

Texas Gas Transmission Corporation: First Revised Volume No. 2-A  
Title Page : Effective

FERC GAS TARIFF

FIRST REVISED VOLUME NO. 2-A

of

TEXAS GAS TRANSMISSION CORPORATION

Filed with

Federal Energy Regulatory Commission

Communications Covering Rates Should be Addressed to:

G. D. Lauderdale, Senior Vice President, Rates  
Texas Gas Transmission Corporation  
3800 Frederica Street  
Owensboro, Kentucky 42301

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FERC Docket: RP93-189-000

2 / Sheet No. 1 2 / Sheet No. 1 : Effective  
Superseding: 1 / Sheet No. 1

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*Effective Date: 11/01/1990 Status: Effective*

*FERC Docket: RP90-192-000*

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

Sheet Nos. 2 through 7 are not issued but are reserved  
for future use.



Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

PRELIMINARY STATEMENT

Texas Gas Transmission Corporation is a natural gas company engaged in the business of producing, purchasing, transporting and selling natural gas at wholesale to gas distribution companies and pipeline systems for resale and to industries for use and consumption. The facilities operated by Transporter are located in Federal waters offshore Texas and Louisiana and in the States of Texas, Louisiana, Arkansas, Mississippi, Tennessee, Kentucky, Indiana, Illinois, and Ohio.

The sale or transportation of natural gas is undertaken by the Company only under written agreement, acceptable to the Company after consideration of its commitments to others, supplies of natural gas, delivery capacity and other factors deemed pertinent. If any such agreement is to become operative only upon performance of certain precedent conditions, the Company reserves the right to require a separate written agreement specifying the conditions which must be satisfied before the contract for the sale or transportation of gas becomes operative.

This tariff is filed in compliance with Part 154, Subchapter E, Chapter I, Title 18, of the Code of Federal Regulations.

Effective Date: 11/01/1993 Status: Effective  
 FERC Docket: RP93-106-002

**2 Sub 4 Revised Sheet No. 10** 2 Sub 4 Revised Sheet No. 10 : Effective  
 Superseding: 3 Revised Sheet No. 10

Currently Effective Maximum Transportation Rates  
 for Service Under Rate Schedule FT

Point of Receipt	Point of Delivery				
	Zone SL	Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Demand Charge					
Zone SL	4.12	6.60	7.43	9.24	11.18
Zone 1		6.20	7.03	8.84	10.78
Zone 2			5.53	7.34	9.28
Zone 3				6.48	8.42
Zone 4					6.92
Commodity Charge					
Zone SL	.0340	.0476	.0530	.0589	.0607
Zone 1		.0460	.0514	.0573	.0591
Zone 2			.0418	.0477	.0495
Zone 3				.0422	.0440
Zone 4					.0377
Overrun					
Zone SL	.1695	.2646	.2973	.3627	.4283
Zone 1		.2498	.2825	.3479	.4135
Zone 2			.2236	.2890	.3546
Zone 3				.2552	.3208
Zone 4					.2652
Minimum Rates					
Demand-1	\$ -0-				
Demand-2	\$ -0-				
Commodity	\$.0283	Z-1/Z-4			
Commodity	\$.0016	Z-SL			

Effective Date: 11/01/1993 Status: Suspended  
 FERC Docket: RP93-106-001

**Sub Fourth Revised Sheet No. 10** Sub Fourth Revised Sheet No. 10 : Suspended  
 Superseding: Third Revised Sheet No. 10

Currently Effective Maximum Transportation Rates  
 for Service Under Rate Schedule FT

Point of Receipt	Point of Delivery				
	Zone SL	Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Demand Charge					
Zone SL	4.12	6.62	7.43	9.25	11.19
Zone 1		6.22	7.03	8.85	10.79
Zone 2			5.52	7.34	9.28
Zone 3				6.49	8.43
Zone 4					6.92
Commodity Charge					
Zone SL	.0340	.0476	.0530	.0589	.0607
Zone 1		.0460	.0514	.0573	.0591
Zone 2			.0418	.0477	.0495
Zone 3				.0422	.0440
Zone 4					.0377
Overrun					
Zone SL	.1695	.2652	.2973	.3630	.4286
Zone 1		.2505	.2825	.3483	.4138
Zone 2			.2233	.2890	.3546
Zone 3				.2556	.3212
Zone 4					.2652
Minimum Rates					
Demand-1	\$ -0-				
Demand-2	\$ -0-				
Commodity	\$.0283	Z-1/Z-4			
Commodity	\$.0016	Z-SL			

*Effective Date: 10/01/1993 Status: Effective*  
*FERC Docket: TM94-1-18-000*

**Sixth Revised Sheet No. 10A** Sixth Revised Sheet No. 10A : Effective  
Superseding: Sub Fifth Revised Sheet No. 10A

Notes: The General RD&D Volumetric Funding Units of \$.0147/MMBtu and the demand/reservation Funding Unit of \$.08 per MMBtu is assessed, where applicable, pursuant to Section 20 of the General Terms and Conditions of this tariff.

The FERC ACA Unit Charge of \$.0025/MMBtu is assessed pursuant to Section 21 of the General Terms and Conditions of this tariff.

The commodity transportation rate shall be increased in accordance with Section 23 of the General Terms and Conditions of this tariff to reflect the current commodity take-or-pay surcharge as set forth on Sheet No. 14.

Effective Date: 11/01/1993 Status: Effective  
 FERC Docket: RP93-106-002

**2 Sub 4 Revised Sheet No. 10B** 2 Sub 4 Revised Sheet No. 10B : Effective  
 Superseding: 3 Revised Sheet No. 10B  
 Currently Effective Maximum Transportation Rates  
 for Capacity Assignment Program Under Rate Schedule FT

Point of Receipt	Zone SL	Point of Delivery			
		Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Demand Charge					
Zone	4.12	6.60	7.43	9.24	11.18
Zone 1		6.20	7.03	8.84	10.78
Zone 2			5.53	7.34	9.28
Zone 3				6.48	8.42
Zone 4					6.92
Commodity Charge					
Zone SL	.0340	.0476	.0530	.0589	.0607
Zone 1		.0460	.0514	.0573	.0591
Zone 2			.0418	.0477	.0495
Zone 3				.0422	.0440
Zone 4					.0377

One-Part Blended Rate for  
 Capacity Assignment Program Under Rate Schedule FT

System-wide FT Load Factor - 68.87%

Point of Receipt	Zone SL	Point of Delivery			
		Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Firm Service					
Zone SL	.2307	.3627	.4077	.5000	.5944
Zone 1		.3420	.3870	.4793	.5737
Zone 2			.3058	.3981	.4925
Zone 3				.3515	.4459
Zone 4					.3680

Minimum Rates

Demand-1	\$	-0-	
Demand-2	\$	-0-	
Commodity	\$	.0283	Z-1/Z-4
Commodity	\$	.0016	Z-SL

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**Sub Fourth Revised Sheet No. 10B** Sub Fourth Revised Sheet No. 10B : Suspended  
 Superseding: Third Revised Sheet No. 10B

Currently Effective Maximum Transportation Rates  
 for Capacity Assignment Program Under Rate Schedule FT

Point of Receipt	Point of Delivery				
	Zone SL	Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Demand Charge					
Zone	4.12	6.62	7.43	9.25	11.19
Zone 1		6.22	7.03	8.85	10.79
Zone 2			5.52	7.34	9.28
Zone 3				6.49	8.43
Zone 4					6.92
Commodity Charge					
Zone SL	.0340	.0476	.0530	.0589	.0607
Zone 1		.0460	.0514	.0573	.0591
Zone 2			.0418	.0477	.0495
Zone 3				.0422	.0440
Zone 4					.0377

One-Part Blended Rate for  
 Capacity Assignment Program Under Rate Schedule FT

System-wide FT Load Factor - 68.87%

Point of Receipt	Point of Delivery				
	Zone SL	Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Firm Service					
Zone SL	.2307	.3636	.4077	.5005	.5949
Zone 1		.3429	.3870	.4798	.5741
Zone 2			.3053	.3981	.4925
Zone 3				.3521	.4465
Zone 4					.3680

Minimum Rates		
Demand-1	\$ -0-	
Demand-2	\$ -0-	
Commodity	\$.0283	Z-1/Z-4
Commodity	\$.0016	Z-SL

*Effective Date: 10/01/1993 Status: Effective*  
*FERC Docket: TM94-1-18-000*

**Fifth Revised Sheet No. 10C** Fifth Revised Sheet No. 10C : Effective  
Superseding: Sub Fourth Revised Sheet No. 10C

Notes: All transactions under Rate Schedule FT for the Capacity Assignment Program are subject to the applicable additional charges as shown below.

The General RD&D Volumetric Funding Unit of \$.0147/MMBtu and the demand/reservation Funding Unit of \$.08 per MMBtu is assessed, where applicable, pursuant to Section 20 of the General Terms and Conditions of this tariff.

The FERC ACA Unit Charge of \$.0025/MMBtu is assessed pursuant to Section 21 of the General Terms and Conditions of this tariff.

The commodity transportation rate shall be increased in accordance with Section 23 of the General Terms and Conditions of this tariff to reflect the current commodity take-or-pay surcharge as set forth on Sheet No. 14.

Effective Date: 11/01/1993 Status: Effective  
 FERC Docket: RP93-106-002

**2 Sub 7 Revised Sheet No. 11** 2 Sub 7 Revised Sheet No. 11 : Effective  
 Superseding: 6 Revised Sheet No. 11

Currently Effective Maximum Transportation Rates  
 for Service Under Rate Schedule IT

Point of Receipt	Point of Delivery				
	Zone SL	Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Zone SL	{1}	.2646	.2973	.3627	.4283
Zone 1		.2498	.2825	.3479	.4135
Zone 2			.2236	.2890	.3546
Zone 3				.2552	.3208
Zone 4					.2652

{1} \$.1816 per 100 Miles of Haul; Backhaul Rate @ 1/2 Miles  
 Zone Average Rate \$.1695; Minimum Rate \$.0016

Notes:

The General RD&D Funding Unit of \$.0147/MMBtu is assessed, where applicable, pursuant to Section 20 of the General Terms and Conditions of this tariff.

The FERC ACA Unit Charge of \$.0022/MMBtu is assessed pursuant to Section 21 of the General Terms and Conditions of this tariff.

Minimum Rate \$.0283

Backhaul Rates Equal Fronthaul Rates to Zone of Delivery.

The commodity transportation rate shall be increased in accordance with Section 23 of the General Terms and Conditions of this tariff to reflect the current commodity take-or-pay surcharge as set forth on Sheet No. 14.



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**Sub Seventh Revised Sheet No. 11** Sub Seventh Revised Sheet No. 11 : Suspended  
 Superseding: Sixth Revised Sheet No. 11

Currently Effective Maximum Transportation Rates  
 for Service Under Rate Schedule IT

Point of Receipt	Point of Delivery				
	Zone SL	Zone 1	Zone 2	Zone 3	Zone 4
	\$	\$	\$	\$	\$
Zone SL	{1}	.2652	.2973	.3630	.4286
Zone 1		.2505	.2825	.3483	.4138
Zone 2			.2233	.2890	.3546
Zone 3				.2556	.3212
Zone 4					.2652

{1} \$.1816 per 100 Miles of Haul; Backhaul Rate @ 1/2 Miles  
 Zone Average Rate \$.1695; Minimum Rate \$.0016

Notes:

The General RD&D Funding Unit of \$.0147/MMBtu is assessed, where applicable, pursuant to Section 20 of the General Terms and Conditions of this tariff.

The FERC ACA Unit Charge of \$.0022/MMBtu is assessed pursuant to Section 21 of the General Terms and Conditions of this tariff.

Minimum Rate \$.0283

Backhaul Rates Equal Fronthaul Rates to Zone of Delivery.

The commodity transportation rate shall be increased in accordance with Section 23 of the General Terms and Conditions of this tariff to reflect the current commodity take-or-pay surcharge as set forth on Sheet No. 14.

Effective Date: 11/01/1993 Status: Effective  
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**2 Sub 4 Revised Sheet No. 12** 2 Sub 4 Revised Sheet No. 12 : Effective  
 Superseding: 3 Revised Sheet No. 12

Cost Components of Currently Effective  
 FT Transportation Rates

	Zone SL \$	Point of Delivery			
		Zone 1 \$	Zone 2 \$	Zone 3 \$	Zone 4 \$
Demand Charge					
Storage		1.66	1.64	1.79	1.95
Zone SL					
Transmission	4.12	4.94	5.79	7.45	9.23
Zone 1					
Transmission		4.54	5.39	7.05	8.83
Zone 2					
Transmission			3.89	5.55	7.33
Zone 3					
Transmission				4.69	6.47
Zone 4					
Transmission					4.97
Commodity Charge					
Storage		.0040	.0039	.0035	.0031
Zone SL					
Transmission	.0340	.0436	.0491	.0554	.0576
Zone 1					
Transmission		.0420	.0475	.0538	.0560
Zone 2					
Transmission			.0379	.0442	.0464
Zone 3					
Transmission				.0387	.0409
Zone 4					
Transmission					.0346

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**Sub Fourth Revised Sheet No. 12** Sub Fourth Revised Sheet No. 12 : Suspended  
 Superseding: Third Revised Sheet No. 12

Cost Components of Currently Effective  
 FT Transportation Rates

	Zone SL \$	Point of Delivery			
		Zone 1 \$	Zone 2 \$	Zone 3 \$	Zone 4 \$
Demand Charge					
Storage		1.67	1.64	1.79	1.95
Zone SL					
Transmission	4.12	4.95	5.79	7.46	9.24
Zone 1					
Transmission		4.55	5.39	7.06	8.84
Zone 2					
Transmission			3.88	5.55	7.33
Zone 3					
Transmission				4.70	6.48
Zone 4					
Transmission					4.97
Commodity Charge					
Storage		.0040	.0039	.0035	.0031
Zone SL					
Transmission	.0340	.0436	.0491	.0554	.0576
Zone 1					
Transmission		.0420	.0475	.0538	.0560
Zone 2					
Transmission			.0379	.0442	.0464
Zone 3					
Transmission				.0387	.0409
Zone 4					
Transmission					.0346

Effective Date: 11/01/1993 Status: Effective

FERC Docket: RP93-106-002

**2 Sub 4 Revised Sheet No. 13** 2 Sub 4 Revised Sheet No. 13 : Effective  
Superseding: 3 Revised Sheet No. 13

Cost Components of Currently Effective  
IT Transportation Rates

Point of Receipt	Zone SL \$	Point of Delivery			
		Zone 1 \$	Zone 2 \$	Zone 3 \$	Zone 4 \$
Storage					
		.0586	.0578	.0623	.0672
Transmission					
Zone SL	{1}	.2060	.2395	.3004	.3611
Zone 1		.1912	.2247	.2856	.3463
Zone 2			.1658	.2267	.2874
Zone 3				.1929	.2536
Zone 4					.1980

{1} \$.1816 per 100 miles of haul.

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FERC Docket: RP93-106-001

**Sub Fourth Revised Sheet No. 13** Sub Fourth Revised Sheet No. 13 : Suspended  
Superseding: Third Revised Sheet No. 13

Cost Components of Currently Effective  
IT Transportation Rates

Point of Receipt	Zone SL \$	Point of Delivery			
		Zone 1 \$	Zone 2 \$	Zone 3 \$	Zone 4 \$
Storage					
		.0589	.0578	.0623	.0672
Transmission					
Zone SL	{1}	.2063	.2395	.3007	.3614
Zone 1		.1916	.2247	.2860	.3466
Zone 2			.1655	.2267	.2874
Zone 3				.1933	.2540
Zone 4					.1980

{1} \$.1816 per 100 miles of haul.

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FERC Docket: RP93-189-000

**4 / Sheet No. 14** 4 / Sheet No. 14 : Effective  
Superseding: 3 / Sheet No. 14

CHARGES PURSUANT TO SECTION 23  
OF THE GENERAL TERMS AND CONDITIONS  
OF THIS TARIFF

- (a) Except as provided in (b) below, Transporter shall collect pursuant to Section 23 of the General Terms and Conditions of this tariff a Commodity Take-or-Pay Surcharge of 0.17 cents per MMBtu or 0.17 cents per Mcf, where applicable, under the applicable transportation Rate Schedules.
- (b) Transporter will collect a Commodity Take-or-Pay Surcharge for transportation arrangements where gas is redelivered in the production area of Transporter's system (Zone SL) .01 cents per MMBtu or .01 cents per Mcf, where applicable.

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 FERC Docket: RP93-189-000

**1 / Sheet No. 15** 1 / Sheet No. 15 : Effective  
 Superseding: Original Sheet No. 15  
 TEXAS GAS TRANSMISSION CORPORATION  
 Fixed Monthly Take-or-Pay Charges  
 Pursuant to Section 23  
 of the General Terms and Conditions

Fixed Monthly  
 Take-or-Pay Charges

Zone SL -

Rate Schedule SGN		
Basile, Louisiana, Town of	\$	20
Elizabeth Natural Gas, Inc.		5
Entex, Inc.		6
Evangeline Gas Company, Inc.		67
Farmers Gas Service, Inc.		16
Jennings Gas, Inc.		3
LaFourche Gas Corporation		29
Mamou, Louisiana, Town of		52
Morgan City, Louisiana, City of		161
Mowata Gas Company		5
Nezipique Gas System, Inc.		8
Richie Gas System, Inc.		1
Roanoke Gas Company, Inc.		3

Zone 1 -

Rate Schedule CD		
Arkansas-Louisiana Gas Company	\$	747
Rate Schedule GN		
Memphis Light Gas and Water Division	\$	8,705
Mississippi Valley Gas Company		2,625
Jackson Utility Division, City of		851
Rate Schedule SGN		
Associated Natural Gas Company	\$	192
Bells, Tennessee, Mayor and Aldermen of		31
Brownsville, Tennessee, Mayor and Aldermen of		192
Clarendon, Arkansas, Town of		50
Colvin Gas Company		1
Covington, Tennessee, Mayor and Aldermen of		190
Crockett Public Utility District		44
Evangeline Gas Company, Inc.		1
First Utility District of Tipton County, Tennessee		28
Friars Point, Mississippi, Town of		21
Galloway, TN, City of		5
Gas Utility District No. 3 of Grant Parish, Louisiana		14

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 FERC Docket: RP93-189-000

Original Sheet No. 16 Original Sheet No. 16 : Effective

TEXAS GAS TRANSMISSION CORPORATION  
 Fixed Monthly Take-or-Pay Charges  
 Pursuant to Section 23  
 of the General Terms and Conditions

Fixed Monthly  
 Take-or-Pay Charges

Zone 1 (continued)

Rate Schedule SGN (continued)

Halls, Tennessee, Mayor and Alderman of	\$	54
Henning, Tennessee, Town of		12
Holly Grove, Arkansas, Town of		17
Humboldt, Tennessee, the City of		179
Jena, Louisiana, Town of 1/		66
Jones Gas Company		4
Louisiana Gas Service Company		32
Marvell, Arkansas, Town of		46
Maury City, Tennessee, Town of		16
Metcalf, Mississippi, Town of		9
Munford, Tennessee, Town of		41
Olive Branch, Mississippi, Town of		192
Ripley, Tennessee, Major and Aldermen of		192
Winstonville, Mississippi, Town of		5

Zone 2 -

Rate Schedule GN

Dyersburg, Tennessee, Mayor and Aldermen of	\$	336
Gibson County Utility District		212
United Cities Gas Company		217
Western Kentucky Gas Company		1,165

Rate Schedule SGN

Benton, Kentucky, City of	\$	192
Friendship, Tennessee, City of		9
Fulton, Kentucky, City of		67
Hardin, Kentucky, City of		13
Kuttawa, Kentucky, City of		29
Martin, Tennessee, City of		128
Murray, Kentucky, City of		192
South Fulton, Tennessee, City of		43



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 FERC Docket: RP93-189-000

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

TEXAS GAS TRANSMISSION CORPORATION  
 Fixed Monthly Take-or-Pay Charges  
 Pursuant to Section 23  
 of the General Terms and Conditions

Fixed Monthly  
 Take-or-Pay Charges

Zone 3

Rate Schedule GN

Henderson, Kentucky, City of	\$ 506
Central Illinois Public Service Co.	653
Citizens Gas & Coke Company	3,764
Illinois Gas Company	425
Indiana Gas Company, Inc. 1/	6,966
Midwest Natural Gas Corporation	243
Southern Indiana Gas and Electric Company	3,081
Western Kentucky Gas Company	2,330

Rate Schedule SGN

Boonville Natural Gas Corporation	\$ 192
Chandler Natural Gas Corporation	54
Clay, Kentucky, City of	32
Community Natural Gas Company, Inc.	102
Dome Gas Company, Inc.	133
Drakesboro, Kentucky, City of	40
Flat Rock, Illinois, Village of	14
Indiana Natural Gas Corporation	192
Jasonville, Indiana, City of	47
Lewisport, Kentucky, City of	49
Linton, Indiana, City of	141
Livermore, Kentucky, City of	38
Morganfield, Kentucky, City of	191
Ohio Valley Gas Corporation	192
Ohio Valley Gas, Inc.	113
Peoples Gas and Power Company, Inc.	128
Providence, Kentucky, City of	127
Scottsville, Kentucky, City of	78
Sturgis, Kentucky, City of	50

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 FERC Docket: RP93-189-000

Original Sheet No. 18 Original Sheet No. 18 : Effective

TEXAS GAS TRANSMISSION CORPORATION  
 Fixed Monthly Take-or-Pay Charges  
 Pursuant to Section 23  
 of the General Terms and Conditions

	Fixed Monthly Take-or-Pay Charges
Zone 4 (continued)	
Rate Schedule GN	
Cincinnati Gas & Electric Company, Inc.	\$ 3,175
Dayton Power & Light Co.	2,633
Hamilton, Ohio, City of	1,004
Lawrenceburg Gas Company	282
Louisville Gas and Electric Company	5,502
Ohio Valley Gas Corporation	391
Union Light, Heat & Power	691
Western Kentucky Gas Company	346
Rate Schedule SGN	
Carrollton, Kentucky, City of	\$ 192
Elizabethtown, Kentucky, City of	249
Indiana Utilities Corporation	128
Leitchfield, Kentucky, City of	77
South Eastern Indiana Natural Gas Company, Inc.	65
Switzerland County Natural Gas Company, Inc.	30
Valley Gas, Inc.	20
Rate Schedule FT	
Texas Eastern Transmission Corporation	\$ 7,574
Columbia Gas Transmission Corporation	7,575
CNG Transmission Corporation	2,559
East Ohio Gas Co.	1,024
Hope Gas, Inc.	131
New York State Electric & Gas Co.	211
Niagara Mohawk Power Co.	1,449
New Jersey Natural Gas Co.	256
Peoples Natural Gas Co.	524
Public Service Electric & Gas	131
River Gas Co.	79
Rochester Gas & Electric	329

1/ Service provided to Jena and Indiana under Rate Schedule SG-1 and G-3, respectively.

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*Effective Date: 10/03/1993 Status: Effective*

*FERC Docket: RP93-189-000*

**Original Sheet No. 19** Original Sheet No. 19 : Effective

Sheet No. 19 is not issued but reserved for future use.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service

1. Availability

This rate schedule is available for the transportation of natural gas by Transporter for any Customer:

1.1 Where Customer:

- (a) Has made an election to have gas transported under this Rate Schedule FT which is subject to standby service under Rate Schedule GN, SGN, or CDN; and/or
- (b) Has made an election to convert on a permanent basis from firm sales under Rate Schedules G, CD, CDL, SG, GN, SGN, or CDN to firm transportation under this Rate Schedule FT; and/or
- (c) Is eligible for firm transportation pursuant to Section 8 of this Rate Schedule FT; and
- (d) Will deliver or cause to be delivered natural gas to Transporter for delivery by Transporter to or for the account of Customer in one or more of Transporter's Service Zones; and
- (e) Has executed a Transportation Service Agreement with Transporter for service under Rate Schedules FT-SL, FT-1, FT-2, FT-3 or FT-4.

1.2 Customer, Transporter, and third-party transporters, have obtained, as appropriate, or will obtain all State and Federal approvals for services to be provided by Customer, Transporter, and third-party transporters related to those rendered under this Rate Schedule.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

Transportation service hereunder shall be evaluated on a first-come, first-served basis, along with those requests for firm sales service and increases in firm sales contract demand submitted pursuant to Section 13.1 of the General Terms and Conditions, Original Volume No. 1, determined as of the date all information specified in Section 8 of this rate schedule is provided to Transporter in writing. In the event sufficient capacity does not exist in Transporter's existing facilities, as determined by Transporter in its reasonable discretion, to satisfy all services requested as aforesaid to commence on the same date, the request which includes all of the above information first received by Transporter shall have priority over all other requests for service requested to commence on that date; and so forth until all available mainline capacity is utilized. A request for service in writing accepted by Transporter shall, for the term of service so accepted, be unaffected by and shall have priority over subsequent requests for service without regard to the date of commencement specified in such subsequent request for service. Requests which cannot be provided due to insufficient mainline capacity shall be logged into Transporter's first-come, first-served queue for firm service when received and accepted and shall remain in such log until Transporter has available capacity to provide Customer's Requested Service. Requests for transportation hereunder will be invalid and will not be considered if requested to commence later than six (6) months after the information specified in Section 8 is provided to Transporter.

- 1.3 Transporter shall not be required to construct facilities (except, and limited to, minor taps) to perform service under this Rate Schedule in the

Effective Date: 06/01/1991 Status: Effective  
FERC Docket: RP90-192-005

**First Revised Sheet No. 22** First Revised Sheet No. 22 : Effective  
Superseding: Substitute Original Sheet No. 22

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

event capacity necessary to render the requested service does not exist at the time the request is made pursuant to Section 8 hereof; provided, however, Transporter may, at its option, add facilities or expand capacity to provide such transportation service. Customer may be required to pay or cause Transporter to be paid for the installed cost of all such facilities.

1.4 Delivery facilities contemplated by Section 1.3 of this Rate Schedule may be installed by either Transporter or Customer as provided below:

- (a) Transporter will pay for all or part of the cost of the modification or construction of facilities required at delivery point(s) to effectuate the delivery of natural gas hereunder, when the construction or modification of such facilities is economically beneficial to Transporter.

For purposes of determining whether a project is economically beneficial to Transporter, Transporter will evaluate each prospective project based upon the incremental cost of service of the facilities to be constructed by Transporter, and the incremental revenues which Transporter estimates will be generated as a result of constructing and/or modifying such facilities.

In estimating the incremental revenues to be generated, Transporter will calculate the revenues based upon its currently effective maximum transportation rates, exclusive of any surcharges, and the projected incremental volumes which will result from the project.

Effective Date: 06/01/1991 Status: Effective

FERC Docket: RP90-192-005

**Second Revised Sheet No. 23** Second Revised Sheet No. 23 : Effective

Superseding: First Revised Sheet No. 23

RATE SCHEDULE

FT-SL, FT-1, FT-2, FT-3 and FT-4

Firm Transportation Service

(Continued)

Transporter will consider volumes to be incremental if any of the following criteria are met:

- (i) the volumes which will be transported through the contemplated delivery facilities are in excess of the volumes which could be transported through existing metering facilities, considering both the capacity of the existing metering facilities and the currently effective priorities of service through such meters; or
- (ii) the volumes which will be transported are to a new end-use customer or market, or to a customer or market which hasn't been served for the twelve months prior to the date of request for the meter facilities additions.

In calculating the incremental cost of service of the facilities to be constructed, Transporter shall utilize the methodologies for calculating cost of service which underlies its currently effective transportation rates.

Based on the above listed criteria, a project shall be economically beneficial when the projected first year incremental revenues equal or exceed the projected first year incremental cost of service. When the project is determined to be economically beneficial, Transporter will pay for the cost of the contemplated facilities. When the delivery point facilities do not qualify under the economic test of this section, the facilities shall be installed at Customer's expense.

Effective Date: 06/01/1991 Status: Effective  
FERC Docket: RP90-192-005

**Original Sheet No. 23A** Original Sheet No. 23A : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

When Transporter has previously paid for all or a portion of delivery point facilities under this facilities reimbursement policy, Customer shall, nevertheless, promptly pay Transporter for Transporter's net book value of such facilities when either of the following events occurs: (1) when Transporter's ability to fully recover such costs is denied in any Section 4 or Section 5 rate proceeding, or (2) when Customer ceases operations at the delivery point where the facilities were installed.

- (b) Transporter shall not construct or modify any facilities hereunder which will result in an increase or decrease in Transporter's mainline capacity, or which may compromise the operational integrity of Transporter's pipeline system. For those facilities which Transporter agrees to construct, Transporter will construct those facilities (1) pursuant to and subject to the authorization granted in Subpart F of Part 157 of the Regulations of the Federal Energy Regulatory Commission or (2) where the prior authorization of the Federal Energy Regulatory Commission is not required to construct such facilities.

Transporter shall install, own, operate, and maintain such equipment installed at Customer's expense unless otherwise agreed to in writing by Transporter and Customer. All such facilities owned and operated by Transporter must include any rights-of-way necessary to access facilities for inspection and maintenance.



Effective Date: 06/01/1991 Status: Effective  
FERC Docket: RP90-192-005

**Original Sheet No. 23B** Original Sheet No. 23B : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

Any such facilities constructed by Customer or Customer's agent must be in accordance with Transporter's specifications. Transporter must approve design drawings and bills of materials, and construction shall be subject to approval by Transporter's inspectors.

If Customer constructs facilities, Customer shall coordinate the construction of such facilities with Transporter so that Transporter may reasonably have inspectors at the site during construction. Customer assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Customer or Customer's agent.

