |          |          |             |          |          |              |          |
| 4.3.22,  | 4.2.12,  | 4.2.13,  | 4.2.20,  | 4.3.5,      | 4.3.16,  | 4.3.17,  | 4.3.18,      | 4.3.20,  |
| 4.3.31,  | 4.3.23,  | 4.3.24,  | 4.3.25,  | 4.3.26,     | 4.3.27,  | 4.3.28,  | 4.3.29,      | 4.3.30,  |
| 4.3.48,  | 4.3.32,  | 4.3.33,  | 4.3.34,  | 4.3.35,     | 4.3.36,  | 4.3.38,  | 4.3.39,      | 4.3.40,  |
|          | 4.3.33,  | 4.3.34,  | 4.3.35,  | 4.3.36,     | 4.3.38,  | 4.3.39,  | 4.3.40,      | 4.3.41,  |
|          | 4.3.89,  | 4.3.90,  | 4.3.91,  | 4.3.92, and |          | 4.3.93.  |              |          |
|          | Capacity Release Related Standards (version 1.8):                                      |          |          |             |          |          |              |          |
| 5.3.7,   | 5.2.1,   | 5.2.2,   | 5.2.3,   | 5.3.1,      | 5.3.2,   | 5.3.3,   | 5.3.4,       | 5.3.5,   |
|          | 5.3.8,   |          |          |             |          |          |              |          |
| 5.3.17,  | 5.3.9,   | 5.3.10,  | 5.3.11,  | 5.3.12,     | 5.3.13,  | 5.3.14,  | 5.3.15,      | 5.3.16,  |
|          | 5.3.18,  |          |          |             |          |          |              |          |
| 5.3.27,  | 5.3.19,  | 5.3.20,  | 5.3.21,  | 5.3.22,     | 5.3.23,  | 5.3.24,  | 5.3.25,      | 5.3.26,  |
|          | 5.3.28,  |          |          |             |          |          |              |          |
| 5.3.37,  | 5.3.29,  | 5.3.30,  | 5.3.31,  | 5.3.32,     | 5.3.33,  | 5.3.34,  | 5.3.35,      | 5.3.36,  |
|          | 5.3.38,  |          |          |             |          |          |              |          |
| 5.3.47,  | 5.3.39,  | 5.3.40,  | 5.3.41,  | 5.3.42,     | 5.3.43,  | 5.3.44,  | 5.3.45,      | 5.3.46,  |
|          | 5.3.48,  |          |          |             |          |          |              |          |
| 5.3.57,  | 5.3.49,  | 5.3.50,  | 5.3.51,  | 5.3.52,     | 5.3.53,  | 5.3.54,  | 5.3.55,      | 5.3.56,  |
|          | 5.3.58,  |          |          |             |          |          |              |          |
|          | 5.3.59, and  |          | 5.3.60.  |             |          |          |              |          |
|          | Internet Electronic Transport Related Standards (Version 1.8):                         |          |          |             |          |          |              |          |
| 10.2.22, | 10.2.1,  | 10.2.2,  | 10.2.3,  | 10.2.4,     | 10.2.5,  | 10.2.6,  | 10.2.7,      | 10.2.8,  |
|          | 10.2.9,  | 10.2.10, | 10.2.11, | 10.2.12,    | 10.2.13, | 10.2.14, | 10.2.15,     | 10.2.16, |
| 10.2.32, | 10.2.17,   | 10.2.18, | 10.2.19, | 10.2.20,    | 10.2.21, |          |              |          |
|          | 10.2.23,   | 10.2.24, | 10.2.25, | 10.2.26,    | 10.2.27, | 10.2.28, | 10.2.29,     | 10.2.30, |
|          |  |          |          |             |          |          |              | 10.2.31, |
|          | 10.2.33,   | 10.2.34, | 10.2.35, | 10.2.36,    | 10.2.37, | 10.2.38, | 10.3.1,      | 10.3.3,  |
|          | 10.3.13,   | 10.3.16, | 10.3.17, | 10.3.18,    | 10.3.19, | 10.3.20, | 10.3.21, and | 10.3.25. |

GENERAL TERMS AND CONDITIONS  
(Continued)

27. IMPAIRMENT OF DELIVERIES / FORCE MAJEURE
- 27.1. Routine Repair and Maintenance - Transporter shall have the right to restrict the scheduling of service in whole or in part on all or a portion of its system from time to time to perform routine repair, maintenance, and other construction or testing procedures on Transporter's System or to comply with applicable regulatory requirements. Transporter's repair and maintenance plans should not disrupt the delivery of confirmed services. Transporter shall exercise due diligence to schedule such activity so as to minimize disruptions of service to Shippers. Transporter shall have no liability to Shipper or any other party for such curtailment of interruption of service. Transporter will post notice of such events on its Internet website.
- 27.2. Non-Force Majeure Service Interruption - If, due to an event other than described below in Section 27.4, Transporter is unable to deliver on any day under an FT Agreement the Shipper's full MDQ, then the applicable Reservation Charges shall be eliminated for the quantity of gas contracted for but not delivered. Transporter shall not be obligated to adjust the Shipper's Reservation Charges when Transporter's failure to deliver on any day is the result of the conduct of the Shipper or the operator of the upstream facilities at the receipt point. Notwithstanding this reduction in Reservation Charges, Transporter shall have no other liability to any Shipper or any other party for the scheduling of service to accommodate the routine repair and maintenance of its system.
- 27.3. Force Majeure - Service under this Tariff may be interrupted or curtailed for reasons of Force Majeure as defined in Section 27.4, and Transporter shall give Shipper notice as soon as reasonably possible of such interruptible or curtailment.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 27.4. Force Majeure Defined/Relief From Liability - Neither Transporter nor Shipper shall be liable in damages to the other for any act, omission or circumstances occasioned by in consequence of any event constituting Force Majeure. The term Force Majeure shall mean acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze-ups, the binding order of any court or governmental authority which 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 parties to the contract between Transporter and Shipper or some person or concern not a party thereto, which is not within the control of the party claiming excuse 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 excuse. Under no circumstances will lack of finances be construed to constitute Force Majeure.
- 27.5. If, due to an event of Force Majeure, Transporter is unable to deliver any portion of the Shipper's firm MDQ for a period greater than ten (10) consecutive days, then for the period beyond ten (10) days that Transporter so fails to provide service, the applicable reservation charges shall not apply to the quantity of Gas not delivered by Transporter within the Shipper's firm MDQ. However, the applicable reservation charges shall not be eliminated to the extent that the Shipper utilizes secondary points on Transporter's system.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 27.6. Except as set forth in Section 27.5, any such cause or contingency exempting Shipper from liability for non-performance (except where prevented by valid orders or requirements of Federal, State or other governmental regulatory bodies having jurisdiction in the premises) shall not relieve Shipper of its obligation to pay demand charges, reservation charges, or other amounts owed in accordance with the provisions of the applicable rate schedule and FT Agreement. In every case, Shipper shall exercise diligence to remove any such interference with its receipt of Gas and shall resume such receipts at the earliest practicable time.
- 27.7. In the event of Force Majeure, Transporter shall curtail delivery of Gas to Shipper in accordance with Section 10 of these GT&C.
- 27.8. Transporter shall post, on the Public Informational Posting Section of Transporter's website any declaration by it of a Force Majeure situation. This posting will address the nature of the Force Majeure, the facilities and services affected, the anticipated extent of the impact and its likely duration.

