

FERC GAS TARIFF  
FIRST REVISED VOLUME NO. 1  
of  
CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.  
filed with the  
FEDERAL ENERGY REGULATORY COMMISSION

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(Reserved)

## PRELIMINARY STATEMENT

Cheyenne Plains Gas Pipeline Company, L.L.C. hereinafter referred to as "Transporter" or "Transportation Service Provider or TSP," is a "natural gas company" as defined by the Natural Gas Act (52 Stat. 821, 15 U.S.C. Section 717-717w) and, as such, is subject to the jurisdiction of the Federal Energy Regulatory Commission, hereinafter referred to as "FERC" or "Commission." As used herein, "Transporter" shall not include any affiliates of Cheyenne Plains Gas Pipeline Company, L.L.C.

Transporter is organized and existing under the laws of the state of Delaware. Transporter provides transportation and storage service to Shippers that have executed a Transportation Service Agreement ("TSA") in the form contained in this Tariff.

Transporter's transmission facilities commence at the Cheyenne Hub in Weld County, Colorado and extend southeasterly to a variety of delivery locations in the vicinity of the Greensburg Hub in Kiowa County, Kansas.

This Federal Energy Regulatory Commission Gas Tariff, First Revised Volume No. 1, includes a statement of rates, rate schedules, general terms and conditions, and forms of service agreements for firm and interruptible transportation service provided by Transporter according to 18 C.F.R. Part 284, Subparts B and G.

Transporter's system map can be found using:

<http://pipeline2.kindermorgan.com/default.aspx?code=CP>

Use the Informational Postings menu and select Tariff, then select the Map link to view the System Map.

## POINTS OF CONTACT

### Payments:

Payments are subject to the terms and conditions of this Tariff including but not limited to Section 12 of the General Terms and Conditions.

#### Wire Checks To:

Cheyenne Plains Gas Pipeline Company, L.L.C.  
(See the address and account number identified on the invoice.)

### Notices:

Any notice provided for in a TSA in this Tariff shall be in writing and shall be considered as having been given if hand carried, faxed, e-mailed, or mailed by United States mail, postage prepaid, to the following addresses:

Cheyenne Plains Gas Pipeline Company, L.L.C.  
P. O. Box 1087  
Colorado Springs, Colorado 80944  
Attention: Marketing Department  
Facsimile No. (719) 520-4878  
Telephone No. (719) 520-4245 or (719) 520-4250  
E-mail: #KMWestMarketing@KinderMorgan.com

### Nominations:

Nominations are subject to the terms and conditions of this Tariff, including but not limited to Section 6 of the General Terms and Conditions.

Cheyenne Plains Gas Pipeline Company, L.L.C.  
P. O. Box 1087  
Colorado Springs, Colorado 80944  
Attention: Transportation/Storage Services Department  
Facsimile No. (719) 520-4698  
Telephone No. (800) 238-3764

Formal Complaints:

Cheyenne Plains Gas Pipeline Company, L.L.C.  
P. O. Box 1087  
Colorado Springs, Colorado 80944  
Attention: Vice President, Regulatory

Informal Complaints:

Vice President, Regulatory  
(719) 520-3778

STATEMENT OF RATES



## STATEMENT OF RATES

Section 1	Statement of Rates
Section 1.1	Service Rates
Section 1.2	Fuel Gas, L&U and EPC Charges
Section 1.3	Footnotes
Section 2	Statement of Negotiated Rates

STATEMENT OF RATES  
 Rates Per Dth

	<u>Rate</u>
<u>Rate Schedule FT:</u>	
Reservation Rate 1/	
Maximum Rate	\$10.6924
Minimum Rate	\$ 0.0000
Commodity Rate	
Maximum Rate	\$ 0.0010
Minimum Rate	\$ 0.0010
Authorized Overrun Rate	
Maximum Rate	\$ 0.3525
Minimum Rate	\$ 0.0010
Unauthorized Overrun Rate	2/
 <u>Rate Schedule SEDS: 8/</u>	
Reservation Rates 1/	
Transportation Component	
Maximum Rate	\$10.6924
Minimum Rate	\$ 0.0000
Storage Component	
Maximum Rate	\$13.3655
Minimum Rate	\$ 0.0000
Total Reservation Rate	
Maximum Rate	\$24.0579
Minimum Rate	\$0.0000
Commodity Rates	
Maximum Rate	\$0.0010
Minimum Rate	\$0.0010
Authorized Overrun Rate	
Maximum Rate	\$0.3525
Minimum Rate	\$0.0010
Unauthorized Overrun Rate	7/

STATEMENT OF RATES  
 Rates Per Dth

Rate Schedule IT:

Commodity Rate	
Maximum Rate	\$ 0.3525
Minimum Rate	\$ 0.0010
Unauthorized Overrun Rate	6/

Rate Schedule SS:

Commodity Rate	
Maximum Rate	\$ 0.3525
Minimum Rate	\$ 0.0010

Rate Schedule PAL:

Initial Rate	
Maximum Rate	\$ 0.3525
Minimum Rate	\$ 0.0000

Park/Loan Balance Rate	
Maximum Rate	\$ 0.1763
Minimum Rate	\$ 0.0000

Completion Rate	
Maximum Rate	\$ 0.3525
Minimum Rate	\$ 0.0000

Authorized Overrun Rate	
Maximum Rate	\$ 0.3525
Minimum Rate	\$ 0.0000

OTHER CHARGES

FERC Annual Charge Adjustment (ACA)	3/
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STATEMENT OF RATES

FUEL GAS, L&U and EPC CHARGES

	<u>Current Collection Period</u>	<u>Volumetric True-up</u>	<u>Total</u>
Fuel Gas Percentage 4/ 8/	0.45%	-0.03%	0.42%
L&U Percentage 4/ 8/	0.63%	-0.40%	0.23%
	<u>Collection Period</u>	<u>True-up</u>	<u>Total</u>
Electric Power Cost 5/	\$0.0040	-\$0.0040	\$0.0000

STATEMENT OF RATES  
FOOTNOTES

- 1/ For Capacity Release transactions only, Transporter has adopted the following NAESB WGQ standards. On the bidding formats, the number of decimal places for offers, bids and awards should be equal to the number of decimal places in the stated rates per pipeline rate schedule (NAESB WGQ Standard 5.3.21). Converting a Daily rate to a Monthly rate is accomplished by multiplying the Daily rate times the number of Days in the rate period, dividing the result by the number of Months in the rate period, taking the remainder out to 5 decimal places, and rounding up or down to the Transporter's specified decimal place. Converting a Monthly rate to a Daily rate is accomplished by multiplying the Monthly rate by the number of Months in the rate period; dividing the result by the number of Days in the rate period, taking the remainder out to 5 decimal places, and rounding up or down to the Transporter's specified decimal place (NAESB WGQ Standard 5.3.22). Furthermore, for capacity release purposes, all Tariff rates should be adjusted to reflect a standard calculation of Daily and Monthly rates (NAESB WGQ Standard 5.3.23).
- 2/ Unauthorized Overrun Rate – Rate Schedule FT
- |   |  |
|---|--|
| Less than 3% of MDQ:  | Applicable authorized overrun rate                         |
| Greater than or equal to 3% of MDQ:<br>(Non-Critical Condition) | 2 times Maximum IT rate                                    |
| Greater than or equal to 3% of MDQ:<br>(Critical Condition)     | 10 times the absolute value of the Cash<br>Out Index Price |
- 3/ Pursuant to Section 17 of the General Terms and Conditions, the applicable ACA surcharge may be found on the Commission website at <http://www.ferc.gov>.
- 4/ Fuel Gas and L&U reimbursement percentages will be updated pursuant to Section 13 of the General Terms and Conditions.
- 5/ EPC reimbursement rates will be adjusted pursuant to Section 30 of the General Terms and Conditions.
- 6/ Unauthorized Overrun Rate – Rate Schedule IT
- |  |  |
|--|--|
| Less than 3% of Confirmed Delivery Quantity:   | Maximum IT rate  |
| Greater than or equal to 3% of Confirmed<br>Delivery Quantity:<br>(Non-Critical Condition) | 2 times Maximum IT rate                                    |
| Greater than or equal to 3% of Confirmed<br>Delivery Quantity:<br>(Critical Condition)     | 10 times the absolute value of the Cash Out<br>Index Price |

- 7/ Unauthorized Overrun Rate – Rate Schedule SEDS
- |   |  |
|---|--|
| Less than 3% of the MDQ:  | Maximum authorized overrun rate                            |
| Greater than or equal to 3% of MDQ:<br>(Non-Critical Condition) | 2 times Maximum IT rate                                    |
| Greater than or equal to 3% of MDQ:<br>(Critical Condition)     | 10 times the absolute value of the Cash Out<br>Index Price |
- 8/ Lease Capacity Rates  
See Section 4.9 of Rate Schedule SEDS for rates associated with charges for Lease Capacity, including without limitation all applicable Fuel and L&U charges.

**Statement of Negotiated Rates**

Section 2.1 Mieco LLC #218941-FTCPG

STATEMENT OF NEGOTIATED RATES  
 (Rates per dth/d)

Rate Schedule FT Shipper Identification	Term of Service	MDQ (Dth/d)	Reservation Rate (1)(4)	Commodity Rate (4)	Primary Receipt Point(s)	Primary Delivery Point(s)
Mico LLC #218941-FTCPG	12/14/21 – 3/31/22	100,000	(1a) (1b)	(1)	800716 Thunder Chief	800884 Mullinville
			(1c) (1d)	(1)	Secondary Receipt Point(s)	Secondary Delivery Point(s)
			(1a) (1b)	(1)	800716 Thunder Chief	800859 Greensburg
			(1c) (1d)	(1)	800614 Red Cloud	800848 Crazy Bear
					800184 Curley	800893 S. Rattlesnake
					800848 Crazy Bear	892156 Sand Dune
					800859 Greensburg	892158 Ford
					800884 Mullinville	800884 Mullinville
					892158 Ford	800892 Scott
					800893 South Rattlesnake	800716 Thunder Chief
					892156 Sand Dune	800614 Red Cloud
					800892 Scott	800184 Curley
			(1)	(1)	Any Receipt and Delivery Point combinations that do not pair a Primary or Secondary Receipt Point listed immediately above with a Primary or Secondary Delivery Point listed immediately above.	

Notes:

- (1) Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates for service under Rate Schedule FT or other superseding Rate Schedules; as such rates may be changed from time to time. The reservation rate shall be payable regardless of quantities transported.
- (1a) As provided in Section 4.12 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) of \$0.9125 per Dth per Month, which shall be payable regardless of quantities transported.
- (1b) As provided in Section 4.12 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) of \$0.0700 per Dth per Day for all quantities transported and shall be in addition to the charges described in Note 1(a) above.



- (1c) As provided in Section 4.12 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) calculated each Day of the Month for all forward haul transactions using: (i) the highest of the NGI index prices between GDA ANR-SW, GDA NGPL-Midcon, and GDA PEPL, minus (ii) the NGI index price for GDA Cheyenne, minus (iii) the negotiated rate stated in Note (1a), minus (iv) the negotiated rate in Note (1b), minus (v) the applicable Fuel Gas Percentage (converted to a monetized rate), minus (vi) the applicable L&U Percentage (converted to a monetized rate), minus (vii) the applicable EPC, minus (viii) the ACA Surcharge, minus (ix) the Commodity Rate ("Forward Haul Spread"). In the event this Forward Haul Spread results in a positive amount greater than or equal to the sum of (iii), (iv), (v), (vi), (vii), (viii), and (ix), then such Forward Haul Spread will be multiplied by 80% and Shipper's monthly billable revenue will be adjusted by the resulting product. If the Forward Haul Spread results in a negative amount, then no adjustment shall be made to Shipper's invoice.
- (1d) As provided in Section 4.12 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) calculated each Day of the Month for all backhaul transactions using: (i) the NGI index price for GDA Cheyenne, minus (ii) the lowest NGI index price between GDA ANR-SW, GDA NGPL-Midcon, and GDA PEPL, minus (iii) the negotiated rate stated in Note (1a), minus (iv) the negotiated rate in Note (1b), minus (v) the applicable Fuel Gas Percentage (converted to a monetized rate), minus (vi) the applicable L&U Percentage (converted to a monetized rate), minus (vii) the applicable EPC, minus (viii) the ACA Surcharge, minus (ix) the Commodity Rate ("Backhaul Spread"). In the event that the Backhaul Spread results in a positive amount greater than or equal to the sum of (iii), (iv), (v), (vi), (vii), (viii), and (ix) then such Backhaul Spread will be multiplied by 80% and Shipper's monthly billable revenue will be adjusted by the resulting product. If the Backhaul Spread results in a negative amount, then no adjustment shall be made to Shipper's invoice.
- (2) Fuel Reimbursement shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.
- (3) Surcharges, if applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time, unless otherwise agreed to by the Parties.

ACA:

The ACA Surcharge shall be assessed pursuant to Section 17.1 of the General Terms and Conditions of the Tariff.

- (4) Quantities scheduled by Transporter from/to primary and/or secondary, and/or segmented point(s) on any off-system capacity held by Transporter shall be subject to Transporter's Off-System Capacity charges as described on Transporter's EBB and/or pursuant to Section 4.6 of the General Terms and Conditions of the Tariff.
- (5) EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.
- (6) This contract does not deviate in any material aspect from the form of service agreement.

Reserved

Reserved

Reserved

Reserved

Reserved

## RATE SCHEDULES

RATE SCHEDULE FT  
Firm Transportation Service

1. AVAILABILITY

- 1.1 This Rate Schedule is available for transportation service by Cheyenne Plains Gas Pipeline Company, L.L.C. (hereinafter called Transporter), for any person (hereinafter called Shipper) when Shipper desires firm transportation service and:
- (a) Transporter has determined that other than such new taps, valves, measurement equipment, and other minor facilities which may be required at the receipt or delivery point(s) to effect receipt or delivery of the gas it has available or will secure sufficient uncommitted capacity to provide the service requested by Shipper as well as all of its other firm service commitments;
  - (b) Shipper makes a valid request pursuant to the requirements of Section 4 of the General Terms and Conditions of this Tariff; and
  - (c) Shipper executes a Firm Transportation Service Agreement ("TSA") pursuant to the terms of this Rate Schedule in the form attached hereto; and
  - (d) Shipper has met the creditworthiness requirements of Section 4.10 of this Tariff.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation Service up to Shipper's MDQ shall be considered firm and not subject to a prior claim by another Shipper or another class of service under a pre-existing contract, TSA or certificate.
- 2.2 Upon mutual agreement of Shipper and Transporter, the TSA may be amended to add or delete primary receipt or delivery points.
- 2.3 Transporter shall not be required to provide transportation service if the quantities tendered are so small as to cause operational difficulties, such as measurement. Transporter shall promptly notify Shipper if such operating conditions exist.
- 2.4 Rates of Flow. Unless otherwise agreed, at each receipt and delivery point, each Party shall flow, or cause to flow, gas at uniform Hourly and daily rates of flow as specified below.
- (a) At each receipt and delivery point, quantities delivered for Shipper's account shall not exceed 1/24<sup>th</sup> of scheduled quantities, except as provided in section (b), below.
  - (b) In addition to the rates of flow specified in section (a) above, quantities delivered for Shipper's account at Qualified Points of Delivery shall not exceed in any Hour 1/24<sup>th</sup> of the scheduled quantities resulting from Hourly Entitlement Enhancement Nominations ("HEEN").