- (c) Transporter reserves the right to seek a waiver of the foregoing facilities reimbursement policy, for good cause shown, during any proceeding before the Commission instituted under Section 7 of the Natural Gas Act. Nothing in this policy statement shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act or from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act.

This Section 1.4 pertains to facilities at delivery points only. It is not intended to limit who may own, operate, install or pay for facilities downstream of a delivery point. It is the Customer's responsibility to assure that all facilities installed and owned by Customer or any other party

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FERC Docket: RP90-192-005

**Original Sheet No. 23C** Original Sheet No. 23C : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

downstream of a delivery point comply with all applicable governmental regulations and design requirements for their intended use (i.e., pressure, control, etc.).

- 1.5 Receipt facilities contemplated by Section 1.3 of this Rate Schedule shall be installed, owned, operated, and maintained by Transporter, unless otherwise agreed to in writing by both parties. Customer shall reimburse Transporter for the cost of such facilities.

- (a) All such facilities owned and operated by Transporter must include any rights-of-way necessary to access for inspection and maintenance. Any such facilities constructed by Customer or Customer's agent must be in accordance with Transporter's specifications. Transporter must approve design drawings and bills of materials, and construction shall be subject to approval by Transporter's inspectors.

If Customer constructs facilities, Customer shall coordinate the construction of such facilities with Transporter so that Transporter may reasonably have inspectors at the site during construction. Customer assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Customer or Customer's agent.

- 1.6 Transporter shall not be required to perform service under this Rate Schedule, subject to the obtaining

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FERC Docket: RP93-106-001

**Sub First Revised Sheet No. 23C** Sub First Revised Sheet No. 23C : Suspended  
Superseding: Original Sheet No. 23C

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

downstream of a delivery point comply with all applicable governmental regulations and design requirements for their intended use (i.e., pressure, control, etc.).

- 1.5 Receipt facilities contemplated by Section 1.3 of this Rate Schedule shall be installed, owned, operated, and maintained by Transporter, unless otherwise agreed to in writing by both parties. Customer shall reimburse Transporter for the cost of such facilities.

- (a) All such facilities owned and operated by Transporter must include any rights-of-way necessary to access for inspection and maintenance. Any such facilities constructed by Customer or Customer's agent must be in accordance with Transporter's specifications. Transporter must approve design drawings and bills of materials, and construction shall be subject to approval by Transporter's inspectors.

If Customer constructs facilities, Customer shall coordinate the construction of such facilities with Transporter so that Transporter may reasonably have inspectors at the site during construction. Customer assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Customer or Customer's agent.

- (b) Subject to conditions below and upon receipt of Customer's request, Transporter will also construct, on a nondiscriminatory basis, the necessary facilities to attach gas supplies to its pipeline to the extent that (1) Customer(s) agree to pay Transporter an amount to recover the cost of such facilities, or (2) Customer(s) provide Transporter adequate assurances that

Effective Date: 06/01/1991 Status: Effective

FERC Docket: RP90-192-005

**Original Sheet No. 23D** Original Sheet No. 23D : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

of any necessary approvals, on behalf of any Customer that fails to comply with any and all of the terms of this Rate Schedule and with the terms of Customer's Transportation Service Agreement with Transporter.

Effective Date: 11/01/1993 Status: Suspended  
FERC Docket: RP93-106-001

**Sub First Revised Sheet No. 23D** Sub First Revised Sheet No. 23D : Suspended  
Superseding: Original Sheet No. 23D

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

there are adequate gas supplies to be attached by the facilities to make construction of the facilities economical to Transporter.

For the purposes of determining whether a project is economically beneficial to Transporter, Transporter will evaluate projects on the basis of the amount of reserves and deliverability characteristics of the gas supply to be attached, the cost of the facilities, operating, and maintenance, as well as administrative and general expenses attributable to the facilities, and the revenues Transporter estimates will be generated as a result of the attachment of the gas supplies and the availability of capital funds on terms and conditions acceptable to the Transporter.

In estimating the incremental revenues to be generated, Transporter will evaluate the existence of capacity limitations downstream of the facilities, the marketability of the gas supplies, the location of the markets for the gas supplies, the interruptible versus the firm nature of the transportation service from the attached gas supplies, and other similar factors which impact whether the available deliverability from the attached gas supplies will actually be transported.

Transporter may seek to include the unreimbursed facility costs in its general system rates in a subsequent rate filing which shall report (1) the location of each facility built without reimbursement, (2) the cost of that facility, and (3) the date the facility was placed into service. Transporter will own and operate all facilities constructed herein. Transporter shall have the right at any time to terminate installation of new facilities described in this section on a nondiscriminatory basis.

Effective Date: 11/01/1993 Status: Suspended

FERC Docket: RP93-106-001

**Sub Original Sheet No. 23E** Sub Original Sheet No. 23E : Suspended

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

- (c) Transporter shall not construct or modify any facilities herein which will result in an increase or decrease in Transporter's mainline capacity, or, which may compromise the operational integrity of Transporter's pipeline system.
- 1.6 Transporter shall not be required to perform service under this Rate Schedule, subject to the obtaining of any necessary approvals, on behalf of any Customer that fails to comply with any and all of the terms of this Rate Schedule and with the terms of Customer's Transportation Service Agreement with Transporter.

Effective Date: 03/01/1991 Status: Effective

FERC Docket: RP90-192-003

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

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

2. Applicability and Character of Service

- 2.1 The transportation service provided under this Rate Schedule shall be performed under Subparts B, G, H or I of Part 284, or any other applicable Commission Regulation governing such transportation, including transportation performed on an "on behalf of" basis under Subpart B. Such service shall apply to all gas transported by Transporter for Customer under this Rate Schedule up to the Transportation Contract Demand set forth in the Transportation Service Agreement.
- 2.2 Unless Customer elects the receipt point reduction option described in Section 2.5 of this Rate Schedule, transportation under this Rate Schedule shall be considered firm at both the Receipt and Delivery Point(s) to Customer for quantities delivered within Customer's Transportation Contract Demand, and subject to curtailment as provided in Section 10 of the

**Substitute Original Sheet No. 25** Substitute Original Sheet No. 25 : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A. Transporter shall be obligated to receive from Customer, or for the account of Customer, and redeliver to Customer, or for the account of Customer, on a firm basis, quantities of natural gas up to a specific daily transportation quantity which will represent Customer's Transportation Contract Demand and Transporter's Maximum Daily Transportation Obligation. Additionally, Transporter shall be obligated to receive from Customer, or for the account of Customer, and redeliver to Customer, or for the account of Customer, on a firm basis, quantities of natural gas up to a specific annual quantity which will represent Customer's Annual D-2 Billing Quantity and Transporter's Maximum Annual Transportation Obligation.

- 2.3 Transporter's firm sales customers converting all or a portion of their firm sales capacity to firm transportation capacity shall have priority over other firm transportation customers for firm capacity at receipt points made available through their conversions and associated reductions in capacity reserved by Transporter to serve their reduced firm sales requirements.
- 2.4 Customers transporting gas pursuant to Section 2.2 of this Rate Schedule shall have use of alternate receipt points located downstream of their primary receipt point(s). Curtailment of gas receipts and deliveries for an FT customer at an alternate point of receipt shall be subject to Sections 10.2 and 10.3 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A.



**Substitute Original Sheet No. 26** Substitute Original Sheet No. 26 : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

- 2.5 Customer may elect under this Rate Schedule a receipt point reduction option under which Transporter shall not be required to provide transportation service at receipt points where such would impair its ability to (i) receive its system supply gas at maximum deliverability levels in order to satisfy its obligations under firm sales rate schedules, or (ii) satisfy firm transportation requirements not subject to reduction rights. Receipts of gas under this Rate Schedule for Customers electing this receipt point reduction option will be subject to curtailment as provided in Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A. Demand charges for Customers electing the receipt point reduction option under this Rate Schedule will be based upon the farthest zone of transport (i.e., receipts in Zone SL).
- 2.6 Customer may elect service under both Sections 2.2 and 2.5 of this Rate Schedule; provided, however, that the combined amounts of both elections shall not exceed the Customer's total firm contract demand under this Rate Schedule.

Customers electing to change all or a portion of their firm transportation service from Section 2.2 to Section 2.5 of this Rate Schedule shall execute a new Firm Transportation agreement for this change in service. A Customer's queue date for curtailment in accordance with Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A, shall be based upon the date Transporter receives such request from Customer to elect service pursuant to Section 2.5 of this Rate Schedule.

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

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

- 2.7 Provided Transporter's prior consent is obtained, Customer may tender quantities of gas in excess of the Transportation Contract Demand on any day if such tender and transportation of such gas can be accomplished by Transporter without detriment to any other Customer under any of Transporter's sales or transportation rate schedules (see Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A), if such transportation is compatible to Transporter's system operation requirements. Subject to the foregoing restrictions, Transporter's consent shall not be unreasonably withheld.
- 2.8 Customers requesting and receiving an increase in Firm Transportation Contract Demand under this section shall use a queue date for such incremental service based upon the date such request for incremental service is received for allocation of capacity in accordance with Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A.

3. Categories and Priorities of Transportation Services

Refer to Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A.

4. Rates and Charges

The applicable rates per MMBtu under this rate schedule for firm transportation service to each zone are set forth on currently effective Sheet No. 10 of this Tariff, and these rates are incorporated herein by reference.

Effective Date: 11/01/1991 Status: Effective  
FERC Docket: RP90-104-021

**Sub First Revised Sheet No. 28** Sub First Revised Sheet No. 28 : Effective  
Superseding: Sub Original Sheet No. 28

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

4.1 Rates

Unless otherwise agreed to in writing by Transporter and Customer, Customer shall pay to Transporter each month the maximum Commodity Charge (including the GRI General R&D Funding Unit, if applicable, the FERC ACA Unit Charge, the Transportation Cost Adjustment (TCA) Unit Charge, and Take-or-Pay Surcharges, or similar charges) per MMBtu of gas delivered by Transporter for firm transportation services rendered to Customer under this Rate Schedule up to Customer's Transportation Contract Demand. In addition, a Reservation Charge shall be assessed monthly for firm transportation service. The monthly Reservation Charge shall consist of the sum of (a) the Transportation Contract Demand as specified in the Transportation Service Agreement multiplied by the applicable D-1 rate per MMBtu plus (b) the monthly D-2 Billing Demand multiplied by the applicable D-2 rate per MMBtu. The D-2 Billing Demand for each month shall be one-twelfth (1/12) of Customer's Annual D-2 Billing Quantity as specified in the Transportation Service Agreement. The Reservation Charge shall be billed as of the effective date of the Transportation Service Agreement. Where Customer is receiving transportation service under this Rate Schedule pursuant to the Standby Election under Rate Schedules GN, CDN, or SGN and is paying standby demand charges, Transporter shall waive the Reservation Charge hereunder.

For all gas quantities transported in excess of Customer's Transportation Contract Demand on any day, Customer shall pay the FT overrun rate per MMBtu under this Rate Schedule. Additionally, if Customer causes gas to be delivered by Transporter in excess of the Annual D-2 Billing Quantity in any contract year, Customer shall pay Transporter the FT overrun rate under

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

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

this Rate Schedule for deliveries in excess of the Annual D-2 Billing Quantity. In addition, Customer shall pay Transporter for any additional charges arising out of Sections 4.3 and 4.4 of this Rate Schedule.

Unless otherwise agreed to in writing by Transporter and Customer, Transporter may, from time to time, and at any time selectively after negotiation, adjust the rate(s) applicable to any individual Customer; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s) nor shall they be less than the Minimum Rate(s) set forth in the currently effective Sheet No. 10 of this Tariff. If Transporter so adjusts any rates to any Customer, Transporter shall file with the Commission any and all required reports respecting such adjusted rate.

4.2 Fuel, Company Use, and Unaccounted For Quantities

Customer may, at its option, (1) furnish the quantity of gas required for fuel, company use, and unaccounted for associated with rendering transportation service pursuant to this Rate Schedule or (2) provided Transporter has gas supplies available, purchase from Transporter the quantity of gas required for fuel, company use, and unaccounted for at a charge equal to Transporter's weighted average cost of gas reflected in its last purchased gas rate adjustment filing multiplied by the quantity of gas required for fuel, company use, and unaccounted for. The quantity of gas required for fuel, company use, and unaccounted for shall be equal to the quantity of gas tendered for transportation multiplied by the applicable percentage. Customer shall elect to furnish or purchase the quantity of gas required for fuel, company use, and unaccounted for prior to the commencement of the transportation service

**Substitute Original Sheet No. 30** Substitute Original Sheet No. 30 : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

rendered by Transporter and may change its election upon at least five (5) days notice prior to the beginning of a calendar month, unless another notice period is mutually agreed upon by Customer and Transporter. At least eight (8) days prior to the beginning of each calendar month, Transporter will determine whether it has gas supplies available for purchase by Customer for fuel, company use, and unaccounted for. Transporter shall not make gas supplies available to any Customer unless it has sufficient supplies for all Customers under this Rate Schedule electing to purchase fuel, company use, and unaccounted for. In the event Customer does not make an election prior to the commencement of service, Customer shall be deemed to have elected to furnish the quantity of gas required for fuel, company use, and unaccounted for from Transporter.

4.3 Transportation of Liquids/Liquefiabiles

Customer shall pay or reimburse Transporter, or cause Transporter to be paid or reimbursed under the terms of an executed agreement pursuant to Section 15.3 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A, for any applicable rates or charges associated with the transportation of liquids/liquefiabiles as specified in Section 22 of the General Terms and Conditions of said Tariff.

4.4 Adjustment of Rates

Transporter shall have the right to propose and file with the Commission or other body having jurisdiction, changes and revisions of any effective rate schedule, or to propose and file superseding rate schedules, for the purpose of changing the rate, charges, or other provisions thereof effective as to Customer.

Effective Date: 07/01/1991 Status: Effective

FERC Docket: RP90-192-006

**First Revised Sheet No. 31** First Revised Sheet No. 31 : Effective  
Superseding: Substitute Original Sheet No. 31

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

5. Minimum Monthly Bill

- (a) The minimum monthly bill for transportation service rendered hereunder on a firm basis shall consist of the monthly Reservation Charge as described in Section 4.1 of this Rate Schedule.
- (b) There shall be no minimum commodity bill for transportation service rendered hereunder on a firm basis.

6. Commission and Other Regulatory Fees

Customer shall reimburse Transporter for all fees required by the Commission or any regulatory body related to service provided under this Rate Schedule, including filing, reporting, and application fees. Provided, however, Transporter may waive filing fees for Customer on a nondiscriminatory basis.

7. Receipts and Deliveries

- 7.1 The Receipt Point(s) for all gas transported by Transporter under this Rate Schedule shall be at a mutually agreeable interconnection between Transporter's facilities and the facilities of Customer or Customer's designee. Customers not electing the receipt point reduction option may establish or change firm receipt point(s) upon thirty (30) days notice, subject to review and approval by Transporter that sufficient capacity exists to provide the requested firm service.
- 7.2 The Delivery Point(s) for all gas transported by Transporter under this Rate Schedule shall be at a mutually agreeable interconnection between Transporter's facilities and the facilities of Customer or facilities of third-parties as may be applicable, or at such other point(s), as specified in the FT Service Agreement.

Effective Date: 12/01/1991 Status: Effective

FERC Docket: RP92- 20-000

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

RATE SCHEDULE

FT-SL, FT-1, FT-2, FT-3 and FT-4

Firm Transportation Service

(Continued)

7.3 Customer shall deliver and receive gas in uniform quantities during any month and in uniform hourly quantities during any day.

8. Data Required for Valid Request for Transportation

Requests for transportation hereunder shall be made upon providing the following information in writing to Transporter, Attention: Transportation and Exchange. A request for transportation service will not be considered valid unless the Transportation Request Form contained in this Volume 2-A of Transporter's FERC Gas Tariff is completed and submitted to Transporter.

- (a) Gas quantities - The Transportation Contract Demand which will represent Transporter's maximum daily transportation obligation and a statement of the transportation demand quantities stated individually in MMBtu's for each point of receipt and delivery which represents Transporter's Maximum Quantity obligation for each individual point. The sum of the maximum quantities stated for each delivery point and also the sum of the maximum quantities stated for each receipt point, after reduction for fuel retention, cannot exceed the total Transportation Contract Demand. For Customers electing the receipt point reduction option contained in Section 2.5 of this Rate Schedule, no statement regarding gas quantities at each receipt point will be required. Additionally, the request shall include the Annual D-2 level requested which will represent Customer's Annual D-2 Billing Quantity and Transporter's maximum annual delivery obligation.
- (b) Point of receipt - The point(s) of entry into Transporter's system.
- (c) Destination of gas - The point(s) of delivery by Transporter to Customer or for the account of Customer.

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

- (d) Term of service -
  - (1) Date service requested to commence.
  - (2) Duration of service requested.
- (e) Statement that Customer has the right to acquire title to the gas to be delivered at the time a transportation request is made, and has title to the gas to be delivered when the service commences, or at some stage of the transaction, and has entered into or will enter into those arrangements necessary to assure all upstream and downstream transportation will be in place prior to the commencement of transportation through Transporter's system, and that the gas to be transported by Transporter meets pipeline quality standards as stated in Section 2 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A.
- (f) At Transporter's request, an analysis of the gas stream to be delivered to Transporter.
- (g) If the transportation agreement is to be signed with a party acting as agent for a principal, then a copy of the Agency Agreement must be provided.
- (h) Prior to initiation of transportation service under this Rate Schedule, Customer shall provide the following credit information, at Transporter's request -

Service is contingent upon a satisfactory credit appraisal by Transporter of Customer.



RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

Transporter shall apply consistent evaluation practices to determine the acceptability of the Customer's overall financial condition, working capital, and profitability trends. The results of reference checks and any credit reports submitted hereunder must show that the Customer's obligations are being paid on a reasonably prompt basis. If Customer has an on-going business relationship with Transporter, no delinquent balances should be consistently outstanding for sales or transportation services provided previously by Transporter and Customer must have paid its prior accounts according to the established terms and not have made deductions or withheld payment for claims not authorized by contract.

- (1) At Transporter's request Customer shall provide the following:
  - (a) Current financial statements, annual reports, 10-K reports, filings with regulatory agencies, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting and bond rating agencies which are available;
  - (b) A bank reference and at least two trade references;
  - (c) Verification that Customer is not operating under any chapter of the bankruptcy laws and is not subject to liquidations or debt reduction procedures under state laws, such as an

**Substitute Original Sheet No. 35** Substitute Original Sheet No. 35 : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

- assignment for the benefit of creditors, or any informal creditors' committee agreement. In the event that Customer is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act, Customer shall so state. In such event, Customer's Request for Service shall be contingent upon Customer also providing adequate assurance that the billing will be paid promptly as a cost of administration under the federal court's jurisdiction;
- (d) Verification that Customer is not subject to the uncertainty of pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or the inability to exist as an on-going business entity;
  - (e) Verification that no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the Customer's ability to remain solvent.
- (2) Upon notification by Transporter that Customer has failed to satisfy the credit criteria, Customer may obtain service hereunder if it elects one of the following options: (i) Customer may pay in advance an amount equal to three (3) months service at 100% load factor or for

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 and FT-4  
Firm Transportation Service  
(Continued)

the duration of the contract, whichever is shorter; (ii) Customer may provide a standby irrevocable letter of credit drawn upon a bank acceptable to Transporter; (iii) Customer may provide a security interest in collateral provided by the Customer found to be satisfactory to Transporter; or (iv) Customer may secure and provide to Transporter a guarantee by a person or another entity which does satisfy the credit appraisal criteria. For Customers electing option 2(i) above to obtain service, any prepayment will be retained by Transporter until the earlier of (1) termination of Customer's transportation service agreement, or (2) one (1) year from the date service has commenced if Customer's payment of its transportation invoice is on a timely basis in accordance with Section 6 of the General Terms and Conditions of Transporter's FERC Gas Tariff, First Revised Volume 2-A. If Customer's transportation service agreement expires prior to Transporter's returning its prepayment and Customer owes Transporter for transportation service rendered, in addition to other remedies available to Transporter, Transporter shall have the right to retain sufficient prepayment to cover any outstanding balance due it.

- (i) Customer must execute the contract within thirty (30) days after Transporter has accepted the request for firm service and tendered the contract to Customer. If Customer does not execute the contract within this time, Customer's request will be deemed null and void.

Effective Date: 08/01/1991 Status: Effective

FERC Docket: CP88-686-003

**First Revised Sheet No. 37** First Revised Sheet No. 37 : Effective  
Superseding: Original Sheet No. 37

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 AND FT-4  
Firm Transportation Service  
(Continued)

9. Capacity Assignment Program

If Customer provides Transporter with a notice in writing (Capacity Assignment Notice) that Customer is willing to comply with the terms and conditions set forth in Section 9 of this FT Rate Schedule, then Transporter will waive the title requirements set forth in Section 8(e) of this FT Rate Schedule. If Customer provides Transporter with such Capacity Assignment Notice, then Customer may assign its FT capacity to a third party (Assignee) so that gas owned by the Assignee, or any Assignee that is reassigned FT capacity, may be tendered pursuant to Transporter's FT Service Agreement subject to the terms and conditions of Section 9.1 of this FT Rate Schedule.

9.1 Conditions for Service

Customer agrees that it will comply with the terms and conditions of Transporter's amended Blanket Certificate of Public Convenience and Necessity as issued by the Commission in Docket No. CP88-686-001. Such conditions are as follows:

- (a) Any firm pipeline Customer, and any other interstate pipeline that desires to assign capacity under Transporter's capacity assignment program must have accepted a blanket certificate under Subpart G of Part 284 of the Commission's regulations. The certificate holder must file appropriate tariff sheets, as specified in the Commission Order (the Order) dated May 13, 1991, in Docket No. CP88-686-001 (including provisions for establishment of an open season), if it desires to participate in Transporter's capacity assignment program.
- (b) Firm transportation rights may be repackaged and assigned on either a firm or interruptible basis. There shall be no minimum term for any assignment,

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FERC Docket: CP88-686-003

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

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 AND FT-4  
Firm Transportation Service  
(Continued)

however, no assignment shall be for a period exceeding the term of Transporter's capacity assignment program.

- (c) All assignments will be performed on an open access, not unduly discriminatory, first-come, first-served basis.
- (d) FT Customers or assignors engaging in assignment of capacity under certificates issued or amended by the Order must notify the Commission of their acceptance of the certificate issued within ten (10) days of the first transaction thereunder.
- (e) Any FT Customer or assignor engaging in the assignment of capacity under Transporter's capacity assignment program must comply with the reporting requirements contained in the Order, and use the format contained on currently effective Sheet No. 44 of this tariff, entitled "Reporting Format for Assignments."
- (f) FT capacity assigned on an interruptible basis shall be accorded the same priority on Transporter's system as that of the FT Customer from whom the assignment is originated.
- (g) FT Customers and assignors may enter into duplicative interruptible assignment agreements for the same FT Customer entitlement; however, the amount of capacity which an FT customer may schedule is limited to that FT customer's entitlement.
- (h) Any FT Customer participating in Transporter's capacity assignment program who converted from sales to firm transportation under Section 284.10 of the Commission's regulations, may give priority in their first-come, first-served queue for capacity to their converting customers.

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 AND FT-4  
Firm Transportation Service  
(Continued)

- (i) The amount of capacity a firm transportation Customer is permitted to assign on a firm basis is limited annually to its annual entitlement to service and limited daily to the amount represented by the D-1 entitlement.
- (j) FT Customers and subsequent assignors are authorized to impose reasonable, non-discriminatory conditions upon the assignment of Transporter's capacity. Such conditions must be consistent with the FT service agreement between the FT Customer and Transporter and with Transporter's tariff.
- (k) FT Customers are required to notify Transporter of the availability of capacity, within 48 hours, during the term of the capacity assignment program. Transporter will post this notice on its electronic bulletin board.
- (l) FT Customers or assignors, may not condition a capacity assignment upon the bundling with any other services.
- (m) No capacity may be permanently assigned under Transporter's capacity assignment program.
- (n) Transporter and other interstate pipelines that participate in Transporter's capacity assignment program, and their respective affiliates, are subject to the requirements of Commission's Orders Nos. 497 and 497-A, or any revisions, as long as those orders remain in effect.
- (o) Customer agrees to continue to be responsible to Transporter for compliance with all terms and conditions of the FT Rate Schedule and FT Service Agreement, including nominations, any imbalances between receipts of gas and delivery of gas, and

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 AND FT-4  
Firm Transportation Service  
(Continued)

payment of all costs, rates, charges, applicable surcharges, penalties and fees for transportation service rendered pursuant to Transporter's FT Service Agreement, and to be responsible for requesting any amendment(s) to such FT Service Agreement.

- (p) Customer warrants that it or its Assignee will have good title to all the gas delivered to Transporter hereunder free and clear of all liens, encumbrances, and claims whatsoever. Customer agrees to indemnify and hold harmless Transporter against any damages, claims, demands or losses incurred by Transporter on account of such liens, encumbrances, or claims. Customer shall not be obligated to notify Transporter of the identity of the Assignee(s).

9.2 Rate(s) to be Charged

- (a) The rate which any authorized FT Customer or assignor may charge to assign firm capacity on Transporter's system cannot exceed the as-billed rate charged by Transporter. Any assignor of capacity must track any changes in Transporter's filed rate. If the Commission orders refunds of any rates on file, the assignors of capacity must also make corresponding refunds. Assignors may restructure their transportation costs and charge assignees a recomputed rate as long as the total rate does not exceed the maximum allowable rate or the as-billed charges. Assignors may charge a two-part rate that is different from Transporter's two-part rate for capacity assigned on a firm basis, provided that the total revenues do not exceed those that would be generated utilizing the rates which Transporter charges to the FT Customer, and further provided that reservation fee does not exceed the reservation fee paid by the respective FT Customer to Transporter.

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 AND FT-4  
Firm Transportation Service  
(Continued)

- (b) In situations where the demand and commodity components of a two-part rate are blended to form a one-part rate for service assigned on a firm basis, the maximum one-part rate must be calculated using the projected FT load factor underlying Transporter's current rates. However, for firm assignments, the FT Customers and assignors, must provide the assignees with the option of receiving service at the as-billed rate, as opposed to a blended rate. A one-part blended rate cannot be used as a reservation fee or as a demand charge, but can only be charged for service which is actually rendered.
- (c) The rate for FT capacity assigned on an interruptible basis must be a volumetric rate which complies with Section 284.9(d) of the Commission's regulations. The maximum rate for firm capacity assigned on an interruptible basis must be no higher than Transporter's maximum rate for interruptible transportation service as shown on currently effective Sheet No. 11, as such rate may change from time to time. The minimum rate cannot be less than Transporter's minimum rate for interruptible transportation service.
- (d) The rate for capacity assigned by Transporter's standby customers shall include the FT commodity charge and that portion of the Transporter's Sales Demand charges attributable to transportation service which is equal to the applicable FT reservation fee.
- (e) FT Customers and assignors may pass on any scheduling or balancing penalties actually levied by Transporter against FT Customers. It is the responsibility of the FT Customer to determine which assignees are responsible for any penalties. Assignors may not levy penalties if no penalties are actually levied by Transporter.



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FERC Docket: CP88-686-003

**Original Sheet No. 42** Original Sheet No. 42 : Effective

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 AND FT-4  
Firm Transportation Service  
(Continued)

- (f) Rates for firm capacity reassigned on a firm basis under Texas Gas's capacity assignment program are shown on currently effective Sheet Nos. 10B and 10C of this tariff.

10. General Terms and Conditions

All of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A are applicable to this Rate Schedule and are hereby incorporated as a part of this Rate Schedule.

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FERC Docket: CP88-686-003

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

RATE SCHEDULE  
FT-SL, FT-1, FT-2, FT-3 AND FT-4  
Firm Transportation Service  
(Continued)

CAPACITY ASSIGNMENT NOTICE

\_\_\_\_\_ ("Customer") hereby notifies Texas Gas Transmission Corporation (Transporter) that it desires to assign rights under the FT Service Agreement dated \_\_\_\_\_ to a third party (Assignee) to permit gas owned by Assignee to be tendered for transportation under said FT Service Agreement. Customer agrees that:

- (1) Customer will comply with the terms and conditions of Transporter's amended Blanket Certificate of Public Convenience and Necessity as issued by the Commission in Docket No. CP88-686-001 and the terms and conditions of Section 9 of Transporter's Rate Schedule FT;
- (2) Customer agrees to be responsible to Transporter for compliance with all terms and conditions of the FT Rate Schedule and FT Service Agreement, including nominations, any imbalances between receipts of gas and delivery of gas, payment of all costs, rates, charges, applicable surcharges, penalties and fees for transportation service rendered pursuant to Transporter's FT Service agreement, and be responsible for requesting any amendment(s) to such FT Service Agreement;
- (3) Customer warrants that it or its Assignee will have good title to all the gas delivered to Transporter hereunder free and clear of all liens, encumbrances, and claims whatsoever. Customer agrees to indemnify and hold harmless Transporter against any damages, claims, demands or losses incurred by Transporter, on account of such liens, encumbrances or claims. Customer shall not be obligated to notify Transporter of the identity of the Assignee(s).

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



*Effective Date: 08/01/1991 Status: Effective*

*FERC Docket: CP88-686-003*

**Original Sheet No. 45** Original Sheet No. 45 : Effective

Sheet No. 45 is not issued but is reserved for future use.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 46** Original Sheet No. 46 : Effective

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service

1. Availability

1.1 This rate schedule is available for the transportation of natural gas by Transporter for any Customer which will deliver or cause to be delivered natural gas to Transporter for redelivery by Transporter to Customer or for the account of Customer in one or more of Transporter's Service Zones; and which has executed a Transportation Service Agreement with Transporter for service under Rate Schedules IT-SL, IT-1, IT-2, IT-3 or IT-4.