28. LIABILITY

- 28.1 Transporter shall notify Shipper as soon as reasonably practical if service is curtailed.
- 28.2 Transporter shall not be liable for curtailment of service or loss of natural gas as a result of any steps taken to comply with any law, regulation or order or any governmental agency which has or purports to have jurisdiction to regulate, allocate or control gas supplies or the rendition of service hereunder, and  
regardless of any defect in such law.
- 28.3 Notwithstanding anything to the contrary contained in this Tariff, Transporter shall not be liable to Shipper for any loss of gas while it is in the custody of Transporter, unless such loss is caused solely by the gross negligence or willful misconduct of Transporters' own employees or agents.
- 28.4 If delivery of quantities is curtailed for any reason, Transporter shall not be liable for delivering said quantities at a later date.

GENERAL TERMS AND CONDITIONS  
(Continued)

- 28.5 Transporter shall not be liable to Shipper or any other person with respect to the quality or quantities of natural gas delivered hereunder, including without limitation the heating value, water content or other impurities unless such quality degradation was caused directly by the gross negligence or willful misconduct of Transporter, or the title to the natural gas transported, nor shall Transporter be responsible for, or liable to, Shipper or any other party with respect to the balancing of gas quantities, hereunder, which shall be the sole responsibility and obligation of Shipper.
- 28.6. Disclaimer, Indemnification. With respect to the natural gas being transported pursuant to this Tariff, Transporter makes no representations or warranties as to the merchantability or fitness for a particular purpose, expressed or implied, by operation of law or otherwise, of such natural gas. Each of Transporter and Shipper agrees to indemnify, defend, reimburse and hold harmless the other party, and its affiliated companies, directors, officers, shareholders, employees, agents, and other representatives from and against any and all liability, loss, damage or penalties (including reasonable attorneys' fees and costs of court) they may suffer, sustain or incur arising out of any breach by such party of any of its covenants, representations and warranties, or any other terms and conditions of this agreement, including, without limitation, with respect to the pressures, quality, title to, or balancing of the natural gas transported hereunder, regardless of whether attributable to, or relating to, the sole, joint or concurrent negligence, strict liability or other fault or responsibility of such party, such other party or any other person, provided, however, that such other party shall not be entitled to indemnification hereunder with regard to that portion of the claimed liability, loss or damage which is attributable to such other party's own sole, joint or concurrent negligence.
- 28.7. Limitation on Damages. Notwithstanding anything to the contrary in this Tariff, none of Shipper, Transporter or an of their respective affiliates shall be entitled to punitive, loss of profits or other business interruption damages, or other consequential, incidental, special or exemplary damages in connection with this Tariff and the transactions contemplated hereby, whether by statute, in tort or contract, under any indemnity provision or otherwise, and each of Shipper and Transporter for itself and on behalf of its affiliates, hereby expressly waives any such right. If no remedy or measure of damages is expressly provided herein, a Party's liability shall be limited to direct actual damages only, which shall be the sole and exclusive remedy hereunder, and all other remedies or damages at law or in equity are hereby waived.

GENERAL TERMS AND CONDITIONS  
(Continued)

29. DEFAULTS AND REMEDIES

- 29.1. Events of Default - An "Event of Default" shall mean, with respect to Shipper or Transporter, the occurrence of any of the following:
- Shipper  
forth  
written  
"Bank-  
consolidation,  
arrange-  
bankruptcy or  
affec-  
peti-  
(A)  
dismissed  
presentation  
evidenced),  
of  
or  
posses-  
case  
debts or  
fall
- a) Any representation or warranty made in the FT or IT Agreement by or Transporter that proves to be false or misleading in any material respect;
- b) The failure of Shipper or Transporter to perform any covenant set in a FT or IT Agreement, where such failure is not excused by Force Majeure and is not cured within thirty (30) business days after notice thereof to the other party; or
- c) Shipper or Transporter shall be subject to a Bankruptcy Event with "Bankruptcy Event" meaning, with respect to either Shipper or Transporter, that such party (i) is dissolved (other than pursuant to amalgamation or merger), (ii) makes an assignment or any general assignment for the benefit of creditors, (iii) institutes or has instituted against it a proceeding seeking a judgment of insolvency or any other relief under any bankruptcy or insolvency or other law affecting creditors' rights and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition results in a judgment or insolvency of bankruptcy or the entry of an order for its wind-up or liquidation or (B) is not withdrawn, or discharged with thirty (30) days after the institution or thereof, (iv) otherwise becomes bankrupt or insolvent (however (v) has a secured party take possession of all or substantially all of its assets or has an action or proceeding taken or levied against all or substantially all of its assets and such secured party maintains possession, or any such action or proceeding is not dismissed, in either case within thirty (30) days thereafter, or (vi) is unable to pay its debts or admits in writing its inability generally to pay its debts as they fall due.
- 29.2. Termination by Transporter - Upon the occurrence of an Event of Default by Shipper under an FT or IT Agreement, Transporter may terminate such FT or IT Agreement upon thirty (30) days prior written notice to Shipper. Except as otherwise provided in the FT or IT Agreement, upon termination by Transporter, Shipper shall pay all amounts owed to Transporter for service rendered prior to termination.

GENERAL TERMS AND CONDITIONS  
(Continued)

- (10) 29.3. Termination by Shipper - Upon the occurrence of an Event of Default by Transporter under an FT or IT Agreement, Shipper may terminate the agreement upon ten days prior written notice by Transporter. Except as otherwise provided in the FT or IT Agreement, upon termination by Shipper, Transporter shall resolve any Gas imbalance that may be due Shipper pursuant to the Tariff.
- 29.4. Other Remedies - Any termination of an FT or IT Agreement pursuant to the provisions of this section is without prejudice to the right of either Transporter or Shipper to collect any amounts then due to it, and to offset amounts owed to it by the other party from such amounts due to the other party, and is without prejudice to or waiver of, any remedy to which the party not in default may be entitled as a result of the defaulting party's default, breach, or violation of the terms of the terminated FT or IT Agreement.
- 29.5. No waiver by either Transporter or Shipper of any one or more defaults by the other in the performance of any provisions of the FT or IT Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

30. STANDARDS OF CONDUCT

Transporter shall post on its Website procedures for implementation of and compliance with the Commission's Standards of Conduct regulations. All information required to be posted pursuant to such regulations, including but not limited to, organizational charts, information regarding shared employees, shared facilities, discounts, and notices of waivers and/or exercises of discretion in the application of tariff provisions shall be provided on Transporter's Website under Informational Postings. Such information shall be updated as required by applicable regulations(s) issued by the Commission.