- 2.5 This service shall be subject to the flexible receipt and delivery point and Segmentation provisions of Section 8.1, the imbalance management provisions of Section 10, and the capacity release requirements specified in Section 9 of the General Terms and Conditions.
- 2.6 Shipper may contract for firm transportation service as set forth in this Section 2.6. Shipper's MDQ shall be a uniform quantity throughout the term of the TSA, except that Transporter may, on a not unduly discriminatory basis, agree to differing monthly levels in Shipper's MDQ (including Months without MDQs) for different, specified Months or portions of the term of the TSA. Shipper's MDQ and any differing levels in such quantities, as well as the period of such differing levels, shall be specified in the executed TSA.

### 3. TRANSPORTATION SERVICE CHARGES

- 3.1 Applicable Rates. The applicable rates for service hereunder shall be, subject to the other provisions hereof, the rates agreed to by Transporter and Shipper as set forth in the TSA.
- (a) Reservation Charge. Each Month Shipper shall be charged a reservation charge determined by multiplying the reservation rate set forth in the TSA by Shipper's MDQ. Shipper shall begin paying the reservation charge on the date provided for the TSA.
- (b) Commodity Charge. Shipper shall be charged each Month an amount obtained by multiplying the Commodity Rate set forth in the TSA by the quantity of gas in Dth delivered (exclusive of any Overrun Gas) each Day of the Month by Transporter to Shipper at the delivery point(s).
- (c) Backhaul Charge. Shipper shall be charged applicable forward haul rates when the transportation service rendered by Transporter is Backhaul.
- (d) Incremental Facility Charge. When the construction of new minor facilities is required in order to provide service to Shipper, Shipper will pay Transporter for such facilities. The Parties shall agree as to whether Shipper shall (1) make a one-time 100 percent reimbursement for the cost of facilities or (2) pay the cost of facilities over a period of time agreed to by Shipper and Transporter. The facility charge will include the cost of the facilities plus any related taxes, plus interest as agreed to by the Parties, if the Shipper elects to reimburse Transporter for the facilities over a period of time. If a contribution in aid of construction (CIAC) is paid by the Shipper in accordance with the construction of facilities agreement and such transaction is determined to be taxable, it shall be increased by an amount (Tax Reimbursement) to compensate for the corporate income tax effects thereof, according to the following formula:

$$\text{Tax Reimbursement} = [\text{Tax Rate} \times (\text{CIAC} - \text{Present Value of Tax Depreciation})] \times [1 + \{\text{Tax Rate}/(1 - \text{Tax Rate})\}]$$

3.1 Applicable Rates (continued)

- (e) Other Charges. Transporter shall charge Shipper and Shipper shall pay for any other FERC approved charges that apply to service under this Rate Schedule.

3.2 Adjustment of Rates.

- (a) Subject to the terms of the TSA, Transporter reserves the right to prescribe and/or adjust at any time any of the rates applicable to service under any individual TSA without adjusting any other rates for service under other TSAs; provided, however, that such adjusted rate(s) shall not exceed the applicable maximum recourse rate(s) nor shall they be less than the applicable minimum recourse rate(s), set forth on the Statement of Rates Sheet. Such minimum and maximum rates shall not be applicable to service provided pursuant to Section 4.12 of the General Terms and Conditions of this Tariff. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term specified in the TSA, the rate for Transportation Service shall revert to the maximum rate under this Rate Schedule.

- 3.3 Third Party Charges: Shipper may, on a non-discriminatory basis, be required to pay to Transporter, if applicable, any Third Party Charges in accordance with Section 4.6 of the General Terms and Conditions. In no event shall such Third Party Charges paid by Shipper exceed the amount incurred and paid by Transporter for the applicable off-system capacity.

4. FUEL

In addition to the other payments made pursuant to this Rate Schedule, Shipper shall provide and be responsible for FL&U for the transportation of Natural Gas pursuant to Shipper's TSA.

5. ELECTRIC POWER COSTS

In addition to other payments made pursuant to this Rate Schedule, Shipper shall be charged each Month the EPC for the transportation of Natural Gas pursuant to Shipper's TSA. The EPC will be calculated pursuant to Section 30 of the GT&C.

6. OVERRUN TRANSPORTATION

- 6.1 Authorized Overrun Transportation. On any Day, upon request of Shipper and with Transporter's consent, Shipper may tender and Transporter may receive authorized overrun quantities above the MDQ. All such quantities shall be referred to as authorized Overrun Gas and transported on an interruptible basis. Unless otherwise agreed, Shipper shall pay an amount obtained by multiplying such authorized overrun quantities delivered by Transporter to Shipper or for Shipper's account, at each delivery point(s) or transported on any Segment during the Month by the maximum Authorized Overrun Rate stated on the Statement of Rates sheet. An authorized overrun quantity shall not be subject to more than one authorized overrun rate.

6.2 Unauthorized Overrun Transportation. On any Day, any gas quantity that exceeds Shipper's daily scheduled quantity at any receipt or delivery point or on any Segment and which has not been authorized by Transporter is unauthorized. All such quantities shall be referred to as unauthorized Overrun Gas and shall be subject to the Unauthorized Overrun Rate (non-critical or critical condition as applicable). Shipper shall pay an amount obtained by multiplying the quantity of such unauthorized Overrun Gas each Day by the Unauthorized Overrun Rate set forth on the Statement of Rate sheets.

## 7. GENERAL TERMS AND CONDITIONS

Except as otherwise expressly indicated in this Rate Schedule or by the executed TSA, all of the General Terms and Conditions contained in this Tariff, including (from and after their effective date) any future modifications, additions or deletions to said General Terms and Conditions, are applicable to transportation service rendered under this Rate Schedule and, by this reference, are made a part hereof.

RATE SCHEDULE IT  
Interruptible Transportation Service

1. AVAILABILITY

- 1.1 This Rate Schedule is for transportation service by Cheyenne Plains Gas Pipeline Company, L.L.C. (hereinafter called Transporter), for any person (hereinafter called Shipper) when Shipper desires interruptible transportation service, and:
- (a) Transporter can render such service with its existing transmission system without need for construction of any additional pipeline facilities other than such new taps, valves, measurement equipment and other facilities which may be required at the receipt or delivery point(s) to effect receipt or delivery of the gas;
  - (b) Shipper makes a valid request pursuant to the requirements of Section 4 of the General Terms and Conditions of this Tariff; and
  - (c) Shipper executes an Interruptible Transportation Service Agreement ("TSA") pursuant to the terms of this Rate Schedule in the form attached hereto; and
  - (d) Shipper has met the creditworthiness requirements of Section 4.10 of this Tariff.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Incorporation by Reference. The TSA in all respects shall be subject to the provisions of this Rate Schedule and the General Terms and Conditions of this Tariff as filed with and accepted by the FERC from time to time.
- 2.2 Transportation Service hereunder is interruptible, and subject to interruption by Transporter at any time. Transportation service under this Rate Schedule will be performed when Transporter has capacity which is not subject to a prior claim by another Shipper or another class of service under a pre-existing contract, TSA, or certificate.
- 2.3 Transporter shall not be required to provide transportation service if the quantities tendered are so small as to cause operational difficulties, such as measurement. Transporter shall promptly notify Shipper if such operating conditions exist.
- 2.4 Rates of Flow. Unless otherwise agreed, at each receipt and delivery point, quantities tendered or caused to be tendered for Shipper's account in any Hour shall not exceed 1/24<sup>th</sup> of daily scheduled quantities at such point. However, Transporter may from time to time permit reasonable operating variations that do not adversely affect other Shippers.

### 3. TRANSPORTATION SERVICE CHARGES

3.1 Applicable Rates. The applicable rates for service hereunder shall be, subject to the other provisions hereof, the rates agreed to by Transporter and Shipper as set forth in the TSA.

- (a) Commodity Charge. Shipper shall be charged each Month an amount obtained by multiplying the commodity rate set forth in the TSA by the quantity of gas in Dth delivered (excluding Overrun Gas) each Day of the Month by Transporter to Shipper at the delivery point(s).
- (b) Backhaul Charge. Shipper shall be charged the applicable forward haul rates when the transportation service rendered by Transporter is Backhaul.
- (c) Incremental Facility Charge. When the construction of new minor facilities is required in order to provide service to Shipper, Shipper will pay Transporter a one-time 100 percent reimbursement for the cost of facilities. The facility charge will include the cost of the facilities, plus related taxes, plus interest as agreed to by the Parties, if the Shipper elects to reimburse Transporter for the facilities over a period of time. If a contribution in aid of construction (CIAC) is paid by the Shipper in accordance with the construction of facilities agreement and such transaction is determined to be taxable, it shall be increased by an amount (Tax Reimbursement) to compensate for the corporate income tax effects thereof, according to the following formula:

$$\text{Tax Reimbursement} = [\text{Tax Rate} \times (\text{CIAC} - \text{Present Value of Tax Depreciation})] \times [1 + \{\text{Tax Rate}/(1 - \text{Tax Rate})\}]$$

- (d) Other Charges: Shipper shall pay to Transporter when incurred by Transporter all charges related to service provided under this Rate Schedule, including any costs incurred by Transporter on behalf of Shipper.
- 3.2 Adjustment of Rates.
- (a) Subject to the terms of the TSA, Transporter reserves the right to prescribe and/or adjust at any time any of the rates applicable to service under any individual TSA without adjusting any other rates for service under other TSAs. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term specified in the TSA, the rate for transportation service shall revert to the maximum rate under this Rate Schedule.
- 3.3 Third Party Charges: Shipper may, on a non-discriminatory basis, be required to pay to Transporter, if applicable, any Third Party Charges in accordance with Section 4.6 of the General Terms and Conditions. In no event shall such Third Party Charges paid by Shipper exceed the amount incurred and paid by Transporter for the applicable off-system capacity.

4. FUEL

In addition to the other payments made pursuant to this Rate Schedule, Shipper shall provide and be responsible for FL&U for the transportation of Natural Gas pursuant to Shipper's TSA.

5. ELECTRIC POWER COSTS

In addition to other payments made pursuant to this Rate Schedule, Shipper shall be charged each Month the EPC for the transportation of Natural Gas pursuant to Shipper's TSA. The EPC will be calculated pursuant to Section 30 of the GT&C.

6. OVERRUN TRANSPORTATION

Unauthorized Overrun Transportation. On any Day, gas that exceeds Shipper's daily scheduled and confirmed quantity at any receipt or delivery point or on any Segment is unauthorized. All such quantities shall be referred to as unauthorized Overrun Gas and shall be subject to the Unauthorized Overrun Rate (non-critical or critical condition as applicable). Shipper shall pay an amount obtained by multiplying the quantity of such unauthorized Overrun Gas by the Unauthorized Overrun Rate set forth on the Statement of Rates.

7. GENERAL TERMS AND CONDITIONS

Except as otherwise expressly indicated in this Rate Schedule or by the executed TSA, all of the General Terms and Conditions contained in this Tariff, including (from and after their effective date) any future modifications, additions or deletions to said General Terms and Conditions, are applicable to transportation service rendered under this Rate Schedule and, by this reference, are made a part hereof.

RATE SCHEDULE SS  
Interruptible Swing Service

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any Operator that currently receives or will receive gas from Transporter at any delivery point where end use market requirements may cause variations in delivered quantities. This service provides for quantity swings for eligible Operators on an interruptible basis and subject to available capacity, when the Operator desires swing service, and when:
- (a) Operator has made a valid request for Interruptible Swing Service pursuant to the provisions set forth in Section 4 of the General Terms and Conditions;
  - (b) Operator has met the conditions of service specified in Section 6 of this Rate Schedule; and
  - (c) Operator and Transporter have executed an Interruptible Swing Service Agreement ("SSA") pursuant to the terms of this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule SS is available to any Operator and shall allow the Operator to receive more or less than the scheduled quantities of gas at designated delivery points. Scheduled transportation service shall be allocated based on the confirmed nominations of the underlying TSAs. Quantities delivered above or below daily scheduled quantities shall be allocated to the SSA and shall be subject to the provisions of the SSA and the General Terms and Conditions.
- 2.2 Swing Service hereunder is interruptible and subject to interruption at any time. Such interruptions may be in effect for extended periods of time. Swing Service shall be available when in Transporter's reasonable judgment, Transporter has capacity available to provide such service without detriment or disadvantage to Transporter's firm obligations or system operational needs.
- 2.3 All Rate Schedule SS delivery points and related Rate Schedule SS Operators shall be posted on Transporter's EBB in advance of Transporter's use of such points for Swing Service. Such delivery points shall be point(s) not subject to an Operational Balancing Agreement.

### 3. INTERRUPTIBLE SWING SERVICE CHARGE

- 3.1 **Applicable Rates.** The rates for service hereunder shall, subject to other provisions hereof, be the rates agreed to by Transporter and Operator as set forth in Exhibit "A" to the SSA, provided that such rates shall not be less than the minimum nor more than the maximum rates for service pursuant to this Rate Schedule, or any effective superseding tariff on file with the FERC.
- 3.2 **Commodity Charge.** The Operator shall be charged an amount each Month obtained by multiplying a commodity rate as set forth in Exhibit A to the SSA by the end-of-Day quantities allocated to the SSA at each designated delivery point which exceeds +/-5 percent of the daily total scheduled quantities at each such delivery point during the Month. However, no charge shall be assessed on end-of-Day quantities of less than 100 Dth at each delivery point.
- 3.3 **Adjustment of Rates.** Subject to the terms of the SSA, Transporter reserves the right to prescribe and/or to adjust at any time any of the rates applicable to any individual Operator without adjusting any other rates for that or another Operator; provided, however, that such adjusted rate shall not exceed the applicable maximum rate nor shall it be less than the applicable minimum rate, set forth from time to time on the Statement of Rates sheet of this Tariff. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term of rate specified in Exhibit "A" of the SSA, the rate for Swing Service shall revert to the maximum allowable rate under this Rate Schedule.