1.2 Customer, Transporter, and third-party transporters have obtained, as appropriate, or will obtain, all State and Federal approvals for services to be provided by Customer, Transporter, and third-party transporters related to those rendered under this Rate Schedule.

Transportation service hereunder shall be evaluated on a first-come, first-served basis determined as of the date all information specified in Section 8 of this Rate Schedule is provided to Transporter in writing. In the event sufficient capacity does not exist in Transporter's existing facilities, as determined by Transporter in its reasonable discretion, to satisfy all services requested as aforesaid to commence on the same date, the request which includes all of the above information first received by Transporter shall have priority over all other requests for service requested to commence on that date for purposes of evaluation of the request, and preparation, and transmittal of the Transportation Service Agreement; and so forth until all available capacity is utilized. Requests for transportation hereunder will be invalid and will not be considered if requested to commence later than six (6) months after the information specified in Section 8 is provided to Transporter.

Effective Date: 06/01/1991 Status: Effective

FERC Docket: RP90-192-005

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

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

Customer will be permitted to add new receipt points and substitute new suppliers where capacity is available from a newly requested receipt point. However, a separate Transportation Agreement is required for any other requested change in service (new delivery points, increase in transportation quantity, etc.) and will be considered to be a request for new service and, therefore, will be evaluated on a first-come, first-served basis, subject to the requirements of Section 8; provided, however, Customer may request the addition of a delivery point to its existing Transportation Service Agreement if such delivery point provides for deliveries to the same entity physically interconnecting with Transporter.

- 1.3 Transporter shall not be required to construct facilities (except, and limited to, minor taps) to perform service under this Rate Schedule in the event capacity necessary to render the requested service does not exist at the time the request is made pursuant to Section 8 hereof; provided, however, Transporter may, at its option, add facilities, or expand capacity to provide such transportation service. Customer may be required to pay or cause Transporter to be paid for the installed cost of all such facilities.
- 1.4 Delivery facilities contemplated by Section 1.3 of this Rate Schedule may be installed by either Transporter or Customer as provided below:
  - (a) Transporter will pay for all or part of the cost of the modification or construction of facilities required at delivery point(s) to effectuate the delivery of natural gas hereunder, when the construction or modification of such facilities is economically beneficial to Transporter.

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FERC Docket: RP90-192-005

**First Revised Sheet No. 48** First Revised Sheet No. 48 : Effective  
Superseding: Substitute Original Sheet No. 48

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

For purposes of determining whether a project is economically beneficial to Transporter, Transporter will evaluate each prospective project based upon the incremental cost of service of the facilities to be constructed by Transporter, and the incremental revenues which Transporter estimates will be generated as a result of constructing and/or modifying such facilities.

In estimating the incremental revenues to be generated, Transporter will calculate the revenues based upon its currently effective maximum transportation rates, exclusive of any surcharges, and the projected incremental volumes which will result from the project. Transporter will consider volumes to be incremental if any of the following criteria are met:

- (i) the volumes which will be transported through the contemplated delivery facilities are in excess of the volumes which could be transported through existing metering facilities, considering both the capacity of the existing metering facilities and the currently effective priorities of service through such meters; or
- (ii) the volumes which will be transported are to a new end-use customer or market, or to a customer or market which hasn't been served for the twelve months prior to the date of request for the meter facilities additions.

In calculating the incremental cost of service of the facilities to be constructed, Transporter shall utilize the methodologies for calculating cost of service which underlies its currently effective transportation rates.

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FERC Docket: RP90-192-005

**First Revised Sheet No. 49** First Revised Sheet No. 49 : Effective  
Superseding: Substitute Original Sheet No. 49

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

Based on the above listed criteria, a project shall be economically beneficial when the projected first year incremental revenues equal or exceed the projected first year incremental cost of service. When the project is determined to be economically beneficial, Transporter will pay for the cost of the contemplated facilities. When the delivery point facilities do not qualify under the economic test of this section, the facilities shall be installed at Customer's expense.

When Transporter has previously paid for all or a portion of delivery point facilities under this facilities reimbursement policy, Customer shall, nevertheless, promptly pay Transporter for Transporter's net book value of such facilities when either of the following events occurs: (1) when Transporter's ability to fully recover such costs is denied in any Section 4 or Section 5 rate proceeding, or (2) when Customer ceases operations at the delivery point where the facilities were installed.

- (b) Transporter shall not construct or modify any facilities hereunder which will result in an increase or decrease in Transporter's mainline capacity, or which may compromise the operational integrity of Transporter's pipeline system. For those facilities which Transporter agrees to construct, Transporter will construct those facilities (1) pursuant to and subject to the authorization granted in Subpart F of Part 157 of the Regulations of the Federal Energy Regulatory Commission or (2) where the prior authorization of the Federal Energy Regulatory Commission is not required to construct such facilities.



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

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

Transporter shall install, own, operate, and maintain such equipment installed at Customer's expense unless otherwise agreed to in writing by Transporter and Customer. All such facilities owned and operated by Transporter must include any rights-of-way necessary to access facilities for inspection and maintenance. Any such facilities constructed by Customer or Customer's agent must be in accordance with Transporter's specifications. Transporter must approve design drawings and bills of materials, and construction shall be subject to approval by Transporter's inspectors.

If Customer constructs facilities, Customer shall coordinate the construction of such facilities with Transporter so that Transporter may reasonably have inspectors at the site during construction. Customer assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Customer or Customer's agent.

- (c) Transporter reserves the right to seek a waiver of the foregoing facilities reimbursement policy, for good cause shown, during any proceeding before the Commission instituted under Section 7 of the Natural Gas Act. Nothing in this policy statement shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act or from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act.

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

This Section 1.4 pertains to facilities at delivery points only. It is not intended to limit who may own, operate, install or pay for facilities downstream of a delivery point. It is the Customer's responsibility to assure that all facilities installed and owned by Customer or any other party downstream of a delivery point comply with all applicable governmental regulations and design requirements for their intended use (i.e., pressure, control, etc.).

- 1.5 Receipt facilities contemplated by Section 1.3 of this Rate Schedule shall be installed, owned, operated, and maintained by Transporter, unless otherwise agreed to in writing by both parties. customer shall reimburse Transporter for the cost of such facilities.
- (a) All such facilities owned and operated by Transporter must include any rights-of-way necessary to access facilities for inspection and maintenance. Any such facilities constructed by Customer or Customer's agent must be in accordance with Transporter's specifications. Transporter must approve design drawings and bills of materials, and construction shall be subject to approval by Transporter's inspectors.

If Customer constructs facilities, Customer shall coordinate the construction of such facilities with Transporter so that Transporter may reasonably have inspectors at the site during construction. Customer assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Customer or Customer's agent.

Effective Date: 11/01/1993 Status: Suspended  
FERC Docket: RP93-106-001

**Sub First Revised Sheet No. 49B** Sub First Revised Sheet No. 49B : Suspended  
Superseding: Original Sheet No. 49B

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

This Section 1.4 pertains to facilities at delivery points only. It is not intended to limit who may own, operate, install or pay for facilities downstream of a delivery point. It is the Customer's responsibility to assure that all facilities installed and owned by Customer or any other party downstream of a delivery point comply with all applicable governmental regulations and design requirements for their intended use (i.e., pressure, control, etc.).

1.5 Receipt facilities contemplated by Section 1.3 of this Rate Schedule shall be installed, owned, operated, and maintained by Transporter, unless otherwise agreed to in writing by both parties. customer shall reimburse Transporter for the cost of such facilities.

(a) All such facilities owned and operated by Transporter must include any rights-of-way necessary to access facilities for inspection and maintenance. Any such facilities constructed by Customer or Customer's agent must be in accordance with Transporter's specifications. Transporter must approve design drawings and bills of materials, and construction shall be subject to approval by Transporter's inspectors.

If Customer constructs facilities, Customer shall coordinate the construction of such facilities with Transporter so that Transporter may reasonably have inspectors at the site during construction. Customer assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Customer or Customer's agent.

(b) Subject to conditions below and upon receipt of Customer's request, Transporter will also construct, on a nondiscriminatory basis, the necessary facilities to attach gas supplies to

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

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

1.6 Transporter shall not be required to perform service under this Rate Schedule, subject to the obtaining of any necessary approvals, on behalf of any Customer that fails to comply with any and all of the terms of this Rate Schedule and with the terms of Customer's Transportation Service Agreement with Transporter.

2. Applicability and Character of Service

2.1 This Rate Schedule shall apply to all transportation services performed by Transporter for Customer under each Transportation Service Agreement for service under this Rate Schedule during the term identified in the Transportation Service Agreement. The transportation service rendered shall be on an interruptible basis. The transportation service provided under this Rate Schedule shall be performed under Subpart E of Part 157, Subparts B, G, H, or I of Part 284, or any other applicable Commission Regulation governing such transportation, including transportation performed on an "on behalf of" basis under Subpart B. Such service shall apply to all gas transported by Transporter for Customer under this Rate Schedule up to the Transportation Contract Demand set forth in the Transportation Service Agreement.

Transportation service rendered hereunder which is interruptible in character will be performed provided Transporter has capacity sufficient to perform the service.

Effective Date: 11/01/1993 Status: Suspended  
FERC Docket: RP93-106-001

**Sub First Revised Sheet No. 49C** Sub First Revised Sheet No. 49C : Suspended  
Superseding: Original Sheet No. 49C

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

its pipeline to the extent that (1) Customer(s) agree to pay Transporter an amount to recover the cost of such facilities, or (2) Customer(s) provide Transporter adequate assurances that there are adequate gas supplies to be attached by the facilities to make construction of the facilities economical to Transporter.

For the purposes of determining whether a project is economically beneficial to Transporter, Transporter will evaluate projects on the basis of the amount of reserves and deliverability characteristics of the gas supply to be attached, the cost of the facilities, operating, and maintenance, as well as administrative and general expenses attributable to the facilities, and the revenues Transporter estimates will be generated as a result of the attachment of the gas supplies and the availability of capital funds on terms and conditions acceptable to the Transporter.

In estimating the incremental revenues to be generated, Transporter will evaluate the existence of capacity limitations downstream of the facilities, the marketability of the gas supplies, the location of the markets for the gas supplies, the interruptible versus the firm nature of the transportation service from the attached gas supplies, and other similar factors which impact whether the available deliverability from the attached gas supplies will actually be transported.

Transporter may seek to include the unreimbursed facility costs in its general system rates in a subsequent rate filing which shall report (1) the location of each facility built without reimbursement, (2) the cost of that facility, and (3) the date the facility was placed into service. Transporter will own and operate all facilities constructed herein. Transporter shall have the right at any time to terminate

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

installation of new facilities described in this section on a nondiscriminatory basis.

(c) Transporter shall not construct or modify any facilities herein which will result in an increase or decrease in Transporter's mainline capacity, or, which may compromise the operational integrity of Transporter's pipeline system.

1.6 Transporter shall not be required to perform service under this Rate Schedule, subject to the obtaining of any necessary approvals, on behalf of any Customer that fails to comply with any and all of the terms of this Rate Schedule and with the terms of Customer's Transportation Service Agreement with Transporter.

2. Applicability and Character of Service

2.1 This Rate Schedule shall apply to all transportation services performed by Transporter for Customer under each Transportation Service Agreement for service under this Rate Schedule during the term identified in the Transportation Service Agreement. The transportation service rendered shall be on an interruptible basis. The transportation service provided under this Rate Schedule shall be performed under Subpart E of Part 157, Subparts B, G, H, or I of Part 284, or any other applicable Commission Regulation governing such transportation, including transportation performed on an "on behalf of" basis under Subpart B. Such service shall apply to all gas transported by Transporter for Customer under this Rate Schedule up to the Transportation Contract Demand set forth in the Transportation Service Agreement.

Transportation service rendered hereunder which is interruptible in character will be performed provided Transporter has capacity sufficient to perform the service.

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FERC Docket: RP90-192-002

**Substitute Original Sheet No. 50** Substitute Original Sheet No. 50 : Effective

RATE SCHEDULE  
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Interruptible Transportation Service  
(Continued)

If the total quantities nominated for transportation pursuant to this Rate Schedule for a particular point of receipt and/or point of delivery by all interruptible customers exceed the total capacity available at that point, quantities scheduled for receipt and/or delivery will be allocated on a last-on, first-off basis in accordance with Sections 10.2, 10.3, and 10.4 of the General Terms and Conditions in Transporter's FERC Gas Tariff, Original Volume No. 2-A.

Interruptible service provided under this Rate Schedule shall, in addition to the reasons provided in Sections 10.1 through 10.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A, be interruptible when Transporter, in its reasonable discretion, deems such interruption necessary, including, without limitation, interruptions due to insufficient capacity in Transporter's system to render firm sales service, and service to Transporter's firm transportation customers. Interruption of service includes decreasing, suspending, or discontinuing both the receipt and delivery of gas. Transporter shall not be liable in damages or otherwise to Customer for any such curtailment or interruption. Curtailment of interruptible transportation service will be on a last-on, first-off basis in accordance with Sections 10.2 and 10.3 of the General Terms and Conditions contained in Transporter's FERC Gas Tariff, Original Volume No. 2-A.

- 2.2 Provided Transporter's prior consent is obtained, Customer may tender quantities of gas in excess of the Transportation Quantity on any day if such tender and transportation of such gas can be accomplished by Transporter without detriment to any

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FERC Docket: RP90-104-021

**Sub First Revised Sheet No. 51** Sub First Revised Sheet No. 51 : Effective  
Superseding: Sub Original Sheet No. 51

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

other Customer under any of Transporter's sales or transportation rate schedules (see Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, First Revised Volume No. 2-A), if such transportation is compatible to Transporter's system operation requirements. Subject to the foregoing restrictions, Transporter's consent shall not be unreasonably withheld.

3. Categories and Priorities of Transportation Services

Refer to Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, First Revised Volume No. 2-A.

4. Rates and Charges

The applicable rates per MMBtu under this rate schedule for interruptible transportation service in each zone are set forth on currently effective Sheet No. 11 of this tariff, and these rates are incorporated herein by reference.

4.1 Rates

Unless otherwise agreed to in writing by Transporter and Customer, Customer shall pay to Transporter each month the maximum Commodity Charge (including the GRI General R&D Funding Unit, if applicable, and the FERC ACA Unit Charge, the Transportation Cost Adjustment (TCA) Unit Charge, and Take-or-Pay Surcharges, or similar charges) per MMBtu of gas delivered by Transporter.

In addition, Customer shall pay Transporter for any additional charges arising out of Sections 4.3 and 4.4 of this Rate Schedule.

Unless otherwise agreed to in writing by Transporter and Customer, Transporter may, from time to time and



RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

at any time after negotiation selectively, adjust the rate(s) applicable to any individual Customer; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s) nor shall they be less than the Minimum Rate(s) set forth in the currently effective Sheet No. 11 of this tariff. If Transporter so adjusts any rates to any Customer, Transporter shall file with the Commission any and all required reports respecting such adjusted rate.

4.2 Fuel, Company Use, and Unaccounted For Quantities

Customer may, at its option, (1) furnish the quantity of gas required for fuel, company use, and unaccounted for associated with rendering transportation service pursuant to this Rate Schedule or (2) provided Transporter has gas supplies available, purchase from Transporter the quantity of gas required for fuel, company use, and unaccounted for at a charge equal to Transporter's weighted average cost of gas reflected in its last purchased gas rate adjustment filing multiplied by the quantity of gas required for fuel, company use, and unaccounted for. The quantity of gas required for fuel, company use, and unaccounted for shall be equal to the quantity of gas tendered for transportation multiplied by the applicable percentage. Customer shall elect to furnish or purchase the quantity of gas required for fuel, company use, and unaccounted for prior to the commencement of the transportation service rendered by Transporter and may change its election upon at least five (5) days notice prior to the beginning of a calendar month, unless another notice period is mutually agreed upon by Customer and Transporter. At least eight (8) days prior to the beginning of each calendar month, Transporter will determine whether it has gas supplies available for purchase

**Substitute Original Sheet No. 53** Substitute Original Sheet No. 53 : Effective

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

by Customer for fuel, company use, and unaccounted for. Transporter shall not make gas supplies available to any Customer unless it has sufficient supplies for all Customers under this Rate Schedule and Rate Schedule FT electing to purchase fuel, company use, and unaccounted for supplies. In the event Customer does not make an election prior to the commencement of service, Customer shall be deemed to have elected to furnish the quantity of gas required for fuel, company use, and unaccounted for from Transporter.

4.3 Transportation of Liquids/Liquefiabiles

Customer shall pay or reimburse Transporter, or cause Transporter to be paid or reimbursed under the terms of an executed agreement pursuant to Section 15.3 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A, for any applicable rates or charges associated with the transportation of liquids/liquefiabiles as specified in Section 22 of the General Terms and Conditions of said Tariff.

4.4 Adjustment of Rates

Transporter shall have the right to propose and file with the Commission or other body having jurisdiction, changes and revisions of any effective rate schedule, or to propose and file superseding rate schedules, for the purpose of changing the rate, charges, or other provisions thereof effective as to Customer.

5. Minimum Monthly Bill

None

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

6. Commission and Other Regulatory Fees

Customer shall reimburse Transporter for all fees required by the Commission or any regulatory body related to service provided under this Rate Schedule, including filing, reporting, and application fees. Provided, however, Transporter may waive filing fees for Customer on a nondiscriminatory basis.

7. Receipt and Delivery Points

7.1 The Receipt Point(s) for all gas transported by Transporter under this Rate Schedule shall be at a mutually agreeable interconnection between Transporter's facilities and the facilities of Customer or Customer's designee.

Transporter shall have the right to interrupt service under this Rate Schedule if total deliveries of gas to Transporter from all customers under all rate schedules at any one point of receipt fall below a volume that can be accurately measured.

In the event of a capacity limitation on Transporter's system at any of the Point(s) of Receipt, Transporter has the right, in its reasonable discretion to curtail deliveries at such Points of Receipt. Customer then has the option to nominate and receive quantities of gas at the remaining Point(s) of Receipt.

Should Customer's nominations at a particular Point or Points of Receipt exceed the quantity of gas available for receipt at such Point of Receipt, it is the responsibility of Customer and its supplier to allocate the quantities actually available for receipt at that point.

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**Second Revised Sheet No. 55** Second Revised Sheet No. 55 : Effective  
Superseding: First Revised Sheet No. 55

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IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

Customer agrees to indemnify and hold harmless Transporter from any and all claims, suits, damages, or actions arising from the failure of Transporter to receive quantities of gas actually nominated by Customer at a particular Point or Points of Receipt, resulting specifically from the situations described above.

- 7.2 The Delivery Point(s) for all gas transported by Transporter under this Rate Schedule shall be at a mutually agreeable interconnection between Transporter's facilities and the facilities of Customer or facilities of third-parties as may be applicable, or at such other point(s), as specified in the IT Service Agreement.
- 7.3 Customer shall deliver and receive gas in uniform quantities during any month and in uniform hourly quantities during any day.

8. Data Required for Valid Request for Transportation

Requests for transportation hereunder shall be made upon providing the following information in writing to Transporter, Attention: Transportation and Exchange. A request for transportation service will not be considered valid unless the Transportation Request Form contained in this Volume 2-A of Transporter's FERC Gas Tariff is completed and submitted to Transporter.

- (a) Gas quantities - The Transportation quantity which will represent Transporter's maximum daily transportation obligation.
- (b) Point of receipt - The point(s) of entry into Transporter's system.
- (c) Destination of gas - The point(s) of delivery by Transporter to Customer or for the account of Customer.

**Substitute Original Sheet No. 56** Substitute Original Sheet No. 56 : Effective

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IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

- (d) Term of service -
  - (i) Date service requested to commence.
  - (ii) Duration of service requested.
- (e) Statement that -
  - (i) Customer has title to the gas, or has the contractual right to deliver, or cause to be delivered, such gas to Transporter for transportation; and
  - (ii) The gas to be transported by Transporter meets pipeline quality standards as stated in Section 2 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A.
- (f) At Transporter's request, an analysis of the gas stream to be delivered to Transporter.
- (g) If the transportation agreement is to be signed with a party acting as agent for a principal, then a copy of the Agency Agreement must be provided.
- (h) Prior to initiation of transportation service under this Rate Schedule, Customer shall provide the following credit information, at Transporter's request -

Service is contingent upon a satisfactory credit appraisal by Transporter of Customer. Transporter shall apply consistent evaluation practices to determine the acceptability of the Customer's overall financial condition, working

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

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
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capital, and profitability trends. The results of reference checks and any credit reports submitted hereunder must show that the Customer's obligations are being paid on a reasonably prompt basis. If Customer has an on-going business relationship with Transporter, no delinquent balances should be consistently outstanding for sales or transportation services provided previously by Transporter and Customer must have paid its prior accounts according to the established terms and not have made deductions or withheld payment for claims not authorized by contract.

- (1) At Transporter's request Customer shall provide the following:
  - (a) Current financial statements, annual reports, 10-K reports, filings with regulatory agencies, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting and bond rating agencies which are available;
  - (b) A bank reference and at least two trade references;
  - (c) Verification that Customer is not operating under any chapter of the bankruptcy laws and is not subject to liquidations or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. In the event

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

- that Customer is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act, Customer shall so state. In such event, Customer's Request for Service shall be contingent upon Customer also providing adequate assurance that the billing will be paid promptly as a cost of administration under the federal court's jurisdiction;
- (d) Verification that Customer is not subject to the uncertainty of pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or the inability to exist as an on-going business entity;
  - (e) Verification that no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the Customer's ability to remain solvent.
- (2) Upon notification by Transporter that Customer has failed to satisfy the credit criteria, Customer may obtain service hereunder if it elects one of the following options: (i) Customer may pay in advance an amount equal to three (3) months service at 100% load factor or for the duration of the contract, whichever is shorter; (ii) Customer may provide a standby irrevocable letter of credit drawn

RATE SCHEDULE  
IT-SL, IT-1, IT-2, IT-3 and IT-4  
Interruptible Transportation Service  
(Continued)

upon a bank acceptable to Transporter;  
(iii) Customer may provide a security interest in collateral provided by the Customer found to be satisfactory to Transporter; or (iv) Customer may secure and provide to Transporter a guarantee by a person or another entity which does satisfy the credit appraisal criteria. For Customers electing option 2(i) above to obtain service, any prepayment will be retained by Transporter until the earlier of (1) termination of Customer's transportation service agreement, or (2) one (1) year from the date service has commenced if Customer's payment of its transportation invoice is on a timely basis in accordance with Section 6 of the General Terms and Conditions of Transporter's FERC Gas Tariff, First Revised Volume 2-A. If Customer's transportation service agreement expires prior to Transporter's returning its prepayment and Customer owes Transporter for transportation service rendered, in addition to other remedies available to Transporter, Transporter shall have the right to retain sufficient prepayment to cover any outstanding balance due it.

- (i) Once validated and accepted, Transporter shall send to Customer an agreement which contains the information necessary to commence the requested service. Customer shall have thirty (30) days from the date of receipt of the agreement in which to execute such agreement or Customer's request shall be deemed null and



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*FERC Docket: RP90-192-002*

**Original Sheet No. 60** Original Sheet No. 60 : Effective

Sheet Nos. 61-67 are not issued but are reserved for future use.

*Effective Date: 01/01/1992 Status: Effective*

*FERC Docket: GT92- 7-000*

**Original Sheet No. 61** Original Sheet No. 61 : Effective

Sheet numbers 61 through 67 are not issued but are reserved  
for future use.

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FERC Docket: RP90-104-020

**First Revised Sheet No. 68** First Revised Sheet No. 68 : Effective

Superseding: Original Sheet No. 68

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GENERAL TERMS AND CONDITIONS

1. Definition of Terms

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

- 1.1 The term "day" shall mean a period of twenty-four consecutive hours, beginning as near as practicable to 8:00 a.m., Standard Time, at the point of transfer.
- 1.2 The term "month" shall mean the period beginning as near as practicable to 8:00 a.m., on the first day of the calendar month and ending as near as practicable to 8:00 a.m., on the first day of the next succeeding calendar month.
- 1.3 The term "year" shall mean a period of 365 consecutive days beginning with the date of first delivery of gas under the executed service agreement, or on any anniversary thereof; provided, however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.
- 1.4 The term "gas" shall include natural gas, including associated liquefiable hydrocarbons, produced from gas wells, oil well gas produced in association with crude oil and synthetic or substitute natural gas.
- 1.5 The term "psia" shall mean pounds per square inch absolute.
- 1.6 The term "psig" shall mean pounds per square inch gauge.
- 1.7 The term "standard cubic foot of gas" for purposes of measurement hereunder shall mean the quantity of

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gas which would occupy one cubic foot of space when such gas is at a temperature of 60 degrees Fahrenheit and at a pressure of 14.73 (psia).

- 1.8 The term "Mcf" is the abbreviation employed to denote 1,000 standard cubic feet of gas.
- 1.9 The term "Btu" is the abbreviation employed to denote a British thermal unit.
- 1.10 The term "MMBtu" is the abbreviation employed to denote 1,000,000 Btu.
- 1.11 The term "unit total heating value" means the number of British thermal units determined on a dry basis, that are produced by the combustion, at constant pressure of the amount of gas which would occupy a volume of 1.0 cubic foot at a temperature of sixty (60) degrees Fahrenheit and under a pressure of fourteen and seventy-three hundredths (14.73) (psia) with air at the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air and when the water formed by combustion is condensed to the liquid state.
- 1.12 The term "quantity of gas" shall mean the number of units of gas expressed in MMBtu unless otherwise specified.
- 1.13 The term "equivalent quantities" shall mean quantities of gas of equal thermal content as determined by the product of their quantities and heating values as defined above and in Section 3 of these General Terms and Conditions, less reductions in gas quantities due to the quantity of gas consumed as compressor fuel, company use, unaccounted for, if applicable, and loss due to venting.

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- 1.14 The term "Transporter" shall mean Texas Gas Transmission Corporation.
- 1.15 The term "Customer" shall mean an entity having gas transported through Transporter's pipeline system in accordance with the provisions of a Transportation Service Rate Schedule in this tariff.
- 1.16 The term "transportation contract demand" shall mean the maximum daily quantity of gas set forth in the executed service agreement which Transporter shall be obligated to deliver to Customer and which Customer shall be entitled to receive from Transporter.
- 1.17 The term "Annual D-2 Billing Quantity" shall mean the maximum quantity of gas which Transporter is obligated to deliver to Customer during the period November 1 through October 31. Such Annual D-2 Billing Quantities are set forth in Transporter's FERC Gas Tariff, Original Volume No. 2-A.
- 1.18 The term "Seasonal D-2 Quantities" shall mean the maximum quantity of gas which Transporter is obligated to deliver to Customer during the period April 1 through October 31 (summer season) and during the period November 1 through March 31 (winter season).
- 1.19 The term "liquids" shall mean liquid hydrocarbons produced with the natural gas delivered to or for the account of each of the parties hereunder, but not crude oil.
- 1.20 The term "liquefiabiles" shall mean the hydrocarbons of ethanes and heavier contained in the natural gas stream of a gaseous state that are customarily extracted at gas processing plants.

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1.21 The term "PVR" is the abbreviation employed to denote Plant Volume Reduction. The PVR is the total of the MMBtu's removed and deducted from the gas stream from the time the gas enters a processing plant until it leaves the plant. The reduction in MMBtu's includes total plant products removed, pro rata share of plant fuel and other uses and pro rata share of incidental plant losses.

2. Quality

2.1 Gas received or delivered hereunder shall:

- (a) Be merchantable natural gas, commercially free from dust, solids, gums, gum-forming constituents, gasoline, water, or any other substance of any kind which may become separated from the gas in the course of transportation through Transporter's or Transporter's agents' pipeline(s);
- (b) Not contain more than seven (7) pounds of water per million standard cubic feet of gas determined by analytical instrumentation of standard manufacture for this purpose including the Bureau of Mines type dew point(s) tester;
- (c) Not contain more than one (1) grain of hydrogen sulfide, nor more than twenty (20) grains of total sulfur, per one hundred (100) standard cubic feet of gas; and
- (d) Contain zero percent (0.0%) hydrogen, not more than one-tenth of one percent (.1%) by volume of oxygen, nor more than two percent (2%) by volume of carbon dioxide, nor more than four and one half percent (4-1/2%) by volume of all non-hydrocarbon gases combined.



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- 2.2 Gas received hereunder shall:
- (a) Not be at a temperature more than one hundred twenty degrees (120o) Fahrenheit, except where local conditions require or permit other; nor less than forty degrees (40o) Fahrenheit; and
  - (b) Not have a hydrocarbon dew point in excess of ten degrees (10o) Fahrenheit under expected operating conditions, if the gas is received in North Louisiana, Kentucky, Indiana, or Illinois, or other points determined by Texas Gas; and
  - (c) Not contain less than nine hundred sixty-seven (967) British thermal units per standard cubic foot of gas determined on a dry basis.
- 2.3 Gas delivered hereunder shall:
- (a) Not be at a temperature more than one hundred twenty degrees (120o) Fahrenheit; and
  - (b) Not contain less than nine hundred eighty-six (986) British thermal units per standard cubic foot of gas determined on a dry basis.
- 2.4 Transporter reserves the right:
- (a) To utilize hydrocarbon dew point curves to evaluate the gas received to determine if condensate will form out of the gas into its pipeline under expected operating conditions;
  - (b) To refuse to accept totally, or in part, gas that, in its opinion, will create operating problems during the course of movement through its pipeline.