GENERAL TERMS AND CONDITIONS  
(Continued)

31. OPERATIONAL PURCHASES AND SALES

Transporter may buy and/or sell Gas to the extent necessary: (i) to provide or maintain system pressure and line pack, (ii) to balance fuel and Gas loss quantities, and (iii) to perform other operational functions of Transporter in connection with transportation services.

32. SUCCESSORS AND ASSIGNS

32.1 Succession. Any company that succeeds by purchase, merger, or consolidation to the properties, substantially or in its entirety, of any party shall be subject to the obligations of its predecessor under any service agreement. No other assignment of a service agreement or of any of the rights or obligations thereunder is allowed without the prior written consent of the non-assigning party, which consent shall not unreasonably be withheld or delayed. Nothing contained in this Tariff will prevent either party from mortgaging its rights under a service agreement as Security for its indebtedness, but the Security is subordinate to the parties' rights and obligations under the service agreement.

32.2 Notice of Assignment. No transfer of or succession to the interest of a Shipper, however made, will bind Transporter until the Shipper or its successor has provided Transporter a copy of the original assignment document or other

satisfactory

proof that the person has an interest as a successor party under the service agreement.



GENERAL TERMS AND CONDITIONS  
(Continued)

33. MAXIMUM DAILY QUANTITY ADJUSTMENT

Should Transporter at any time determine that it can make available total transmission capacity in excess of its aggregate firm daily delivery obligations, nothing in this Tariff shall prohibit Transporter and Shipper from mutually agreeing upon an increase in Shipper's MDQ so long as Transporter offers any such additional capacity to all Shippers in accordance with Section 6 of the GT&C, providing Shipper executes an FT Agreement setting forth the new volumes, and that the capacity and contractual quantity can be made available to and offset by changes in Transporter's delivery obligation to other Shippers, or by mutual agreement.

34. REGULATORY AUTHORITY

The Operation of the provisions of this Tariff shall be subject to any and all government statues and all lawful orders, rules, and regulations affecting the receipt, transportation or delivery of Gas hereunder or the equipment required in connection with such receipt, transportation or delivery. It is understood that performance under any FT or IT Agreement shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matter related hereto. Should either of the parties, by force of any such law, order, rule or regulation, at any time during the term of the agreement be ordered or required to do any act inconsistent with the provisions thereof, then for that period only during which the requirements of such law, order, rule or regulation are applicable, the transportation agreement shall be deemed modified to conform with the requirement of such law, order, rule or regulation; provided however, nothing herein shall alter, modify or otherwise affect the respective rights of the parties to cancel or terminate the agreement under its terms and conditions.

Effective Date: 01/01/2010 Status: Effective  
 FERC Docket: RP10-141-002

**Substitute First Revised Sheet No. 86** Substitute First Revised Sheet No. 86  
 Superseding: riginal Sheet No. 86

GENERAL TERMS AND CONDITIONS  
 (Continued)

35. CROSS-REFERENCE FOR TARIFF-PERMITTED PROVISIONS IN SERVICE AGREEMENTS

See actual tariff sheet references for entire provision.

| Tariff Sheet Nos. | Rate Schedule/General Terms & Conditions | Provision   |
|-------------------|--|---|
| 11, 15, 56        | FT, IT, Section 16                       | Discount Policy: Transporter has the right to discount its rate from the maximum rate...  |
| 11, 15, 54-56     | Section 15                               | Negotiated Rates: Shipper may agree to a rate under any Rate Schedule which may deviate ... from the applicable maximum Rates... Recourse |
| 32                | Section 2.5                              | Gas Quality: Transporter... may impose additional gas quality specifications...   |
| 35                | Section 5.1                              | Pressure: Unless otherwise agreed upon between Transporter and Shipper...   |
| 38, 39            | Section 6.10                             | Reservation of Capacity: Unless Transporter on a not discriminatory basis... allowed by unduly  |
| 40                | Sections 7.2.6, 7.3.4, 7.6.1, 7.6.4      | Creditworthiness: Such other information or guarantees as may be mutually agreed to...  |
| 51                | Section 12                               | Uniform Quantities: Transporter may allow hourly receipts and deliveries at other than uniform quantities...                              |
| 61, 62            | Section 20                               | New Facilities: Transporter may waive all or a portion of facilities cost reimbursement...  |
| 85                | Section 33                               | Maximum Daily Quantity  |

Adjustment:  
this Tariff shall  
Transporter and Shipper  
mutually agreeing upon...

Nothing in  
prohibit  
from

*Effective Date: 01/01/2010 Status: Effective*  
*FERC Docket: RP10-141-001*

**Substitute Original Sheet No. 87** Substitute Original Sheet No. 87  
Superseding: riginal Sheet No. 87

SHEETS RESERVED FOR FUTURE USE  
Original Sheet Nos. 87 through 99

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

Original Sheet No. 100 Original Sheet No. 100

T. W. PHILLIPS PIPELINE CORP.  
FORM OF TRANSPORTATION SERVICE REQUEST

SHIPPER INFORMATION

Complete legal name of Shipper: \_\_\_\_\_

State of Incorporation: \_\_\_\_\_

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

\_\_\_\_\_

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

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

Contact information for Notices:

Contact information for scheduling  
and volume information:

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

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

\_\_\_\_\_

Phone: \_\_\_\_\_

\_\_\_\_\_

E-mail: \_\_\_\_\_

\_\_\_\_\_

Shipper is a (n)

\_\_\_\_\_ Local Distribution Company  
\_\_\_\_\_ Interstate Pipeline  
\_\_\_\_\_ End User  
\_\_\_\_\_ Other

\_\_\_\_\_ Intrastate Pipeline  
\_\_\_\_\_ Producer  
\_\_\_\_\_ Marketer

(Specify) \_\_\_\_\_

Name and full title of Officer, or other authorized person(s) who will execute the written transportation agreement with Transporter. (If signatory person is not an Officer, please provide written authorization for signature.)