### 4. BALANCING AND RECALL OF ALLOCATED QUANTITIES

- 4.1 Operators are expected to cause nominations to the delivery points designated in their SSA to be at levels which approximate estimated usage at such points.
- (a) For each designated delivery point, Transporter shall notify Operator of the daily and cumulative Monthly balances of over-deliveries and under-deliveries which are allocated to the SSA.
- (b) Operators must use reasonable efforts to adjust, or cause to be adjusted, the nominations to the designated delivery points to reduce the cumulative balance under the SSA to net to zero.



- 4.2 Unless otherwise agreed on a non-discriminatory basis, Transporter may require the Operator to cause a nomination pursuant to Section 6 of the General Terms and Conditions to be made in the next available nomination cycle to eliminate no more than 10 percent of its outstanding SSA balance or up to 5,000 Dth on any Day, whichever amount is greater, by the end of the next full gas Day under the following conditions:
- (a) The cumulative allocated balance under an SSA at the end of any Month is in the same direction as the previous Month (i.e., either positive or negative).
  - (b) When, in Transporter's reasonable judgment, such action is necessary to allow Transporter to fulfill higher priority commitments, or is required as a result of Transporter's operational requirements, Transporter shall notify Operator using the notification procedures of Section 6.2(c)(iv) of the General Terms and Conditions when Shipper is required to reduce the cumulative allocated balance as provided for above. In the event a valid nomination is submitted in response to notification by Transporter to reduce the cumulative allocated balance to zero, Operator shall be deemed to have complied with Transporter's notification for that gas Day. Cumulative allocated balances for (i) over-deliveries not removed pursuant to this section, or by the end of the term of an SSA, shall become the property of Transporter at no cost to Transporter free and clear of any adverse claims and (ii) under-deliveries not returned pursuant to this section or by the end of the term of an SSA shall be sold to Operator at 150% of Transporter's Cash Out Index Price.
    - (i) In the event gas is retained pursuant to this section, the value of such gas, less Transporter's demonstrable out-of-pocket costs, shall be credited to all Rate Schedule FT and IT Shippers by invoice credit. Such credit shall be in proportion to the revenues, excluding surcharges, paid by each Shipper during a calendar year and shall be made as part of Transporter's penalty crediting mechanism described in Section 14 of the General Terms and Conditions. The value of the credit will be determined by multiplying the quantity of the gas retained (Dth) by the Cash Out Index Price for the Days in which the gas was retained.
    - (ii) In the event Shipper is required to pay for gas that Shipper fails to redeliver to Transporter under this section, the value of such gas, net of Transporter's replacement gas costs, shall be credited to all Rate Schedule FT and IT Shippers by invoice credit. Such credit shall be in proportion to the revenues, excluding surcharges, paid by each Shipper during a calendar year and shall be made as part of Transporter's penalty crediting mechanism described in Section 14 of the General Terms and Conditions. The value of such gas will be determined by multiplying the quantity of Gas acquired (Dth) by the Cash Out Index Price for the Days in which the gas was acquired.
- 4.3 Monthly Imbalances and Balancing Upon Termination. End-of-Month imbalances and any imbalances remaining at termination shall be subject to the procedures set forth in Section 10 of the General Terms and Conditions.

## 5. HOURLY UNAUTHORIZED OVERRUN

- 5.1 For each Hour, Operator's Hourly aggregate scheduled quantities shall be defined as 1/24 of all daily scheduled quantities (Hourly Entitlement) at Operator's Qualified Point, including any scheduled HEEN quantities.
- 5.2 Hourly Unauthorized Overrun. Hourly deliveries of gas in excess of Operator's Hourly Entitlement shall be subject to the Hourly Unauthorized Overrun Rate. Operator shall pay an amount obtained by multiplying the largest quantity of such Hourly unauthorized overrun gas during any one Hour of a Day times 24, times the rate shown below for the applicable Hourly quantity.

Hourly Unauthorized Overrun Quantities greater than 100 Dth or:

- |     |                           |                          |
|-----|---------------------------|--------------------------|
| (a) | 3% of Hourly Entitlement  | 2 times maximum IT rate  |
| (b) | 5% of Hourly Entitlement  | 5 times maximum IT rate  |
| (c) | 10% of Hourly Entitlement | 10 times maximum IT rate |

## 6. CONDITIONS OF SERVICE

- 6.1 Upon designation of a Swing Service delivery point as a Qualified Point, Operator may receive Hourly delivery service supported by Hourly Entitlement Enhancement Nominations ("HEEN").
- (a) The Swing Service point of delivery should be posted as a Qualified Point on Transporter's EBB.
- (b) In addition to the daily balancing requirements specified in Section 4 of this Rate Schedule, Operator shall be responsible for any Hourly overruns at the point of delivery.

## 7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions contained in this Tariff, except as modified in the SSA, are made a part of this Rate Schedule.

**RATE SCHEDULE PAL  
INTERRUPTIBLE PARKING AND LENDING SERVICE**

**1. AVAILABILITY**

- 1.1 This Rate Schedule is available to any Party (hereinafter referred to as "Shipper") and provides for the parking and lending ("PAL") of gas on an interruptible basis by Cheyenne Plains Gas Pipeline Company, L.L.C. (hereinafter referred to as "Transporter") when and to the extent:
- (a) Transporter has determined, using its reasonable discretion, that capacity is available on its existing facilities and that it has the operational flexibility to provide interruptible parking and lending service without detriment or disadvantage to Transporter's firm or interruptible transportation service obligations, or its system operational needs;
  - (b) A valid request for PAL Service has been made pursuant to Section 4 of the General Terms and Conditions.
  - (c) Shipper has met the service requirements specified in Section 4 of the General Terms and Conditions, including without limitation the creditworthiness conditions of Section 4.10 of the General Terms and Conditions.
  - (d) Shipper and Transporter have executed an Interruptible Parking and Lending Service Agreement ("Agreement") and related Park and Loan Service Request Order ("PAL RO") pursuant to the terms of this Rate Schedule and the PAL Form of Service Agreement. When executed by Transporter and Shipper, the underlying PAL RO shall evidence the parties' agreement as to the terms of the particular transaction(s) to park and loan Natural Gas pursuant to the Agreement. .

**2. APPLICABILITY AND CHARACTER OF SERVICE**

This Rate Schedule shall apply to all PAL services rendered by Transporter for Shipper.

- 2.1 Interruptible PAL service shall be subject to the provisions of this Rate Schedule, the Agreement and related PAL RO, and the applicable provisions of the General Terms and Conditions.
- 2.2 All receipt and delivery locations shall be eligible for PAL service ("PAL Points") unless otherwise posted by Transporter on its electronic bulletin board from time to time. Such points will be made available to Shipper on a non-discriminatory basis.

- 2.3 PAL Service available under this Rate Schedule is an interruptible service providing for:
- (a) Parking Service - Parking service shall consist of Transporter receiving Gas quantities from Shipper at a designated PAL Point on a designated date(s), as specified in the PAL RO pursuant to Section 5 of this Rate Schedule, for holding and Transporter's subsequent withdrawal of parked quantities of Gas to Shipper on the date(s) designated in the PAL RO at the same PAL Point where Shipper delivered the Gas, pursuant to the PAL RO and Section 5 of this Rate Schedule.
  - (b) Lending Service – Lending Service shall consist of Transporter's advancement of Gas quantities to Shipper at a designated PAL Point on the designated dates(s), as specified in the PAL RO pursuant to Section 5 of this Rate Schedule, and Shipper's subsequent payback of such advanced (loaned) quantities by Shipper to Transporter at the same PAL Point where the loan occurred, pursuant to the PAL RO and Section 5 of this Rate Schedule.
  - (c) Parked quantities must be withdrawn or loaned quantities must be paid back to the original designated point(s). The PAL RO cannot be used to transport Gas to or from the original PAL Point(s) specified in the PAL RO.
  - (d) Gas quantities may be delivered to a PAL Point for parking or payback of a loan from receipt points on Transporter's pipeline system.
- 2.4 Service rendered under this Rate Schedule shall be provided for a minimum of a one (1) Day term.
- 2.5 In no event shall Transporter be required to provide service under this Rate Schedule that would require Transporter to install, operate, acquire or maintain any additional facilities.

### 3. DEFINITIONS

- 3.1 PAL Point: The transaction point(s) on Transporter's System where parking and lending services are provided to Shipper, as specified in the executed PAL RO. PAL Points will be associated with existing points on Transporter's System.
- 3.2 Maximum PAL Quantity: Shipper's maximum park or loan quantity shall be the total amount permitted to be parked or loaned in Shipper's account as specified in the executed Agreement and PAL RO.
- 3.3 Daily PAL Quantity: The maximum daily quantity that may be parked or loaned at the PAL Point as specified in the executed PAL RO. The PAL RO may specify a range for the quantity of a park or loan. On any Day, the sum of all Daily PAL Quantities on the PAL ROs for Shipper shall not exceed the Maximum PAL Quantity.

#### 4. RATES AND CHARGES

- 4.1 Each Month, Shipper shall pay an amount determined by the parking and lending rates/fees set forth in the PAL RO. The PAL RO shall be posted on Transporter's electronic bulletin board.
- 4.2 Applicable Rates. The applicable maximum and minimum rates for service under Rate Schedule PAL, or any superseding rate schedule, as set forth on the Statement of Rates. Shipper shall pay Transporter the sum of the following charges, as described below:
- (a) An Initial Rate for each Dth of Gas tendered for park or taken for loan during the Month;
  - (b) A Balance Rate for each Dth of Gas which is parked or loaned for that Month (such charge shall be calculated on the basis of the end of the Day balances for each Day of the Month such a balance occurs); and
  - (c) A Completion Rate for each Dth of Gas paid back to Transporter on completion of a loan (i.e., loan payback) or withdrawn by Shipper on completion of a park (i.e., park withdrawal) that Month.

Notwithstanding the individual rates listed in the PAL RO, on any one Day, the sum of the Initial Rate, the Park/Loan Balance Rate and the Completion Rate shall not exceed the maximum Initial Rate as shown on the Statement of Rates.

- 4.3 Authorized overrun charges shall be assessed on a daily basis for any nominated and confirmed quantities that exceed the specified PAL RO's Daily PAL Quantity. Authorized overrun charges will be assessed at the maximum Initial Rate shown on the Statement of Rates, unless otherwise agreed to in writing by Transporter.
- 4.4 Should Transporter be unable to confirm a valid nomination under this Rate Schedule to pay back loaned or to remove parked quantities, the applicable rate(s) shall be reduced to \$0.0000 per Dth for that Day for the quantities Transporter is unable to confirm. If the Day on which Transporter is unable to confirm a valid nomination under this Rate Schedule to pay back loaned or to withdraw parked quantities is the final Day of the term of the PAL RO, the term shall be automatically extended for one Day and the applicable rates(s) for the additional Day shall be \$0.0000 per Dth.
- 4.5 Subject to the provisions of Section 4.4 of this Rate Schedule, should Transporter and Shipper agree to a discounted or negotiated rate pursuant to the applicable provisions of this Tariff the quantities withdrawn or paid back on dates other than those stated in the PAL RO shall be assessed the maximum Initial Rate as shown on the Statement of Rates.

#### 4.6 Adjustment of Rates

- (a) Transporter may file with FERC to change the rates listed on the Statement of Rates applicable to service under this Rate Schedule. Any such changed rates shall be charged beginning on the date the new rates become effective, subject to any refunds, surcharges or other conditions that are permitted or required by FERC and subject to the terms of the PAL RO.
- (b) Transporter, at its sole discretion, may from time to time and at any time selectively discount on a non-discriminatory basis any or all of the rates on the Statement of Rates applicable to any individual Shipper pursuant to Section 4.11 of the General Terms and Conditions; provided, however, that such discounted rates shall not exceed the applicable maximum rate(s) nor shall they be less than the minimum rate(s) set forth on the currently effective Statement of Rates. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term for such discounted rate specified in the PAL RO, the rate for service shall revert to the maximum rate under this Rate Schedule.
- (c) Notwithstanding anything to the contrary contained in this Rate Schedule or in the Tariff, Transporter and Shipper may, as provided in Section 4.12 of the General Terms and Conditions, negotiate a rate for service under this Rate Schedule. The minimum and maximum rates in the Statement of Rates shall not be applicable to service provided pursuant to such negotiated rates.

### 5. SCHEDULING PAL SERVICE

- 5.1 Shipper shall nominate PAL service under this Rate Schedule in accordance with the nomination procedures set forth in the General Terms and Conditions of this Tariff.
- 5.2 PAL service may be interrupted at any time and such interruptions may be in effect for extended periods of time. Interruption of PAL service may include decreasing, temporarily suspending, or discontinuing the receipt or delivery of gas if Transporter in its reasonable discretion determines that such decrease, suspension or discontinuance is necessary to maintain system integrity or when a higher priority service so requires.
- 5.3 Scheduling of PAL service will be based on the priorities for parking and lending services established in Section 6.3 of the General Terms and Conditions of this Tariff. If allocations become necessary, curtailment will be based on the priorities established in Section 6.5 of the General Terms and Conditions of this Tariff.
- 5.4 Shipper shall not pay back more than the quantity loaned nor withdraw more than the quantity parked stated in PAL RO.

6. INTERRUPTION OR TERMINATION OF PAL SERVICE

- 6.1 Shipper may be required, upon notification from Transporter, to withdraw quantities of gas previously provided to Transporter under the parking service, or pay back quantities of gas previously loaned to Shipper under the lending service. Such notification shall only be made when the required Shipper action is necessary to protect the operational integrity of Transporter's pipeline system or to allow Transporter to fulfill higher priority commitments. Primary notification shall be provided by telephone, and additionally by e-mail, facsimile or on Transporter's electronic bulletin board.
- 6.2 Should Transporter notify Shipper to withdraw or payback quantities of Gas pursuant to Section 6.1 of this Rate Schedule, Transporter's notification shall specify the time by which Parking service quantities shall be withdrawn and/or Lending service quantities shall be paid back. The time period in which Shipper must act will be determined based on the necessity to protect and ensure firm service. Absent a mutual agreement between Transporter and Shipper or the declaration of a Strained or Critical Operating Condition, in no event shall the specified time be less than three calendar days from the date of Transporter's notification. Upon Transporter's declaration of a Strained or Critical Operating Condition, Transporter may require Shipper to withdraw or pay back quantities of Gas, pursuant to Section 6.1 of this Rate Schedule, within one calendar day.
- 6.3 Pursuant to the operational conditions described in Section 6.1 above, unless otherwise agreed by Shipper and Transporter, (i) any parked quantity not withdrawn as required by Section 6.1 shall become the property of Transporter at no cost to Transporter, free and clear of any adverse claims, (Transporter will credit the net value of confiscated quantities pursuant to GT&C Section 14.3) and, (ii) any loaned quantity not paid back as required by Section 6.1 of this Rate Schedule shall be sold to Shipper at the highest price, determined as 150% of Transporter's Cash Out Price, among either:
- (a) the Month in which the authorized loan occurred;
  - (b) the Month in which redelivery of the authorized loan was scheduled but did not occur; or
  - (c) any Month between (a) and (b) above.