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(Continued)

- 2.5 Customer shall not permit or cause the injection of oxygen or any other substance which will dilute such gas, even if such dilution does not render the gas unable to meet the quality specifications outlined above.
- 2.6 Either party shall not be obligated to receive and transport gas hereunder that fails to conform to the requirements above and shall have the right, after giving notice to the other party, to refuse to receive and transport such gas as long as such gas fails to conform to the foregoing requirements.
- 2.7 Failure to meet receipt specifications: Should any gas tendered for delivery to Transporter(s) hereunder fail at any time to conform to any of the specifications of this Article, Transporter(s) shall notify Customer of any such failure and Transporter(s) may at their option suspend all or a portion of the receipt of any such gas, and they shall be relieved of their obligations hereunder for the duration of such time as the gas does not meet such specifications.
- 2.8 Failure to meet delivery specifications: Should the gas tendered for delivery to Customer(s) hereunder fail at any time to conform to any of the specifications of this Article, Customer shall notify Transporter(s) of any such failure and Transporter(s) shall make a diligent effort to correct such failure by treatment consistent with prudent operations and by means which are economically feasible in Transporter's(s') opinion so as to deliver gas conforming to the above specifications. If Transporter(s) are unable to deliver gas conforming to the above specifications, Customer may at its option suspend delivery and receipt of all or a portion of the gas to be transported hereunder and it shall be relieved of its obligations

GENERAL TERMS AND CONDITIONS  
(Continued)

hereunder, for the duration of such time as the gas does not meet such specifications.

3. Measurements

3.1 General

Transporter and Customer must mutually agree to all matters pertaining to measurement practices, procedures, equipment and installations, not specifically covered herein. Instrumentation required to determine gas volumes, mass, and MMBtu will either be a combination of mechanical, electro/mechanical, pneumatic mechanical, electro/pneumatic/mechanical, or electronic at the option of the Transporter. The accumulated data will be recorded on charts or stored in electronic flow computers.

3.2 Unit of Gas

The unit of gas received and delivered by Transporter shall be 1 MMBtu. The number of MMBtu shall be determined by multiplying the number of standard cubic feet of gas, measured on the measurement basis hereinafter specified, by the total heating value of such gas in Btu per standard cubic foot as defined in Section 3.3 below, and by dividing the product by 1 million (1,000,000).

3.3 Determination of Volume and Unit Total Heating Value

The volume and unit total heating value of gas shall be determined by the party performing measurement at point(s) of transfer using the following:

- (a) The unit weight for the purpose of measurement shall be one (1) pound mass of gas;

GENERAL TERMS AND CONDITIONS  
(Continued)

- (b) For deliveries or receipts hereunder the average absolute atmospheric (barometric) pressure shall be assumed to be fourteen and seven-tenths (14.7) pounds per square inch for gas delivered south of 32o Latitude, American Continent, and fourteen and four-tenths (14.4) pounds per square inch for gas delivered north of 32o Latitude, American Continent;
- (c) The average unit total heating value of the gas shall, at Transporter's option, be determined at each point of measurement by: (1) use of a spot sample taken during each month to be analyzed on a gas chromatograph, (2) use of a sample taken by a continuous sampler to be analyzed on a gas chromatograph, (3) use of an on-line gas chromatograph or (4) use of a calorimeter, mechanical or otherwise. If chromatographic analysis is used, the unit total heating value shall be calculated using the compound values contained in the American Gas Association Gas Measurement Committee Report No. 3. September, 1985 (ANSI/API 2530 approval May, 1985), or any revision thereof;
- (d) The temperature of the gas for any day shall be determined by taking the arithmetic average of the hourly temperature readings, or by transmitting the temperature directly to a flow computer from a thermometer so installed as to properly sense the temperature of the gas passing through the meters; provided, however, that where quantities of gas metered will not be materially affected by doing so, the temperature of the gas for any day may be determined by any other recognized method which may be practical in the circumstances; and

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- (e) The specific gravity of the gas shall be determined for any day by taking the arithmetic average of the hourly reading or by transmitting the gravity directly to the flow computer from a gravitometer of approved type which shall be checked at least once each month by the use of an Edwards balance or by any other industry accepted method, by chromatographic analysis using the compound values contained in the American Gas Association Gas Measurement Committee Report No. 3. September, 1985 (ANSI/API 2530 approval May, 1985), or any revision thereof; provided, however, that where quantities of gas metered will not be materially affected by doing so, the specific gravity of the gas for any day may be determined by any other recognized method which may be practicable in the circumstances.
- 3.4 All orifice meter volumes shall be computed in accordance with the American Gas Association Measurement Committee Report No. 3, September, 1985 (ANSI/ API 2530 approval May, 1985), including the Appendices thereto and modifications and amendments thereof.
- 3.5 All turbine meter volumes shall be computed in accordance with the American Gas Association Transmission Measurement Committee Report No. 7, November, 1984, including the Appendices thereto and modifications and amendments thereof.
- 3.6 In the cases where measurements shall be other than orifice or turbine meters all necessary factors for proper volume determination shall be applied.
- 3.7 Spot gas samples taken from the pipeline system for purposes of determining or deriving quantitative values that will be used in the computation of gas

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volume and Btu per cubic foot shall be obtained by use of the method contained in Gas Processors Association Publication Number GPA 2166-86, GPA Method for Obtaining Natural Gas Samples for Analysis by Gas Chromatography.

- 3.8 For purposes of instrument calibration and engineering formulae for volume and MMBtu computation, 30 inches of mercury shall equate to 14.73 psia. Conversion of volumes and MMBtu to other contractual conditions shall be made from the base of 14.73 psia.
- 3.9 If it is determined prior to, or as a result of, in-service tests, experience and observation by either Customer or Transporter that pulsations exist that affect the measurement accuracy, then Customer will cause the installation of mechanical dampening equipment, at Customer's expense, necessary to eliminate such pulsations in agreement with the transporter and/or operator. Any such error in billing meter chart recordings detectable by high speed oscillographic analysis, fast rotation chart drives, or similar tests resulting in a volume computation error of greater than + .75% shall require that the otherwise computed volume be adjusted to compensate for the determined error.
- 3.10 If the method for determining the number of Btu's in a cubic foot of gas, as set forth by the Federal Energy Regulatory Commission (Commission) or successor agency is revised, both parties agree that this Agreement will be amended accordingly.

4. Measuring Equipment

- 4.1 Check Measuring Equipment: Customer may install, maintain, and operate at its own expense, such check measuring equipment as it desires at or near

GENERAL TERMS AND CONDITIONS  
(Continued)

the point of delivery, provided that such equipment shall be so installed as not to interfere with the operation of Transporter's measuring equipment. Transporter shall have access to such check measuring equipment at all reasonable hours, but the reading, calibrating, and adjusting thereof and the changing of charts shall be done only by Customer.

- 4.2 Calibration and Test of Equipment: The accuracy of all measuring equipment shall be verified at reasonable intervals, but neither party shall be required to verify the accuracy of the equipment more frequently than once in any thirty (30) day period. If either party desires a special test of any measuring equipment, it will promptly notify the other party and the parties shall then cooperate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test shall be borne by the party requesting such test.

If, upon any test, any measuring equipment is found to be in error, such errors shall be taken into account in a practical manner in computing the deliveries. If the resultant aggregate error in the computed receipts is not more than two percent (2%), then previous receipts shall be considered accurate. All equipment shall, in any case, be adjusted at the time of test to record correctly. If, however, the resultant aggregate error in computed receipts exceeds two percent (2%) of a recording corresponding to the average hourly rate of gas flow for the period since the last preceding test, the previous recordings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of last test.

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- 4.3 Ownership and Right of Ingress and Egress: All regulating and measurement equipment so installed by either Transporter or Customer, together with any buildings erected for such equipment, shall be and remain the property of the respective party.

In the event either party shall install equipment or structures on the property of the other party, the party owning such equipment shall have the right of free use and ingress and egress to such equipment and structures at all times for the purpose of installation, operation, repair, or removal.

- 4.4 Right to be Present: Transporter and the company receiving custody transfer shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring, calculating, or checking the measurement of deliveries of gas under this tariff. Transporter and the company receiving custody transfer shall each give the other notice of the time of all tests so that the other may conveniently have its representative present. The records from such measuring equipment shall remain the property of their owner, but, upon request, each will submit to the other its records and charts, together with calculations therefrom for inspection and verification, subject to return within thirty (30) days after receipt thereof.
- 4.5 Care Required: All installation of measuring equipment applying to or affecting deliveries of gas shall be made in such manner as to permit an accurate determination of the quantity of gas delivered and ready verification of the accuracy of measurement. Reasonable care shall be exercised by



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both parties in the installation, maintenance, and operation of pressure regulating equipment so as to prevent, so far as possible, any inaccuracy in the determination of the quantity of gas delivered under this tariff and such equipment shall be installed in accordance with Minimum Federal Safety Standards, Materials Transport Bureau, Office of Pipeline Safety Operations, Part 192, Title 49, Code of Federal Regulations, and with any other applicable regulations required by Transporter to insure integrity.

- 4.6 Correction of Metering Errors--Failure of Meters:  
In the event a meter is out of service, or registering inaccurately, the volume of gas delivered shall be determined:
- (a) By using the registration of any check meter or meters, if installed and accurately registering; or,
  - (b) In the absence of (a), by correcting the error if the percentage of error is ascertainable by calibration tests or mathematical calculations; or,
  - (c) In the absence of both (a) and (b), then, by estimating the quantity of delivery by deliveries during periods under similar conditions when the meter was registering accurately; or
  - (d) In the absence of (a), (b), and (c), then by any mutually agreeable method.
- 4.7 Preservation of Metering Records: Transporter and Customer shall each preserve for a period of at least two years all test data, charts, and other similar records.

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5. Billing

- 5.1 Monthly billing date: Transporter shall render bills on or before the 10th day of each month for all gas delivered and gas service furnished during the preceding month.
- 5.2 Customer's information: When information necessary for Transporter's billing purposes is in the control of Customer, Customer shall furnish or cause to be furnished such information to Transporter on or before the fifth (5th) day of each month.
- 5.3 Right of examination: Both Transporter and Customer shall have the right to examine at any reasonable time the books, records, and charts of the other to the extent necessary to verify the accuracy of any statement, chart, or computation made under or pursuant to the provisions of this tariff.

6. Payments

- 6.1 Monthly payment date: Payment by Customer to Transporter shall be by wire transfer of federal funds to a depository designated by Transporter. All payments are due on the twenty-second (22nd) day of each month, except when such day is a Saturday, Sunday, or bank holiday, in which case payment is due the following business day. Payment shall be made for all natural gas service received by Customer hereunder during the preceding month, and billed by Transporter in a statement for such month according to the measurements, computations, and rates provided in this tariff. A Customer whose monthly statement is less than \$500,000 may elect to make payment by check which shall then be post-marked on or before the twentieth (20th) day of each month.

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- 6.2 Time of payment extended if bill delayed: If presentation of a bill to Customer is delayed after the tenth (10th) day of the month, then the time of payment shall be extended accordingly unless Customer is responsible for such delay.
- 6.3 Remedies for nonpayment: Should Customer fail to pay all of the amount of any bill as herein provided when such amount is due, interest on the unpaid portion of the bill shall be computed by multiplying (a) the unpaid portion of the bill by (b) the ratio of the number of days from the due date to the date of actual payment to 365, by (c) the interest rate calculated in accordance with Section 154.67(c) of the Commission's Regulations. Payments by Customer shall first be applied against interest owed by Customer, then against the Customer's delinquent bills and finally against the Customer's current bill. If such failure to pay continues for thirty days after payment is due, Transporter, in addition to any other remedy it may have, may, after application to and authorization by the Commission, suspend further delivery of gas until such amount is paid; provided, however, that if Customer in good faith shall dispute the amount of any such bill or part thereof and shall pay to Transporter such amounts as Customer concedes to be correct and at any time thereafter within thirty days of a demand made by Transporter shall furnish good and sufficient surety bond, guaranteeing payment to Transporter of the amount ultimately found due upon such bills 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 seek to suspend further delivery of gas unless and until default be made in the conditions of such bond.

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- 6.4 Adjustment of underpayment, overpayment, or error in billing: If it shall be found that at any time or times Customer has been overcharged or undercharged in any form whatsoever under the provisions of this tariff and Customer shall have actually paid the bills containing such overcharge or undercharge, then within thirty days after the final determination thereof, Transporter shall refund the amount of any such overcharge, and Customer shall pay the amount of any such undercharge. In the event an error is discovered in the amount billed in any statement rendered by Transporter, such error shall be adjusted within thirty days of the determination thereof provided that claim therefore shall have been made within sixty days from the date of discovery of such error, but, in any event, within twelve months from the date of payment.
- 6.5 Transporter shall have the right to waive any interest accrued on the unpaid portion of the bill pursuant to Section 6.3 above on a non-discriminatory basis.
7. Possession of Gas
- 7.1 Point of delivery controls: As between Transporter and Customer, Transporter shall be deemed to be in control and possession of the gas deliverable thereunder until it shall have been delivered to Customer at the point of delivery, after which Customer shall be deemed to be in control and possession thereof.
- 7.2 Responsibility: Customer shall have no responsibility with respect to any gas deliverable by Transporter until it is delivered into the facilities of the Customer, or on account of anything which may be done, happen or arise with respect to such gas before such delivery, and Transporter

GENERAL TERMS AND CONDITIONS  
(Continued)

shall have no responsibility with respect to such gas after its delivery into the facilities of Customer or on account of anything which may be done, happen or arise with respect to such gas after such delivery.

8. Delivery Pressure

- (a) Customer shall cause delivery of the gas at the Point(s) of Receipt at a pressure sufficient to allow the gas to enter Transporter's pipeline system at the varying pressures that may exist on Transporter's system from time to time, provided, however, that the pressure of the gas delivered by Customer shall not be more than the maximum allowable operating pressure (MAOP) of Transporter's pipeline. In the event that the MAOP of the pipeline is reduced or increased, then the maximum pressure of the gas received by Transporter at the Point(s) of Receipt shall be correspondingly reduced or increased upon written notification by Transporter to Customer.
- (b) Transporter shall deliver the gas transported hereunder to or for the account of Customer at the Point(s) of Delivery at the varying pressures that may exist on the Transporter's pipeline system from time to time; provided, however, that the pressure of the gas delivered by Transporter shall not be more than the MAOP of Transporter's pipeline. In the event that the MAOP of Transporter's pipeline is reduced or increased then the maximum pressure of the gas delivered by Transporter for the account of Customer at the Point(s) of Delivery shall be correspondingly reduced or increased upon written notification by Transporter to Customer.

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9. Warranty of Title to Gas

- 9.1 As between Transporter and Customer, each party shall be in control and possession of all gas in that party's facilities. The receiving party shall have no responsibility with respect to any gas delivered until such gas is received into its facilities or on account of anything which may be done, happen, or arise with respect to such gas before such delivery, and the delivering party shall have no responsibility with respect to such gas after its delivery into the facilities of the other party or on account of anything which may be done, happen, or arise with respect to such gas after such delivery and receipt.
- 9.2 Customer hereby warrants that it will at the time of receipt of gas by Transporter hereunder have good title to or the good right to deliver all gas so made available and that all such gas is free from all liens and adverse claims.
- 9.3 Customer agrees to indemnify Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of adverse claims of any and all persons to the gas received and transported hereunder by Transporter or to all royalties, taxes, license fees, or charges thereon, which may be levied and assessed against Customer upon the transfer thereof to Transporter. If any adverse claim of any character is asserted with respect to the gas delivered hereunder, with respect to Customer's right to deliver such gas, or with respect to Transporter's right to receive payment for transporting such gas, either party shall have the right to retain any amount of money up to the amount of such claim out of the money then or thereafter payable to the other party hereunder.

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Such money shall be retained without interest as security for the performance of the obligations with respect to such claim until such claim has been finally terminated or until bond has been furnished conditioned for protection with respect to such claim in an amount and with sureties satisfactory to the claimant.

10. Force Majeure and Curtailments

10.1 Relief from liability:

- (a) If by reason of force majeure, either party hereto is rendered unable, wholly or in part, to carry out its obligations under this tariff, and if such party gives notice and reasonably full particulars of such force majeure in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the parties, such notice having been given, so far as and to the extent that they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period; and such cause shall so far as possible be remedied with all reasonable dispatch, except as provided herein.
- (b) Force majeure, as used herein shall mean any and all circumstances beyond the direct or reasonable control of either party which would make performance of this service impossible or unsafe, and shall include, without limiting the foregoing, acts of God such as landslides, earthquakes, lightning, storms (including but not limited to hurricanes and hurricane warnings), crevasses, floods, washouts, epidemics; acts of public enemies including wars, riots,

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blockades; civil and military disturbances; insurrections, fires, explosions, freezing; arrests and restraints of government, either federal or state, civil or military; shutdowns for purposes of necessary or required repairs, relocations, or construction of facilities; any operational or mechanical failure such as breakage or accident to machinery or lines of pipe, or failure of surface equipment or pipelines; the necessity for testing pipeline or other equipment as may be required by governmental authority or as deemed necessary by the testing party for the safe operation thereof; any failure to perform or to comply with any obligation or condition herein due to the inability to obtain necessary supplies, permits, or labor; any industrial disturbance, including strikes or lockouts; or any inability to obtain necessary rights-of-way.

- (c) Force majeure affecting the performance hereunder by either party, however, shall not relieve such party of liability in the event of negligence or in the event of failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch; and such causes or contingencies affecting such performance shall not relieve either party from its obligations to make payment as determined hereunder.
- (d) It is understood and agreed that the settlement of strikes, lockouts, or controversies with landowners involving rights-of-way shall be entirely within the discretion of the party having the difficulty and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall



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not require the settlement of strikes, lock-outs, or controversies with landowners involving rights-of-way, by acceding to the demands of the opposing party when such course is inadvisable in the discretion of the party having the difficulty.

10.2 Priorities Applicable for Scheduling Quantities to be Received at Point(s) of Receipt. Transporter shall schedule all quantities tendered in sequence as follows:

- (a) Pro rata based on Transporter's maximum firm contractual obligation among (i), (ii), and (iii), with each category receiving equal priority, whether such service is certificated under Section 7 of the Natural Gas Act or authorized under Section 311 of the Natural Gas Policy Act of 1978:
  - (i) Firm supply for sales under Transporter's Rate Schedules SG, G, CD, CDL, SGN, GN, CDN, or any other applicable firm sales rate schedule. See Section 10.2 of Transporter's FERC Gas Tariff, Original Volume No. 1 for priorities of service within the firm sales category.
  - (ii) Firm certificated transportation arrangements existing as of the date Transporter accepts a blanket certificate issued pursuant to its application under Part 284 of the Commission's Regulations.
  - (iii) Firm point-to-point transportation pursuant to Rate Schedule FT, including Standby Transportation Service under

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that Rate Schedule, provided from capacity determined by Transporter in its reasonable discretion to exist on its system, for those Customers not electing the receipt point reduction option.

- (b) First-come, first-served among Customers under Rate Schedule FT (including standby Customers under that Rate Schedule) who elect the receipt point reduction option and among firm point-to-point customers utilizing alternate receipt points, according to the date of initial delivery for that service if such service commenced before November 1, 1988. Beginning November 1, 1988, quantities shall be scheduled on a first-come, first-served basis according to the date of the request, in accordance with Sections 1.2 and 8 of Transporter's FT Rate Schedule.
- (c) Among Customers receiving service under Interruptible Agreements on a first-come, first-served basis according to the date of initial delivery for that service if such service commenced before November 1, 1988. Beginning November 1, 1988, quantities for interruptible service shall be scheduled on a first-come, first-served basis according to the date of the request, in accordance with Sections 1.2 and 8 of Transporter's IT Rate Schedule. Interruptible Agreements shall mean any interruptible sales (including service under Transporter's Rate Schedules I and EM) and Interruptible Transportation Service.
- (d) Among Customers receiving overrun service under Rate Schedules FT and IT and Transporter's system supply gas to serve sales in excess of sales contract demand on a pro rata basis.

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- 10.3 Priorities Applicable for Scheduling Quantities to be Delivered at Point(s) of Delivery. Transporter shall schedule all quantities to be delivered in sequence as follows:
- (a) Pro rata based on Transporter's maximum firm contractual obligation among (i), (ii), and (iii) with each category receiving equal priority whether such service is certificated under Section 7 of the Natural Gas Act or authorized under Section 311 of the Natural Gas Policy Act of 1978:
    - (i) Firm sales under Transporter's Rate Schedules SG, G, CD, CDL, SGN, GN, CDN, or any other applicable firm sales rate schedule. See Section 10.2 of Transporter's FERC Gas Tariff, Original Volume No. 1 for priorities of service within the firm sales category.
    - (ii) Firm certificated transportation arrangements existing as of the date Transporter accepts the certificate issued pursuant to its application under Part 284 of the Commission's Regulations.
    - (iii) Firm transportation pursuant to Rate Schedule FT, Including Standby Transportation Service under that Rate Schedule, Receipt Point Reduction Option FT service, and FT service utilizing alternate receipt point(s), provided from capacity determined by Transporter in its reasonable discretion to exist on its system.
  - (b) Among Customers receiving service under Interruptible Agreements on a first-come, first-served basis according to the date of initial delivery for that service if such service commenced before November 1, 1988. Beginning

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November 1, 1988, quantities for interruptible service shall be scheduled on a first-come, first-served basis according to date of request, in accordance with Sections 1.2 and 8 of Transporter's IT Rate Schedule. Interruptible Agreements shall mean any interruptible sales (including service under Transporter's Rate Schedules I and EM) and Interruptible Transportation Service.

- (c) Among Customers receiving overrun service under Rate Schedules FT and IT and under Transporter Sales Rate Schedule XS on a pro rata basis.

10.4 Allocation of Capacity Among Services

- (a) If, as the result of gas supply shortage, capacity constraints, or any other reason, including but not limited to the reasons set forth in Section 10.1, "Relief from Liability," and Section 10.2, "Curtailement," of Transporter's FERC Gas Tariff, Original Volume No. 1, Transporter is required to curtail or interrupt service, either daily or seasonal, then Transporter shall allocate such reduced available capacity in accordance with Sections 10.2 and 10.3 of Transporter's FERC Gas Tariff, Original Volume No. 2-A.
- (b) The full curtailment or interruption of the lower category quantities is required before curtailment or interruption of any higher category quantity is commenced, during a

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particular period of daily or seasonal curtailment or interruption, i.e., services pursuant to Section 10.3(iii) are required to be fully curtailed first, then Section 10.3(ii) services, then Section 10.3(i) services.

- (c) Localized Curtailment or Interruption: Where Transporter's ability to render service is impaired in a particular segment of Transporter's system, then curtailment or interruption shall be effected in accordance with the above-listed priorities of service only in that segment of Transporter's system in which service has been impaired.

10.5 Charge for Excess Tenders or Takes

- (a) If Customer on any day causes gas to be delivered by Transporter in excess of the Transportation Contract Demand, Customer shall pay Transporter the overrun rate set forth on currently effective Sheet No. 10 of Transporter's FERC Gas Tariff, Original Volume 2-A, for excess deliveries up to 10% of the Transportation Contract Demand.
- (b) A penalty, as stated in paragraph (c) below, shall be levied by Transporter and paid in dollars or gas, as applicable, by any Customer who, upon notification by Transporter of the existence of an overage in deliveries and/or takes, fails to correct such daily overage on a prospective basis within two days or such lesser period as Transporter may designate as necessary to protect the integrity of its system, including maintenance of service to other customers. Such penalty shall apply on an individual contract basis. Nothing herein shall limit Transporter's right itself to take

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such actions of whatever nature as may be required to correct imbalances which threaten the integrity of its system, including maintenance of service to other customers.

The applicable penalty shall be applied daily to the quantities which exceed the limits specified below, on a prospective basis, commencing on the third day after initial notification by Transporter, in the following instances:

- (i) Customer delivers or causes to be delivered to Transporter a quantity which exceeds by more than 10% or 50 MMBtu, whichever is greater, Customer's Transportation Contract Demand; or
  - (ii) Customer delivers or causes to be delivered to Transporter a quantity which, after appropriate reductions, exceeds by more than 10% or 50 MMBtu, whichever is greater, the quantities taken from Transporter; or
  - (iii) The receiving party takes quantities from Transporter which exceeds by more than 10% or 50 MMBtu, whichever is greater, the quantities received by Transporter, after appropriate reductions.
- (c) As to paragraphs (b) (i) and (ii) above, the penalty shall be the retention by Transporter of the total quantity of gas exceeding the 10% or 50 MMBtu limits specified therein at no cost to Transporter and free and clear of any adverse claims relating thereto. In the event Customer does not balance within 45 days,

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commencing with the third day after Customer's receipt or notification as provided in paragraph (b) above from Transporter, Transporter shall also retain any remaining net balance of overdeliveries which exists at the conclusion of such 45-day period.

As to paragraph (b)(iii) above, the penalty shall be the dollar equivalent of two (2) times the Rate Schedule G Commodity Charge in the applicable zone of delivery to Customer set forth on currently effective Sheet No. 10 of Transporter's FERC Gas Tariff, Original Volume No. 1, or superseding tariff, multiplied by the quantities exceeding the 10% or 50 MMBtu limits specified in paragraph (b)(iii) above. In the event Customer does not balance within 45 days, commencing with the third day after Customer's receipt of notification as provided in paragraph (b) above from Transporter, the penalty charge set forth in this paragraph shall apply to the total remaining net balance at the end of the 45-day period (inclusive of takes in excess of the limits occurring prior to commencement of the 45-day period), less any previously assessed penalty amounts; provided, however, such penalty charge shall not be less than zero.

Transporter will not assess a penalty under these paragraphs (b) or (c) if such imbalances occur at the request of Transporter or are the result of a force majeure situation as defined in Section 10.1 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume 2-A.

- (d) All penalties assessed hereunder shall be paid in addition to the reservation charge, commodity rate, or overrun rate, as applicable.

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- (e) Transporter may, on a nondiscriminatory basis, elect to waive any of the penalties assessed pursuant to this Section.

11. Notices

Any notice, request, demand, statement or bill provided for in this tariff and the executed service agreement or any notice which either Transporter or Customer may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by postpaid registered mail addressed to said party at its last known post office address, or at such other address as either party may designate in writing. Routine communications, including monthly statements, and payments shall be considered as duly delivered when mailed by either registered, ordinary mail or wire transfer. Routine communications by telephone between members of the operating staffs of Transporter and Customer shall be considered duly delivered without confirmation by mail unless such confirmation is requested by either party.

12. Contracts for Service and Modification

- 12.1 Form of Service Agreement: Customer shall enter into an agreement with Transporter under Transporter's applicable standard form of service agreement.
- 12.2 Term: The period of time to be covered by the service agreement shall be mutually agreed upon at the time of its execution.
- 12.3 Quantity of Gas: At the time of the execution of the service agreement, Transporter and Customer shall agree upon the quantities of gas to be transported by Transporter. Such quantities may subsequently be decreased through an amendment to the existing service agreement. Any increase in the



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**First Revised Sheet No. 97** First Revised Sheet No. 97 : Effective  
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transportation contract demand requires execution of a new service agreement, after evaluation and approval of Transporter.

13. Non-Waiver and Future Default

No waiver by either Transporter or Customer of any one or more defaults by the other in the performance of any provisions of this tariff or the executed service agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

14. FERC Gas Tariff and Executed Service Agreement Subject to Regulation

This tariff and the executed service agreement, and the respective obligations of the parties thereunder are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.

15. Operating Conditions

15.1 Upon request of Transporter, Customer shall from time to time submit estimates of the daily, monthly, and annual quantities of gas to be transported, including peak day requirements, together with the estimated amounts thereof applicable to each point of receipt and each point of delivery and such other operating data as Transporter may require in order to plan its operations, to meet its Customer's requirements, and to render adequate service to its customers.

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**First Revised Sheet No. 98** First Revised Sheet No. 98 : Effective  
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- (i) For Customers transporting under the FT and IT Rate Schedules, Customer shall be obligated five (5) working days prior to the end of each month to furnish Transporter with a schedule of the daily quantity(ies) of gas it desires to be transported for the following month, and any fuel, company use and unaccounted for quantities nominated pursuant to Section 16 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A. Such schedules will show the quantity(ies) of gas Transporter will receive from Customer, or for Customer's account, at the Point(s) of Receipt, as well as the quantity(ies) to be delivered at the Point(s) of Delivery hereunder. The total of such scheduled quantity(ies) to be delivered at the Point(s) of Delivery shall not exceed the Contract Demand unless advance agreement is obtained from Transporter. In addition, Customer agrees to provide Transporter any information as required by the Commission under any of its rules or regulations, and that such information is true and correct to the best of Customer's knowledge.
  
- (ii) Customer shall be obligated, after the beginning of the month, to notify or cause Transporter's Nomination and Allocation Section to be notified at least twenty-four (24) hours in advance of any change in the daily quantity of gas Customer desires to deliver or causes to be delivered to Transporter, or received from Transporter, for transportation hereunder or any requested

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changes in previously authorized receipt and/or delivery points. Customer shall deliver or cause to be delivered to Transporter such daily quantities as nearly as possible at uniform hourly rates. Departures from the daily quantity which Customer notifies Transporter it intends to deliver to Customer hereunder shall be kept to the minimum permitted by operating conditions.

- (iii) Customer shall be obligated to provide to Transporter, along with the schedule of daily quantities and/or changes in such quantities referred to above, the identity of the supplier(s) that are delivering or causing to be delivered to Transporter quantities for Customer's account at each point of receipt for which a nomination has been made.

- 15.2 Customer shall make all necessary arrangements with other parties at or upstream of the point(s) of

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receipt where it tenders gas to Transporter for transportation. Such arrangements shall be coordinated with Transporter's Nomination and Allocation Section.