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

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

If person requesting service is an agent of Shipper, please provide proof of authority to act as agent of Shipper and complete the following:

Legal Name of Principal: \_\_\_\_\_

\_\_\_\_\_ Local Distribution Company  
\_\_\_\_\_ Interstate Pipeline  
\_\_\_\_\_ End User  
\_\_\_\_\_ Other

which is a (n)  
\_\_\_\_\_ Intrastate Pipeline  
\_\_\_\_\_ Producer  
\_\_\_\_\_ Marketer

(Specify) \_\_\_\_\_

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

Original Sheet No. 101 Original Sheet No. 101

T. W. PHILLIPS PIPELINE CORP.  
FORM OF TRANSPORTATION SERVICE REQUEST

SERVICE REQUESTED  
Page 2

Type of Service requested: \_\_\_\_\_ Firm \_\_\_\_\_ Interruptible  
\_\_\_\_\_ Amendment to Service Agreement dated: \_\_\_\_\_

SERVICE INFORMATION

Maximum Daily Quantity \_\_\_\_\_ MMBtu's

Requested term of service:  
Initial delivery date \_\_\_\_\_  
Termination date \_\_\_\_\_

Total contract volume over life of contract  
(affiliate transactions only ) \_\_\_\_\_ MMBtu's

Are additional or new facilities required for Transporter to receive or delivery of Gas for the transportation service requested herein?  
\_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, state type of addition or new facilities: \_\_\_\_\_

Shipper understands that this request form, complete and unrevised as to format, and a credit application must be received by Transporter before the request will be accepted and processed. Shipper further understands that Transporter is an interstate pipeline subject to the regulations of the Federal Energy Regulatory Commission ("Commission"), and that Shipper's request will become part of a log available for public inspection. Shipper hereby agrees to pay Transporter's currently effective transportation rate applicable for this service and to comply with all applicable terms of Transporter's Tariff. Shipper agrees that it will reimburse Transporter for filing fees upon receipt of an invoice therefore.

Shipper, by its signature, represents to Transporter that the information above is correct and accurate.

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

\_\_\_\_\_  
Type Name and Title

Telephone Number: \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

Original Sheet No. 102 Original Sheet No. 102

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

THIS AGREEMENT ("Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between T. W. Phillips Pipeline Corp., hereinafter referred to as "Transporter" and \_\_\_\_\_, hereafter referred to as "Shipper". Transporter and Shipper shall collectively be referred to herein as the "Parties". This Agreement is made pursuant to Rate Schedule FT of Transporter's FERC Gas Tariff, Original Volume No. 1 ("Tariff"), on file with the Federal Energy Regulatory Commission ("Commission").

WITNESSETH:

WHEREAS, Transporter owns and operates the T. W. Phillips Pipeline System;

WHEREAS, Shipper desires to purchase transportation service from Transporter;

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

ARTICLE I  
SERVICE TO BE RENDERED

Transporter shall perform and Shipper shall receive transportation service in accordance with the provisions of the effective Rate Schedule FT and the applicable General Terms and Conditions ("GT&C") of Transporter's Tariff, as the same may be amended, or superseded, or modified from time to time in accordance with applicable laws and regulations. The maximum obligations of Transporter to transport Gas hereunder for Shipper, and the designation of the Primary Receipt Point(s) and Primary Delivery Point(s) at which service will be rendered for Shipper, are specified on Exhibit A of this Agreement, as the same may be amended from time to time by agreement between Shipper and Transporter, or as required by the rules and regulations of the Commission.

ARTICLE II  
TERM OF AGREEMENT

Service under this Agreement shall commence as of \_\_\_\_\_ and shall continue in full force and effect until \_\_\_\_\_. Shipper and Transporter agree to avail themselves of the Commission's pre-granted abandonment authority upon termination of this Agreement, subject to any right of first refusal Shipper may have under the Commission's rules and regulations and Transporter's Tariff, but no right of first refusal shall apply to negotiated rate agreements.

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

**Original Sheet No. 103** Original Sheet No. 103

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

ARTICLE III  
RATES AND CHARGES, RATE SCHEDULE AND GENERAL TERMS AND CONDITIONS

- 3.1. Shipper agrees to and will pay Transporter all applicable rates and charges as specified in Exhibit A hereto.
- 3.2. All of the GT&C and provisions of Rate Schedule FT shall be applicable to service hereunder and shall be made a part hereof.
- 3.3. Unless otherwise agreed, Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in: (i) the rates and charges applicable to Transporter's Rate Schedule FT; (ii) the terms and conditions of service pursuant to which service hereunder is rendered; (iii) any provision of the GT&C applicable to service hereunder; and/or any other provision related to Shipper's service that Transporter by law or regulation is permitted to change. Transporter agrees that Shipper may protest or contest any such filings or may seek authorization from duly constituted regulatory authorities for such adjustments of Transporter's Tariff as may be necessary to ensure that service hereunder is consistent with applicable law.
- 3.4. Fuel and Gas Loss Retention Percentages (%). Shipper will be assessed as set forth on Sheet No. 5 of Transporter's Tariff.

ARTICLE IV  
RESERVATIONS

Transporter shall have the right to take actions as may be required to preserve the integrity of Transporter's pipeline facilities, including maintenance of service to other firm Shippers.

ARTICLE V  
GOVERNMENTAL AUTHORIZATIONS

It is hereby agreed that transportation service under this Agreement shall be implemented pursuant to applicable authorizations of the Commission.



Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

Original Sheet No. 104 Original Sheet No. 104

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

ARTICLE VI  
NOTICES

Notices shall be provided in accordance with the GT&C, to Transporter and Shipper, respectively, at the address set forth below:

(a) Transporter:  
T. W. Phillips Pipeline Corp.  
502 Keystone Drive, Suite 400  
Warrendale, PA 15086  
Attention: Robert M. Hovanec  
Executive Vice President

(b) Shipper:

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

Or such other address as either party designates by formal written notice for any communication.

ARTICLE VII  
INTERPRETATION

The parties hereto agree that the interpretation and performance of this Agreement must be in accordance with the laws of the Commonwealth of Pennsylvania without recourse to the law governing conflict of laws, which would require the application of the laws of another state.

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

**First Revised Sheet No. 104** First Revised Sheet No. 104  
Superseding: original Sheet No. 104

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

ARTICLE VI  
NOTICES

Notices shall be provided in accordance with the GT&C, to Transporter and Shipper, respectively, at the address set forth below:

- (a) Transporter:  
T. W. Phillips Pipeline Corp.  
502 Keystone Drive, Suite 400  
Warrendale, PA 15086  
Attention: Robert M. Hovanec  
Executive Vice President

- (b) Shipper:  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Or such other address as either party designates by formal written notice for any communication.