- 6.4 If Transporter receives a valid PAL nomination complying with a notification pursuant to Section 6.1 of this Rate Schedule but is unable to confirm or schedule such nomination, the obligation of Shipper to comply with that notification, but not the obligation to submit nominations, shall be suspended until such time as Transporter's operational conditions permit such nomination to be confirmed and scheduled. Furthermore, under the circumstances described by this Section 6.4, the penalty provision of Section 6.3 of this Rate Schedule shall not apply until such nomination is able to be confirmed and scheduled. Additionally, Transporter and Shipper may mutually agree to extend the agreed upon term of the PAL RO for the amount of time that the transaction was unable to be scheduled.
- 6.5 Shipper is required to withdraw all parked quantities and pay back all loaned quantities no later than the termination date of the PAL RO. Upon termination of a PAL RO, (i) any parked quantity not withdrawn shall become the property of Transporter at no cost to Transporter, free and clear of any adverse claims, and (ii) any loaned quantity not paid back shall be sold to Shipper the highest price, determined as 150% of Transporter's Cash Out Index Price, among either:
- (a) the Month in which the authorized loan occurred;
  - (b) the Month in which redelivery of the authorized loan was scheduled but did not occur; or
  - (c) any Month between (a) and (b) above.

In the event parked quantities remain in Transporter's System and/or loaned quantities have not been paid back to Transporter's System after the expiration of any PAL RO executed by Shipper and Transporter, Transporter and Shipper may mutually agree to an extended time frame and/or modified terms (which may include the rate) of such PAL RO, to permit Shipper to payback and/or return such quantities. If Shipper and Transporter do not agree to an extended time frame and/or modified terms, the rate charged under the PAL RO shall be the maximum rate as set forth on the Statement of Rates.

- 6.6 Shipper or its suppliers shall be responsible for reporting and payment of any royalty, tax, or other burdens on Natural Gas volumes received by Transporter pursuant to this Section 6 of this Rate Schedule and Transporter shall not be obligated to account for or pay such burdens.

## 7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions contained in this Tariff, except as modified in the Agreement, are made a part of this Rate Schedule.



RATE SCHEDULE HSP  
Headstation Pooling Service

1. AVAILABILITY

1.1 This Rate Schedule is available to any person, corporation, partnership or any other party (hereinafter referred to as “Pooler”) for the aggregation of Natural Gas supplies by Transporter when Pooler and Transporter have executed an agreement under this Rate Schedule HSP (“Agreement”).

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to all services rendered by Transporter for Pooler within a Pooling Area, pursuant to the executed Agreement under this Rate Schedule HSP.

2.2 Transporter shall create Headstation Pools at locations which Transporter determines in its reasonable discretion provide reasonable points for aggregation and further downstream transportation. All pooling points shall be posted on Transporter's EBB and receipt point(s) available to each Pool shall also be specified by Pooling Area. Transporter shall give at least 30 Days advance notice via Transporter's EBB prior to modification of the scope of a Pooling Area.

2.3 Service under this Rate Schedule HSP shall permit the Pooler to nominate and aggregate receipts of Natural Gas quantities within a Pooling Area to the related Pool for subsequent redelivery to designated TSA(s) (Downstream Agreement(s)) that are transporting such Gas from the pool aggregation point to delivery point(s) on Transporter's transmission system, or for redelivery to another Pooling Agreement at the same pool aggregation point. Additionally, a Pooler may receive Gas from another Pooler's account at the same pool aggregation point. The scheduling and allocation of pooled quantities shall be determined by the priority of the Downstream Agreement(s).

2.4 Pooler may nominate Natural Gas supplies from any designated receipt point(s) within the Pooling Area, or from another Pooler's account in the same Pooling Area, in accordance with the provisions of GT&C Section 6. Such nominated quantities shall be aggregated at the Pool and treated as quantities received at a single receipt point for Downstream Shipper(s) nominating quantities of Gas from the Pool for downstream transportation, or for use in another Pool account in the same Pooling Area.

2.5 Downstream Shipper(s) (including other Poolers) shall receive nominated quantities of Gas at a Pool according to the priorities provided by the Pooler under this Rate Schedule HSP in accordance with GT&C Section 6 and to the extent such priorities are not in conflict with other scheduling priorities stated in this Tariff.

- 2.6 Allocation of Gas for Pooler(s) under this Rate Schedule HSP shall be determined according to the provisions of GT&C Section 10.
- 2.7 For purposes of determining imbalances under this Rate Schedule HSP, overdeliveries at one receipt point within a Pooling Area may be offset by underdeliveries at another receipt point within the same Pooling Area. Nothing contained in this provision shall eliminate Pooler's obligations to resolve imbalances as described under GT&C Section 10.

### 3. CHARGES

Each Month Pooler shall pay to Transporter the following charges:

- 3.1 Commodity Charges. None.
- 3.2 Imbalance Management. Pooler shall be subject to the imbalance management provisions set forth in GT&C Section 10.

### 4. FUEL REIMBURSEMENT

- 4.1 Fuel reimbursement does not apply to this Rate Schedule HSP.

### 5. TITLE TRANSFER TRACKING SERVICE

- 5.1 Title Transfer Tracking (“TTT”) shall be provided pursuant to GT&C Section 6.6.
- 5.2 Title Transfer Tracking Procedures
  - (a) For any Day when Pooler desires Transporter to track a title transfer for Pooler's account under this Rate Schedule, then Pooler shall nominate to Transporter in accordance with the GT&C of this Tariff, specifying:
    - (i) the quantity of gas subject to the title transfer;
    - (ii) the selling and/or purchasing parties; and
    - (iii) the desired eligible Headstation Pool.
  - (b) When Pooler's nomination is properly confirmed subject to the limitations set forth in this Rate Schedule, then such quantity shall constitute a TTT quantity at that Headstation Pool.
  - (c) Pooler is required to balance the quantities nominated for sale and for purchase under TTT Service at each Headstation Pool in each nomination cycle and for each Day.

6. CONDITIONS OF SERVICE

- 6.1 Termination Obligations. Termination of a Rate Schedule HSP Agreement shall not relieve the Pooler of the obligation to correct any quantity imbalances or relieve Pooler of the obligation to render payment due to Transporter under such Agreement. All warranties and indemnities shall survive the termination of the Agreement.
- 6.2 Agents. Pooler must provide written notice to Transporter of the name, and any other pertinent information, of another person that has agency authority to act for Pooler pursuant to an Agreement under Rate Schedule HSP. The Pooler remains bound by its obligations under an Agreement, and commitments made by the Agent on behalf of the Pooler are binding on the Pooler as if made by the Pooler. The Pooler must provide prompt written notice of the termination of the agency.

7. GENERAL TERMS AND CONDITIONS

All of the GT&C of this Tariff, except as modified in the Agreement, are hereby specifically incorporated herein and made a part of this Rate Schedule HSP.

RATE SCHEDULE SEDS  
STORAGE ENHANCED DELIVERY SERVICE

1. AVAILABILITY

1.1 This Rate Schedule is available, on the basis described in this Rate Schedule and the General Terms and Conditions of this Tariff and subject to all the other terms of this Tariff, to any party (hereinafter referred to as “Shipper”) for the storage and transportation of Natural Gas on a firm basis by Cheyenne Plains Gas Pipeline Company, L.L.C. (hereinafter referred to as “Transporter”) under the following conditions:

- (a) Transporter has determined that it has sufficient available uncommitted capacity and has the physical capability on its pipeline system including without limitation at the Shipper requested primary receipt and delivery points, to provide the firm Storage Enhanced Delivery Service (“SEDS”) described herein, as well as all of Transporter’s other firm service commitments;
- (b) Shipper has made a valid request for service pursuant to Section 4 of the General Terms and Conditions of this Tariff;
- (c) Shipper has met the service requirements specified in Section 4 of the General Terms and Conditions, including without limitation the creditworthiness conditions specified in Section 4.10 of the General Terms and Conditions; and
- (d) Shipper and Transporter have executed a SEDS Transportation Service Agreement (“SEDS TSA”) pursuant to the terms of this Rate Schedule in the form contained in this Tariff.

1.2 SEDS’s no-notice transportation described below is available only at Primary Point(s) of delivery on Transporter’s System which are identified as delivery points eligible for no-notice transportation deliveries (“Eligible Delivery Points”). Eligible Delivery Points shall be identified on Transporter’s electronic bulletin board.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 SEDS shall be considered firm, subject to the provisions of the executed SEDS TSA and to the General Terms and Conditions of this Tariff incorporated herein by reference. Because of the no-notice character of the service as described below, Transporter shall reserve sufficient capacity on its system to provide the enhanced delivery service without nomination and scheduling.

- 2.2 Service under this Rate Schedule shall be composed of two firm service components: a storage component and a transportation component.
- (a) Storage Component: The Storage Component provides for the storage of Natural Gas using pipeline capacity on Transporter's System. The stored Natural Gas may be used in association with transportation, as described below, for the delivery of Natural Gas. The Storage Component entails Shipper's nomination of the delivery of Natural Gas to Transporter under this Rate Schedule for its retention on Shipper's behalf ("Bank") and the storage of such quantities until withdrawal of those Banked Gas quantities ("Draw") by Shipper (or for Shipper's account).
    - (i) Shipper must nominate Natural Gas quantities to be Banked at the point specified in Shipper's SEDS TSA ("Bank Point") in accordance with the nomination and scheduling provisions of this Rate Schedule and the General Terms and Conditions of Transporter's Tariff. Natural Gas may also be delivered to the Bank Point by Shipper through transportation other than that provided under this Rate Schedule, including transportation by a third party.
    - (ii) Except as otherwise provided in this Rate Schedule, Shipper may nominate Natural Gas quantities to be Drawn at the point specified in Shipper's SEDS TSA ("Draw Point") in accordance with the nomination and scheduling provisions of this Rate Schedule and the General Terms and Conditions of Transporter's Tariff. Nominated Drawn quantities of Natural Gas may be used in association with the nominated transportation service provided under this Rate Schedule as described below or with transportation other than that provided under this Rate Schedule, including transportation by a third party. On any Gas Day, Transporter shall not provide Draws of Natural Gas for Shipper under this Rate Schedule greater than Shipper's Inventory Quantity, as defined in Section 2.2(a)(iii) immediately below.
    - (iii) As determined by Transporter for any Gas Day, the quantity equal to the quantity of Natural Gas physically retained, i.e., Banked, for Shipper at the start of a Gas Day under this Rate Schedule, plus the final scheduled quantities of Natural Gas Banked during that same Gas Day minus the final scheduled quantities of Natural Gas Drawn during that Gas Day, under this Rate Schedule, shall be referred to as the "Inventory Quantity." The Inventory Quantity may not exceed the Maximum Banked Amount ("MBA") specified in Shipper's SEDS TSA. In addition, the amount of Natural Gas Drawn for delivery to an Eligible Delivery Point on any Gas Day shall not exceed the MBA specified in the SEDS TSA.

## 2. APPLICABILITY AND CHARACTER OF SERVICE

### 2.2 (continued)

- (b) Transportation Service Component: The transportation service under this Rate Schedule generally shall consist of the acceptance by Transporter of Natural Gas on behalf of Shipper for transportation from receipt points and to delivery points up to the MDQ, as that quantity is specified in the SEDS TSA. This transportation may be provided in two forms: transportation not requiring nominations and scheduling (referred to in this Tariff as no-notice transportation) and transportation requiring nomination and scheduling (referred to in this Rate Schedule as nominated transportation).
  - (i) For no-notice transportation, Natural Gas will be Drawn from the Inventory Quantity and transported to the Eligible Delivery Point as set forth in the executed SEDS TSA. Transporter shall not be obligated to provide no-notice transportation that is greater than the lesser of: (1) any remaining quantity of Shipper's MDQ after any amounts of nominated and scheduled transport under this Rate Schedule are deducted, or (2) the Inventory Quantity. In no event shall Transporter be obligated to deliver a quantity of Natural Gas that is greater than the quantity specified by the MDQ and MBA to an Eligible Delivery Point using no-notice transportation under this Rate Schedule.
  - (ii) For nominated transportation, Natural Gas will be received at a receipt point and transported to a delivery point on Transporter's System. Shipper may nominate up to the MDQ specified in the SEDS TSA in accordance with the nomination and scheduling provisions of this Rate Schedule and the General Terms and Conditions of Transporter's Tariff.

### 2.3 Rates of Flow. Unless otherwise permitted by this Rate Schedule and the General Terms and Conditions, at each point, each Party shall flow, or cause to flow, gas at uniform hourly and daily rates of flow.

- (a) For nominated transportation, at each receipt and delivery point, quantities tendered for Shipper shall not exceed in any hour 1/24<sup>th</sup> of scheduled quantities at such point. For Banks and Draws, at each Bank Point and Draw Point, quantities tendered for Shipper shall not exceed in any hour 1/24<sup>th</sup> of scheduled quantities at such points.
- (b) For no-notice transportation, at Eligible Delivery Points, quantities tendered for Shipper shall flow at an hourly rate of up to 1/24<sup>th</sup> of Shipper's MDQ. Gas may be Drawn from the Inventory Quantity at flow rates that support this non-uniform hourly entitlement.

- 2.4 Transporter shall not be obligated under this Rate Schedule on any Day to Bank or Draw for Shipper Natural Gas quantities that cause the Inventory Quantity to (i) exceed the MBA on Shipper's SEDS TSA or (ii) fall below zero.
- 2.5 A Shipper's MDQ associated with the transportation component of SEDS must equal Shipper's MBA associated with the storage component of SEDS.
- 2.6 Shipper shall be responsible for having Natural Gas quantities available to be Banked at the Bank Point(s) listed in Shipper's SEDS TSA.
- 2.7 Subject to Section 2.5 of this Rate Schedule, Shipper's MDQ and MBA shall be a same uniform quantity for every Month throughout the term of the SEDS TSA, except that Transporter may, on a not unduly discriminatory basis, agree to differing monthly amounts in Shipper's MDQ and MBA (including Months without MDQs and MBAs) for different, specified Months or portions of the term of the SEDS TSA. For purpose of clarity, in any given Month Shipper's MDQ and MBA must be equal pursuant to Section 2.5 of this Rate Schedule, and Transporter may, on a not unduly discriminatory basis, agree that the same quantity specified as MDQ and MBA may vary on a monthly basis throughout the term of the SEDS TSA. Shipper's MDQ and MBA and any differing levels in such quantities, as well as the period of such differing levels, shall be specified in the executed SEDS TSA.