- 15.3 Customer shall execute or cause its supplier to execute a separate agreement providing for the transportation of any liquids and/or liquefiabiles by Transporter in conjunction with any gas to be transported pursuant to Rate Schedules IT and FT.
- 15.4 Transporter shall not be required to perform or to continue to perform service under this Rate Schedule on behalf of any Customer that has applied for bankruptcy under Chapter 11 of the Bankruptcy Code or on behalf of any Customer who, at Transporter's reasonable discretion, fails to demonstrate minimal credit-worthiness; provided, however, such Customer may receive service under the appropriate transportation Rate Schedule if said Customer prepays for such service or, upon fifteen (15) days notice from Transporter, furnishes good and sufficient surety bond, or other good and sufficient security, such as a letter of credit, of a continuing nature and in an amount equal to the cost of performing the transportation service requested by or provided to Customer under this Rate Schedule for a 90-day period.
- 15.5 Transporter shall not be required to perform service under the appropriate transportation Rate Schedule, subject to the obtaining of any necessary approvals, for or on behalf of any Customer that is in arrears with Transporter of any charge, rate, or fee authorized by the Commission under any Rate Schedule on file with the Commission; provided, however, if the amount in arrears pertains to a bona fide dispute, including but not limited to force majeure claims, relating to service rendered

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under the appropriate transportation Rate Schedule, Customer shall be entitled to continue to receive service under the appropriate transportation Rate Schedule if Customer pays all charges, rates, or fees so in dispute to Transporter pending the resolution thereof.

- 15.6 Transporter shall not be required to perform service under this Rate Schedule, subject to the obtaining of any necessary approvals, on behalf of any Customer that fails to comply with any and all of the terms of this Rate Schedule and with the terms of Customer's Transportation Service Agreement with Transporter.
- 15.7 If Customer is transporting for other than its system supply then Customer must (1) identify at the time it executes its Transportation Service Agreement the name of the corporate entity or entities ultimately receiving the gas, (2) provide verification that these end-users have signed contracts to use the transportation services contracted for in the Transportation Service Agreement, and (3) provide any other information necessary for regulatory reporting requirements.
- 15.8 Customer agrees that, with respect to transportation transactions under which a Customer is acting as agent for or on behalf of a third party, any priority to capacity arising from that transaction will be deemed to have been acquired by the real party in interest involved in such transaction, i.e., that party actually receiving the gas either for consumption or for its system supply.
- 15.9 As between Transporter and Customer, Transporter shall have no obligation whatsoever to odorize the natural gas delivered hereunder, nor to maintain any odorant levels in such natural gas. Notwithstanding anything to the contrary in the Agreement, Customer agrees to indemnify and hold harmless

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Transporter, its officers, agents, employees, and contractors against any liability, loss, or damage, including costs and attorneys' fees, whether or not such liability, loss, or damage arises out of any demand, claim, action, cause of action, and/or suit brought by Customer or by any person, association, or entity, public, or private, that is not a party to this Agreement, where such liability, loss, or damage is suffered by Transporter, its officers, agents, employees and/or contractors as a direct or indirect result of any actual or alleged failure by Customer, Transporter, and/or any other person, association, or entity, public or private, to odorize the natural gas or product after delivery hereunder or to maintain any odorant levels in such natural gas or product.

16. Fuel, Company Use, and Unaccounted For Quantities

Customer may, at its option, (1) furnish the quantity of gas required for fuel, company use, and unaccounted for quantities associated with rendering transportation service or (2) provided Transporter has gas supplies available, purchase from Transporter the quantity of gas required for fuel, company use, and unaccounted for quantities at a charge equal to Transporter's weighted average cost of gas reflected in its last purchased gas rate adjustment filing multiplied by the quantity of gas required for fuel, company use, and unaccounted for quantities. The quantity of gas required for fuel, company use, and unaccounted for quantities shall be equal to the quantity of gas tendered for transportation multiplied by the applicable percentage. Customer shall elect to furnish or purchase the quantity of gas required for fuel, company use, and unaccounted for quantities prior to the commencement of the transportation service rendered by Transporter and may change its election upon at least five (5) working days notice prior to the beginning of a calendar month, unless another notice period is mutually agreed upon by Customer and Transporter. At

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**Original Sheet No. 103** Original Sheet No. 103 : Effective

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least eight (8) working days prior to the beginning of each calendar month, Transporter will determine whether it has gas supplies available for purchase by Customer for fuel, company use, and unaccounted for quantities. Transporter shall not make gas supplies available to any Customer unless it has sufficient supplies for all Customers electing to purchase fuel, company use, and unaccounted for quantities. In the event Customer does not make an election prior to the commencement of service, Customer shall be deemed to have elected to furnish the quantity of gas required for fuel, company use, and unaccounted for quantities from Transporter.

17. Receipts and Deliveries

Customer will deliver or cause to be delivered quantities of natural gas to Transporter for transportation at the point(s) of receipt specified in the Transportation Service Agreement on any day and Transporter will redeliver natural gas either directly to Customer or for the account of Customer at the point(s) of delivery, less any quantity of natural gas used by Transporter in providing transportation service hereunder.

If the natural gas offered for Transportation hereunder fails at any time to conform to the Quality provisions of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A, then Transporter shall notify Customer of such failure and may, at its option, refuse to accept delivery pending corrective action by Customer.

Operating conditions may, from time to time, cause a temporary imbalance between the total quantities of natural gas that Transporter receives from and delivers to Customer under the executed Transportation Service Agreement. Transporter will notify Customer monthly of the status of any gas imbalance between receipts (less quantities for

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Superseding: Original Sheet No. 104

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fuel, company use, unaccounted for, and PVR, where applicable) and deliveries of gas, and such imbalance shall be adjusted during the term of the Transportation Service Agreement, as soon as practicable. During the term of the transportation service agreement, Customer may elect to purchase gas quantities from Transporter in order to eliminate transportation imbalance quantities owed to Transporter, provided Transporter has determined it has sufficient gas quantities available for sale to all customers electing to purchase imbalance gas quantities. Transporter's charge for such gas quantities shall be equal to its weighted average cost of gas reflected in its latest Purchase Gas Adjustment filing for each unit of gas sold to Customer. In addition, Customer may sell gas quantities to Transporter in order to eliminate transportation imbalance quantities due Customer, subject to Transporter's approval, at a negotiated price to be determined on a nondiscriminatory basis.

In order to eliminate imbalances during the term of an agreement, Customer may also elect to trade transportation imbalances with another Customer in order to reduce or eliminate offsetting imbalances under one or more of one Customer's agreements by imbalances under one or more of another Customer's agreements. Such imbalance trades will be permitted when volumes from agreements with excess supply are moved to agreements which carry excess deliveries. Subject to a Customer's credit limitation, such imbalance trades will be permitted when volumes from agreements with excess supply are moved to agreements which also carry excess supply and when volumes from agreements with excess deliveries are moved to agreements which also carry excess deliveries.

Once an imbalance trade is negotiated, both Customers intending to implement the imbalance trade must notify Transporter in writing of such proposed imbalance trade and also provide the agreement number, volume, and effective date relative to such imbalance trade. Customer may request, in writing, for Transporter to post on Transporter's Electronic Bulletin Board, Customer's willingness and availability for an imbalance trade.



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Imbalances remaining at the termination of the transportation service agreement shall be adjusted as soon as practicable, but in no event more than ninety (90) days from the termination of the service agreement. In the event an imbalance remains after the ninety (90) days, such imbalance will be eliminated by one or more of the following methods, subject to Transporter's approval. For imbalances owed to Customer, Customer may, subject to the appropriate regulatory approvals, direct Transporter to deliver such imbalance quantities to others, provided that Customer shall pay transportation charges to deliver such gas and capacity is available, or sell imbalance quantities to Transporter at a negotiated price, such negotiated price shall be determined in a nondiscriminatory manner. For imbalances owed to Transporter, Customer may (a) purchase quantities from Transporter at a charge equal to Transporter's weighted average cost of gas reflected in its latest Purchased Gas Adjustment filing for each unit of quantity owed to Transporter, or (b) deliver such quantities to Transporter from other supplies within thirty (30) days, or (c) eliminate an imbalance by negotiating an "imbalance trade" with another Customer as described above.

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18. Service Zones

Gas service under this tariff is divided into five zones:

Zone SL (Southern Louisiana) is comprised of the area served from the pipeline system which lies south of the point of intersection of the Bastrop-Eunice mainline and the Red River in Rapides Parish, Louisiana.

Zone 1 is comprised of the area served from (a) the pipeline system extending generally from Lisbon, Louisiana, to Memphis, Tennessee, and thence to Jackson, Tennessee, by means of the system which was formerly owned and operated by the Memphis Natural Gas Company prior to its merger into Texas Gas Transmission Corporation, (b) the main transmission pipeline system extending from Panola County, Texas, to the Bastrop Compressor Station, (c) the system extending northward from the point of intersection of the Bastrop-Eunice line and the Red River in Rapides Parish, Louisiana, to the Bastrop Compressor Station, and (d) the system extending from the Bastrop Compressor Station to the point of intersection of the main transmission pipeline with the county line between the counties of Lauderdale and Dyer, Tennessee.

Zone 2 is comprised of the area served from the main transmission pipeline system between the point of intersection of said pipeline with the county line between the counties of Lauderdale and Dyer, Tennessee, and a point on said pipeline system at the intersection with the county line between the counties of Lyon and Caldwell, Kentucky.

Zone 3 is comprised of the area served in the western part of Kentucky, southwestern and central Indiana, and southeastern part of Illinois by means of the system formerly owned and operated by the Kentucky Natural Gas Corporation prior to its merger into Texas Gas Transmission Corporation and shall also include the area served from the main transmission pipeline system from the point of intersection of

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said pipeline with the county line between the counties of Lyon and Caldwell, Kentucky, and the point of intersection of said pipeline with the county line between the counties of Breckenridge and Hancock, Kentucky.

Zone 4 is comprised of the area served from the main transmission pipeline system from the point of intersection of said pipeline with the county line between the counties of Breckenridge and Hancock, Kentucky, and the terminus of the pipeline near Lebanon, Ohio.

19. Service in More Than One Service Zone

Where Transporter is to deliver gas to Customer in more than one service zone of Transporter, Transporter's charges for gas delivered to Customer shall be computed separately for each zone under applicable rate schedules.

20. Gas Research Institute - General RD&D Funding Unit

20.1 Purpose: Transporter has joined with other gas enterprises in the formation and financing of Gas Research Institute (GRI), an Illinois not-for-profit corporation. GRI has been organized for the purpose of sponsoring Research, Development and Demonstration (RD&D) programs in the field of natural and manufactured gas to assist all segments of the gas industry in providing adequate, reliable, safe, economic and environmentally acceptable gas service for gas consumers and the general public. For the purpose of funding of GRI's approved RD&D expenditures, this Section establishes a General RD&D Funding Unit to be applicable to all jurisdictional sales and transportation quantities and/or firm sales and transportation entitlements applicable to deliveries to (a) distribution utilities for sale or for use by such utilities, (b) other interstate pipelines which are not members of GRI, (c) consumers for ultimate use, and (d) intrastate pipelines.

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- 20.2 Basis of the GRI Adjustment Charge: Transporter's General RD&D Funding Units shall be that per unit demand or commodity amount, adjusted to Transporter's pressure base and heating value, if required, which has been approved by Federal Energy Regulatory Commission orders approving GRI's RD&D expenditures or funding mechanism.
- 20.3 Filing Procedure: At least thirty (30) days prior to the proposed effective date of any filings, pursuant to this subsection, Transporter shall file with the Federal Energy Regulatory Commission, and post, pursuant to Section 154.16 of the Commission's Regulations, the applicable tariff sheets unless, for good cause shown, a lesser notice period and different effective date is allowed by valid Commission order. Any such filing shall not become effective unless it becomes effective without suspension or refund obligation.
- 20.4 Remittance to GRI: Transporter shall remit to GRI, not later than fifteen (15) days after the receipt thereof, all monies received by virtue of the General RD&D Funding Units, subject to the FERC-approved funding mechanism, less any amounts properly payable to a Federal, State or Local authority relating to the monies received hereunder. Transporter will remit to GRI only those GRI surcharge revenues actually collected. Thus, on non-discounted transactions the full demand/reservation and/or commodity surcharge will be remitted to GRI. On discounted transactions, Transporter will remit to GRI, after taking into account the collection of all other surcharges and rate components, only the amount, if any, by which the GRI surcharge exceeds the amount of the discount. Exception: For the calendar year 1993 only, Transporter will charge a uniform demand or reservation surcharge of eight cents per MMBtu per month on all firm sales or transportation entitlements. With respect to transactions involving discounted demand or reservation charges, Transporter's total 1993 GRI funding responsibility is limited to 10 percent of its total 1991 GRI contributions.

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**Sub First Revised Sheet No. 108** Sub First Revised Sheet No. 108 : Effective  
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21. FERC Annual Charge Adjustment (ACA) Unit Charge

- 21.1 Purpose: The Omnibus Budget Reconciliation Act of 1986 (Act), by its Section 3401(a)(1), requires the Commission to assess and collect fees and annual charges in any fiscal year (October 1 through September 30) in amounts equal to all of the costs incurred by the Commission in that fiscal year. Transporter will be required to remit to the Commission Transporter's share of any FERC undercollections as calculated on Transporter's Annual Charges Bill for the current fiscal year. For the purpose of recovering this payment, this Section establishes a FERC ACA Unit Charge (pursuant to Commission authority) to be applicable to all jurisdictional sales and transportation quantities sold or transported. By electing the FERC ACA Unit Charge method of recovery, Transporter hereby acknowledges its intent not to recover any annual charges recorded in FERC Account No. 928 in an NGA Section 4 rate case.
- 21.2 Basis of the FERC ACA Unit Charge: Transporter's FERC ACA Unit Charge shall be that charge factor, adjusted to Transporter's pressure base and heating value, if required, which has been stated on Transporter's Annual Charges Bill, and approved by the Commission, for the current fiscal year.
- 21.3 Filing Procedure: Pursuant to Section 154.22 of the Commission's Regulations, Transporter shall file, at least thirty (30) days prior to the effective date of an ACA filing, and post, pursuant to Section 154.16 of the Commission's Regulations, the necessary tariff sheets to reflect the FERC approved ACA Unit Charge, unless, for good cause shown, a lesser notice period and different effective date is allowed by valid Commission order.

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**Sub Original Sheet No. 108A** Sub Original Sheet No. 108A : Effective

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22. Processing Rights, Transportation of Liquid and Liquefiable Hydrocarbons:

22.1 Processing Rights: Transporter and Customer recognize that the right to process gas has been or may be retained by Customer or Customer's producer. Such processing shall be for recovery and disposition solely by or for the account of Customer or Customer's producer of liquefiable hydrocarbons. It is understood that Transporter shall not acquire any right, title or interest under this contract in any products resulting from such processing. Transporter shall not process gas received for transportation hereunder for the extraction of liquefiable hydrocarbons.

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- 22.2 The term "PVR" is the abbreviation employed to denote Plant Volume Reduction. The PVR is the total of the MMBtu's removed and deducted from the gas stream from the time the gas enters a processing plant until it leaves the plant. The reduction in MMBtu's includes total plant products removed, pro rata share of plant fuel and other uses and pro rata share of incidental plant losses.
- 22.3 Transportation: Transporter agrees to accept the associated liquid hydrocarbons produced with the gas hereunder and to transport and deliver the same to, or for the account of, Customer or Customer's producer under the following terms and conditions and such other terms as may be mutually agreeable:
- (a) Any injection of liquids shall be accomplished at a point immediately downstream from the measurement facilities at the Transporter Receipt Point(s);
  - (b) Injected liquid hydrocarbons shall contain sufficient quantities of corrosion inhibitors and the composition and characteristics of the liquid hydrocarbons shall be such that they will not (i) cause undue formation of hydrates in Transporter's Facilities, (ii) cause undue damage to Transporter's Facilities by internal corrosion, or (iii) cause the gas in said Facilities to fail to meet the Quality Specifications provided for herein after such liquid hydrocarbons have been removed from Transporter's Facilities. The type and quantity of any corrosion inhibitors shall be subject to Transporter's approval prior to the introduction of such inhibitors into Transporter's Facilities;

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- (c) Liquid hydrocarbons with an American Petroleum Institute (API) gravity of less than 40 shall not be transported in Transporter's Facilities. The Bottom Sediment and Water (BS&W) content of the injected liquid hydrocarbons shall not exceed one percent of the total liquid hydrocarbons being injected from any platform at any time. Liquid hydrocarbons with more than 3% hydrocarbon paraffins shall not be transported in Transporter's facilities. If, at any time, the injected liquid hydrocarbons shall fail to conform to these specification, Transportation shall have the right, without advance notice, to refuse to allow injection of liquid hydrocarbons into Transporter's Facilities and shall be absolved of any further obligation to perform pending correction by Customer;
  - (d) Transporter shall have the right to commingle the gas and injected liquid hydrocarbons delivered by Customer to Transporter with gas and injected liquid hydrocarbons delivered to Transporter by others, and Transporter shall likewise have the right similarly to commingle and transport gas and injected liquid hydrocarbons for others; and
  - (e) Title to the associated liquid hydrocarbons may be retained by Customer or Customer's producer(s). Transporter shall be responsible for any loss of such liquids due to Transporter's sole negligence, if Customer or Customer's producer(s) have retained title to such liquid hydrocarbons.
- 22.4 Indemnification: Customer agrees to indemnify and save Transporter harmless from all losses, damages, and expenses arising out of or incident to the



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transportation and handling of such liquids and liquefiabls prior to delivery to Transporter of liquids or liquefiabls hereunder and after re-delivery of such liquids or liquefiabls, Transporter agrees to indemnify and save Customer and its affiliates harmless from all losses, damages, and expenses arising out of or incident to the transportation of liquids and liquefiabls after delivery to Transporter and before redelivery.

- 22.5 Reimbursement: Customer agrees that if the Commission or any other regulatory body having jurisdiction determines directly or indirectly, (1) that reimbursement to Transporter should be made for the use of Transporter's facilities for the transportation of liquids or liquefiabls, or (2) that any portion of Transporter's costs incurred (including a reasonable return) for facilities utilized in such transportation should be eliminated from Transporter's cost of service, Customer shall reimburse or pay, or cause to be reimbursed or paid, Transporter for such excluded costs effective as of the date such reimbursement requirement or cost allocation is effective, with the view that Transporter will be kept completely whole with respect to such costs. Customer will reimburse Transporter for any taxes or similar assessment levied against Transporter's transportation and separation of liquids or liquefiabls for Customer.
- (a) Subject to Commission action that may adjust the rates described above, the initial rate for liquid transportation shall be, for liquids from wells connected to the system as of December 31, 1981, fifty-five cents (55.0~) per barrel, and for liquids from wells connected to the system on or after January 1, 1982, one dollar and two and one-half cents (\$1.025) per barrel. The rate for short-haul transportation (a distance of twenty (20) miles or

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less) of liquids from wells connected to the system as of December 31, 1981, shall be eleven cents (11.0¢) per barrel, and the rate for short-haul transportation of liquids from wells connected to the system on or after January 1, 1982, shall be twenty percent (20%) of the one dollar and two and one-half cents (\$1.025) per barrel rate stated above.

- (b) For all liquefiabiles transported on behalf of a producer or customer which are produced in conjunction with natural gas transported by Transporter from wells connected on or before December 31, 1981, the amount shall be 4.5 cents per MCF per 100 miles prorated to the actual mileage of transportation of the liquefiabiles.
- (c) For all liquefiabiles transported on behalf of a producer or customer which are produced in conjunction with natural gas transported by Transporter from wells connected on or after January 1, 1982, the amount shall be 10.25 cents per MMBtu per 100 miles transported offshore, prorated to the actual mileage of offshore transportation, and 3.10 cents per MMBtu per 100 miles transported onshore, prorated to the actual mileage of onshore transportation.

For the purposes of administering the rate provisions of this Section 22.5, Customer on or before the fifteenth (15th) day of each calendar month, agrees to provide, or cause to be provided to Transporter, a monthly allocation statement setting forth the total quantity of Liquids and Liquefiabiles delivered to Transporter at each receipt point hereunder during the preceding month, and allocating such quantities at each receipt point

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into pre-January 1, 1982, and post-December 31,  
1981, connected well sources.

23. Take-or-Pay Settlement Payment Cost Recovery Mechanism

- 23.1 Purpose. This Section of the General Terms and Conditions sets forth the procedures (a) to reflect charges associated with the recovery of Transporter's Take-or-Pay (TOP) Settlement Payments and (b) by which Transporter will adjust the charges in order to reflect Transporter's actual payments as well as associated interest charges.
- 23.2 Definitions. The definition of terms applicable to this Section are as follows:
- (a) Fixed Charge Recovery Period - The one (1) year period beginning on October 1, 1993, and ending on September 30, 1994.
  - (b) Annual Commodity TOP Surcharge Recovery Period - The annual period beginning on October 1, 1993, and ending on September 30, 1994.
  - (c) Producer Suppliers - Any producer of natural gas with whom Transporter has executed or will execute a contract for the first sale of natural gas.
  - (d) TOP Settlement Payments - Any costs incurred by the Company directly or indirectly to extinguish outstanding take-or-pay exposure under existing contracts or to terminate the contracts or to reform the price, volume or other pertinent economic terms of the contracts with producer suppliers. These costs may include any similar future payments which the company may file to recover pursuant to the Commission's regulations.

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- (e) Fixed Monthly TOP Charge - A monthly charge reflected on Sheet Nos. 15-18 of this Tariff, and on Sheet Nos. 12-12C of Transporter's FERC Gas Tariff Original Volume No. 1, the calculation of which is based on 25% of TOP Settlement Payments, including interest on such amounts.
- (f) Commodity TOP Surcharge - A commodity or delivery surcharge reflected on Sheet No. 14 of this Tariff, Sheet Nos. 10, 10A, 11, 11A and 11B of Transporter's FERC Gas Tariff, Original Volume No. 1, and the applicable sheets in Transporter's FPC Gas Tariff Original Volume No. 2, which is based on 50% of TOP Settlement Payments, including interest on such amounts.
- (g) Interest Rate - The quarterly interest rate published by the Federal Energy Regulatory Commission and computed in accordance with Section 154.67(c) of its regulations.

23.3 Determination of the Fixed Monthly TOP Charge. Transporter shall determine the Fixed Monthly TOP Charge to be applicable for the initial Annual Fixed Charge Recovery Period of October 1, 1993, through September 30, 1994, by the following procedure:

- (a) The Fixed Monthly TOP Charge shall be based on an allocation of twenty-five percent (25%) of the total TOP Settlement Payments, including applicable interest. The amount immediately above shall then be divided by 12 (1 year amortization from October 1, 1993, through September 30, 1994). This monthly amount will constitute the revised monthly principal amount. Transporter shall then calculate an annual interest amount using the then effective Commission prescribed interest rate, on the unamortized fixed TOP balance for each

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month of the applicable Annual Fixed Charge Recovery Period. The sum of the revised monthly principal and interest amounts will total the Fixed TOP Charges which shall be allocated among customers and billed monthly as set forth on Sheet Nos. 15, 16, 17, and 18 of this tariff as well as Sheet Nos. 12, 12A, 12B and 12C of Original Volume No. 1.

- (b) At the end of the annual recovery period (September 30, 1994), Transporter shall recalculate the interest amounts that would have accrued under the actual Commission prescribed interest rates in effect during the such Fixed Charge Recovery Period and shall reflect any over or under collections to each customer on the final billing of the Fixed Charge Recovery Period, if possible, or reflect such reconciliation on the following monthly billing.
- (c) Any Customer whose Service Agreement with Transporter expires prior to recovery of all amounts due from such Customer, pursuant to this Section 23.3 shall elect to (1) remit to Transporter the balance of amounts due within 30 days of the expiration of its Service Agreement, or (2) elect to continue to pay the Fixed Monthly TOP Charge for the duration of the remaining Total Recovery Period.
- (d) Upon thirty (30) days' written notice, Customer may pay its total share of the Fixed TOP Charge and eliminate any further accruing of interest. Calculation of the final payment due from Customer will be adjusted to reflect actual Commission prescribed interest rates.

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Superseding: Original Sheet No. 116

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- 23.4 Determination of the Commodity TOP Surcharge. Transporter shall determine the Commodity TOP Charges to be applicable for the Commodity TOP Surcharge Recovery Period of October 1, 1993, through September 30, 1994, by the following procedure:
- (a) The Commodity TOP Charge for the Commodity TOP Surcharge Recovery Period shall be based on fifty percent (50%) of the total TOP Settlement Payments, including applicable interest. Transporter shall then calculate an annual interest amount using the then effective Commission prescribed interest rate on the unamortized commodity TOP balance for each month of the Commodity TOP Surcharge Recovery Period. The sum of the annual commodity TOP amount and the interest amount shall be divided by throughput based upon the most recent 12 months of actual available data, to determine the Commodity TOP Surcharge which is set forth on Sheet No. 14 of this tariff, as well as Sheet Nos. 10, 10A, 11, 11A, and 11B of Original Volume No. 1.
  - (b) At the end of the Commodity TOP Surcharge Recovery Period, Transporter shall recalculate the interest amounts that would have accrued under the actual Commission prescribed interest rates in effect during such period and shall reflect any over or under collections of interest as described in Section 23.4(c) below.
  - (c) At the end of the recovery period, Texas Gas will calculate the TOP settlement costs recovered through the commodity surcharge by summing the actual volume of throughput for each month of the recovery period times the then currently effective surcharge rate for such month. To the extent this sum

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exceeds or is less than the total allowed amount of \$893,008, plus actual applicable interest, as described above, which Texas Gas is permitted to recover via the volumetric surcharge, Texas Gas will either refund such excess or recover such deficiency by a negative or positive surcharge over an additional surcharge applied to its otherwise effective rates over a period not to exceed three months.

24. Procedures used by the Pipeline to Inform Shippers of Availability and Pricing of Transportation Service and Available Pipeline Capacity [Section 250.16(b)(4)]

24.1 Texas Gas has initiated an electronic bulletin board where general transportation information, including information on capacity and availability and pricing of transportation service, will be available daily and updated periodically as conditions change on the Texas Gas system. This bulletin board information will be mailed initially to all shippers and potential shippers and when changed, another mailing will be made containing the changes, so that shippers and potential shippers who do not have computer access to the bulletin board will also receive such information.

24.2 Texas Gas will continue to make periodic mailouts of information concerning specific events or other information that affect all shippers or potential shippers on its system and will also continue regularly scheduled shipper meetings at which general information is communicated and specific questions are answered.

24.3 Texas Gas will continue to answer questions from its marketing affiliate, as well as any other

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shipper, concerning the marketing affiliate's own agreement(s), nomination(s) or allocation(s), or any other general question to which the answer is simply a recitation of information already stated in a Texas Gas tariff, application, report or other pleading. However, should a question from a Texas Gas marketing affiliate about transportation service cause Texas Gas to make a new interpretation, set a new policy, or disseminate some new information (including information concerning released gas), Texas Gas will not answer that question directly, but post such information on its electronic bulletin board, and also mail a letter to all shippers and potential shippers, so that all parties can have access to that information, simultaneously.

25. List of Shared Operating Personnel and Facilities [Section 250.16(b)(1)]
  - 25.1 Texas Gas shares no operating personnel with its marketing affiliates. Texas Gas and Transcontinental Gas Pipe Line Corporation (TGPL) do share senior officers.
  - 25.2 Texas Gas's affiliated marketing companies are TXG Gas Marketing Company (TXG), Transco Gas Marketing Company (TGMC), Transcontinental Gas Pipe Line Corporation - Gas Merchant Division, Transco Energy Marketing Company (TEMCO), Transco Liquids Company (TLC), and Transco Energy Ventures Company (TEVCO).
  - 25.3 The operating personnel of Texas Gas and the operating personnel of its marketing affiliates are functioning separately, and will continue to do so. Such personnel are in separate buildings, or in the Houston office, on separate floors. No operating employee of a Texas Gas marketing affiliate has any job responsibilities relating to the pipeline company. Texas Gas charges its marketing affiliates an administrative fee which covers personnel services, health insurance claims processing, and payroll services. If a marketing affiliate uses other services, specific fees are charged by Texas Gas. Texas Gas does not share computer systems with its marketing affiliates.



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- 26.2 After a complaint is submitted in writing, an investigation of the facts surrounding the complaint shall be conducted by the Supervisor of Transportation and Exchange and the Manager, Nominations and Allocations.
- 26.3 After the investigation is completed, the results of such investigation will be presented to a complaint review committee made up of the Director of Gas Transportation Services, the Assistant General Counsel, and the Senior Vice President of Marketing. Such committee will evaluate the facts and decide: 1) whether the complaint is valid and if so, what remedial actions should be taken; or 2) if the complaint has no validity, or is simply the result of misunderstandings or miscommunications.
- 26.4 The action decided to be taken by the complaint review committee shall be communicated and/or explained to the shipper, within two weeks of the receipt of the complaint.
- 26.5 If the shipper is not satisfied with the complaint review committee decision regarding his complaint, the shipper may appeal such action to the Senior Vice President and General Counsel.