ARTICLE VII  
INTERPRETATION AND SUBMISSION OF JURISDICTION

The parties hereto agree that the interpretation and performance of this Agreement must be in accordance with the laws of the Commonwealth of Pennsylvania without recourse to the law governing conflict of laws, which would require the application of the laws of another state. The parties irrevocably submit to the exclusive jurisdiction of the state and federal courts located in the Commonwealth of Pennsylvania and courts of appeal therefrom in respect of all matters arising out of or in connection with this Agreement.

Effective Date: 01/01/2010 Status: Effective

FERC Docket: RP10-141-000

Original Sheet No. 105 Original Sheet No. 105

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

ARTICLE VIII

No modification of the terms and provisions of this Agreement shall be or become effective except by the execution of a written instrument by Transporter and Shipper.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers or other authorized persons, the day and year first above written.

T. W. PHILLIPS PIPELINE CORP.

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

(NAME OF SHIPPER)

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

**First Revised Sheet No. 105** First Revised Sheet No. 105  
Superseding: original Sheet No. 105

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

ARTICLE VIII

No modification of the terms and provisions of this Agreement shall be or become effective except by the execution of a written instrument by Transporter and Shipper.

ARTICLE IX  
ADMINISTRATIVE MATTERS

Severability: The provisions of this Agreement are severable and should any provision hereof be void, voidable or unenforceable under any applicable law, such provision shall not affect or invalidate any other provision of this Agreement, which shall continue to govern the relative rights and duties of the parties as though such void, voidable or unenforceable provision were not a part thereof.

Amendment and Waiver: This agreement may not be altered, or amended, nor may any rights hereunder be waived, except by instrument in writing, executed by the party to be charged with such amendment or waiver. No waiver of, or consent to change in, any of the provisions of this Agreement shall be deemed or shall constitute a waiver of, or consent to change in, other provisions hereof (whether or not similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

Insurance Matters: Transporter shall obtain and maintain at its own expense all Workman's Compensation Insurance required by the Commonwealth of Pennsylvania and comprehensive general public liability insurance in amounts and coverage not less than \$1,000,000 per person per occurrence for personal injury or death and \$1,000,000 for property damage per occurrence, which insurance shall include excess liability coverage of not less than \$15,000,000. Current copies of all policies shall be delivered to Shipper upon request.

No Third-Party Beneficiaries: There are no third-party beneficiaries to this Agreement.

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

**Original Sheet No. 105.1** Original Sheet No. 105.1  
Superseding: riginal Sheet No. 105

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers or other authorized persons, the day and year first above written.

T. W. PHILLIPS PIPELINE CORP.

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

(NAME OF SHIPPER)

\_\_\_\_\_

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-001

**First Revised Sheet No. 106** First Revised Sheet No. 106  
Superseding: original Sheet No. 106

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

Exhibit A  
To FT Agreement No. \_\_\_\_\_  
Under Rate Schedule FT Between

T. W. Phillips Pipeline Corp. and \_\_\_\_\_

Maximum Daily Quantity ("MDQ")  
\_\_\_\_\_ MMBtu/day

Primary Receipt Point(s): \_\_\_\_\_  
\_\_\_\_\_ MMBtu/day

Receipt Point(s) Pressure (if specified) \_\_\_\_\_ psig

Primary Delivery Point(s): \_\_\_\_\_  
\_\_\_\_\_ MMBtu/day

Delivery Point(s) Pressure (if specified) \_\_\_\_\_ psig

Rate and Charges: Shipper shall pay all applicable rates and charges as specified in Rate Schedule FT of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas) (select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule FT in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A,

Discount Rate:

Negotiated Rate:

Other Conditions (Section 35 of the GT&C sets forth the tariff provisions which Transporter may negotiate with Shipper):

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

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

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE FT

Exhibit A  
To FT Agreement No. \_\_\_\_\_  
Under Rate Schedule FT Between

T. W. Phillips Pipeline Corp. and \_\_\_\_\_

Maximum Daily Quantity ("MDQ") \_\_\_\_\_ MMBtu/day

Primary Receipt Point(s): \_\_\_\_\_

\_\_\_\_\_ MMBtu/day

Receipt Point(s) Pressure (if specified) \_\_\_\_\_ psig

Primary Delivery Point(s): \_\_\_\_\_

\_\_\_\_\_ MMBtu/day

Delivery Point(s) Pressure (if specified) \_\_\_\_\_ psig

Maximum Hourly Rate (if specified) \_\_\_\_\_ MMBtu/hour

Minimum Hourly Rate (if specified) \_\_\_\_\_ MMBtu/hour

Estimated Annual Quantities \_\_\_\_\_ MMBtu

Minimum Daily Rate (if specified) \_\_\_\_\_ MMBtu/day

Rate and Charges: Shipper shall pay all applicable rates and charges as specified in Rate Schedule FT of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas) (select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule FT in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A.

Discount Rate:

Negotiated Rate:

Other Conditions (Section 35 of the GT&C sets forth the tariff provisions which Transporter may negotiate with Shipper):

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000  
Original Sheet No. 107 Original Sheet No. 107

CONTRACT NO. \_\_\_\_\_

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

THIS AGREEMENT ("Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between T. W. Phillips Pipeline Corp., hereinafter referred to as "Transporter" and \_\_\_\_\_, hereinafter referred to as "Shipper". Transporter and Shipper shall collectively be referred to herein as the "Parties". This Agreement is made pursuant to Rate Schedule IT of Transporter's FERC Gas Tariff, Original Volume No. 1 ("Tariff"), on file with the Federal Energy Regulatory Commission ("Commission").

WITNESSETH:

WHEREAS, Transporter owns and operates the T. W. Phillips Pipeline System;

WHEREAS, Shipper desires to purchase transportation service from Transporter;

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

ARTICLE I  
SERVICE TO BE RENDERED

Transporter shall perform and Shipper shall receive transportation service in accordance with the provisions of the effective Rate Schedule IT and the applicable General Terms and Conditions ("GT&C") of Transporter's Tariff, as the same may be amended, or superseded, or modified from time to time in accordance with applicable laws and regulations. The maximum obligations of Transporter to transport Gas hereunder for Shipper, and the designation of the Primary Receipt Point(s) and Primary Delivery Point(s) at which service will be rendered for Shipper, are specified on Exhibit A of this Agreement, as the same may be amended from time to time by agreement between Shipper and Transporter, or as required by the rules and regulations of the Commission.

ARTICLE II  
TERM OF AGREEMENT

Service under this Agreement shall commence as of \_\_\_\_\_ and shall continue in full force and effect until \_\_\_\_\_. Shipper and Transporter agree to avail themselves of the Commission's pre-granted abandonment authority upon termination of this Agreement, subject to any right of first refusal Shipper may have under the Commission's rules and regulations and Transporter's Tariff.



Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

**Original Sheet No. 108** Original Sheet No. 108

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

ARTICLE III  
RATES AND CHARGES, RATE SCHEDULE AND GENERAL TERMS AND CONDITIONS

- 3.1. Shipper agrees to and will pay Transporter all applicable rates and charges as specified in Exhibit A hereto.
- 3.2. All of the GT&C and provisions of Rate Schedule IT shall be applicable to service hereunder and shall be made a part hereof.
- 3.3. Unless otherwise agreed, Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in: (i) the rates and charges applicable to Transporter's Rate Schedule IT; (ii) the terms and conditions of service pursuant to which service hereunder is rendered; (iii) any provision of the GT&C applicable to service hereunder; and/or any other provision related to Shipper's service that Transporter by law or regulation is permitted to change. Transporter agrees that Shipper may protest or contest any such filings or may seek authorization from duly constituted regulatory authorities for such adjustments of Transporter's Tariff as may be necessary to ensure that service hereunder is consistent with applicable law.
- 3.4. Fuel and Gas Loss Retention Percentages (%). Shipper will be assessed as set forth on Sheet No. 5 of Transporter's Tariff.

ARTICLE IV  
RESERVATIONS

Transporter shall have the right to take actions as may be required to preserve the integrity of Transporter's pipeline facilities, including maintenance of service to other firm Shippers.

ARTICLE V  
GOVERNMENTAL AUTHORIZATIONS

It is hereby agreed that transportation service under this Agreement shall be implemented pursuant to applicable authorizations of the Commission.

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

Original Sheet No. 109 Original Sheet No. 109

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

ARTICLE VI  
NOTICES

Notices shall be provided in accordance with the GT&C, to Transporter and Shipper, respectively, at the address set forth below:

(a) Transporter:  
T. W. Phillips Pipeline Corp.  
502 Keystone Drive, Suite 400  
Warrendale, PA 15086  
Attention: Robert M. Hovanec,  
Executive Vice President

(b) Shipper:

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

Or such other address as either party designates by formal written notice for any communication.

ARTICLE VII  
INTERPRETATION

The parties hereto agree that the interpretation and performance of this Agreement must be in accordance with the laws of the Commonwealth of Pennsylvania without recourse to the law governing conflict of laws, which would require the application of the laws of another state.

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

**First Revised Sheet No. 109** First Revised Sheet No. 109  
Superseding: original Sheet No. 109

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

ARTICLE VI  
NOTICES

Notices shall be provided in accordance with the GT&C, to Transporter and Shipper, respectively, at the address set forth below:

- (a) Transporter:  
T. W. Phillips Pipeline Corp.  
502 Keystone Drive, Suite 400  
Warrendale, PA 15086  
Attention: Robert M. Hovanec,  
Executive Vice President

- (b) Shipper:

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

Or such other address as either party designates by formal written notice for any communication.

ARTICLE VII  
INTERPRETATION AND SUBMISSION OF JURISDICTION

The parties hereto agree that the interpretation and performance of this Agreement must be in accordance with the laws of the Commonwealth of Pennsylvania without recourse to the law governing conflict of laws, which would require the application of the laws of another state. The parties irrevocably submit to the exclusive jurisdiction of the state and federal courts located in the Commonwealth of Pennsylvania and courts of appeal therefrom in respect of all matters arising out of or in connection with this Agreement.

Effective Date: 01/01/2010 Status: Effective

FERC Docket: RP10-141-000

Original Sheet No. 110 Original Sheet No. 110

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

ARTICLE VIII

No modification of the terms and provisions of this Agreement shall be or become effective except by the execution of a written instrument by Transporter and Shipper.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers or other authorized persons, the day and year first above written.

T. W. PHILLIPS PIPELINE CORP.

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

(NAME OF SHIPPER)

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

**First Revised Sheet No. 110** First Revised Sheet No. 110  
Superseding: original Sheet No. 110

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

ARTICLE VIII

No modification of the terms and provisions of this Agreement shall be or become effective except by the execution of a written instrument by Transporter and Shipper.

ARTICLE IX  
ADMINISTRATIVE MATTERS

Severability: The provisions of this Agreement are severable and should any provision hereof be void, voidable or unenforceable under any applicable law, such provision shall not affect or invalidate any other provision of this Agreement, which shall continue to govern the relative rights and duties of the parties as though such void, voidable or unenforceable provision were not a part thereof.

Amendment and Waiver: This agreement may not be altered, or amended, nor may any rights hereunder be waived, except by instrument in writing, executed by the party to be charged with such amendment or waiver. No waiver of, or consent to change in, any of the provisions of this Agreement shall be deemed or shall constitute a waiver of, or consent to change in, other provisions hereof (whether or not similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

Insurance Matters: Transporter shall obtain and maintain at its own expense all Workman's Compensation Insurance required by the Commonwealth of Pennsylvania and comprehensive general public liability insurance in amounts and coverage not less than \$1,000,000 per person per occurrence for personal injury or death and \$1,000,000 for property damage per occurrence, which insurance shall include excess liability coverage of not less than \$15,000,000. Current copies of all policies shall be delivered to Shipper upon request.

No Third-Party Beneficiaries: There are no third-party beneficiaries to this Agreement.

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

**Original Sheet No. 110.1** Original Sheet No. 110.1  
Superseding: riginal Sheet No. 110

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers or other authorized persons, the day and year first above written.

T. W. PHILLIPS PIPELINE CORP.

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

(NAME OF SHIPPER)

\_\_\_\_\_

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

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

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

Executed: \_\_\_\_\_, \_\_\_\_\_  
(Date)

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-001

**First Revised Sheet No. 111** First Revised Sheet No. 111  
Superseding: riginal Sheet No. 111

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

Exhibit A  
To IT Agreement No. \_\_\_\_\_  
Under Rate Schedule IT Between

T. W. Phillips Pipeline Corp. and \_\_\_\_\_

Maximum Daily Quantity ("MDQ") \_\_\_\_\_ MMBtu/day

Primary Receipt Point(s): \_\_\_\_\_  
\_\_\_\_\_ MMBtu/day

Receipt Point(s) Pressure (if specified) \_\_\_\_\_ psig

Primary Delivery Point(s): \_\_\_\_\_  
\_\_\_\_\_ MMBtu/day

Delivery Point(s) Pressure (if specified) \_\_\_\_\_ psig

Rate and Charges: Shipper shall pay all applicable rates and charges as specified in Rate Schedule IT of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas) (select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule IT in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A,

Discount Rate:

Negotiated Rate:

Other Conditions (Section 35 of the GT&C sets forth the tariff provisions which Transporter may negotiate with Shipper):