### 3. CONDITIONS OF SERVICE

- 3.1 Any quantities Drawn under this Rate Schedule shall occur on a firm basis including Draws performed in conjunction with no-notice transportation (i.e., without Shipper submitting a nomination for a Draw), subject to the parameters specified in this Rate Schedule. Quantities Drawn in conjunction with no-notice transportation shall not be subject to Section 6 of the General Terms and Conditions (i.e., Sections 6.1 through 6.4).
- 3.2 The no-notice transportation under this Rate Schedule will be available when the actual quantities being delivered at an Eligible Delivery Point on any Gas Day exceed the total daily quantities scheduled at that Eligible Delivery Point. No-notice transportation under this Rate Schedule shall not be subject to Section 6 of the General Terms and Conditions (i.e., Sections 6.1 through 6.4).
- 3.3 Subject to the conditions and requirements for service under this Rate Schedule, Shipper may request to change a Primary Point pursuant to Section 8 of the General Terms and Conditions.
- 3.4 Subject to Section 9 of the General Terms and Conditions, Shipper may separately release its Rate Schedule SEDS transportation and storage components.
- 3.5 Shipper may utilize nominated transportation under this Rate Schedule on a primary or secondary basis. Shipper will pay any additional charges incurred through such use, including but not limited to, applicable reservation charges, commodity charges, and or fuel and lost and unaccounted for gas charges, and EPC charges, as such charges may change from time to time.

- 3.6 Transporter may lease capacity from other natural gas transportation entities (“Lease Capacity”) as additional capacity for Transporter’s System under terms and conditions acceptable to Transporter in its sole discretion and subject to all required approvals. If the capacity in a Shipper’s SEDS TSA includes Lease Capacity, Shipper shall be subject to additional applicable charges described in this Rate Schedule, Statement of Rates and/or in Shipper’s SEDS TSA.

#### 4. CHARGES

- 4.1 **Applicable Rates:** The applicable minimum and maximum rates for service hereunder are set forth in the Statement of Rates, as adjusted from time to time. The rates applicable to service provided under a SEDS TSA shall be, subject to the other provisions of this Rate Schedule and Tariff, the rates set forth in Shipper’s SEDS TSA.
- 4.2 **Reservation Charges:** Each Month, Shipper shall pay in accordance with the General Terms and Conditions a Reservation Charge comprised of the sum of the following:
- (a) The product of: (i) the maximum applicable Reservation Rate for the Transportation Component set forth in Transporter’s Statement of Rates in its Tariff, unless another rate is otherwise specified in Shipper’s SEDS TSA, and (ii) Shipper’s MDQ; and
  - (b) The product of: (i) the maximum applicable Reservation Rate for the Storage Component set forth in Transporter’s Statement of Rates in its Tariff, unless another rate is otherwise specified in Shipper’s SEDS TSA, and (ii) Shipper’s MBA.
- 4.3 **Reservation Charge Credits:** Transporter shall provide reservation charge credits pursuant to Section 16 of the General Terms and Conditions, except that the following changes shall be made to accommodate the nature of the service provided under this Rate Schedule:
- (a) For no-notice transportation, to determine if credits are due under the circumstances described in Sections 16.1(a), 16.1(b) or 16.1(c) of the GT&C and such credits are not otherwise disallowed under Section 16, Transporter shall determine the lessor of the: (1) Inventory Quantity, (2) the MDQ minus the quantity of Natural Gas nominated and scheduled for nominated transportation under Section 2.2(b)(ii) of this Rate Schedule, or (3) the MDQ minus the amount of the MDQ available (i.e., the amount of the MDQ that is unavailable). If the lessor amount is greater than zero, the credit calculated in Sections 16.1(e) and 16.1(f), as appropriate, shall use the lessor amount, in lieu of the “quantity of gas up to the Shipper’s MDQ not scheduled by Transporter” in those sections. If the lessor amount is not greater than zero, no credit shall be provided;



4.3 (continued)

- (b) For storage Draws for no-notice transportation, to determine if credits are due under the circumstances described in Sections 16.1(a), 16.1(b) or 16.1(c) of the GT&C and such credits are not otherwise disallowed under Section 16, Transporter shall determine the lessor of: (1) the Inventory Quantity, (2) the MDQ minus the quantity of Natural Gas nominated and scheduled for nominated transportation under Section 2.2(b)(ii) of this Rate Schedule or (3) the MDQ minus the amount of the MDQ available (i.e., the amount of the MDQ that is unavailable). If the lessor amount is greater than zero, the credit calculated in Sections 16.1(e) and 16.1(f), as appropriate, shall use the lessor amount, in lieu of “the quantity of gas up to the Shipper’s MDQ not scheduled by Transporter” in those sections. If the lessor amount is not greater than zero, no credit shall be provided; and
- (c) For nominated Banks and Draws under this Rate Schedule, the term “MBA” shall be used instead of “MDQ” in Section 16 of the GT&C.

4.4 Commodity Charges: Each Month, Shipper shall be charged an amount obtained by multiplying the maximum applicable Commodity Rate(s) stated on the Statement of Rates, unless another rate is otherwise specified in the SEDS TSA, by the quantity of Natural Gas in Dth delivered (exclusive of any Overrun Gas applicable to nominated transportation) each Day of the Month by Transporter to Shipper at the delivery point(s).

4.5 FL&U and EPC: Shipper shall provide and be responsible for all Fuel and L&U and EPC charges necessary to support the service pursuant to Shipper’s SEDS TSA. The Fuel, L&U and EPC charges shall be set forth on the Statement of Rates in the Tariff as they may be updated from time to time.

4.6 Adjustment of Rates:

- (a) Transporter may file with FERC to change the rates listed on the Statement of Rates applicable to service under this Rate Schedule. Any such changed rates shall be charged beginning on the date the new rates become effective, subject to any refunds, surcharges or other conditions that are permitted or required by FERC and subject to the terms of Shipper’s SEDS TSA.
- (b) Subject to the terms of this Rate Schedule SEDS, Transporter reserves the right pursuant to Section 4.11 of the General Terms and Conditions, to prescribe and/or adjust at any time any of the rates applicable to service under any individual SEDS TSA without adjusting any other rates for service under other SEDS TSAs; provided however, such adjusted rates shall not exceed the applicable maximum rate(s) nor shall they be less than the applicable minimum rate(s), set forth in the Statement of Rates. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term specified in Exhibit B to the SEDS TSA, the rates for service shall revert to the maximum rates under this Rate Schedule. Transporter may adjust the Reservation Rate applicable to the Storage Component, the Transportation Component or both.

- 4.7 Other Charges. Transporter shall charge Shipper and Shipper shall pay for any other FERC approved charges that apply to service under this Rate Schedule.
- 4.8 Third Party Charges. Shipper may, on a non-discriminatory basis, be required to pay to Transporter, if applicable, any Third Party Charges in accordance with Section 4.6 of the General Terms and Conditions. In no event shall such Third Party Charges paid by Shipper exceed the amount incurred and paid by Transporter for the applicable off-system capacity.
- 4.9 Lease Capacity Charges. In accordance with Section 3.6 of this Rate Schedule, Shipper shall pay additional charges applicable to Lease Capacity.
- (a) Lease Capacity from Natural Gas Pipeline Company of America LLC: Shippers with SEDS TSAs that include capacity leased to Transporter by NGPL (“NGPL Lease Capacity”) in a lease agreement (“NGPL Capacity Lease”) dated September 3, 2024 and approved in Docket No. CP24-523-000, shall pay, in addition to all other applicable charges in this Rate Schedule and the Tariff, the following:
- (i) Reservation Charges that are the product of: (A) the then maximum applicable Reservation Rate for the Midcontinent Zone to the Permian Zone for transportation service under Rate Schedule FTS as shown in NGPL’s FERC Gas Tariff as such rates may change from time to time, and (B) Shipper’s MDQ; however, Shipper shall receive a credit equal to any credits received by Transporter for reservation charges paid by it under the NGPL Capacity Lease;
- (ii) Commodity Charges paid by Transporter to NGPL for commodity charges incurred under the NGPL Capacity Lease for quantities of delivered Natural Gas on the NGPL Lease Capacity for Shipper under its SEDS TSA;
- (iii) Surcharges and other charges paid by Transporter to NGPL under the NGPL Capacity Lease incurred for service related to Shipper’s SEDS TSA; and
- (iv) All applicable fuel and lost and unaccounted for gas, and electric purchase costs as paid by Transporter under the NGPL Capacity Lease to provide the service pursuant to Shipper’s SEDS TSA; and Shipper shall provide such required fuel and lost and unaccounted for gas in-kind and at the time required under NGPL’s FERC Gas Tariff for transportation under its Rate Schedule FTS.

## 5. OVERRUN CHARGES

- 5.1 Authorized Overrun for Nominated Transportation. On any Day, upon request of Shipper through the submission of an explicit nomination pursuant to Section 6 of the General Terms and Conditions and with Transporter's consent to such request, Shipper may tender, and Transporter may receive authorized overrun quantities of nominated transportation above the MDQ minus quantities delivered by no-notice transportation. All such excess quantities shall be referred to as authorized Overrun Gas and shall be transported on an interruptible basis. Unless otherwise agreed, Shipper shall pay an amount obtained by multiplying such authorized overrun quantities delivered by Transporter to Shipper or for Shipper's account, at each delivery point or transported on any Segment during the Month by the maximum Authorized Overrun Rate(s) stated on the Statement of Rates.
- 5.2 Unauthorized Overrun Charges.
- (a) Transportation.
    - (i) Nominated Transportation. On any Day, any Natural Gas quantity that exceeds Shipper's daily scheduled quantity at any receipt or delivery point or on any Segment for nominated transportation and which has not been authorized by Transporter is Unauthorized Overrun Gas.
    - (ii) No-Notice Transportation. On any Day, any Natural Gas quantity delivered to the Primary Delivery Point specified in the SEDS TSA that exceeds Shipper's MDQ is Unauthorized Overrun Gas.
  - (b) Storage. On any Day, the Natural Gas quantities Banked or Withdrawn that exceed the MBA are Unauthorized Overrun Gas.
  - (c) All quantities of Unauthorized Overrun Gas shall be subject to the Unauthorized Overrun Rate (non-critical or critical conditions as applicable). Shipper shall pay an amount obtained by multiplying the quantity of Unauthorized Overrun Gas each day by the applicable Unauthorized Overrun Rate set forth on the Statement of Rates.
- 5.3 Overrun activity is subject to interruption at any time. Such interruptions may be in effect for extended periods of time.

6. TERMINATION OF SERVICE

- 6.1 Shipper is required to remove all Banked quantities no later than the termination date of the SEDS TSA. Upon termination of a SEDS TSA, any Banked quantities not removed shall become the property of Transporter at no cost to Transporter, free and clear of any adverse claims.
- 6.2 To the extent there are any over-Drawn quantities (i.e., quantities Drawn in excess of the Inventory Quantity), Shipper is required to return all overdrawn quantities no later than the termination date of the SEDS TSA. Upon termination of a TSA, any overdrawn quantity shall be sold to Shipper at 150% of the absolute value of the Cash Out Index Price for the Month in which the TSA terminates.

7. GENERAL TERMS AND CONDITIONS

Except as otherwise expressly indicated in this Rate Schedule or by the SEDS TSA, all of the General Terms and Conditions contained in this Tariff, including (from and after their effective date) any future modifications, additions or deletions to said General Terms and Conditions, are applicable to service rendered under this Rate Schedule and by this reference, are made a part hereof.

## GENERAL TERMS AND CONDITIONS

Unless otherwise stated, these General Terms and Conditions apply to all transportation and storage services provided under this Tariff. For purposes of these General Terms and Conditions, the use of the words “transportation” or “transportation service” shall include storage service provided under Rate Schedule SEDS. The provisions of this General Terms and Conditions shall not apply to the no-notice service provided under Rate Schedule SEDS where such application would be inconsistent with the nature of providing a service that does not require nomination and scheduling.

## 1. DEFINITIONS

- 1.1 "Backhaul" - shall mean a transaction that is nominated opposite to the Primary Receipt-to-Delivery Flow Path direction of a TSA. Backhaul nominations are scheduled as Secondary Capacity up to the MDQ.
- 1.2 "Bidding Shipper" - is any Shipper who is pre-qualified pursuant to Section 9 of the General Terms and Conditions to bid for capacity or who is a party to a prearranged release.
- 1.3 "British Thermal Unit" ("Btu") - One (1) Btu shall mean one British thermal unit and is defined as the amount of heat required to raise the temperature of one (1) pound of water from fifty-nine degrees Fahrenheit (59°F) to sixty degrees Fahrenheit (60°F) at a constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia). Total Btu's shall be determined by multiplying the total volume of Natural Gas delivered times the gas Heating Value expressed in Btu's per cubic foot of gas adjusted on a dry basis.
- 1.4 "Bumping" or "Bump" - shall mean:
- (a) The reduction of a previously scheduled and confirmed interruptible transportation quantity to permit Transporter to schedule and confirm a firm transportation nomination which has a higher priority and which was submitted as an intraday nomination.
  - (b) In the event that a discount is granted pursuant to Section 3.2 of Rate Schedule FT or Section 4.6 of Rate Schedule SEDS that affects previously scheduled quantities, "Bumping" or "Bump" shall also mean the reduction of a firm transportation quantity previously scheduled and confirmed to permit Transporter to schedule and confirm a firm transportation intraday nomination which has a higher priority.
  - (c) In the event of an intraday recall of released capacity, "Bumping" or "Bump" shall also mean the reduction of the Replacement Shipper's previously scheduled and confirmed firm transportation quantity.
- Bumping that affects transactions on multiple Transportation Service Providers should occur at grid-wide synchronization times only (NAESB WGQ Standard 1.3.39). Absent an agreement to the contrary between Transporter, Shipper and any affected interconnect party, a Bump shall not result in a scheduled quantity that is less than the applicable elapsed pro rated flow quantity. Elapsed-prorated-scheduled quantity means that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based upon a cumulative uniform Hourly quantity for each nomination period affected (NAESB WGQ Standard 1.2.12).
- 1.5 "Business Day" - Monday through Friday, excluding Federal Banking Holidays for transactions in the United States.