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27. Transportation Cost Adjustment (TCA)

- 27.1 Provision for Adjustment: All base rates under Transporter's Rate Schedules in its FERC Gas Tariff, Original Volume No. 1 and First Revised Volume No. 2-A, and X-Rate Schedules in Original Volume 2 of Transporter's FERC Gas Tariff incorporating rates from Volume 2-A of such tariff, shall be adjusted to reflect changes in Transporter's Transportation Costs. "Transportation Costs" are costs for the transmission and compression of gas by others on behalf of Transporter recorded in FERC Account 858, but limited to transactions listed in Appendix F of the Stipulation and Agreement in Docket No. RP90-104, commencing November 1, 1991, and ceasing on the termination date of said Stipulation.
- 27.2 Filing of TCA: Transporter shall file its first quarterly adjustment to its base rates, which shall include computations showing the derivation of the Transportation Cost Adjustment, concurrently with the Quarterly or Revised Annual PGA to be effective at least 45 days after the Stipulation and Agreement in Docket No. RP90-104, et al. becomes effective. Subsequent adjustments shall be filed concurrently with Quarterly or Revised Annual PGAs, and shall be effective on those dates (February 1, May 1, August 1, and November 1). If a Revised Annual PGA filing is not made, the TCA filing will be made at least 30 days prior to the effective date. The Base Tariff Rates shall reflect the base rates after the adjustments contained in this Section.
- 27.3 TCA Period: The Transportation Cost Adjustment Period (TCA Period) shall be the twelve-month period beginning with the effective date of Transporter's Transportation Cost Adjustment filings referenced in Section 27.2.

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- 27.4 Determination of Transportation Cost Adjustment: The adjustment to Transporter's Base Tariff Rates shall be the result of subtracting the Base Transportation Average Cost Rate from the Current Transportation Average Cost Rate. The Current Transportation Average Cost Rate shall be determined by dividing the projected annual Transportation Costs adjusted for known and measurable changes for the TCA Period by the projected demand and commodity units to be billed under the Transporter's applicable Rate Schedules for the same period. The Base Transportation Average Cost Rates shall be those as so determined in the Stipulation and Agreement in RP90-104, et al.. Such Transportation Cost Adjustments shall be made so as to maintain Transporter's effective cost allocation and rate design.
- 27.5 Unrecovered Transportation Cost Account:
- (a) Transporter shall maintain an Unrecovered Transportation Cost Account (Account 186.80) to record the monthly difference between actual Transportation Costs and the actual amounts recovered in Transporter's rates for Transportation Costs. For purposes of calculating the actual amounts recovered in Transporter's rates for Transportation Costs, it will be assumed that Transporter received the maximum applicable unit Account 858 component for all transportation services rendered. Actual Transportation Costs exceeding the amounts recovered in Transporter's rates shall be debited to this account and actual Transportation Costs below the amounts recovered in Transporter's rates shall be credited to this account. This account shall be segregated between demand and commodity. Actual Transportation Costs shall be the amounts paid

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by Transporter for the transactions listed in Appendix F of the Stipulation and Agreement, Docket No. RP90-104, et al. The Transportation Costs recovered in Transporter's rates shall be determined by multiplying (i) the actual demand and commodity billing units under the applicable Rate Schedules for the billing month by (ii) the effective Base Transportation Cost Rates and the Transportation Cost Adjustment as determined in Section 27.4. Subaccounts of Account 186.80 shall be maintained by November-April and May-October accumulation periods.

- (b) Commencing November 1, 1991, all Transportation Cost refunds received by Transporter applicable to transportation services performed while this Section remains in effect shall be credited to Account 186.80.
- (c) Each month this Account shall be debited or credited, as appropriate, with carrying charges which shall be calculated utilizing the procedures set forth in 18 CFR Section 154.305(h) of the Commission's Regulations on the prior month's ending balance.

27.6 Unrecovered Transportation Cost Surcharges: Commencing with the first August 1 or February 1 TCA filing made pursuant to Section 27.2, Transporter shall adjust its base tariff rates to establish an initial six-month surcharge to recover or return the balance in the applicable Account 186.80 subaccount (Unrecovered Transportation Costs) that had accumulated from November 1, 1991, through the preceding April 30 or October 31, whichever is applicable. Thereafter, in its TCA filings to be effective February 1 and

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**Sub Original Sheet No. 123** Sub Original Sheet No. 123 : Effective

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August 1, Transporter shall adjust its Base Tariff Rates to include a surcharge to recover or return the balance in the applicable Account 186.80 subaccount as of the preceding April 30 or October 31. Transporter will include working papers supporting its calculations with its filing. Separate surcharges shall be determined for the demand and commodity portions in Account 186.80. Such surcharges shall be determined by dividing the applicable balance by the projected demand and commodity units to be billed under the applicable Rate Schedules for the six-month period commencing with the effective date of that TCA. If a balance remains in the amortizing subaccount at the end of its amortization period, such balance shall be transferred to the current Account 186.80 subaccount.

27.7 Termination Provision: If the provisions of this Section 27 are terminated, any net credit balance in all Subaccounts of Account 186.80 at such time shall be refunded to Transporter's sales and transport customers. Any such refunds shall be calculated on the basis of the actual demand and commodity billing units during the relevant accumulation period. If the provisions of this Section 27 are terminated, any net debit balance in all Subaccounts of Account 186.80 at such time shall be recoverable by Texas Gas in its next rate case, and the inclusion of such amount will not be subject to challenge as a non-recurring cost or as otherwise not representative of the appropriate test period cost of service. This Section 27.7 provides customers with notice that such unrecovered amounts may be recovered in the subsequent rate case.

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28. Availability of Third-Party Pipeline Capacity

Customers transporting under the FT and IT Rate Schedules shall be able to utilize the firm transportation rights held by Transporter in certain Upstream Pipelines listed below when such capacity is not required by Transporter for its system supply. Use of receipt points designated on these Upstream Pipelines by Customers using Transporter's FT Rate Schedule will be limited to the receipt point reduction option or alternate receipt points and will not be available for firm point-to-point service. Access to capacity at such receipt points shall be allocated in accordance with Section 10.2 of these General Terms and Conditions. Customers shall continue to pay the applicable rates under Transporter's FT or IT Rate Schedules for this service.

Transporter will be responsible for the operational and payment provisions of the underlying contract between Transporter and the Upstream Pipeline. Any Customer utilizing Transporter's firm transportation capacity rights is required to comply with operational requirements and other terms and conditions specified in the tariff of the transporting pipeline. Transporter will be responsible for arranging and scheduling the transportation and for paying any charges applicable to the service.

Upstream Pipeline	Rate Schedule
ANR Pipeline Company	X-11
ANR Pipeline Company	X-33
ANR Pipeline Company	X-63
ANR Pipeline Company	X-153
ANR Pipeline Company	X-156
High Island Offshore System	T-3
High Island Offshore System	T-17
Texas Eastern Transmission Corporation	FT

28.1 Rate: Transporter shall charge no additional rate for use of Upstream Pipeline capacity other than the applicable FT or IT transportation rate, along with any approved surcharges.

28.2 Open Season:

(a) Transporter shall conduct an open season for a period of five (5) days during which parties may

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submit requests to utilize Transporter's firm capacity rights in the Upstream Pipelines. Transporter shall announce such open season, post the terms of such open season to its electronic bulletin board, and conduct such open season as soon as practicable following Commission approval of this Section 28. In submitting such requests to Transporter, parties must provide the information requested in Transporter's Transportation Request Form.

- (b) All requests received within this 5-day open season from Transporter's then existing firm and interruptible transportation customers under their existing transportation service agreements shall be considered received at the same time and have the same priority for service pursuant to Section 10.2 of the General Terms and Conditions of this Volume 2-A Tariff (Priority 1 Customers). All other requests from new Customers or from existing Customers requesting service under a new transportation service agreement received during this 5-day open season shall be considered received at the same time and have the same priority for service pursuant to Section 10.2 of the General Terms and Conditions (Priority 2 Customers). Requests for Transporter's firm capacity rights in the Upstream Pipelines received after this 5-day open season will be reviewed on a first-come, first-served basis according to the date such request is received.
- (c) Prior to receiving service through Transporter's capacity in the Upstream Pipelines, Customer must have an executed FT or IT service agreement with Transporter containing the receipt and/or delivery points available through the Upstream Pipelines.

28.3 Procedures for Monthly Allocation of Capacity:

- (a) Each month Customers wanting to use Transporter's capacity in the Upstream Pipelines shall submit transportation nominations to Transporter in accordance with Section 15 of these General Terms and Conditions.

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- (b) Transporter shall determine each month the amount of capacity, if any, available in the Upstream Pipelines. Such available capacity on an Upstream Pipeline shall be allocated each month first to Priority 1 and then to Priority 2 Customers on a pro rata basis in accordance with the service priorities contained in Section 10.2 of these General Terms and Conditions (i.e., Priority 1 FT Customers before Priority 2 FT Customers, followed by Priority 1 IT Customers before Priority 2 IT Customers). Any remaining capacity on Upstream Pipelines shall be allocated to other Customers on a first-come, first-served basis.
- (c) Transporter shall notify each Customer of the capacity, if any, allocated to such Customer by first-class mail or other mutually acceptable form of communication.

28.4 Operating Conditions

- (a) Transporter shall give Customer twenty-four (24) hours advance notice of any interruption of service hereunder on an Upstream Pipeline. Service may be interrupted at any receipt point or delivery point. Service shall be interrupted in accordance with the priorities of service as set forth in Section 28.3 (b) when partial interruption of service is necessary. In cases of force majeure or where the Upstream Pipeline provides less than twenty-four (24) hours notice of interruption, Transporter shall provide Customer with as much notice of interruption as possible under the circumstances.
- (b) Transporter shall remain responsible for the operational and payment provisions of its underlying service agreement with the Upstream Pipeline. Customer shall be responsible for complying and for causing others to comply with the operational requirements of the Upstream Pipeline and for causing the scheduled quantities to be delivered to the Upstream Pipeline. If Customer's action or inaction, including failure to tender or take gas which creates an imbalance on the Upstream Pipeline, causes, in whole or in



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part, Transporter to incur a penalty with the Upstream Pipeline, Customer shall reimburse Transporter for its pro rata share of the penalties so incurred.

- (c) Transporter shall not serve as guarantor of performance of the Upstream Pipelines nor shall Transporter be liable or responsible in any way for the actions, omission, or performance of the Upstream Pipelines. In addition, service through the Upstream Pipelines shall be expressly contingent upon the acceptance of Customer's nominations by both Transporter and the Upstream Pipelines. Acceptance of nominations by Transporter shall not be construed as a guarantee or representation that the Upstream Pipelines will accept any nominations made by Transporter on Customer's behalf.
- (d) Except for reasons of force majeure, Customer shall notify or cause Transporter to be notified at least twenty-four (24) hours, or such shorter period of time as may be required by the Upstream Pipeline, in advance of any significant change in the daily quantity of gas Customer desires to have transported hereunder. In cases of force majeure, Customer shall provide Transporter with such notice as soon as possible under the circumstances.
- (e) Customer shall make all necessary arrangements with other parties at or upstream of the point(s) of receipt and/or delivery where gas will be tendered for transportation to any Upstream Pipeline.

28.5 Possession of Gas

Transporter shall have no responsibility with respect to any gas delivered by or for Customer to the Upstream Pipeline or on account of anything which may be done, happen, or arise with respect to such gas while it is in the possession of the Upstream Pipeline.

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28.6 Measurement Base

The measurement base shall be that which is applicable to the underlying service agreement with the applicable Upstream Pipeline.

28.7 Other Conditions:

- (a) Transporter is not authorized to permanently assign any rights under this program.
- (b) Transporter and other interstate pipelines that participate in the program, and their respective affiliates, shall comply with the requirements of Order No. 497 for these transactions, as long as Order No. 497 is in effect.

28.8 Reporting Requirements:

Transporter is required to file the following information with the Commission every 60 days during the first 6 months of the program, quarterly during the next 18 months of the program, and annually thereafter:

- (a) the name, address and telephone number of the assignee;
- (b) the corporate affiliation between Transporter and the assignee;
- (c) a description of the specific rights brokered, including term, receipt and delivery points and volume;
- (d) the Docket Number under which the Commission authorized Transporter to broker;
- (e) the identity of the Upstream Pipeline.

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Sheet number 129 is not issued but is reserved for future use.

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**Sub First Revised Sheet No. 129** Sub First Revised Sheet No. 129 : Suspended  
Superseding: Original Sheet No. 129

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29. Capacity Releasing Program

- 29.1 Purpose - This Section 29 sets forth the specific terms and conditions applicable to the implementation by Pipeline of a Capacity Release Program, on its interstate pipeline system, as required by Section 284.243 of the Commission's Regulations. Existing Customers may release and assign their capacity in Pipeline only under this Section 29.
- 29.2 Applicability - This Section 29 is applicable to any Customer who has executed a Part 284 service agreement with Pipeline under Rate Schedule FT, including any Customer who has executed a standby service agreement pursuant to Section 2.3 of the GN Rate Schedule.
- 29.3 General Terms and Conditions Applicable to Capacity Release
- (a) Quantity, Scheduling, Right of Recall, Contingent Bids
- (i) Releasing Customers may release and assign all capacity held under a particular service agreement, a percentage of such capacity or a segment of such capacity. Releasing Customers may release and assign percentages of capacity to several different Replacement Customers.
- (ii) Regardless of the percentage or portion of capacity released and assigned, the Releasing Customer remains liable for the reservation charges (and any surcharges related thereto) applicable to the Releasing Customer's service agreement with Pipeline. However, Releasing Customer will not be liable for any penalties, imbalances or commodity charges and surcharges thereon, incurred by the Replacement Customer.

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- (iii) Capacity released and assigned to a Replacement Customer will be scheduled and curtailed identical to the scheduling and curtailment priorities applicable to the service agreement of the Releasing Customer. Any right of recall reserved as described in subsection (iv) below will not affect the priorities in scheduling and curtailment as stated herein.
  - (iv) Releasing Customers may retain a right of recall when releasing and assigning capacity. Such right of recall must be specified in the Capacity Release Notice and the terms and conditions of the right of recall retained by the Releasing Customer may not conflict with the terms and conditions of this tariff governing changes in nominations and must be objectively stated, non-discriminatory, and applicable to all bidders. Pipeline shall have no liability to the Replacement Customer by reason of any right of recall retained by Releasing Customer.
  - (v) Releasing Customers may choose to allow the submission of contingent bids; however, any provision for contingent bids must function in a non-discriminatory manner and cannot be used to discriminate against any potential Replacement Customer.
- (b) Length of Capacity Releases
- (i) Capacity may be released and assigned for any length of time up to the remaining term of the service agreement under which it is being released.

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- (ii) Releasing Customers can offer to release capacity on either a temporary or permanent basis.
- (c) Re-Releases of Capacity
  - (i) If capacity is released to a Replacement Customer for a term of less than one month, that Replacement Customer cannot re-release capacity to another Replacement Customer.
  - (ii) Replacement Customers contracting for capacity in excess of one month can re-release their capacity or portions thereof, to another Replacement Customer, within the limits of the rights they were granted by their Releasing Customer.
- (d) Price and Marketing Fees
  - (i) Potential Replacement Customers cannot bid (and the Pipeline cannot charge) in excess of the maximum rate that Pipeline can charge to the Releasing Customer for that capacity offered for release.
  - (ii) Releasing Customers may specify a minimum price term and/or volume to be bid for capacity offered to be released and assigned; however, regardless of any minimum price posted by the Releasing Customer, Replacement Customers must agree to pay Pipeline the applicable maximum commodity rate for all volumes actually transported for the Replacement Customer, plus any related surcharges, unless the Pipeline agrees with the Replacement Customer to some lesser rate.

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- (iii) Releasing Customers cannot resell for the maximum rate plus any marketing fees that may be due Pipeline, but Releasing Customers can require Replacement Customers to pay any applicable surcharges, in addition to the maximum rate.
  - (iv) Pipeline may actively market any capacity offered for release and assignment, if Pipeline and the Releasing Customer mutually agree. The fee to be retained by Pipeline for such marketing activities and the other terms and conditions of such arrangement, including what activities are necessary or contemplated to secure a fee, will be negotiated by the Pipeline and the Releasing Customer on a case-by-case basis.
- (e) Methodology Used to Determine Best Bid
- (i) If the Releasing customer determines the standards to be used to determine the "best bid," those standards must be objectively stated, applicable to all potential bidders and non-discriminatory. Such standards must also include a method to be used to determine the best bid when two or more bids are submitted at the maximum rate and meet all other terms and conditions of the release; or are determined to be identical under the methodology proposed by the Releasing Customer.
  - (ii) If the Releasing customer chooses not to determine the methodology to be used to award the "best bid," the following methodology shall be used by Pipeline to determine the "best bid:"

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Best bid will be determined based on what will yield to the Releasing Customer the highest net present value, using a 10% discount factor, of the reservation charge (reservation charge x CD) the Replacement Customer is willing to pay for the term bid. If several bids yield the same net present value, the capacity will be awarded to the bid which yields to the Releasing Customer the highest net present value over the shortest period of time. After this process, if there are still several bids that yield the same net present value, then the capacity will be awarded to the bid submitted first in time. When determining the best bid, any marketing fee to be retained by Pipeline will be subtracted from the affected bid when comparing it to other bids where no marketing fee is involved.

(f) Other Information Posted to EBB

- (i) Offers to purchase capacity will be posted by Pipeline to its EBB, upon the receipt of such information from interested parties.
- (ii) Pipeline will post on its EBB its available firm and interruptible capacity and the terms and conditions applicable to it.

29.4 Posting of Capacity Available for Release and Bidding Procedure

(a) Capacity Release Notice

In order to initiate the release and assignment of capacity rights, Releasing Customers must complete and execute a Capacity Release Notice



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containing the information prescribed in this Section 29.4(a) and submit it to Pipeline or post it on Pipeline's EBB. If the Capacity Release Notice is submitted to Pipeline, Pipeline will post it on the EBB.

The Capacity Release Notice must contain the following information listed in (i) through (xiv) below; however, any other terms or conditions of the release can be listed in the notice as long as they do not conflict with the terms of Pipeline's FERC Gas Tariff:

- (i) Description of capacity rights offered including primary and secondary receipt points, primary and secondary delivery points, and percentage or segment of capacity to be released;
- (ii) Whether bids will be accepted for portions of the quantity released, as well as the entire quantity; whether bids will be accepted for segments of the capacity released;
- (iii) The minimum price which will be accepted by the Releasing Customer, if the Releasing Customer chooses to specify such a minimum price;
- (iv) The maximum rate applicable to the capacity to be released, including any surcharges related to the reservation charge, and the maximum commodity rate applicable to such capacity including any surcharges related to the commodity rate;
- (v) Whether capacity is offered on a permanent or temporary basis;

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- (vi) If capacity is offered on a temporary basis, the effective date and term of the release. If capacity is offered on a permanent basis, the length of the remaining term of the service agreement under which capacity is being offered for release and assignment;
- (vii) Whether Releasing Customer will retain a right of recall and the terms and conditions of such right of recall;
- (viii) Whether the Releasing Customer will accept contingent bids, and if so, what contingencies will be accepted, how such contingencies will be closed and when, and if such contingencies are not closed, whether the next highest bidder will be obligated to enter into an agreement with the Pipeline for the capacity released.
- (ix) Whether there is a Prearranged Replacement Customer and the terms and conditions that such Prearranged Replacement Customer has agreed to with respect to the capacity offered for release and assignment;
- (x) The methodology to be used to determine which bid is the "best bid," and whether such methodology is one created by the Releasing Customer in accordance with Section 29.3(e) (i) or the methodology set forth in Section 29.3(e) (ii) of this tariff, in which case, the Releasing Customer may refer to that particular section of Pipeline's tariff;

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- (xi) Date and time Bidding Period Begins and Ends; and if there is a Prearranged Replacement Customer, date and time period ends for such party to match the best bid;
  - (xii) Capacity Release ID Number (to be provided by Pipeline);
  - (xiii) Name, address and telephone number of Releasing Customer (optional);
  - (xiv) Date and Time Posted on EBB (to be provided by Pipeline).
- (b) Posting and Withdrawal of Capacity Release Notices
- (i) Releasing Customers may specify in the Capacity Release Notice the date and time bids will be due and, if there is a Prearranged Replacement Customer, the date and time within which a matching bid must be submitted by that Prearranged Replacement Customer. However, Releasing Customers must comply with the minimum time periods for posting releases and submitting matching bids as stated below:  
  
For releases of a term of five (5) months or less:  
  
minimum posting time - 8 business hours  
  
minimum matching period - 4 business hours

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For releases of a term of more than  
five (5) months:

minimum posting time - 2 business days

minimum matching period - 1 business  
day

- (ii) Releasing Customers may withdraw an offer to release capacity before the expiration of the bidding deadline when necessary to respond to unanticipated changes in its capacity needs. However, Releasing Customers cannot withdraw a capacity release notice because it is dissatisfied with the bids received, if those bids meet or exceed the minimum conditions specified in the notice. If the Releasing Customer wishes to withdraw a capacity release notice, it must inform the Pipeline and the Pipeline will post such information on the EBB.
- (iii) Releasing Customers may also withdraw a capacity release notice and post a new capacity release notice when necessary to respond to a term in a bid that was not addressed or anticipated in the original capacity release notice or when no bids are submitted which meet the minimum terms of the capacity release notice and the Releasing Customer wishes to re-post its offer to release using different minimum conditions. Such re-posting of capacity releases will be subject to a new bidding period, to be indicated by the Releasing Customer in the new capacity release notice.

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FERC Docket: RP93-106-001

**Sub Original Sheet No. 129I** Sub Original Sheet No. 129I : Suspended

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(c) Exceptions to Bidding Process

- (i) If a Prearranged Replacement Customer agrees to pay the maximum rate applicable to the capacity offered for release and assignment by a Releasing Customer and agrees to all other terms and conditions applicable to the release, then that capacity released will not be subject to the bidding requirements contained herein, but Pipeline will post information describing such a release of capacity to its EBB at least forty-eight (48) hours after transportation commences for the Replacement Customer.
- (ii) If a Releasing Customer has obtained a Prearranged Replacement Customer, in relation to a release of capacity for less than one calendar month, or for a volume which is less than 10,000 MMBtu per day, then that capacity released will not be subject to the bidding requirements contained herein, but Pipeline will post information describing such a release of capacity to its EBB at least forty-eight (48) hours after transportation commences for the Replacement Customer. However, no "roll-overs or extensions" of such transactions will be allowed without complying with the bidding process, herein, unless such Prearranged Replacement Customer agrees to pay the maximum rate for that capacity and meet all other terms and conditions set by the Releasing Customer.
- (iii) For releases described in (i) and (ii) above, Releasing Customers must notify Pipeline of the terms of the release

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agreed to between the Releasing Customer and Prearranged Replacement Customer and Prearranged Replacement Customers must contract with Pipeline for the capacity released and assigned and comply with all other tariff terms governing Pipeline's Capacity Release Program except for the bidding requirements.

(d) Submission of Bids

- (i) Bids for capacity offered for release and assignment must identify the package of capacity being bid upon by its capacity release ID number and must contain the proposed term, price, and quantity bid and respond to all other terms posted in the Capacity Release Notice. Bids will be considered binding unless withdrawn before the expiration of the bidding deadline; however, bids may be conditioned upon any contingency allowed by the Releasing Customer. Bids must also include a statement that the bidder will comply with all terms and conditions of Pipeline's tariff regarding capacity release and firm transportation, as well as its agreement to pay Pipeline's maximum FT commodity charge (unless a discounted commodity rate has been agreed to between Pipeline and Releasing Customer) for all quantities transported plus any related surcharges.
- (ii) Bids may be submitted in writing or through the EBB to Pipeline. All bids submitted will be posted to Pipeline's EBB, as soon as possible. However, bids posted will not identify the particular

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party submitting the bid but will identify the bid by a Bid ID number (which will change with each new bid submitted). All bids must be submitted by the deadline specified in the Capacity Release Notice, or such bids will be rejected.

(iii) Bids may be withdrawn before the expiration of the bidding deadline. Once a bidder has withdrawn its bid, a new bid may be resubmitted for that released capacity but not at a lower rate.

(iv) No party may submit, at any one time, more than one (1) bid per capacity release notice.

(e) Award of Capacity Offered for Release

(i) Following the expiration of the bidding period, Pipeline will choose the "best bid" within four business hours, for capacity releases of five (5) months or less and for capacity releases of more than five months, within one business day, if the methodology contained in Section 29.3(e) (ii) herein is utilized; and within two business days if the Releasing Customer has specified the "best bid" methodology.

(ii) After the "best bid" is chosen, Pipeline will post the winning bid to the EBB, identified by the bid I.D. number and capacity release notice I.D. number only. Pipeline, as soon as possible, will also contact by telephone the Releasing Customer to inform it of the identity of

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the "best bidder" and allow it, if necessary, to provide the terms and conditions of the "best bid" to a Prearranged Replacement Customer. Pipeline will also contact by telephone the "best bidder" to notify it of the identity of the Releasing Customer.

- (iii) If there is a Prearranged Replacement Customer, it must match the best bid within the time limits provided by the Releasing Customer or as stated in Section 29.4(b) herein, from the time the Releasing Customer notifies it of the terms and conditions of the "best bid." Prearranged Replacement Customers may match "best bids" by submitting a transportation request form to Pipeline, as provided below in Section 29.5(b)(ii) and must indicate that it is matching a "best bid" and identify the capacity release I.D. number. Pipeline will post on the EBB information indicating whether or not Prearranged Replacement Customer matches a "best bid."
- (iv) Within at least two business days of the commencement of transportation pursuant to a release of capacity, Pipeline will post on its EBB either the identity of the "best bidder" and the terms and conditions of the best bid, or if applicable, the identity of the Prearranged Replacement Customer which matched a "best bid" and the terms and conditions of the bid that was matched.



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29.5 Contracting for Released Capacity

- (a) All Replacement Customers must contract with Pipeline for the capacity released and assigned to them under this Section 29 of the tariff.
- (b) Before Pipeline will execute a contract with a Replacement Customer and commence service, the following conditions must be met:
  - (i) The credit criteria specified for Customers in Pipeline's FT Rate Schedule is met by the Replacement Customer. Such credit criteria may be satisfied by:
    - A. The submission by the Replacement Customer of the information required by Section 12(h) of Pipeline's FT Rate Schedule;
    - B. Qualifying for a Pre-approved Bidder's List by submitting to Pipeline in advance of bidding for capacity the information contained in Section 12(h) of Pipeline's FT Rate Schedule. This "Pre-approved bidders list" will contain the Customer's name and approved credit limit. However, only the preapproved bidder's name will be posted on the EBB. Customer may be required to update credit information periodically in order to remain on this "preapproved" bidders list, but will be notified by Pipeline when this is necessary; or
    - C. "Prepaying" for service as provided in Section 12(h)(3) of Pipeline's FT Rate Schedule.

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- (ii) The submission by the Replacement Customer of a completed transportation request form to Pipeline as required by Section 12 of Pipeline's FT Rate Schedule.
- (iii) Execution of and return to Pipeline of the Service Agreement by the Replacement Customer.
- (c) The Releasing Customer's transportation service agreement with Pipeline will remain in full force and effect (unless capacity is released on a permanent basis) with Releasing Customer receiving a credit, as described in Section 29.6 herein, against the demand charges owed to Pipeline.
- (d) Once a transportation service agreement is executed by the Replacement Customer, Replacement Customers must comply with all of Pipeline's tariff and contract provisions applicable to the service rendered, including those applicable to the cash-out of imbalances created under a transportation service agreement.
- (e) Replacement Customers will not have the right to request an amendment to their transportation service agreement with Pipeline which would change the primary receipt or delivery points contained in the Releasing Customer's service agreement (unless the Releasing Customer requests such an amendment to its Service Agreement). Replacement Customers may not request an amendment to their transportation service agreement which would change the terms and conditions of the bid submitted by the Replacement Customer for that capacity.

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29.6 Billing and Credits

- (a) The Releasing Customer shall receive a credit for charges billed to the Replacement Customer at the same time the Replacement Customer is invoiced for such charges. Funds received from the Replacement Customer will be credited against the Releasing Customer's Demand Charges and any surcharges thereon, before funds are credited against any penalties owed by the Replacement Customer.
- (b) In the event that the Replacement Customer does not pay Pipeline the amounts invoiced within 30 days of the original invoice date, the Releasing Customer's previously granted credit will be reversed. If a credit has to be reversed, interest will be charged to the Releasing Customer on the amount of the credit received from the date due until paid by the Releasing Customer.
- (c) Any contract with a Replacement Customer who is delinquent 30 days or more from the original invoice date is subject to the remedies for non-payment as provided in Section 4.10 of the General Terms and Conditions herein.
- (d) Pipeline will notify Releasing Customer if a Replacement Customer is delinquent more than 15 days.

29.7 Conditions Applicable to Permanent Release of Capacity

- (a) If capacity is released under this Section 29 on a permanent basis, the Releasing Customer's transportation service agreement and any liabilities, thereunder, including the payment of demand charges, will terminate upon the

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effective date of the Replacement Customer's transportation service agreement, if the Replacement Customer agrees to pay the maximum rate for the entire volume and term reserved under the Releasing Customer's contract, unless otherwise agreed by the Pipeline.

- (b) For purposes of choosing the "best bid" for permanent releases of capacity, Pipeline will always use the methodology set forth in Section 29.3(e) (ii) herein.
- (c) Pipeline will not sign a transportation service agreement with a Replacement Customer until:
  - (i) Any imbalances under the Releasing Customer's service agreement are cashed out;
  - (ii) Any charges currently due Pipeline under the Releasing Customer's service agreement are paid by the Releasing customer or assumed by the Replacement Customer; and
  - (iii) Any "marketing fee" which may be owed to Pipeline is collected from the Releasing Customer.