Effective Date: 01/01/2010 Status: Pending  
FERC Docket: RP10-192-001

**Second Revised Sheet No. 111** Second Revised Sheet No. 111  
Superseding: First Revised Sheet No. 111

T. W. PHILLIPS PIPELINE CORP.  
FORM OF SERVICE AGREEMENT  
RATE SCHEDULE IT

Exhibit A  
To IT Agreement No. \_\_\_\_\_  
Under Rate Schedule IT Between  
T. W. Phillips Pipeline Corp. and \_\_\_\_\_

Maximum Daily Quantity ("MDQ") \_\_\_\_\_ MMBtu/day

Primary Receipt Point(s): \_\_\_\_\_  
\_\_\_\_\_ MMBtu/day

Receipt Point(s) Pressure (if specified) \_\_\_\_\_ psig

Primary Delivery Point(s): \_\_\_\_\_  
\_\_\_\_\_ MMBtu/day

Delivery Point(s) Pressure (if specified) \_\_\_\_\_ psig

Maximum Hourly Rate (if specified) \_\_\_\_\_ MMBtu/hour

Minimum Hourly Rate (if specified) \_\_\_\_\_ MMBtu/hour

Estimated Annual Quantities \_\_\_\_\_ MMBtu

Minimum Daily Rate (if specified) \_\_\_\_\_ MMBtu/day

Rate and Charges: Shipper shall pay all applicable rates and charges as specified in Rate Schedule IT of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas) (select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule IT in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A.

Discount Rate:

Negotiated Rate:

Other Conditions:



Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

Original Sheet No. 112 Original Sheet No. 112

T. W. PHILLIPS PIPELINE CORP.  
FORM OF CAPACITY RELEASE TRANSPORTATION SERVICE AGREEMENT

This Capacity Release Transportation Service Agreement ("Agreement") is applicable to firm transportation rights released pursuant to Section 22 of the General Terms and Conditions ("GT&C") of Transporter's FERC Gas Tariff.

This Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between T. W. Phillips Pipeline Corp., hereinafter called "Transporter" and \_\_\_\_\_, hereinafter variously called "Bidder" or "Replacement Shipper". Transporter and Bidder shall be referred to herein individually as "Party" and collectively as "Parties".

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

WHEREAS, Transporter's Tariff permits shippers under Transporter's Rate Schedule FT to release some or all of their transportation rights under the terms and conditions prescribed in Transporter's Tariff;

WHEREAS, Bidder desires to enter into prearranged release agreements and/or submit bidding to acquire transportation rights released by one or more firm shippers and Transporter's Tariff requires Bidder to enter into this Agreement as a pre-condition to prearranged releases or 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 condition of the mutual covenants and agreements as herein set forth, the Parties agree as follows:

ARTICLE I - PROVISIONS

The definitions found in Section 1 of Transporter's GT&C are incorporated herein by reference.

Effective Date: 01/01/2010 Status: Effective

FERC Docket: RP10-141-000

Original Sheet No. 113 Original Sheet No. 113

T. W. PHILLIPS PIPELINE CORP.  
FORM OF CAPACITY RELEASE TRANSPORTATION SERVICE AGREEMENT

ARTICLE II - RELEASED TRANSPORTATION RIGHTS

In the event transportation rights are released to Bidder after bidding or the exercise of matching rights, Transporter shall prepare and submit to Bidder an Exhibit "R-\_\_\_\_\_" (initially, "R-1") setting forth the maximum daily quantity of the released transportation service ("Release Quantity"), applicable receipt and delivery points, the rates to be paid for service using released rights, the name of the Rate Schedule governing such released transportation rights and any special terms and conditions applicable to the release, 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 (except in the case of prearranged transactions to be executed prior to submission to Transporter) and, upon such addition, shall be incorporated in and be considered a part of this Agreement. In the case of prearranged release transactions, Releasing Shipper shall prepare the Exhibit R-\_\_\_ with all terms set forth therein; and, after execution by Replacement Shipper, such Exhibit shall be submitted to Transporter with the Release Request. If consistent with the tariff and not superseded by a higher third-party or matching bid, such Exhibit R-\_\_\_ will be accepted and incorporated into this Agreement.

ARTICLE III - TERMS AND CONDITIONS

This Agreement shall be subject to, governed by, and shall incorporate the applicable provisions of Transporter's Tariff, including, without limitation, Section 22 of the General Terms and Conditions thereof, the governing Rate Schedule, and the 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 the governing Rate Schedule and the applicable provisions of Transporter's Tariff and shall be subject to all obligations thereof.

Performance of this Agreement shall be subject to all valid laws, orders, decisions, rules and regulations of duly constituted governmental authorities having jurisdiction or control of any matter related hereto. Should either of the parties, by force of any such law, order, decision, rule or regulation, at any time the term of this Agreement be ordered or required to do any act inconsistent with the provisions hereof, then for the period during which the requirements of such law, order, decision, rule or regulation are applicable, this Agreement shall be deemed modified to conform with the requirement of such law, order, decision, rule or regulation; provided, however, nothing in this Article III shall alter, modify or otherwise affect the respective rights of the parties to cancel or terminate this Agreement under the terms and conditions hereof.

Effective Date: 01/01/2010 Status: Effective  
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T. W. PHILLIPS PIPELINE CORP.  
FORM OF CAPACITY RELEASE 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

- 5.1. 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; otherwise, Shipper shall not assign this Agreement or any of its rights and obligations hereunder.
- 5.2. Any person or entity that shall succeed 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.

ARTICLE VI - REPLACEMENT SHIPPER'S INDEMNIFICATION

Replacement Shipper recognizes that its rights to transportation service hereunder are solely those rights released by Releasing Shipper(s). The Replacement Shipper agrees that it will indemnify Transporter against any claim or suite 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) which is the source of the released transportation right sought to be utilized by Replacement Shipper hereunder.

T. W. PHILLIPS PIPELINE CORP.  
FORM OF CAPACITY RELEASE TRANSPORTATION SERVICE AGREEMENT

ARTICLE VII - MISCELLANEOUS PROVISIONS

- 7.1. 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.
- 7.2. The headings of the articles of this Agreement are inserted for convenience of reference only and shall not affect the meaning or construction thereof.
- 7.3. The interpretation and performance of this Agreement shall be in accordance with and controlled by the laws of the State of Pennsylvania, without regard to choice of law doctrine that refers to the laws of another jurisdiction.
- 7.4. 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 in a written instrument executed by both Parties which expressly refers to this Agreement.
- 7.5. Except for changes specifically authorized pursuant to this Agreement, no modifications of or supplement to the terms and conditions hereof shall be or become effective until Shipper has submitted a request for change to Transporter and Shipper has been notified by Transporter of Transporter's agreement to such change.