- 1.6 "Cash Out Index Price" - shall be the highest of the index prices described in Section 10.4, if Shipper owes balances to Transporter (including overrun gas). The "Cash Out Index Price" shall be the lowest of the index prices described in Section 10.4, if Transporter owes balances to Shipper.
- 1.7 "Cheyenne Hub" - a confluence of pipelines near Cheyenne, Wyoming consisting of interconnections with Colorado Interstate Gas Company, L.L.C., Wyoming Interstate Company, L.L.C., Trailblazer Pipeline Company, Tallgrass Interstate Gas Transmission LLC and the intrastate systems of Public Service Company of Colorado and Cheyenne Light, Fuel and Power Company.
- 1.8 "Critical Notices" - are defined, in conformance with NAESB WGQ Standard 5.2.1, as those notices which pertain to information of conditions on Transporter's System that affect scheduling or adversely affect scheduled gas flow.
- 1.9 "Day" - A period of 24 consecutive Hours, except for those Days that are adjusted for Daylight Savings Time, commencing and ending at 9:00 a.m., Central Clock Time ("CCT"), or such other period as the parties may agree upon. "Clock time" indicates that Transporter will adjust its gas Day to reflect changes for Daylight Savings Time.
- 1.10 "Dekatherm" ("dth") - One (1) dth shall mean a quantity of gas containing one million (1,000,000) Btu's.
- 1.11 "EPC" – shall mean the Electric Power Costs surcharge described in Section 30 of the General Terms and Conditions.
- 1.12 "Federal Energy Regulatory Commission" - the federal regulatory agency, or any succeeding agency, having jurisdiction of the Gas Tariff, also referred to as "FERC" or "Commission."
- 1.13 "FL&U" - Fuel Gas and Lost and Unaccounted for Gas.
- 1.14 "Flow Path Secondary Capacity" - shall mean the capacity status assigned to that portion of a firm transportation transaction for which the receipt or delivery point lie outside the Primary Receipt-to-Delivery Flow Path when at least some part of such transaction passes through Shipper's Primary Receipt-to-Delivery Flow Path. Additionally, the Flow Path Secondary priority shall apply to any non-Primary Point that lies within Shipper's Primary Receipt-to-Delivery Flow Path, and such point shall be designated a Flow Path Secondary Point. Flow Path Secondary Capacity is limited by the capacity entitlement of the underlying TSA on the Primary Receipt-to-Delivery Flow Path Segment being used.

- 1.15 "Heating Value" - The quantity of heat, measured in Btu, produced by combustion in air of one (1) cubic foot of anhydrous gas at a temperature of sixty degrees Fahrenheit (60°F) and a constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia), the air being at the same temperature and pressure as the gas, after the products of combustion are cooled to the initial temperature of the gas and air, and after condensation of the water formed by combustion.
- 1.16 "Hour" - shall mean a period of 60 consecutive minutes beginning at the top of each Hour of the Gas Day and ending at the top of the next Hour (i.e. Hour 1 starts at 9:00 a.m. CCT and ends at 10:00 a.m. CCT).
- 1.17 "Hourly Entitlement Enhancement Nomination" or "HEEN" - shall mean a request submitted by a Rate Schedule FT Shipper to reserve part or all of its MDQ for the nominated flow Day to support non-uniform Hourly deliveries at a Qualified Point. HEEN nominations may only be submitted for the Timely or Evening Nomination Cycles to a Qualified Point of delivery. All HEEN nominations must be forward haul. Eligible receipt points for HEEN nominations will be determined based on the pipeline volume (pipe diameter, distance and pressure) required to support the requested Hourly flexibility. Receipt points for all designated Qualified Points will be posted on Transporter's EBB. Hourly Entitlement Enhancement Nominations must meet all other criteria for a valid Nomination. The sum of all HEEN nominations under a TSA may not be in excess of the Shipper's MDQ.
- 1.18 "Interconnecting Party" - shall mean the party or such party's designee that is responsible for operations of a Natural Gas system which interconnects with Transporter's pipeline system and is responsible for verifying nominations and scheduling gas flow at such point of interconnections. An Interconnecting Party is also a Confirming Party. Each Interconnecting Party is required to submit confirmation pursuant to the timelines identified in Section 6.1 of these General Terms and Conditions, unless specifically exempted by Transporter.
- 1.19 "Maximum Delivery Quantity" or "MDQ" - shall mean the maximum quantity of Gas, expressed in Dth per Day, which Transporter shall be obligated to Deliver under a firm TSA.
- 1.20 "Month" - A period commencing on the first Day of the corresponding calendar Month and ending on the first Day of the next following calendar Month.
- 1.21 "NAESB WGQ Standards" - Business practices and electronic communication practices promulgated by the Wholesale Gas Quadrant ("WGQ") of the North American Energy Standards Board ("NAESB") and adopted codified by the Commission, in compliance with 18 CFR, Section 284.12, as described in Section 23 of the General Terms and Conditions.
- 1.22 "Natural Gas" - Any mixture of hydrocarbons or of hydrocarbons and noncombustible gases, in a gaseous state, consisting essentially of methane.



- 1.23 "One Thousand Cubic Feet" ("Mcf") - The quantity of Natural Gas occupying a volume of one thousand (1,000) cubic feet at a temperature of sixty degrees Fahrenheit (60°F) and at a pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia).
- 1.24 "Operator" - The person or entity that is responsible for the operation of a facility at which gas flows into or out of Transporter's System.
- 1.25 "Pool" – shall mean a physical or logical point determined by Transporter at which supplies may be aggregated and disaggregated. Pool(s) are not valid receipt or delivery points for determination of Primary Point(s), capacity scheduling, or for capacity release.
- 1.26 "Pooler" – shall mean that party holding an executed Pooling Service Agreement under this Tariff and on whose behalf Gas is being aggregated at a Pool. For purpose of nominations, the term "Pooler" is synonymous with "Shipper".
- 1.27 "Pooling" – shall mean the aggregation of multiple sources of supply to a single quantity and the disaggregation of such quantity to multiple markets or market contract(s). In particular, "Headstation Pooling" shall mean the aggregation of supplies from one or more physical or logical receipt point(s) to a designated Pool and the disaggregation of such aggregated quantities to one or more TSA(s).
- 1.28 "Pooling Area" – shall mean the area implied by the designation of various Segment(s) related to a specific Pool. Transporter's Pooling Area(s), the receipt point(s), and the related headstation pool point(s) shall be posted on Transporter's EBB.
- 1.29 "Prearranged Shipper" - is any Shipper who is qualified, pursuant to Section 9.8, and seeks to acquire capacity under a prearranged release for which notice is given pursuant to Section 9.6.
- 1.30 "Primary Capacity" - shall mean the transmission system capacity on any portion of the Primary Receipt-to-Delivery Flow Path reserved for a Shipper under a firm TSA. On any pipeline Segment, Primary Capacity is limited by the primary receipt point quantity upstream of such Segment and the primary delivery point quantity downstream of such Segment, whichever is less.
- 1.31 "Primary Point(s)" - shall mean those receipt and delivery point(s) where Shipper is entitled to firm service.

- 1.32 "Qualified Point(s)" - shall mean a valid delivery point for Hourly delivery services and must meet the following criteria:
- (a) A Qualified Point must be supported by measurement equipment that can provide custody-transfer quality data on an Hourly basis.
  - (b) The Operator at a Qualified Point must agree to support Hourly services.
  - (c) All Qualified Points will be identified on Transporter's EBB.
- 1.33 "Rate Default" - For index-based capacity release transactions, Rate Default is the term used to describe the non-biddable rate specified in the capacity release offer to be used for invoicing purposes when the result of the index-based formula is unavailable or cannot be computed. If a Rate Default is not otherwise specified, the Rate Floor should serve as the Rate Default.
- 1.34 "Rate Floor" – Rate Floor is the term used for index-based capacity release transactions to describe the lowest rate specified in the capacity release offer in dollars and cents that is acceptable to the Releasing Shipper. The Rate Floor may not be less than Transporter's minimum reservation rate or zero cents when there is no stated minimum reservation rate.
- 1.35 "Receipt-to-Delivery Flow Path" - shall mean the path of gas through and from a receipt point to and through a delivery point. Furthermore, "Primary Receipt-to-Delivery Flow Path" shall mean the path of gas through and from a primary receipt point to and through a primary delivery point. The direction of flow shall be deemed to be from the primary receipt point to the primary delivery point.
- 1.36 "Releasing Shipper" - is any Shipper with a TSA under Rate Schedule FT or Rate Schedule SEDS who elects to release all or a portion of its firm capacity, subject to the capacity release program contained in Section 9 of the General Terms and Conditions.
- 1.37 "Replacement Shipper" - is any Shipper who acquired capacity rights from a Releasing Shipper through Transporter's capacity release program as contained in Section 9 of the General Terms and Conditions.
- 1.38 "Secondary Capacity" - shall mean capacity nominated under a firm TSA that is other than Primary Capacity or Flow Path Secondary Capacity.
- 1.39 "Secondary Point(s)" - shall mean those receipt and delivery points which are not specified in the firm TSA as Primary Points. Secondary Points which lie in the Primary Receipt-to-Delivery Flow Path are automatically awarded a scheduling status of Flow Path Secondary.
- 1.40 "Secondary Delivery Point" - shall mean a delivery point which is not specified in the firm TSA as a primary delivery point and which is located outside of Shipper's Primary Receipt-to-Delivery Flow Path.

- 1.41 "Secondary Receipt Point" - shall mean a receipt point which is not specified in the firm TSA as a primary receipt point and which is located outside of Shipper's Primary Receipt-to-Delivery Flow Path.
- 1.42 "Segment" - shall mean a discrete portion of Transporter's pipeline system between two specific locations. Transporter shall evaluate the operating capacity of the Segment against the capacity requested for transportation service(s) by Shippers. In the event the requested capacity exceeds the Segment operating capacity, Transporter will follow the procedures specified in Section 6 of these General Terms and Conditions to reduce the transportation requests to the Segment operating capacity.
- 1.43 "Segmentation" - shall refer to the ability of a Shipper holding a firm TSA to subdivide such capacity into Segments and to use those Segments for different capacity transactions. Segmentation may be implemented by the Shipper by designating a number of discrete transportation combinations (receipt points to delivery points), each of which being equal to or less than Shipper's Primary Capacity for that pipeline Segment. The applicability and prerequisites for Segmentation are described in Section 8.1(a) of the General Terms and Conditions.
- 1.44 "Shipper" - Any person or entity who either (a) is receiving service on Transporter's System; (b) has executed a service agreement under any rate schedule; or (c) has completed a request for service.
- 1.45 "Transportation Service Agreement"- or "TSA" shall mean the contract, in the form contained in this Tariff, setting forth the specific elements of each transportation, and where applicable, storage transaction, such as Shipper name, receipt and delivery point(s), bank and draw point(s) and term.
- 1.46 "Transporter's System" - Transporter's System is displayed on the system map in this Tariff.

## 2. MEASUREMENT

- 2.1 Unit of Measurement and Metering Base - The volumetric measurement base shall be 1 cubic foot of gas at a pressure base of 14.73 pounds per square inch absolute, at a temperature base of 60 degrees Fahrenheit, and without adjustment for water vapor. The cutoff for closing measurement is five Business Days after the business Month (NAESB WGQ Standard 2.3.7). Measurement data that is missing or late at the cutoff is to be estimated. (Estimate missing or late measurement data and treat actual as prior period adjustment, with the measuring party to provide the estimate.)(NAESB WGQ Standard 2.3.13) For treatment of measurement prior period adjustments, treat the adjustment by taking it back to the production Month. A meter adjustment becomes a prior period adjustment after the fifth Business Day following the business Month (NAESB WGQ Standard 2.3.11). For reporting measurement prior period adjustments, report it with the restated line item with the new total quantity for the Day and Month (NAESB WGQ Standard 2.3.12).
- 2.2 Measurement data corrections should be processed within 6 Months of the production Month with a 3 Month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods (NAESB WGQ Standard 2.3.14). This 3-Month rebuttal period shall begin with the interested party issuing a written notification that a measurement dispute exists. These disputes will apply to measurement errors that involve quantities that Transporter has direct custody transfer responsibilities over, as well as volumes measured by other companies that have been audited by Transporter.
- 2.3 Measurement data available upstream of aggregated points should be sent to the allocating party and used to allocate the aggregated volume back to the upstream points (NAESB WGQ Standard 2.3.8).
- 2.4 Transporter's measurement information provided via electronic delivery mechanism (EDM) shall conform to the requirements of the Data Dictionary standards as set forth in NAESB WGQ Standards 2.4.4 and 2.4.5.
- 2.5 Atmospheric Pressure. For the purpose of measurement, calculation and meter calibration, the average absolute atmospheric (barometric) pressure shall be based on the actual altitude of each point of measurement irrespective of variations in natural atmospheric pressure from time to time.

- 2.6 Temperature. The temperature of the gas shall be determined at the points of measurement by means of a properly installed temperature transmitter of standard manufacture determined by Transporter in exercise of its reasonable judgment to be installed in accordance with the recommendations contained in ANSI/API 2530 First Edition (Orifice Metering of Natural Gas). The arithmetic average of Hourly temperatures for each Day shall be used in computing temperatures of the gas during such Day. In the event electronic computer measurement is used, average daily temperature will be computed as a running average of data determined during each computer scan.
- 2.7 Determination of Heating Value and Specific Gravity. The Gross Heating Value and specific gravity of the gas may be determined by gas chromatographic analysis. This shall be done by either a gas sample or by an on-line gas chromatograph. In the event a continuous Gas sampling device is used, intervals mutually agreed upon should not be less than every Month. The determination of Gross Heating Value and specific gravity from chromatograph shall input continuously into the computer for quantity calculations. In the event a continuous gas sampler is installed, then the Gross Heating Value and specific gravity shall be determined in the laboratory by chromatograph. Such determinations shall be considered as the Gross Heating Value and specific gravity of all gas delivered during the applicable period of sampling. All Gross Heating Value and specific gravity determinations made with a chromatograph shall use physical gas constants for gas compounds, as outlined in ANSI/API 2530 with any subsequent amendments or revisions to which the Parties may mutually agree.
- 2.8 Supercompressibility. The measurement hereunder shall be corrected for deviation from Boyle's law in accordance with AGA Report No. 8.
- 2.9 Measurement Equipment.
- (a) Unless otherwise agreed, Transporter will install, maintain, or operate or cause to be installed, maintained and operated, measuring stations equipped with flow meters and other necessary metering and measuring equipment by which the volumes of gas received and delivered hereunder shall be determined. Shipper may install check-measuring equipment at its own cost and expense, provided such equipment shall be so installed as not to interfere with the operations of Transporter. The reading, calibrating, and adjusting of electronic computer components and/or mechanical recording instruments thereof shall be done only by the equipment owner or such owner's representative, unless otherwise agreed upon. Both Transporter and Shipper shall have the right to be 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; provided, however, failure of either Transporter or Shipper to witness such an operation shall not affect the validity of such operation in any way. The records from such measuring equipment shall remain the property of their owner, but upon request, each will submit within 10 Days to the other its records, together with calculations there from, for inspection, subject to return within 30 Days after receipt thereof. The measurement equipment of Shipper shall be for check purposes only and, except as expressly provided in the applicable agreement, shall not be used in the measurement of gas for purposes of the Agreement.