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(Continued)

30. Tracking of Fuel Use Consumption or Btu Energy Tax

- 30.1 In the event that the Federal or any state governments enact a consumption or Btu energy tax (energy tax) on fuel used by pipelines or on gas sold or transported by pipelines, Texas Gas shall track the cost of such tax and file semi-annually to recover such costs. These costs shall be recovered through adjustments and surcharges to the sales and transport commodity rates contained in Texas Gas's FERC Gas Tariffs, Original Volume No. 1, and First Revised Volume No. 2-A.
- 30.2 Subsequent to the final passage of an applicable energy tax law, Texas Gas shall file to adjust its sales and transport rates to reflect projected energy tax costs over the six-month period beginning with the month the tax becomes effective. This projected cost shall be divided by the projected commodity sales and transport volumes for the same six months to calculate the current commodity rate adjustment. Texas Gas shall make such filings on a semi-annual basis thereafter.
- 30.3 Commencing with the effective date of the applicable energy tax law, Texas Gas shall debit such actual costs to Account 186.xx, Deferred Energy Tax Account. Any amounts collected by Texas Gas through the current rate adjustment in Section 30.2 shall be credited to Account 186.xx. A subaccount of Account 186.xx shall be maintained for the first three-month period, with separate subaccounts being established for six-month periods thereafter. Carrying charges calculated in accordance with Section 154.305(h) of the Commission's Regulations shall be charged on the balances in the subaccounts.

Effective Date: 11/01/1993 Status: Suspended  
FERC Docket: RP93-106-001

**Sub Original Sheet No. 129R** Sub Original Sheet No. 129R : Suspended

GENERAL TERMS AND CONDITIONS  
(Continued)

30.4 Beginning with the second semi-annual adjustment filing described in Section 30.2, Texas Gas shall establish a Deferred Energy Tax Surcharge to collect or refund, the over-or under-recovered balances in the Deferred Energy Tax subaccounts. Such surcharge shall be calculated by dividing the balance in the applicable subaccount ending three months prior to the effective date of the filing, by the projected commodity sales and transport volumes for the six-month period beginning with the effective date (same projected volumes as used in Section 30.2). Amounts collected or refunded under this surcharge shall be credited or debited to the appropriate subaccount. At the end of the six-month amortization period, any remaining balance in Account 186.xx shall be transferred to the current Deferred Energy Tax subaccount.

31. Interruptible Transportation (IT) Revenue Sharing Mechanism

Subsequent to Pipeline's recovery of all costs allocated to service under the IT Rate Schedule, all net revenues received by Pipeline under the IT Rate Schedule shall be shared as described below. For purposes of this section, "net revenues" shall mean all revenues received by Pipeline for interruptible transportation service less (i) any costs allocated to these services, (ii) variable costs, and (iii) any applicable surcharges. Every 12 months, Pipeline shall determine the amount of such net revenue. Ninety percent (90%) of such net revenue shall be refunded to firm Part 284 transportation Customers based on each Customer's pro rata share of total demand charges paid for the applicable 12-month period by all firm Part 284 transportation customers. Ten percent (10%) of such net revenue shall be retained by Pipeline without refund obligation.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between Texas Gas Transmission Corporation, a Delaware corporation, hereinafter referred to as "Transporter," and \_\_\_\_\_, a \_\_\_\_\_ hereinafter referred to as "Customer,"

WITNESSETH:

WHEREAS,

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

Definitions

Section 1 Definition of Terms of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A on file with the Commission is hereby incorporated by reference and made a part of the Agreement.

ARTICLE II

Transportation Service

- 2.1 Subject to the terms and provisions of this Agreement, Customer agrees to deliver or cause to be delivered to Transporter, at the Point(s) of Receipt in Exhibit "B" hereunder, Gas for Transportation, and Transporter agrees to receive, transport and redeliver, at the Point(s) of Delivery in Exhibit "C" hereunder, Equivalent Quantities of Gas to Customer or for the account of Customer, in accordance with Section 2 of Transporter's effective FT Rate Schedule on file with the Commission and the terms and

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

Original Sheet No. 131 Original Sheet No. 131 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

conditions contained herein, up to \_\_\_\_\_ MMBtu per day, which shall be Customer's Transportation Contract Demand, and also \_\_\_\_\_ MMBtu on an annual basis which quantity will be hereinafter referred to as the annual D-2 Billing Quantity.

- 2.2 Customer shall reimburse Transporter for the Quantity of Gas required for fuel, company use, and unaccounted for associated with the transportation service hereunder in accordance with Section 16 of the General Terms and Conditions of Volume 2-A of Transporter's FERC Gas Tariff. If Customer provides fuel in kind, the applicable percentage(s) is shown on Exhibit "B". Transporter may adjust the fuel retention percentage as operating circumstances warrant; however, such change shall not be retroactive. Transporter agrees to give Customer thirty (30) days written notice before changing such percentage.
- 2.3 Transporter, at its sole option, may, if tendered by Customer, transport daily quantities in excess of the Transportation Contract Demand specified in Section 2.1 above.
- 2.4 In order to protect its system, the delivery of gas to its customers and/or the safety of its operations, Transporter shall have the right to vent excess natural gas delivered to transporter by Customer or Customer's supplier(s) in that part of its system utilized to transport gas received hereunder. Transporter may vent such excess gas solely within its reasonable judgment and discretion without liability to Customer, and Customer shall be obligated to furnish Transporter with its pro rata share of any gas so vented. Customer's pro rata share shall be determined by a fraction, the numerator of which shall be the excess quantity of gas delivered to Transporter at the point of receipt by Customer or Customer's suppliers and the denominator of which shall be the total excess quantity of gas flowing in that part of the Transporter's system utilized



Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

to transport gas, multiplied by the total quantity of gas vented or lost hereunder.

- 2.5 Any gas imbalance between receipts and deliveries of gas, less fuel and PVR adjustments, if applicable, shall be adjusted during the term of the Agreement as soon as practicable. At the termination of such Agreement, the parties hereto shall eliminate any imbalances within ninety (90) days of such termination in accordance with Section 17 of the General Terms and Conditions of Volume No. 2-A of Transporter's FERC Gas Tariff.

ARTICLE III

Scheduling

- 3.1 Customer shall be obligated eight (8) working days prior to the end of each month to furnish Transporter with a schedule of the estimated daily quantity(ies) of gas it desires to be transported for the following month. Such schedules will show the quantity(ies) of gas Transporter will receive from Customer at the Point(s) of Receipt, along with the identity of the supplier(s) that is delivering or causing to be delivered to Transporter quantities for Customer's account at each point of receipt for which a nominations has been made.
- 3.2 Customer shall give Transporter, after the first of the month, at least twenty-four (24) hours notice prior to the commencement of any day in which Customer desires to change the quantity(ies) of gas it has scheduled to be delivered to Transporter at the Point(s) of Receipt. Transporter may waive these notice requirements upon request if, in Transporter's reasonable judgment, operating conditions permit such waiver.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 133** Original Sheet No. 133 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

ARTICLE IV

Pressure

- 4.1 Customer shall deliver, or cause to be delivered, gas and Transporter shall redeliver gas to Customer at the Point(s) of Delivery in accordance with Sections 8(a) and 8(b) of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A.

ARTICLE V

Term of Agreement and Regulatory Authority

- 5.1 This Agreement shall become effective upon its execution and remain in full force and effect for a primary term of \_\_\_\_\_; with extensions of \_\_\_\_\_ at the end of the primary term and each additional term thereafter unless written notice is given by either party at least \_\_\_\_\_ prior to the end of such term.

ARTICLE VI

Point(s) of Transfer

- 6.1 The gas shall be delivered by Customer to Transporter and redelivered by Transporter to Customer at the Point(s) of Receipt and Delivery hereunder.
- 6.2 The gas shall be measured or caused to be measured by Customer and/or Transporter at the point(s) of measurement which shall be as specified in Exhibits B and C herein. In the event of a line loss or leak between the point of measurement and the point of receipt, the loss shall be determined in accordance with the methods contained in Section 4, "Measuring Equipment," contained in the General

Effective Date: 11/01/1991 Status: Effective  
FERC Docket: RP90-104-021

**Sub First Revised Sheet No. 134** Sub First Revised Sheet No. 134 : Effective  
Superseding: Original Sheet No. 134  
FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

Terms and Conditions of First Revised Volume No. 2-A of  
Transporter's FERC Gas Tariff.

ARTICLE VII

Facilities

- 7.1 Transporter and Customer agree that any facilities required at the Point(s) of Receipt, Point(s) of Delivery, and Point(s) of Measurement, shall be installed, owned, and operated as specified in Exhibits B and C herein. Customer may be required to pay or cause Transporter to be paid for the installed cost of any new facilities required.

ARTICLE VIII

Rates and Charges

- 8.1 Each month, Customer shall pay Transporter for the service hereunder, an amount determined in accordance with Section 4 of Transporter's FT Rate Schedule contained in Transporter's FERC Gas Tariff, First Revised Volume No. 2-A, as filed with the Commission and hereby incorporated into this Agreement by reference herein. The rates for such service are currently \_\_\_\_\_. In addition, Customer agrees to pay:
- (a) Transporter's Fuel Retention percentage(s), or if Customer elects to purchase fuel from Transporter, the charge shall be that as specified in Section 16 of the General Terms and Conditions of Transporter's FERC Gas Tariff, First Revised Volume No. 2-A.
  - (b) The currently effective GRI Funding Unit, if applicable, also the currently effective FERC Annual Charge Adjustment Unit Charge (ACA), the Transportation Cost Adjustment (TCA) Unit Charge, Transporter's current effective Take-or-Pay commodity surcharge, and any other applicable charges.

Effective Date: 11/01/1990 Status: Effective

FERC Docket: RP90-192-000

Original Sheet No. 135 Original Sheet No. 135 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

- 8.2 It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body for such changes to any rate(s) and terms set forth herein or in Rate Schedule FT, as may be found necessary to assure Transporter just and reasonable rates. Nothing herein contained shall be construed to deny Customer any rights it may have under the Natural Gas Act, as amended, including the right to participate fully in rate proceedings by intervention or otherwise to contest increased rates in whole or in part.
- 8.3 Customer agrees to fully reimburse Transporter for all filing fees associated with the service contemplated herein which Transporter is required to pay to the Commission or any agency having or assuming jurisdiction of the transactions contemplated herein. Provided, however, Transporter may waive filing fees for Customer on a nondiscriminatory basis.
- 8.4 Customer agrees to reimburse or cause Transporter to be reimbursed for any charges associated with the transportation of liquids/liqeuifiabiles as specified in Section 22 of the General Terms and Conditions of Volume No. 2-A of Transporter's FERC Gas Tariff.

ARTICLE IX

Miscellaneous

- 9.1 Transporter's Transportation Service hereunder shall be subject to receipt of all requisite regulatory authorizations from the Commission, or any successory regulatory authority, and any other necessary governmental authorizations, in a manner and form acceptable to Transporter. The parties agree to furnish each other with any and all information necessary to comply with any laws, orders, rules, or regulations.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

- 9.2 Except as may be otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement or any notice which a party may desire to give the other shall be in writing and mailed by regular mail, effective as of the postmark date, to the post office address of the party intended to receive the same, as the case may be, as follows:

Transporter

Texas Gas Transmission Corporation  
3800 Frederica Street  
P. O. Box 1160  
Owensboro, Kentucky 42302

Attention: Gas Revenue Accounting (Billings and Statements)  
Transportation & Exchange (Other Matters)  
Nomination & Allocation (Nominations)

Customer

The address of either party may, from time to time, be changed by a party mailing, by certified or registered mail, appropriate notice thereof to the other party.

- 9.3 This Agreement shall be governed by the laws of the State of Kentucky.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

Original Sheet No. 137 Original Sheet No. 137 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

- 9.4 Each party agrees to file timely all statements, notices, and petitions required under the Commission's Regulations or any other applicable rules or regulations of any governmental authority having jurisdiction hereunder and to exercise due diligence to obtain all necessary governmental approvals required for the implementation of this transportation agreement.
- 9.5 All terms and conditions of the attached Exhibits A, B, and C are hereby incorporated to and made a part of this Agreement.
- 9.6 This contract shall be binding upon and inure to the benefit of the successors, assigns, and legal representatives of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective representatives thereunto duly authorized, on the day and year first above written.

ATTEST: TEXAS GAS TRANSMISSION CORPORATION

\_\_\_\_\_  
Secretary By \_\_\_\_\_  
Vice President

WITNESSES: \_\_\_\_\_

\_\_\_\_\_  
By \_\_\_\_\_  
Vice President

\_\_\_\_\_  
Attest: \_\_\_\_\_  
Secretary

*Effective Date: 11/01/1990 Status: Effective*

*FERC Docket: RP90-192-000*

**Original Sheet No. 138** Original Sheet No. 138 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

Date of Execution by Customer:

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Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 139** Original Sheet No. 139 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

EXHIBIT "A"

Attached to and made a part of the Transportation Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_, by and between Texas Gas Transmission Corporation, hereinafter referred to as "Transporter" and \_\_\_\_\_, hereinafter referred to as "Customer."

ARTICLE A-I

Quality and Measurement

Section 2, "Quality," and Section 3, "Measurements," contained in the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A on file with the Commission are hereby incorporated by reference and made a part of this Agreement.

ARTICLE A-II

Billing and Payment

Section 5, "Billing," and Section 6, "Payments," of the General Terms and Conditions of Transporter's FERC Gas Tariff Original Volume No. 2-A on file with the Commission are hereby incorporated by reference and made a part of this Agreement.



Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 140** Original Sheet No. 140 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

ARTICLE A-III

Possession and Warranty of Title

Section 9, "Warranty of Title to Gas," and Section 7, "Possession of Gas," of Transporter's FERC Gas Tariff Original Volume No. 2-A on file with the Commission are hereby incorporated by reference and made a part of this Agreement.

ARTICLE A-IV

Force Majeure

Section 10.1, "Relief from liability," of the General Terms and Conditions of Transporter's FERC Gas Tariff Original Volume No. 2-A on file with the Commission is hereby incorporated by reference and made a part of this Agreement.

ARTICLE A-V

Assignments

Neither party hereto shall assign this Agreement or any of its rights or obligations hereunder without the consent in writing of the other party. Notwithstanding the foregoing, either party may assign its right, title and interest in, to and by virtue of this Agreement including any and all extensions, renewals, amendments, and supplements thereto, to a trustee or trustees, individual or corporate, as security for bonds or other obligations or securities, without such trustee or trustees assuming or becoming in any respect obligated to perform any of the obligations of the assignor and, if any such trustee be a corporation, without its being required by the parties hereto to qualify to do business in the state in which the performance of this Agreement may occur, nothing contained herein shall require consent to transfer this Agreement by virtue of merger or consolidation of a party hereto or a sale of all or substantially all of the assets of a party hereto, or any other corporate reorganization of a party hereto.

*Effective Date: 11/01/1990 Status: Effective*

*FERC Docket: RP90-192-000*

**Original Sheet No. 141** Original Sheet No. 141 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

ARTICLE A-VI

Laws and Regulations

This Agreement insofar as it is affected thereby, is subject to all valid laws, rules, regulations, and orders of all governmental authorities having jurisdiction.

ARTICLE A-VII

Waiver

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

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 142** Original Sheet No. 142 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

EXHIBIT "B"  
POINT(S) OF RECEIPT

Point No.	Meter No.	Name/Description	Facilities	Firm Capacity	GRI/ACA Cents/MMBtu	Fuel, Use & Loss (%)	MAOP (psig)
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Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 143** Original Sheet No. 143 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule FT-SL, FT-1, FT-2, FT-3 and FT-4  
(Continued)

EXHIBIT "C"  
POINT(S) OF DELIVERY

Point No.	Meter No.	Name/Description	Facilities	Firm Capacity	MAOP (psig)
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*Effective Date: 11/01/1990 Status: Effective*

*FERC Docket: RP90-192-000*

**Original Sheet No. 144** Original Sheet No. 144 : Effective

Sheet numbers 144 through 149 are not issued  
but are reserved for future use.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 150** Original Sheet No. 150 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between Texas Gas Transmission Corporation, a Delaware corporation, hereinafter referred to as "Transporter," and \_\_\_\_\_, a \_\_\_\_\_ hereinafter referred to as "Customer,"

WITNESSETH:

WHEREAS,

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

Definitions

Section 1, Definition of Terms of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A, on file with the Commission is hereby incorporated by reference and made a part of this Agreement.

ARTICLE II

Transportation Service

- 2.1 Subject to the terms and provisions of this Agreement, Customer agrees to deliver or cause to be delivered to Transporter, at the Point(s) of Receipt in Exhibit "B" hereunder, Gas for Transportation, and Transporter agrees to receive, transport and redeliver, at the Point(s) of Delivery in Exhibit "C" hereunder, Equivalent Quantities of Gas to Customer or for the account of Customer, on an interruptible basis, up to \_\_\_\_\_ MMBtu per day, which shall be Customer's Transportation Contract Demand.
- 2.2 Customer shall reimburse Transporter for the Quantity of Gas required for fuel, company use, and unaccounted for

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 151** Original Sheet No. 151 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

associated with the transportation service hereunder in accordance with Section 16 of the General Terms and Conditions of Volume 2-A of Transporter's FERC Gas Tariff. If Customer provides fuel in kind, the applicable percentage(s) is shown on Exhibit "B". Transporter may adjust the fuel retention percentage as operating circumstances warrant; however, such change shall not be retroactive. Transporter agrees to give Customer thirty (30) days written notice before changing such percentage.

- 2.3 Transporter, at its sole option, may, if tendered by Customer, transport daily quantities in excess of the Transportation Contract Demand specified in Section 2.1 above.
- 2.4 In order to protect its system, the delivery of gas to its customers and/or the safety of its operations, Transporter shall have the right to vent excess natural gas delivered to Transporter by Customer or Customer's supplier(s) in that part of its system utilized to transport gas received hereunder. Transporter may vent such excess gas solely within its reasonable judgment and discretion without liability to Customer, and Customer shall be obligated to furnish Transporter with its pro rata share of any gas so vented. Customer's pro rata share shall be determined by a fraction, the numerator of which shall be the excess quantity of gas delivered to Transporter at the point of receipt by Customer or Customer's suppliers and the denominator of which shall be the total excess quantity of gas flowing in that part of the Transporter's system utilized to transport gas, multiplied by the total quantity of gas vented or lost hereunder.
- 2.5 Transportation service rendered hereunder may be wholly or partly interrupted, subject to Section 10 of the General Terms and Conditions in Volume No. 2-A of Transporter's FERC Gas Tariff, when in Transporter's sole judgment such curtailment or interruption is necessary due to operating conditions or insufficient pipeline capacity available on Transporter's system.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 152** Original Sheet No. 152 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

- 2.6 Any gas imbalance between receipts and deliveries of gas, less fuel and PVR adjustments, if applicable, shall be adjusted during the term of the Agreement as soon as practicable. At the termination of such Agreement, the parties hereto shall eliminate any imbalances within ninety (90) days of such termination in accordance with Section 17 of the General Terms and Conditions of Volume No. 2-A of Transporter's FERC Gas Tariff.

ARTICLE III

Scheduling

- 3.1 Customer shall be obligated at least five (5) working days prior to the end of each month to furnish Transporter with a schedule of the estimated daily quantity(ies) of gas it desires to be transported for the following month. Such schedules will show the quantity(ies) of gas Transporter will receive from Customer at each Point of Receipt, along with identity of the supplier(s) that is delivering or causing to be delivered to Transporter quantities for Customer's account at each point of receipt for which a nomination has been made.
- 3.2 Customer shall give Transporter, after the first of the month, at least twenty-four (24) hours notice prior to the commencement of any day in which Customer desires to change the quantity(ies) of gas it has scheduled to be delivered to Transporter at the Point(s) of Receipt. Transporter may waive these notice requirements upon request if, in Transporter's reasonable judgment, operating conditions permit such waiver.

ARTICLE IV

Pressure

- 4.1 Customer shall deliver, or cause to be delivered, gas and Transporter shall redeliver gas to Customer at the Point(s) of Delivery in accordance with Sections 8(a) and 8(b) of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A.



Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

ARTICLE V

Term of Agreement and Regulatory Authority

- 5.1 This agreement shall become effective upon its execution and shall remain in full force and effect for a primary term of \_\_\_\_\_ and shall remain in effect from month to month thereafter unless cancelled by either party upon thirty (30) days prior written notice to the other.

ARTICLE VI

Point(s) of Transfer

- 6.1 The gas shall be delivered by Customer to Transporter and redelivered by Transporter to Customer at the Point(s) of Receipt and Delivery hereunder.
- 6.2 The gas shall be measured or caused to be measured by Customer and/or Transporter at the point(s) of measurement which shall be as specified in Exhibits B and C herein. In the event of a line loss or leak between the point of measurement and the point of receipt, the loss shall be determined in accordance with the methods contained in Section 4, "Measuring Equipment," contained in the General Terms and Conditions of Original Volume No. 2-A of Transporter's FERC Gas Tariff.

ARTICLE VII

Facilities

- 7.1 Transporter and Customer agree that any facilities required at the Point(s) of Receipt, Point(s) of Delivery, and Point(s) of Measurement, shall be installed, owned, and operated as specified in Exhibits B and C herein. Customer may be required to pay or cause Transporter to be paid for the installed cost of any new facilities required.

Effective Date: 11/01/1991 Status: Effective  
FERC Docket: RP90-104-021

**Sub First Revised Sheet No. 154** Sub First Revised Sheet No. 154 : Effective  
Superseding: Original Sheet No. 154  
FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

ARTICLE VIII

Rates and Charges

- 8.1 Each month, Customer shall pay Transporter for the service hereunder, an amount determined in accordance with Section 4 of Transporter's IT Rate Schedule contained in Transporter's FERC Gas Tariff, First Revised Volume No. 2-A, as filed with the Commission and as indicated on Exhibit "B" herein, which Rate Schedule is by reference made a part of this Agreement. In addition, Customer agrees to pay:
- (a) Transporter's Fuel Retention percentage(s), or if Customer elects to purchase fuel from Transporter, the charge shall be that as specified in Section 16 of the General Terms and Conditions of Transporter's FERC Gas Tariff, First Revised Volume No. 2-A.
  - (b) The currently effective GRI funding Unit, if applicable, the currently effective FERC Annual Charge Adjustment Unit Charge (ACA), the Transportation Cost Adjustment (TCA) Unit Charge, Transporter's currently effective Take-or-Pay commodity surcharge, and any other applicable charges.
- 8.2 It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body for such changes to any rate(s) and terms set forth herein or in Rate Schedule IT, as may be found necessary to assure Transporter just and reasonable rates. Nothing herein contained shall be construed to deny Customer any rights it may have under the Natural Gas Act, as amended, including the right to participate fully in rate proceedings by intervention or otherwise to contest increased rates in whole or in part.
- 8.3 Customer agrees to fully reimburse Transporter for all filing fees associated with the service contemplated herein which Transporter is required to pay to the Commission or any agency having or assuming jurisdiction of the transac-

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 155** Original Sheet No. 155 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

tions contemplated herein. Provided, however, Transporter may waive filing fees for Customer on a nondiscriminatory basis.

- 8.4 Customer agrees to reimburse or cause Transporter to be reimbursed for any charges associated with the transportation of liquids/liqeuifiabiles as specified in Section 22 of the General Terms and Conditions of Volume No. 2-A of Transporter's FERC Gas Tariff.

ARTICLE IX

Miscellaneous

- 9.1 Transporter's Transportation Service hereunder shall be subject to receipt of all requisite regulatory authorizations from the Commission, or any successory regulatory authority, and any other necessary governmental authorizations, in a manner and form acceptable to Transporter. The parties agree to furnish each other with any and all information necessary to comply with any laws, orders, rules, or regulations.
- 9.2 Except as may be otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement or any notice which a party may desire to give the other shall be in writing and mailed by regular mail, effective as of the postmark date, to the post office address of the party intended to receive the same, as the case may be, as follows:

Transporter

Texas Gas Transmission Corporation  
3800 Frederica Street  
P. O. Box 1160  
Owensboro, Kentucky 42302

Attention: Gas Revenue Accounting (Billings and Statements)  
Transportation & Exchange (Other Matters)  
Nomination & Allocation (Nominations)

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 156** Original Sheet No. 156 : Superseded

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

Customer

The address of either party may, from time to time, be changed by a party mailing, by certified or registered mail, appropriate notice thereof to the other party.

- 9.3 This Agreement shall be governed by the laws of the State of Kentucky.
- 9.4 Each party agrees to file timely all statements, notices, and petitions required under the Commission's Regulations or any other applicable rules or regulations of any governmental authority having jurisdiction hereunder and to exercise due diligence to obtain all necessary governmental approvals required for the implementation of this transportation agreement.
- 9.5 All terms and conditions of the attached Exhibits A, B, and C are hereby incorporated to and made a part of this Agreement.
- 9.6 This contract shall be binding upon and inure to the benefit of the successors, assigns, and legal representatives of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective representatives thereunto duly authorized, on the day and year first above written.

ATTEST: TEXAS GAS TRANSMISSION CORPORATION

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Vice President

\_\_\_\_\_

Effective Date: 11/01/1990 Status: Effective

FERC Docket: RP90-192-000

**Original Sheet No. 157** Original Sheet No. 157 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

WITNESSES:

\_\_\_\_\_ By \_\_\_\_\_  
Vice President

\_\_\_\_\_ Attest: \_\_\_\_\_  
Secretary

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 158** Original Sheet No. 158 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

EXHIBIT "A"

Attached to and made a part of the Transportation Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_, 1988, by and between Texas Gas Transmission Corporation, hereinafter referred to as "Transporter" and \_\_\_\_\_, hereinafter referred to as "Customer."

The words, "herein," "hereunder," and "this Agreement" shall refer to the above-identified Gas Transportation Agreement and all exhibits thereto.

ARTICLE A-I

Quality and Measurement

Section 2, "Quality" and Section 3, "Measurements" contained in the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 2-A on file with the Commission is hereby incorporated by reference and made a part of this Agreement.

ARTICLE A-II

Billing and Payment

Section 5, "Billing" and Section 6, "Payments" of the General Terms and Conditions of Transporter's FERC Gas Tariff Original Volume No. 2-A on file with the Commission is hereby incorporated by reference and made a part of this Agreement.

ARTICLE A-III

Possession and Warranty of Title

Section 9, "Warranty of Title to Gas," and Section 7, "Possession of Gas", of the General Terms and Conditions of Transporter's FERC Gas Tariff Original Volume No. 2-A on file with

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

**Original Sheet No. 159** Original Sheet No. 159 : Effective

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

the Commission is hereby incorporated by reference and made a part of this Agreement.

ARTICLE A-IV

Force Majeure

Section 10.1, "Relief from liability" of the General Terms and Conditions of Transporter's FERC Gas Tariff Original Volume No. 2-A on file with the Commission is hereby incorporated by reference and made a part of this Agreement.

ARTICLE A-V

Assignments

Neither party hereto shall assign this Agreement or any of its rights or obligations hereunder without the consent in writing of the other party. Notwithstanding the foregoing, either party may assign its right, title and interest in, to and by virtue of this Agreement including any and all extensions, renewals, amendments, and supplements thereto, to a trustee or trustees, individual or corporate, as security for bonds or other obligations or securities, without such trustee or trustees assuming or becoming in any respect obligated to perform any of the obligations of the assignor and, if any such trustee be a corporation, without its being required by the parties hereto to qualify to do business in the state in which the performance of this Agreement may occur, nothing contained herein shall require consent to transfer this Agreement by virtue of merger or consolidation of a party hereto or a sale of all or substantially all of the assets of a party hereto, or any other corporate reorganization of a party hereto.

ARTICLE A-VI

Laws and Regulations

This Agreement insofar as it is affected thereby, is subject to all valid laws, rules, regulations and orders of all governmental authorities having jurisdiction.

*Effective Date: 11/01/1990 Status: Effective*

*FERC Docket: RP90-192-000*

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

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

ARTICLE A-VII

Waiver

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



Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

EXHIBIT "B"  
POINT(S) OF RECEIPT

Point No.	Meter No.	Name/Description	Facilities	Rate "/MMBtu	GRI/ACA cents/MMBtu	Fuel, Use & Loss (%)	MAOP (psig)
--------------	--------------	------------------	------------	-----------------	------------------------	-------------------------	----------------

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

FORM OF TRANSPORTATION SERVICE AGREEMENT  
Rate Schedule IT-SL, IT-1, IT-2, IT-3 and IT-4  
(Continued)

EXHIBIT "C"  
POINT(S) OF DELIVERY

Point No.	Meter No.	Name/Description	Facilities	MAOP (psig)
--------------	--------------	------------------	------------	----------------

*Effective Date: 11/01/1990 Status: Effective*

*FERC Docket: RP90-192-000*

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

Sheet numbers 163 through 168 are not issued but are reserved for future use.

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b) (2)

THIS FORM MUST BE COMPLETED FOR EACH TRANSPORTATION REQUEST

SEND TO: Texas Gas Transmission Corporation  
3800 Frederica Street  
Post Office Box 1160  
Owensboro, Kentucky 42302  
  
Attn: Transportation & Exchange Department

BUSINESS PHONE (800) 626-1948  
(502) 926-8686  
AND TELECOPY: Ask operator for available telecopy  
extension

ADDRESSES

SIGNATORY:

(Party to execute transportation  
agreement/amendment) \_\_\_\_\_  
Company Name

ONLY TO BE COMPLETED BY A NEW CUSTOMER OR FOR ANY CHANGES

(I) Notices and T & E (person or department name)

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

Company \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_-\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_\_

Effective Date: 11/01/1990 Status: Effective  
FERC Docket: RP90-192-000

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

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b) (2)  
(Continued)

(II) Dispatching and Nominations (person or department name)

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

Company \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_ - \_\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_\_

(III) Billing Invoices and Imbalance Statements (person or department name)

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

Company \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_ - \_\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_\_

If specific activities will be performed by the signatory's agent, a copy of the agency agreement must be attached and Sections IV thru VII completed.