Effective Date: 01/01/2010 Status: Effective

FERC Docket: RP10-141-000

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T. W. PHILLIPS PIPELINE CORP.  
FORM OF CAPACITY RELEASE TRANSPORTATION SERVICE AGREEMENT

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

T. W. PHILLIPS PIPELINE CORP.

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

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

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

REPLACEMENT SHIPPER

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

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

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

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

Effective Date: 01/01/2010 Status: Effective

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Exhibit R-1 to the Capacity Release Transportation Service Agreement  
Between T. W. Phillips Pipeline Corp. ("Transporter") and \_\_\_\_\_  
("Replacement Shipper") dated \_\_\_\_\_.

Release Quantity: \_\_\_\_\_ Bid Rate: \_\_\_\_\_

Term: \_\_\_\_\_

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

Commencement Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

| Primary Points | Meter Nos. | Max. Quantity |
|----------------|------------|---------------|
| _____          | _____      | _____         |
| _____          | _____      | _____         |
| _____          | _____      | _____         |

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

Notices shall be made to:

Transporter:  
T. W. Phillips Pipeline Corp.  
502 Keystone Drive, Suite 400  
Warrendale, PA 15086  
(800) 522-8416  
(724) 287-5021 (facsimile)

Replacement Shipper (contact person with address, including email, phone and fax):

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

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Exhibit R-1

Replacement Shipper (contact person with address, including email, phone and fax):

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

Signature:

For: \_\_\_\_\_  
(Replacement Shipper)

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

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

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

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

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T. W. PHILLIPS PIPELINE CORP.  
FORM OF CAPACITY RELEASE REQUEST

RELEASE REQUEST NO. \_\_\_\_\_

Request to Release Rights to Firm Transportation Service

\_\_\_\_\_ ("Releasing Shipper") hereby requests to release rights held by Releasing Shipper under its FT ("FT Agreement") with T. W. Phillips Pipeline Corp. ("Transporter"). Releasing Shipper proposes to release such rights pursuant to the terms and conditions of Section 22, as applicable, of the GT&C of Transporter's FERC Gas Tariff. The terms of the proposed release are as follows:

1. Releasing Shipper's FT Agreement number and responsible contact person for this Release Request:

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

2. Quantity of firm service rights to be released ("Released Quantity") (may be stated as minimum/maximum range): \_\_\_\_\_ Dth per day.

3. Commencement Date and term of release (may be stated as range of acceptable terms):  
\_\_\_\_\_

4. Primary Receipt and Delivery Points

Firm Rights to Be Released:

| Primary Points | Meter Nos. | Max. Quantity |
|----------------|------------|---------------|
| _____          | _____      | _____         |
| _____          | _____      | _____         |

5. All applicable rates, charges and surcharges for the release, including any minimum acceptable rates:  
\_\_\_\_\_

6. The transportation rights are proposed to be released on a:

\_\_\_\_\_ Firm Basis \_\_\_\_\_ Recallable Basis (with the conditions of interruption explained below)



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FORM OF CAPACITY RELEASE REQUEST  
(Continued)

7. Any alternative non-discriminatory economic standard for determination of the award of transportation rights, including a tie-breaker to choose between bids of equal value: Releasing Shipper may attach additional pages, as necessary, to stipulate the release terms and conditions. Additionally, if Releasing Shipper proposes to require any Replacement Shipper to execute an agreement with Releasing Shipper as a condition of the release, then a copy of such agreement must be submitted with this Release Request.

8. If Releasing Shipper has already obtained a Bidder that is prepared to accept all terms and conditions of this Release Request ("Pre-arranged Bidder"), Releasing Shipper must provide the following information:

a. The complete legal name of the Pre-arranged Bidder, type of legal entity and state of incorporation: \_\_\_\_\_

State of \_\_\_\_\_

b. The rates and charges that the Pre-arranged Bidder agrees to pay for the Release Request: \_\_\_\_\_ (reservation); \_\_\_\_\_ (commodity); \_\_\_\_\_% (Fuel and Gas Loss Retention Percentage)

c. The term and the Release Quantity agreed to by the Pre-arranged bidder:

Term: \_\_\_\_\_  
Release Quantity: \_\_\_\_\_ Dth per day

d. Other conditions to the release: \_\_\_\_\_

9. If the release is subject to bidding, Releasing Shipper shall attach to the Release Request draft Exhibit R-\_\_\_\_ reflecting terms of the release (except price and identify of the Replacement Shipper which Transporter shall fill in following the close of the bidding period). In the case of a Pre-arranged Bidder (whether or not subject to bidding), the Releasing Shipper shall prepare an Exhibit R-\_\_\_\_ and the Pre-arranged Bidder shall execute such Exhibit prior to the Releasing Shipper's submission to Transporter. The executed Exhibit R-\_\_\_\_ shall be submitted with the Release Request. Releasing Shipper understands that Transporter reserves the right to invalidate any Release Request within three days of its posting on Transporter's Website to the extent it is incomplete or fails to conform in any manner to the requirements of Transporter's Tariff.

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FERC Docket: RP10-141-000

**Original Sheet No. 121** Original Sheet No. 121

T. W. PHILLIPS PIPELINE CORP.  
FORM OF CAPACITY RELEASE REQUEST  
(Continued)

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; (3) Releasing Shipper agrees irrevocably to release the transportation rights described herein on the terms and conditions set forth herein if this Release Request is accepted by a Bidder to the successful Bidder; and (4) if this Release Request includes a Pre-arranged Bidder, the Pre-arranged Bidder has agreed irrevocably to accept the transportation rights described herein on the terms and conditions set forth herein.

Submitted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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

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

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

Effective Date: 01/01/2010 Status: Effective  
FERC Docket: RP10-141-000

Original Sheet No. 122 Original Sheet No. 122

T. W. PHILLIPS PIPELINE CORP.  
FORM OF BID FOR RELEASED TRANSPORTATION SERVICE

Bidder for Released Rights to Transporter's Transportation Service ("Bidder") hereby submits its Bid to obtain 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:

\_\_\_\_\_  
\_\_\_\_\_  
State of \_\_\_\_\_

2. Transportation contract number of Releasing Shipper and Release Request number to which the Bid relates: \_\_\_\_\_

3. Quantity of service desired by Bidder: \_\_\_\_\_ Dth per day.

4. The rate Bidder proposes to pay for the released transportation rights:  
\_\_\_\_\_ per Dth per month (reservation); and \_\_\_\_\_ per Dth (commodity).

5. Term for which Bidder desires to obtain the released transportation rights: \_\_\_\_\_

Bidder understands that Transporter reserves the right to invalidate any Bid within three (3) days of its posting on Transporter's Website to the extent it is incomplete or fails to conform in any manner to the requirements of Transporter's Tariff.

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; (2) the information above is true, complete and correct; and (3) Bidder accepts all terms and conditions of the Release Request.

Submitted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

Company Name of Bidder: \_\_\_\_\_

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

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