2.9 (Continued)

- (b) Orifice Meters. Orifice meters shall be installed and gas volumes computed in accordance with the standards prescribed in AGA Report No. 3 "Orifice Metering of Natural Gas."
- (c) Ultrasonic Meters. Ultrasonic meters shall be installed and gas volumes computed in accordance with the standards prescribed in AGA Report No. 9 "Measurement of Gas by Multipath Ultrasonic Meters".
- (d) Positive Displacement Meters. Positive displacement meters shall be installed and gas volumes computed in accordance with generally accepted industry practices.
- (e) Electronic Flow Computers. Electronic flow computers shall be used for direct computation of gas flows for custody transfer.
- (f) New Measurement Techniques. If, at any time during the term hereof, a new method or technique is developed with respect to gas measurement or the determination of the factors used in such gas measurement, such new method or technique may be substituted by Transporter in exercise of its reasonable judgment. Transporter shall promptly inform all Shippers of any new technique adopted.
- (g) Calibration and Test of Meters. The accuracy of all measuring equipment shall be verified by Transporter at reasonable intervals, and if requested, in the presence of representatives of Shipper, but neither Shipper nor Transporter shall be required to verify the accuracy of such equipment more frequently than once in any 30-Day period. If either Party at any time desires a special test of any measuring equipment, it will promptly notify the other, and the Parties shall then cooperate to secure a prompt verification of the accuracy of such equipment.
- (h) Correction of Metering Errors. If, upon test, the measuring equipment is found to be in error by not more than one percent (1%), previous recordings of such equipment shall be considered accurate in computing deliveries, but such equipment shall be adjusted at once to record accurately. If, upon test, the measuring equipment shall be found to be inaccurate by an amount exceeding one percent (1%), at a recording corresponding to the average Hourly rate of flow for the period since the last preceding test, then any previous recordings of such equipment shall be corrected to zero error for any period that is known definitely or agreed upon. In case the period is not known or agreed upon, such correction shall be for a period equal to the lesser of one-half of the time elapsed since the date of the last test or sixteen Days.

2.9 (Continued)

- (i) Failure of Measuring Equipment. In the event any measuring equipment is out of service or is found registering inaccurately and the error is not determinable by test or by previous recordings, receipts or deliveries through such equipment shall be estimated and agreed to by the Parties upon the first of the following methods which is feasible:
  - (i) By correcting the error if the percentage of error is ascertainable by calibration, special test, or mathematical calculation.
  - (ii) By using the registration of any check meter or meters, if installed and accurately registering.
  - (iii) By estimating the quantity of receipt or delivery based on receipts or deliveries during preceding periods under similar conditions when the measuring equipment was registering accurately.
- (j) Preservation of Records. Shipper and Transporter shall preserve for a period of at least 3 years, or for such longer period as may be required by appropriate authority, all test data and other similar records.

### 3. QUALITY OF GAS

- 3.1 Freedom from Objectionable Matter. The gas which Transporter delivers to Shipper and the gas which Shipper delivers to Transporter for transport shall comply with the following requirements:
- (a) Shall be commercially free from dust, gums, gum-forming constituents, dirt, impurities, or other solid or liquid matter which might interfere with its merchantability or cause injury to or interference with proper operation of the pipelines, regulators, meters, or other equipment of Transporter;
  - (b) Shall not contain more than .25 grain of hydrogen sulphide per 100 cubic feet of gas;
  - (c) Shall not contain more than 5 grains of total sulphur (including the sulphur in hydrogen sulphide and mercaptans) per 100 cubic feet;
  - (d) Shall not at any time have an oxygen content in excess of 10 parts per million by volume, and the Parties hereto shall make every reasonable effort to keep the gas free of oxygen;
  - (e) Shall be delivered at a temperature not in excess of 120 degrees Fahrenheit or less than 20 degrees Fahrenheit;
  - (f) Shall not contain (i) more than 3 percent by volume of carbon dioxide for gas received from the Cheyenne Hub, (ii) more than 2 percent from all other receipt points, and (iii) more than 2 percent for deliveries by Transporter at Shipper's primary delivery point.
  - (g) Shall not contain water vapor in excess of 5 pounds per million cubic feet of gas; and
  - (h) Shall not contain a Hydrocarbon Dew Point exceeding 25 degrees Fahrenheit at pressure between 100 p.s.i.a. and the maximum available operating pressures of Transporter's transmission facility, as calculated from the gas composition.

Notwithstanding the above, Transporter shall not be required to receive gas at any receipt point which is of a quality inferior to that required by Shipper or a third party at any delivery point. Transporter shall not be liable to Shipper or any third party for any damages incurred as a result of Transporter's refusal to receive gas as a result of this provision.

- 3.2 Heat Content. The gas tendered at each receipt and delivery point shall contain a Gross Heating Value of not less than 950 Btu per cubic foot.
- 3.3 Commingling. Gas delivered by Shipper will be commingled with the gas of other Shippers in the system. Accordingly, Shipper's gas shall be subject to such changes in Gross Heating Value and other specifications as may result from such commingling.



- 3.4 Waiver of Quality Specifications. Transporter, in its reasonable discretion and judgment, may waive the gas quality specifications at any receipt point to accept gas that does not conform to the quality specifications set forth in this section, if Transporter determines that such acceptance will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of part or all of Transporter's pipeline system, (2) ensure that such gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such gas does not adversely affect Transporter's ability to tender gas for delivery to a downstream pipeline or end-user.
- 3.5 Shipper's Failure to Meet Specifications. Should any gas tendered by Shipper to Transporter hereunder fail at any time to conform to any of the specifications of this section, Transporter shall notify the Shipper responsible of any such failure, and Transporter may suspend all or a portion of the receipt of any such gas which may jeopardize Transporter's ability to meet its obligations to its other Shippers or endanger the safe operation and integrity of Transporter's System. Transporter shall be relieved of its obligations hereunder to the extent of rightful suspension for the duration of such time as such off-specification gas tendered by such Shipper does not meet the specifications; provided, however, such suspension by Transporter shall not relieve Shipper of its payment obligations hereunder. Upon receipt of notice by Transporter, Shipper shall, at its expense, make a diligent effort to correct such failure by treatment, cooling, or dehydration consistent with prudent operation so as to tender gas conforming to the above specifications.
- 3.6 Upon mutual written agreement between Transporter and the downstream Interconnecting Party, Transporter may temporarily deliver gas that does not conform to the quality specifications set forth in Sections 3.1 or 3.2 of the General Terms and Conditions, if Transporter, in its reasonable operational judgment and in a not unduly discriminatory manner, determines that such delivery of gas will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of part or all of Transporter's pipeline system, (2) ensure that such agreement does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such agreement does not adversely affect Transporter's ability to tender gas for delivery to another downstream pipeline or end-user. Such agreement, including the duration of the agreement, shall be posted on the electronic bulletin board.
- 3.7 Odorization. As between Transporter and Shipper, Transporter shall have no obligation whatsoever to odorize the Natural Gas delivered, nor to maintain any odorant levels in such Natural Gas. Notwithstanding Section 25.1 herein, Shipper agrees to indemnify and hold harmless Transporter, its officers, agents, employees and contractors against any liability, loss or damage, including litigation expenses, court 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 Shipper or by any person, association or entity, public or private, that is not a party to the TSA, 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 sole or concurrent negligent failure by Transporter or any actual or alleged act or omission of any nature by Shipper to odorize the Natural Gas or product delivered under the TSA or to maintain any odorant levels in such Natural Gas or product.

#### 4. REQUESTS FOR SERVICE

- 4.1 Requests for Service. A Shipper must comply with Sections 4.2 and 4.10 in order to complete a valid request for service.
- 4.2 Information to be Provided. A request for service shall be deemed valid and complete upon the following information being accurately and properly entered into Transporter's EBB. A Shipper may either enter the information directly into Transporter's EBB or furnish the information to Transporter and request that Transporter enter the information into Transporter's EBB on behalf of the Shipper; in which case, the entry of such information shall be deemed to be the act of the Shipper. If the Shipper requests that Transporter enter the information into Transporter's EBB on Shipper's behalf, then Shipper's request for service shall not be deemed valid and complete until such time as the information is actually entered into Transporter's EBB.
- (a) The full legal name, business address and phone number, and state of incorporation of the Shipper requesting service and the party with whom all contact should be made.
  - (b) A designation of whether Shipper is a local distribution company, intrastate pipeline company, interstate pipeline company, producer, end-user or marketer.
  - (c) The extent of Shipper's affiliation with Transporter.
  - (d) Shipper's Dun and Bradstreet number.
  - (e) Type of service: FT, SEDS, IT, SS, PAL or HSP.
  - (f) The initial term of the service, including beginning and ending dates.
  - (g) Daily quantity at each receipt point(s) \_\_\_\_ Dth/Day.  
Daily quantity at each delivery point(s) \_\_\_\_ Dth/Day.  
Daily maximum quantity (park and/or loan) \_\_\_\_ Dth/Day.  
Daily quantity at each bank point(s) (SEDS) \_\_\_\_ Dth/Day.  
Daily quantity at each draw point(s) (SEDS) \_\_\_\_ Dth/Day.  
Daily quantity at each Eligible Delivery Point(s) (SEDS) as listed on Transporter's EBB) \_\_\_\_ Dth/Day.  
  
The total receipt point capacity must equal the total delivery point capacity.
  - (h) The Maximum Delivery Quantity for the applicable Month(s) under the contract and if applicable, the Maximum Banked and Draw Amounts for the applicable Month(s) under the contract.
  - (i) Receipt and delivery points requested.

If Section 311, 18 C.F.R. Part 284, Subpart B transportation service is requested, the Shipper must provide the following information to Transporter:

4.2 Information to be Provided (continued)

- (j) A declaration explaining how the requested service qualifies as Section 311 service;
- (k) The name of the local distribution company or intrastate pipeline company on whose behalf the gas will be transported; and
- (l) Certification from a local distribution company or an intrastate pipeline that the service is being provided on its behalf prior to commencing transportation service.

4.3 Capacity Bidding and Evaluation Criteria.

- (a) A Shipper bidding for released firm capacity from another Shipper must follow the procedures of Section 9.
- (b) Transporter may grant requests for firm service on a not unduly discriminatory basis within the following time periods and subject to the below listed conditions:
  - (i) For service with a term of one year or longer, the service must be requested to begin no later than three Months from the date the request is granted;
  - (ii) For service with a term greater than three Months but less than one year, the service must be requested to begin no later than one Month from the date the request is granted;
  - (iii) For service with a term of three Months or less, the service must be requested to begin no later than ten Business Days from the date the request is granted.
- (c) Transporter will consider, on a not unduly discriminatory basis, requests for firm service outside of the above specified time periods if the request involves any of the following conditions:
  - (i) The request is associated with an open season;
  - (ii) The request involves capacity that is available due to the termination of an existing contract or the reduction of contracted volume under an existing contract; or
  - (iii) The request involves the modification or construction of facilities or the issuance of any necessary certificate authorization.

4.3 (continued)

- (d) Should Transporter conduct an open season, it will post a notice of availability of the uncontracted-for capacity on its EBB to afford all potential Shippers an opportunity to acquire the capacity. Any party wishing to purchase the capacity, and who meets Transporter's creditworthiness requirements, may participate in the open season. Transporter will award the capacity on a net present value basis using nondiscriminatory and objective posting and evaluation criteria specified in the notice of open season. When an open season is being conducted, all applicable requests for service will be treated under this open season process.
  - (e) Transporter will conduct an open season (involving either an open offer to sell capacity or a pre-arranged transaction) if it wishes to sell capacity where the requested start date extends one year or more into the future. The open season will comply with the requirements of Section 4.3(d) above.
  - (f) If Transporter sells firm capacity pursuant to Section 4.3(c)(i), that capacity will be made available to other shippers on an interim basis up to the commencement date of the prospective firm transportation service agreement. Where the requested start date of the prospective capacity extends more than one year into the future and the interim capacity would otherwise be eligible for the right of first refusal ("ROFR") if it is acquired at the maximum applicable tariff rate, Transporter will limit the ROFR rights of such interim capacity. If ROFR rights are limited, the transportation service agreement will note the limitation.
- 4.4 If Shipper fails to execute an agreement or any amendment thereto tendered by Transporter in response to a valid request for service within 30 Days of the date tendered, Shipper's request shall be deemed null and void.
- 4.5 Capacity Reserved for Expansion Projects. Transporter may elect to reserve for future expansion projects, any unsubscribed capacity or capacity under expiring or terminating TSAs where such TSAs do not have a ROFR or Shipper does not exercise its ROFR.
- (a) Capacity may be reserved up to one year prior to Transporter filing for certificate authority for construction of proposed expansion facilities, and thereafter until all expansion facilities are placed into service.
  - (b) Transporter may only reserve capacity for a future expansion project for which an open season has been or will be held within one year of the date that Transporter posts such capacity as being reserved. Transporter will not, absent Commission approval, accept advance payments to reserve capacity under this Section 4.5.

#### 4.5 Capacity Reserved for Expansion Projects (continued)

- (c) If Transporter elects to reserve capacity, it will notify Shippers of its intent as part of its posting of capacity on its EBB. Transporter's posting for reserved capacity for future expansion projects shall include the following information: (i) a description of the project for which the capacity will be reserved; (ii) the total quantity of capacity to be reserved; (iii) the location of the proposed reserved capacity on the pipeline system; (iv) whether, and if so when, Transporter anticipates that an open season for the capacity will be held or the reserved capacity will otherwise be posted for bids; (v) the projected in-service date of the new facilities; and (vi) on an ongoing basis, how much of the reserved capacity has been sold on a limited-term basis that would otherwise be eligible for a ROFR. The posting for reserved capacity shall also include a non-binding solicitation for Turnback Capacity to serve the expansion project, provided that Transporter shall post the non-binding solicitation for Turnback Capacity no later than 90 Days after the close of the expansion project open season. Transporter shall make reasonable efforts to update the posting up to the in-service date of the project to reflect any material changes in the scope of the project.
- (d) When reserving capacity for future expansion projects, Transporter must make the capacity generally available to Shippers prior to the reservation period. When an open season is held prior to the expansion project open season, Transporter shall have the right to state in the open season posting minimum terms and conditions for bids that would be acceptable for consideration that are the same as the minimum terms and conditions anticipated for the future expansion project open season. In the event that the subsequent expansion project open season imposes minimum terms and conditions that are materially different from the terms and conditions imposed in the previous capacity open season, Transporter shall hold another open season for the capacity that uses the same minimum terms and conditions as were imposed for the expansion project open season. If the expansion project open season is held prior to or during the capacity open season, Transporter shall use the same minimum terms and conditions as used for the expansion project open season.
- (e) Any capacity reserved under this Section 4.5 shall be made available for transportation service pursuant to these General Terms and Conditions on a limited-term basis up to the in-service date of the expansion project(s). For such limited-term TSAs, Transporter reserves the right to limit any term extension rights provided in the TSA and pursuant to Section 4.9 commensurate with the proposed in-service date of the expansion project. Transporter will indicate in any open season posting of the capacity any limitations on term extension rights that will apply to such limited-term transportation service.
- (f) Any capacity reserved for a project that does not go forward for any reason shall be reposted as generally available capacity within 30 Days of the date that the project terminates.