(IV) Agent Functions (check one or more)

\_\_\_\_\_ Contracting: Request and negotiate new transportation agreements, or amendments to existing transportation agreement.

\_\_\_\_\_ Nominating: Submit and change nomination information; receive confirmation of nomination activity from Texas Gas.

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FERC Docket: RP90-192-000

**Original Sheet No. 171** Original Sheet No. 171 : Effective

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b) (2)  
(Continued)

\_\_\_\_\_ Accounting: Receive and pay invoices relating to all activity under transportation agreement; receive, monitor, and correct imbalances created under transportation agreement.

TO BE COMPLETED ONLY IF AGENT IS USED

(V) Notices and T & E (person or department name)

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

Company \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_-\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_-\_\_\_\_

(VI) Dispatching and Nominations (person or department name)

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

Company \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_-\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_-\_\_\_\_

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Original Sheet No. 172 Original Sheet No. 172 : Effective

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b)(2)  
(Continued)

(VII) Billing Invoices and Imbalance Statements  
(person or department name)

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

Company \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_ - \_\_\_\_ FAX (\_\_\_\_) \_\_\_\_ - \_\_\_\_

=====  
FOR TEXAS GAS USE ONLY

A. Vendor Code \_\_\_\_\_

B. Company Abbrev. \_\_\_\_\_  
=====

1. Legal Name and State of Incorporation

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

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

2. Service Type

This request is for: (check one)

Firm Service

\_\_\_\_\_ Point-to-point (please identify receipt points in No. 22)

\_\_\_\_\_ Receipt point reduction (appropriate master receipt point listing will be provided)

\_\_\_\_\_ Interruptible Service (appropriate master receipt point listing will be provided)

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FERC Docket: RP92- 20-000

**First Revised Sheet No. 173** First Revised Sheet No. 173 : Effective  
Superseding: Original Sheet No. 173  
TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b) (2)  
(Continued)

3. Maximum Daily Contract Volume  
Maximum daily transportation contract demand (MMBtu @ 14.73  
dry):

\_\_\_\_\_ MMBtu

4. Total Term Contract Volume  
Total contract quantity of gas to be transported over the  
term of contract (MMBtu @ 14.73 dry). If transportation  
agreement is on a month-to-month basis, then please indi-  
cate the monthly transportation quantity with a note that  
the term cannot be determined because it is an evergreen  
term:

\_\_\_\_\_ MMBtu

5. Firm - Maximum Annual Contract Volume  
Maximum annual volume to be transported under proposed firm  
service agreement if applicable:

\_\_\_\_\_ MMBtu

6. Authority  
Please designate the one applicable transportation regula-  
tory authority for the requested service:

Self-Implementing Authorities -

\_\_\_\_\_ Subpart B of Part 284 (i.e., Section 311) transpor-  
tation "on behalf of" local distribution company or intra-  
state pipeline.

NOTE: Under Section 311 authority, the requester repre-  
sents the local distribution company or intrastate pipe-  
line, on whose behalf transportation service is requested  
either:

(a) Has physical custody of and transports the gas at some  
point in the transaction; or

(b) Has title to such gas at some point in the transaction  
for a purpose related to its status as a local distri-  
bution company or intrastate pipeline; or



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Superseding: Original Sheet No. 174  
TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b) (2)  
(Continued)

(c) The gas is delivered at some point to a customer that is either located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that the interstate pipeline is providing transportation service.

If customer is requesting service under Section 311 authority, then an "on behalf of" certification or agency agreement signed by the local distribution company or intrastate pipeline on whose behalf service is being performed must be attached.

\_\_\_\_\_ Subpart G of Part 284 (i.e., Order 500, Section 284.222) transportation by an interstate pipeline for interstate pipeline.

\_\_\_\_\_ Subpart G of Part 284 (i.e., Order 500, Section 284.223) transportation by an interstate pipeline for any other shipper.

Filed Authority -

\_\_\_\_\_ Section 7 - Requires FERC order approving request of certificate filing.

7. Request Type  
Request is for: (check one)
- (a) New Transportation Service Agreement \_\_\_\_\_
  - (b) Amendment to Existing Agreement \_\_\_\_\_  
Existing Contract Number T \_\_\_\_\_
  - (c) Reactivation - Yes \_\_\_\_\_ No \_\_\_\_\_

8. Requester Type  
Designation of party requesting service:

\_\_\_\_\_

Effective Date: 01/20/1993 Status: Effective

FERC Docket: MT88- 6-006

**Second Revised Sheet No. 175** Second Revised Sheet No. 175 : Effective

Superseding: First Revised Sheet No. 175

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b) (2)

(Continued)

9. Texas Gas Affiliation

Indicate which company(ies) you are affiliated with:  
(check one or more)

- Transcontinental Gas Pipe Line Corporation -  
Gas Merchant Division
- Transco Exploration Company
- Transco Energy Marketing Company
- TXG Gas Marketing Company
- Transco Gas Marketing Company
- Transco Liquids Company
- Transco Energy Ventures Company
- None

10. Sales Affiliation

To which Texas Gas affiliate are you selling gas:  
(check one or more)

- Transcontinental Gas Pipe Line Corporation -  
Gas Merchant Division
- Transco Exploration Company
- Transco Energy Marketing Company
- TXG Gas Marketing Company
- Transco Gas Marketing Company
- Transco Liquids Company
- Transco Energy Ventures Company
- None

11. Purchase Affiliation

From which Texas Gas affiliate are you purchasing gas:  
(check one or more)

- Transcontinental Gas Pipe Line Corporation -  
Gas Merchant Division
- Transco Exploration Company
- Transco Energy Marketing Company
- TXG Gas Marketing Company
- Transco Gas Marketing Company
- Transco Liquids Company
- Transco Energy Ventures Company
- None

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FERC Docket: MT88- 6-006

Original Sheet No. 175A Original Sheet No. 175A : Effective

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b) (2)

(Continued)

12. Supplier Affiliation  
From which Texas Gas affiliate is your supplier purchasing gas directly or indirectly:  
(check one or more)

Transcontinental Gas Pipe Line Corporation -  
Gas Merchant Division  
 Transco Exploration Company  
 Transco Energy Marketing Company  
 TXG Gas Marketing Company  
 Transco Gas Marketing Company  
 Transco Liquids Company  
 Transco Energy Ventures Company  
 None

13. Take-or-Pay Relief  
Is gas to be transported subject to take-or-pay relief to Texas Gas:

No  
 Yes  
 Unknown

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Superseding: Original Sheet No. 176  
TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b) (2)  
(Continued)

(a) If yes, what percentage of total contract quantity to be transported by Texas Gas is subject to take-or-pay relief: \_\_\_\_\_%

14. Rate Schedule  
Please indicate transportation rate schedule applicable to this service: (check one)

\_\_\_\_\_ FT (firm)  
\_\_\_\_\_ IT-Rate (interruptible)

15. Producing Area Code(s)  
List appropriate two-digit code(s) indicating producing area of the source of gas for all gas supplies.

Wellhead Producing  
Area Code\*:

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

\*See Exhibit I for a list indicating code for the producing area where the field or well producing the gas to be transported is located.

16. End-User Location(s)  
Please list all of the two-letter state abbreviations of the ultimate end-user(s) of gas:

\_\_\_\_\_

17. Commencement Date  
Date service is requested to commence: \_\_\_\_\_

A projected commencement date of "ASAP" cannot be accepted. Please provide Texas Gas with a projected commencement date which is no longer than six months into the future.

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Superseding: Original Sheet No. 177

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b) (2)

(Continued)

18. Term

NOTE: Term of all IT agreements is month-to-month evergreen.

List primary term of FT agreement and indicate if you want an evergreen term:

Primary term: \_\_\_\_\_ years

Year-to-year evergreen: \_\_\_\_\_ No  
\_\_\_\_\_ Yes

19. "On Behalf Of" Entities

Does this request use any agency or "on behalf of" entities:

\_\_\_\_\_ No  
\_\_\_\_\_ Yes

NOTE: If the party is requesting service under Section 311 authority (see No. 6), then a copy of the agency or "on behalf of" certification must be attached to this form.

20. Facilities Required

Does this request require new facilities:

\_\_\_\_\_ No  
\_\_\_\_\_ Yes  
\_\_\_\_\_ Unknown

NOTE: If facilities are required, additional information will be necessary to evaluate your request.

21. Affiliate Loss

If gas is being purchased from a Texas Gas affiliate or if affiliate is party requesting service, does cost of gas to affiliate exceed affiliate's sales price, less associated costs, i.e., is gas being sold at a loss? If so, by how much?

\_\_\_\_\_ No  
\_\_\_\_\_ Yes If yes, indicate amount of loss \_\_\_\_\_  
\_\_\_\_\_ Unknown

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Superseding: Original Sheet No. 178

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM  
Section 250.16(b) (2)  
(Continued)

22. Receipt Point(s)

List Texas Gas receipt point(s) and estimate of volume available at each receipt point:

Texas Gas Receipt Point Meter No. & Name	Estimate of Gas Quantities (MMBtu)
--	--

Note: For interruptible service, the master receipt point list will be provided.

(Please attach additional sheets if necessary)

23. Delivery Point(s)

Delivery point(s) and estimate of gas quantities (MMBtu @ 14.73 dry):

Texas Gas Delivery Point Meter No. & Name	Estimate of Gas Quantities (MMBtu)
---	--

(Please attach additional sheets if necessary)

Through signature hereunder, the party requesting transportation service states that the information herein is complete and accurate to the best of its knowledge, information, and belief.

\_\_\_\_\_  
Company Name

By: \_\_\_\_\_  
Name and Title

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Superseding: Original Sheet No. 179

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b) (2)

(Continued)

=====  
=====  
FOR TEXAS GAS USE ONLY

Texas Gas Log Number: \_\_\_\_\_  
Date Request Received: \_\_\_\_\_  
Date Requester Notified: \_\_\_\_\_  
of Incomplete Status: \_\_\_\_\_  
Date Request Accepted: \_\_\_\_\_  
as Complete and Valid: \_\_\_\_\_  
Distance transported: \_\_\_\_\_  
mileage: \_\_\_\_\_  
(farthest point-to-point) \_\_\_\_\_  
Related Docket Number: \_\_\_\_\_  
Credit Application: \_\_\_\_\_  
T & E Rep: \_\_\_\_\_

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Superseding: Original Sheet No. 180

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b) (2)

(Continued)

EXHIBIT I

PRODUCING AREA CODES

These codes identify the major FERC areas and/or subdivisions which provide a more definitive location for the source of the gas purchased.

The source of these area designations is DOE/EIA-0370; Oil and Gas Field Code Master List - 1986: pages 23-29.

10 Appalachian Basin - North Subarea

New York Broome, Cayuga, Chenango, Madison, Monroe, Onondaga, Wayne, Orleans, and Niagara Counties, and all counties to the south and west.

Pennsylvania Franklin, Huntingdon, Centre, Lycoming, Sullivan, Susquehanna Counties, and all counties west of this group.

Northern Ohio Van Wert, Allen, Hancock, Wyandot, Crawford, Richland, Ashland, Wayne, Stark, and Columbiana Counties, and all counties north of this group. Also include Offshore Lake Erie and Offshore Lake Ontario areas adjacent to New York, Pennsylvania, Ohio.

11 Appalachian Basin - South Subarea

West Virginia Entire state.

Maryland Garrett, Allegany, Washington.

Virginia Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise.



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TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b)(2)

(Continued)

South Ohio	All counties south of the following: Van Wert, Allen, Hancock, Wyandot, Crawford, Richland, Ashland, Wayne, Stark, Columbiana.
Kentucky	Clinton, Mercer, Russell, Woodford, Casey, Scott, Boyle, Grant, and Boone Counties, and all counties east of this group.
12 Illinois Basin	
Illinois	Entire state.
Indiana	Gibson County.
Kentucky	All counties west of but not including Clinton, Russell, Casey, Boyle, Mercer, Woodford, Scott, Grant, and Boone Counties.
20 Mississippi Alabama	Entire state of Mississippi plus four Alabama counties of Marion, Fayette, Lamar, Pickens.
21 Mississippi Offshore	Federal domain.
22 Northern - Louisiana	All of Louisiana north of 31 degree parallel including these counties: Bienville, Bossier, Caddo, Caldwell, Catahoula, Claiborne, De Soto, East Carroll, Franklin, Grant, Jackson, La Salle, Lincoln, Madison, Morehouse, Natchitoches, Ouachita, *Pointe Coupee, Red River, Richland, Sabine, Tensas, Union, Webster, West Carroll, *West Feliciana, Winn. (*) Portions of these counties lie north of the 31st parallel.

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Superseding: Original Sheet No. 182

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b)(2)

(Continued)

- |    |  |  |
|----|--|--|
| 23 | Texas Railroad<br>Commission<br>District<br>Number 6 | Anderson, Angelina, Bowie, Camp, Cass,<br>Franklin, Gregg, Harrison, Houston,<br>Marion, Morris, Nacogdoches,<br>Panola, Red River, Rusk, Sabine, San<br>Augustine, Shelby, Smith, Titus, Upshur,<br>Wood.   |
| 24 | Southern<br>Arkansas                                 | Ashley, Bradley, Calhoun, Chicot,<br>Columbia, Hempstead, Lafayette, Little<br>River, Miller, Nevada, Ouachita, Union.   |
| 25 | Texas Railroad<br>Commission<br>District<br>Number 5 | Bosque, Collin, Dallas, Delta, Ellis,<br>Falls, Fannin, Freestone, Henderson,<br>Hill, Hopkins, Hunt, Johnson, Kaufman,<br>Lamar, Leon, Limestone, McLennan,<br>Navarro, Rains, Robertson, Rockwall,<br>Tarrant, Van Zandt.  |
| 26 | Texas Railroad<br>Commission<br>District<br>Number 9 | Archer, Baylor, Clay, Cooke, Denton,<br>Foard, Grayson, Hardeman, Jack, Knox,<br>Montague, Wilbarger, Wichita, Wise,<br>Young.   |
| 27 | Other Oklahoma                                       | Adair, Atoka, Bryan, Carter, Cherokee,<br>Choctaw, Cleveland, Coal, Comanche,<br>Cotton, Craig, Creek, Delaware, Garvin,<br>Greer, Harmon, Haskell, Hughes, Jackson,<br>Jefferson, Johnston, Kay, Kiowa,<br>Latimore, Le Flore, Lincoln, Logan, Love,<br>McClain, McCurtain, McIntosh, Marshall,<br>Mayes, Murray, Muskogee, Noble, Nowata,<br>Okfuskee, Oklahoma, Okmulgee, Osage,<br>Ottawa, Pawnee, Payne, Pittsburg,<br>Pontotoc, Pottawatomie, Pushmataha,<br>Rogers, Seminole, Sequoyah, Tillman,<br>Tulsa, Wagoner, Washington. Also<br>includes Stephens County not within<br>Township 2 North, Ranges 4 and 5 West. |

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Superseding: Original Sheet No. 183

TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b)(2)

(Continued)

28 Northern Arkansas Clark, Cleveland, Dallas, Desha, Drew, Howard, Pike, Sevier. Also includes all other Arkansas Counties north of this group.

Area 3 - "Southern Louisiana"

30 Southern Louisiana -Onshore Acadia, Allen, Ascension, Assumption, \*Avoyelles, Beauregard, Calcasieu, Cameron, \*Concordia, East Baton Rouge, East Feliciana, Evangeline, Iberia, Iberville, Jefferson Davis, Lafayette, Lafourche, Livingston, Orleans, Plaquemines, \*Rapides, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, \*Vernon, Washington, West Baton Rouge. (\*) Portions of these counties lie south of the 31st parallel.

31 Southern Louisiana - Offshore

Area 4 - "Texas Gulf Coast"

40 Texas Railroad Commission District Number 2 Bee, Calhoun, DeWitt, Goliad, Jackson, Karnes, Lavaca, Live Oak, Refugio, Victoria.

41 Texas Railroad Commission District Number 3 Austin, Brazoria, Brazos, Burleson, Chambers, Colorado, Fayette, Ft. Bend, Galveston, Grimes, Hardin, Harris, Jasper, Jefferson, Lee, Liberty, Madison, Matagorda, Montgomery, Newton, Orange, Polk, San Jacinto, Trinity, Tyler, Waller, Washington, Wharton.

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TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b)(2)

(Continued)

42 Texas Railroad Commission District Number 4 Aransas, Brooks, Cameron, Duval, Hidalgo, Jim Hogg, Jim Wells, Kenedy, Kleberg, Nueces, San Patricio, Starr, Webb, Willacy, Zapata.

43 Texas - Offshore Federal domain.

44 Texas Railroad Commission District Number 1 (South) Atascosa, Bastrop, Bexar, Caldwell, Dimmit, Frio, Gonzales, Guadalupe, Kinney, La Salle, McMullen, Maverick, Medina, Uvalde, Wilson, Zavala.

Area 5 - "Permian Basin"

50 Texas Railroad Commission District Number 7-b Brown, Callahan, Coleman, Comanche, Coryell, Eastland, Erath, Fisher, Hamilton, Haskell, Hood, Jones, Lampasas, Mills, Nolan, Palo Pinto, Parker, San Saba, Shackelford, Somervell, Stephens, Stonewall, Taylor, Throckmorton.

51 Texas Railroad Commission District Number 7-c Coke, Concho, Crockett, Irion, Kimble, McCulloch, Menard, Reagan, Runnels, Schleicher, Sutton, Terrell, Tom Green, Upton.

52 Texas Railroad Commission District Number 8 Andrews, Brewster, Crane, Culberson, Ector, El Paso, Glasscock, Howard, Hudspeth, Jeff Davis, Loving, Martin, Midland, Mitchell, Pecos, Presidio, Reeves, Sterling, Ward, Winkler.

53 Texas Railroad Commission District Number 8-a Bailey, Borden, Cochran, Cottle, Crosby, Dawson, Dickens, Floyd, Gaines, Garza, Hale, Hockley, Kent, King, Lamb, Lubbock, Lynn, Motley, Scurry, Terry, Yoakum.

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TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b)(2)

(Continued)

54 Texas Railroad Commission District Number 1 (North) Bandera, Bell, Blanco, Burnet, Comal, Edwards, Gillespie, Hays, Kendall, Kerr, Llano, Mason, Milam, Real, Travis, Val Verde, Williamson.

55 New Mexico Chaves, Eddy, Lea, Roosevelt.

Area 6 - "Hugoton" - "Anadarko"

60 Texas Railroad Commission District Number 10 Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler.

61 Oklahoma Panhandle Beaver, Cimarron, Ellis, Harper, Texas, Woodward.

62 Oklahoma Anadarko Alfalfa, Beckham, Blaine, Caddo, Canadian, Custer, Dewey, Garfield, Grady, Carter, Grant, Kingfisher, Major, Roger Mills, Washita, Woods, and part of Stephens County laying within Township 2 North, Ranges 4 and 5 West.

63 Kansas Entire State.

Area 7 - "Rocky Mountain"

70 Utah - Aneth Field Area Includes that part of San Juan County, Utah, lying within Township 39 through 43 South, Ranges 18 through 26 East, and Township 38 South, Ranges 20 and 21 East.

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TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b)(2)

(Continued)

71 San Juan Basin Area

New Mexico McKinley, Rio Arriba, Sandoval, San Juan.

Colorado Archuleta, Dolores, Hinsdale, La Plata,  
Mineral, Montezuma, Montrose, Ouray, San  
Juan, San Miguel.

72 Uintah - Green River Basin Area

Wyoming Carbon, Lincoln, Sublette, Sweetwater,  
Uinta.

Utah Carbon, Daggett, Duchesne, Emery, Grand,  
Summit, Uintah, Wasatch.

Colorado Garfield, Mesa, Moffat, Rio Blanco,  
Routt.

73 Colorado - Julesberg Area

Wyoming Albany, Goshen, Laramie, Platte.

Nebraska Banner, Box Butte, Cheyenne, Dawes,  
Deuel, Garden, Kimball, Morrill, Scotts  
Bluff, Sheridan, Sioux.

Colorado All counties east of but not including  
Routt, Garfield, Mesa, Montrose, Ouray,  
Hinsdale, Mineral, and Archuleta  
Counties.

74 Montana - Wyoming Area

Montana Big Horn, Carbon, Park, Powder River,  
Rosebud, Stillwater, Sweet Grass,  
Treasure, Yellowstone.

Wyoming Big Horn, Campbell, Converse, Crook,  
Fremont, Hot Springs, Johnson, Natrona,

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TEXAS GAS TRANSMISSION CORPORATION

TRANSPORTATION REQUEST FORM

Section 250.16(b)(2)

(Continued)

Niobrara, Park, Sheridan, Teton,  
Washakie, Weston, Yellowstone National  
Park.

75 Montana - Dakota Area

North Dakota Entire state.

South Dakota Butte, Harding, Perkins.

Montana Carter, Cascade, Custer, Garfield,  
Glacier, Golden Valley, Meagher,  
Musselshell, Pondera, Teton, Wheatland.  
Also all counties north and east of this  
group.

Area 8 - "Other Areas"

80 Other Areas Consists of the remainder of the  
continental U. S. not included in any of  
the other producing areas.

Area 9 - "Export" - Use two digit country code from Federal  
Information  
"Imports" Processing Standards Publication 10 (FIPS  
Pub 10):  
"Countries, Dependencies and Areas of  
Special Sovereignty" (SD Catalog No.  
C13-52:10) - copies of this publication  
may be obtained from the NTIS.

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Superseding: Substitute Original Sheet No. 197

INDEX OF PURCHASERS

Name of Purchaser	Rate Schedule	Dated	Effective	Term Yrs./Mos.	Contract Demand- MMBtu
ZONE SL					
Bridgeline Gas Distribution Co.	FT-SL	08/02/90	04/01/91	3	10,000
ZONE 1					
Kraft Food Ingredients	FT-1	01/15/91	03/01/91	5	1,700
Memphis Light, Gas and Water Division	FT-1	07/25/91	11/01/91	(1)	50,000
Mississippi Valley Gas Co.	FT-1	11/29/88	01/01/89	(1)	10,500
	FT-1	08/06/91	11/01/91	(1)	9,500
ZONE 2					
TXG Gas Marketing Company	FT-2	06/10/91	04/01/91	2	500
United Cities Gas Company	FT-2	01/03/89	01/01/89	(1)	2,000
Western Kentucky Gas Company	FT-2	01/15/91	06/01/91	5	3,000
	FT-2	02/01/91	07/01/91	3	2,500
ZONE 3					
Central Illinois Public Service Gas Company	FT-3	12/13/88	04/01/89	(1)	12,500
	FT-3	10/22/91	11/01/91	(1)	1,000
Indiana Gas Company	FT-3	01/07/91	03/01/91	(1)	22,000
	FT-3	05/08/91	07/01/91	(1)	8,000
	FT-3	10/16/91	12/01/91	3 mos.	15,000
Ohio Valley Gas Corporation	FT-3	12/17/90	01/01/91	(1)	500

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INDEX OF PURCHASERS

Name of Purchaser	Rate Schedule	Dated	Effective	Term Yrs./Mos.	Contract Demand- MMBtu
Southern Gas Company	FT-3	03/08/91	05/01/91	1	450
Southern Indiana Gas & Electric Company	FT-3	06/29/90	08/01/90	(1)	12,600
	FT-3	08/14/90	08/01/90	(1)	5,700
Western Kentucky Gas Company	FT-3	06/08/89	07/16/89	(1)	10,000
ZONE 4					
Bishop Pipeline Corp.	FT-4	10/07/91	12/01/91	1	255
The Cincinnati Gas & Electric Company	FT-4	10/23/90	11/01/90	(1)	41,000
CNG Transmission Corporation	FT-4	10/22/90	11/01/90	(1)	115,082
Columbia Gas Trans. Corporation	FT-4	10/27/89	11/01/89	(1)	50,000
Dayton Power & Light Company	FT-4	12/19/90	11/01/90	7	10,000
	FT-4	07/09/91	08/01/91	(1)	15,000
East Ohio Gas Company	FT-4	06/10/91	07/01/91	15	40,000
City of Elizabethtown	FT-4	08/13/91	11/01/91	(1)	2,225
General Electric Company	FT-4	10/24/90	01/01/91	5	2,000
Hope Gas Company	FT-4	06/10/91	07/01/91	15	5,121
Indiana Gas Company, Inc.	FT-4	12/14/90	01/01/91	3	10,000
Louisville Gas & Electric Company	FT-4	10/01/91	11/01/91	(1)	10,000

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Original Sheet No. 199 Original Sheet No. 199 : Superseded

INDEX OF PURCHASERS

Name of Purchaser	Rate Schedule	Dated	Effective	Term Yrs./Mos.	Contract Demand- MMBtu
New York State Electric & Gas Co.	FT-4	06/10/91	07/01/91	15	8,230
Niagara Mohawk Power Company	FT-4	06/10/91	07/01/91	15	56,580
North Atlantic Utilities, Inc.	FT-4	11/01/91	12/01/91	3	40
Ohio Valley Gas Corporation	FT-4	12/13/90	01/01/91	(1)	1,000
Olin Corporation	FT-4	12/12/90	02/01/91	2	2,500
Peoples Gas Company	FT-4	06/10/91	07/01/91	15	20,483
Procter & Gamble	FT-4	10/23/91	11/01/91	3	2,300
River Gas Company	FT-4	06/10/91	07/01/91	15	3,073
Rochester Gas & Electric Company	FT-4	06/10/91	07/01/91	15	12,858
Southern Gas Company	FT-4	01/15/91	03/01/91	1	2,000
TEX/CON Gas Marketing Company	FT-4	01/15/91	04/01/91	3	1,200
Texas Eastern Transmission Corp.	FT-4	05/18/90	12/01/90	6	150,000
Transcontinental Gas Pipeline Corp.	FT-4	09/13/91	11/01/91	15	40,070
TXG Gas Marketing Company	FT-4	10/23/90	12/01/90	2	25,000
Union Light, Heat & Power Company	FT-4	10/23/90	11/01/90	(1)	9,000

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**Original Sheet No. 200** Original Sheet No. 200 : Superseded

INDEX OF PURCHASERS

Name of Purchaser	Rate Schedule	Dated	Effective	Term Yrs./Mos.	Contract Demand- MMBtu
United Cities Gas Company	FT-4	12/17/90	01/01/91	5	10,000
Western Kentucky Gas Company	FT-4	02/04/91	07/01/91	3	3,500

(1) Expires coincidental with sales service agreement.

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Superseding: Substitute Original Sheet No. 208

INDEX OF ANNUAL D-2 BILLING QUANTITIES

FOR FIRM TRANSPORTATION SERVICE

	RATE SCHEDULE	QUANTITY (MMBTU)
ZONE SL		
Bridgeline Gas Distribution Co.	FT-SL	3,650,000
ZONE 1		
Kraft Food Ingredients	FT-1	620,500
Memphis Light, Gas and Water Division	FT-1	12,522,500
Mississippi Valley Gas Co.	FT-1	3,832,500
	FT-1	1,755,500
ZONE 2		
TXG Gas Marketing Company	FT-2	182,500
United Cities Gas Company	FT-2	452,000
Western Kentucky Gas Company	FT-2	535,000
	FT-2	456,250
ZONE 3		
Central Illinois Public Service Gas Company	FT-3	4,562,500
	FT-3	200,000
Indiana Gas Company	FT-3	5,284,000
	FT-3	1,777,100
	FT-3	1,365,000
Ohio Valley Gas Corporation	FT-3	182,500

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Original Sheet No. 209 Original Sheet No. 209 : Effective

INDEX OF ANNUAL D-2 BILLING QUANTITIES

FOR FIRM TRANSPORTATION SERVICE

	RATE SCHEDULE	QUANTITY (MMBTU)
Southern Gas Company	FT-3	164,250
Southern Indiana Gas & Electric Company	FT-3 FT-3	3,000,000 2,080,500
Western Kentucky Gas Company	FT-3	3,650,000
ZONE 4		
Bishop Pipeline Corp.	FT-4	93,075
The Cincinnati Gas & Electric Company	FT-4	14,965,000
CNG Transmission Corporation	FT-4	42,004,930
Columbia Gas Trans. Corporation	FT-4	7,550,000
Dayton Power & Light Company	FT-4 FT-4	3,650,000 5,475,000
East Ohio Gas Company	FT-4	14,600,000
City of Elizabethtown	FT-4	812,125
General Electric Company	FT-4	730,000
Hope Gas Company	FT-4	1,869,165
Indiana Gas Company, Inc.	FT-4	3,650,000
Louisville Gas & Electric Company	FT-4	3,650,000

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INDEX OF ANNUAL D-2 BILLING QUANTITIES

FOR FIRM TRANSPORTATION SERVICE

	RATE SCHEDULE	QUANTITY (MMBTU)
New York State Electric & Gas Co.	FT-4	3,003,950
Niagara Mohawk Power Company	FT-4	20,651,700
North Atlantic Utilities, Inc.	FT-4	9,125
Ohio Valley Gas Corporation	FT-4	365,000
Olin Corporation	FT-4	900,000
Peoples Gas Company	FT-4	7,476,295
Procter & Gamble	FT-4	839,500
River Gas Company	FT-4	1,121,645
Rochester Gas & Electric Company	FT-4	4,693,170
Southern Gas Company	FT-4	730,000
TEX/CON Gas Marketing Company	FT-4	438,000
Texas Eastern Transmission Corp.	FT-4	54,750,000
Transcontinental Gas Pipeline Corp.	FT-4	14,625,550
TXG Gas Marketing Company	FT-4	9,125,000
Union Light, Heat & Power Company	FT-4	3,285,000