#### 4.6 Off-System Capacity.

- (a) Transporter may enter into transportation and/or storage agreements with upstream or downstream entities, including other interstate and intrastate pipeline and storage providers (off-system capacity). In the event that Transporter acquires off-system capacity, Transporter will use such capacity for operational reasons or to render service for its Shippers on the acquired capacity, pursuant to Transporter's Tariff and subject to Transporter's currently approved rates. In the event the off-system capacity is subject to renewal limitations, as specified in the third-party pipeline's tariff and/or provided by FERC Regulations, Transporter will indicate in its posting of firm unsubscribed capacity any limitation to the extension rights that will apply as a result of such limitations on the off-system capacity. For purposes of transactions entered into subject to this section, the "Shipper must hold title" requirement shall be waived on the acquired capacity.
- (b) Third Party Charges. If Transporter acquires off-system capacity from a third party(s) pursuant to Section 4.6 above and provides transportation and/or storage service for the benefit of Shipper(s), Shipper(s) may, on a non-discriminatory basis, be required to pay Transporter, in addition to any applicable rates and charges assessed pursuant to this Tariff, the rates and charges Transporter is obligated to pay such third party(s) for the off-system capacity. Such charges may include, but are not limited to, daily reservation and commodity charges and applicable surcharges, fuel and power charges or retention, compression fees, balancing or storage fees, measurement fees, processing fees and/or facility charges that are assessed by the third party. Such charges shall be set forth as separate items on the monthly invoices rendered to Shipper.
- (c) Any off-system capacity acquired by Transporter from a third party and contracted for at the request of a Shipper which is not used by that Shipper or a Replacement Shipper shall be offered to other Shippers on a secondary and interruptible basis, pursuant to Transporter's FERC Gas Tariff and subject to Transporter's currently effective rates, including any applicable Third Party Charges, as such tariff and rates may change from time to time. Transporter will indicate in its posting of any off-system capacity available for service whether any Third Party Charges will apply to the use of such off-system capacity.

- 4.7 Electronic Execution of Agreements - Unless otherwise agreed, Transporter and Shipper will electronically execute all Transportation Service Agreements, Rate Schedule SS Agreements, Rate Schedule PAL Service Request Orders and Rate Schedule HSP Agreements (including amendments to existing agreements) entered into on or after the effective date of this tariff provision (all of which shall be referred to as "Service Agreements" or "Agreements" for purposes of this Section 4.7). Transporter and Shipper may execute such Agreements electronically or by signing a traditional paper Agreement. If Shipper elects to sign a traditional paper Agreement, then Shipper shall not submit nominations while the paper Agreement is pending execution. For Agreements requiring filing with the Commission, Transporter may submit either electronic or traditional paper Agreements.
- (a) The Service Agreement shall be deemed to be executed by Shipper when the Shipper accepts the Agreement electronically via Transporter's electronic bulletin board. The Service Agreement shall be deemed to be executed by Transporter when Transporter accepts the Shipper's Agreement using the electronic bulletin board. A Service Agreement that is executed in this manner shall be deemed to have been "signed" and to constitute an "original" when printed from electronic files or records.
  - (b) Notwithstanding the above, if the Shipper and Transporter electronically execute an Agreement and the Shipper later requests a traditional paper Agreement, the electronic Service Agreement shall be deemed the original until the paper Agreement is executed by both parties.
  - (c) If a Service Agreement contains provisions that must be reviewed by the Commission and the Service Agreement is not accepted by the Commission, then Transporter and Shipper shall collaborate to remedy any deficiencies.
- 4.8 Changes to Shipper's Service. If Shipper desires to change its service under a TSA, it must request the change using the process described in Section 4.2. If Transporter agrees to the requested amendment, it will prepare and tender to Shipper an amendment to the TSA.
- 4.9 Right-of-First-Refusal ("ROFR")
- (a) Any Shipper with a firm TSA for service shall have a continuing right for the capacity underlying the Shipper's TSA provided that:
    - (i) The TSA is a maximum rate contract for 12 or more consecutive Months of service; or, the TSA is a multi-year seasonal contract at the maximum rate for services not offered by the pipeline for a full 12 Months. However, if such Shipper has entered into a firm agreement utilizing off-system capacity contracted for pursuant to Section 4.6 below, it may not elect to extend the term of its agreement beyond the term of Transporter's agreement for such off-system capacity.;

#### 4.9 Right-of-First-Refusal ("ROFR")

- (a) (continued)
  - (ii) Shipper complies with the requirements set forth herein;
  - (iii) Shipper does not have a negotiated rate firm TSA ; and
  - (iv) Shipper does not have an interim TSA for entitlement associated with expansion projects as set forth in Section 4.5.
  - (v) Shippers with TSAs that otherwise qualify for a ROFR and include Lease Capacity, may only retain the capacity or a portion thereof through the remaining term of the lease providing the capacity.
- (b) A Shipper may exercise its ROFR to retain a portion of the MDQ subject to ROFR by applying a fixed and constant percentage reduction to each monthly MDQ for the last twelve consecutive Months of the TSA; however, the Shipper may not exercise its ROFR for a geographic portion of the TSA.
- (c) Shipper Notice of Intent to Exercise.
  - (i) For all firm TSAs eligible for the ROFR, Shipper shall provide notice to Transporter in writing of its intent to exercise its ROFR rights.
  - (ii) Notification of the Shipper's intent is due on or before; (i) six Months prior to the expiration date for firm TSAs of three years or less and (ii) 12 Months prior to the expiration date for firm TSAs greater than three years.
  - (iii) A Shipper shall relinquish all rights to the capacity underlying its firm TSA upon termination of the TSA by providing a notice stating that it will not exercise its ROFR rights or by failing to provide notice of its intent to exercise its ROFR rights by the deadline described above.
  - (iv) Transporter and Shipper may agree to revise the terms and conditions of the TSA prior to the Shipper providing its notice of intent to Transporter. However, once the Shipper has provided its notice of intent or the notification period has expired, the TSA may only be revised by following the requirements of this section.
  - (v) If the TSA contains an evergreen provision, the ROFR provisions of this section will not apply until the TSA has reached the end of the evergreen period.



4.9 Right-of-First-Refusal ("ROFR") (continued)

- (d) Solicitation of Bids. If the Shipper provides notice of its intent to exercise ROFR rights, then Transporter shall solicit competing bids for the subject capacity. Transporter shall post on its EBB for 30 Days the terms and conditions of the expiring TSA. Any Party qualified under the capacity release rules of this Tariff may submit a bid for all, or a portion of, the subject capacity during the bid period.
- (e) Existing Shipper's and Right to Match. Within ten Business Days after the close of the bid period, Transporter shall notify the existing Shipper of the best offer or offers received for the expiring capacity. Transporter's evaluation shall be based on one of the capacity release bid evaluation methods listed in Section 9.11(d). Transporter shall identify the method to be used in its solicitation of bids. The term of any competing offer shall not be capped for comparison purposes. Within ten Business Days after such notification by Transporter, the existing Shipper must notify Transporter of its intent to match the best offer(s). If the existing Shipper does not agree to match the best offer(s), then the existing Shipper relinquishes all rights to such capacity. Transporter may enter into a TSA with the bidder(s) submitting the highest offer(s). However, Transporter shall not be required to enter into a TSA that is at less than Transporter's applicable maximum Tariff rate.
- (f) Continuation if No Firm TSA is Executed. If Transporter does not execute a firm TSA with a competing Shipper on or before the expiration of the existing Shipper's TSA, the existing Shipper shall have the right to continue service at Transporter's maximum applicable Tariff rate for an agreed term between the Parties.
- (g) Evergreen Rights. Transporter and Shipper may mutually agree to an evergreen provision in the TSA that would allow the TSA to go beyond its primary term with the mutual consent of the parties. If the TSA contains an evergreen provision, the ROFR provisions of this section will not apply until the TSA has reached the end of the evergreen period. However, if such Shipper has entered into a firm agreement utilizing off-system capacity contracted for pursuant to Section 4.6 below, it may not elect to extend the term of its agreement beyond the term of Transporter's agreement for such off-system capacity.
- (h) Capacity that is sold on an interim basis up to the commencement date of a prospective firm transportation agreement, pursuant to Section 4.3(f) of the General Terms and Conditions, shall not be eligible for a right of first refusal.
- (i) Transporter and Shipper may mutually agree to the early termination of one or more TSAs in exchange for Shipper's extension of the use of all or part of the underlying capacity under new terms. To the extent that Transporter and Shipper have mutually agreed to this arrangement, Shipper need not participate in an open season for the extension nor must the underlying capacity be posted on Transporter's EBB as unsubscribed, available capacity prior to the extension.

4.9 Right-of-First-Refusal ("ROFR") (continued)

- (j) Prior to the expiration of the term of a TSA, Transporter and Shipper may mutually agree to an extension of the term of the TSA with respect to all or part of the underlying capacity (the exact terms of which are to be negotiated on a case-by-case basis in a not unduly discriminatory manner). To the extent that Transporter and Shipper have mutually agreed to this arrangement, Shipper need not participate in an open season for the extension nor must the underlying capacity be posted on Transporter's EBB as unsubscribed, available capacity prior to the extension. If a TSA has a right-of-first-refusal, the agreement to extend the term must be reached prior to the receipt of an acceptable bid submitted pursuant to Section 4.3 of these General Terms and Conditions.
- (k) When an agreement is subject to a regulatory right of first refusal, contains a contractual right of first refusal, a rollover clause, or an evergreen clause, extension rights apply to each expiring increment of capacity (i.e., on a step-down basis) during the term of the agreement.
- (l) Contractual ROFR. For purposes of this section, Transporter and any Shipper may agree to include a contractual right of first refusal in a TSA, which would allow Shipper to exercise a right of first refusal where the regulatory right would not apply.
  - (i) If a TSA includes Lease Capacity as defined in Section 3.6 of the Rate Schedule and does not otherwise qualify for a regulatory ROFR, such TSA shall not be eligible for a ROFR, unless Transporter and Shipper agree to a conditional contractual ROFR. Such contractual ROFR will be conditioned on the availability of the Lease Capacity and the remaining term of Transporter's underlying agreement for such capacity.

#### 4.10 Creditworthiness

- (a) **Creditworthiness Requirement.** A Shipper wishing to obtain service must first comply with the creditworthiness requirements of this Tariff.
- (b) **Criteria for Creditworthiness Determination**
  - (i) Acceptance of a Shipper's request for service and the continuation of service are contingent upon the Shipper satisfying, on an on-going basis, a credit appraisal by Transporter.
  - (ii) Transporter shall apply consistent evaluation practices to all similarly situated Shippers to determine the Shipper's financial ability to satisfy the payment obligations due to Transporter over the term of the requested service agreement.
  - (iii) A Shipper will be deemed creditworthy if: (i) it's senior unsecured debt securities are rated at least BBB- by Standard & Poor's Corporation ("S&P") or Baa3 by Moody's Investor Service ("Moody's"), (ii) Shipper's short term and long term outlook opinion is Stable or Positive from S&P or Moody's, and (iii) the sum of 12 Months of anticipated charges under a firm or interruptible TSA is less than 10% of Shipper's tangible net worth. In the event Shipper is rated by multiple agencies, the lowest rating shall be used. If the Shipper has multiple TSAs with Transporter, then the total of all such TSAs shall be considered in determining creditworthiness.
  - (iv) If Shipper is not rated by S&P or Moody's but has a parent that can satisfy the requirements of Section 4.10(c), then a Shipper may use its parent's credit rating and financial strength if a guarantee acceptable to Transporter is provided.
- (c) If Shipper is unable to satisfy the requirements of Section 4.10(d), Transporter will perform a creditworthiness review. As a part of this review, Transporter may require, either with the request for service or at any future time as Transporter deems necessary to conduct on-going credit evaluations of Shipper, that the Shipper provide Transporter with additional information to allow Transporter to determine the Shipper's creditworthiness.

If the service under review involves service under an existing TSA, Shipper must provide the additional information within five Business Days of the request for such information. If the service under review involves service under a new TSA, the information must be provided before Shipper's request may be deemed a valid request for service.

4.10 Creditworthiness (continued)

- (d) Transporter may request Shipper provide any or all of the following information:
- (i) a copy of Shipper's audited financial statements for the previous two fiscal year ends certified by the Chief Financial Officer or Chief Accounting Officer of the Shipper (which certificate shall state that such financial statements fairly present the financial condition and results of operations of the Shipper for the period indicated therein) prepared in accordance with generally accepted accounting principles or, for non-U.S.-based Shippers, prepared in accordance with equivalent standards;
  - (ii) a copy of Shipper's financial statements for the most recent period available, which may be unaudited, but if unaudited, must be signed and attested by Shipper's President and Chief Financial Officer as fairly representing the financial position of the company;
  - (iii) Shipper shall provide a bank reference and at least two trade references. The results of reference checks and any credit reports submitted herein must show that Shipper's obligations are being paid on a reasonably prompt basis;
  - (iv) Shipper shall confirm in writing that Shipper is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. Transporter may make an exception for a Shipper who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act if Transporter is adequately assured that the service billing will be paid promptly as a cost of administration under the federal court's jurisdiction;
  - (v) Shipper shall provide a list of owners and/or shareholders of the entity, if privately held.

4.10 Creditworthiness (continued)

- (e) If Shipper is unable to satisfy the requirements of Sections 4.10(b)(iii) and 4.10(c), it must provide and maintain adequate credit assurance satisfactory to Transporter in order to be granted a request for new service or to continue service under an existing TSA. If the service under review involves service under an existing TSA with a Shipper that has failed to demonstrate creditworthiness, the Shipper must bring its account with Transporter current by paying all past due invoice amounts owed to Transporter and provide, within five Business Days, payment in advance of one Month's anticipated charges in order to continue service for the current Month and within 30 calendar Days, the Shipper must provide the next three Months of credit assurance to continue service. Adequate assurance shall include at least one of the following at Shipper's election:
- (i) an irrevocable letter of credit to Transporter, satisfactory to Transporter, verifying the Shipper's creditworthiness;
  - (ii) a deposit in advance for the service under review;
  - (iii) a grant to Transporter of a security interest in collateral found to be satisfactory to Transporter; or
  - (iv) a guarantee acceptable to Transporter, by another person or entity which satisfies credit appraisal.
- Such letter of credit, deposit, security interest or guarantee shall be equal to three Months of the highest estimated reservation and commodity charges to include estimated charges for Natural Gas imbalances during the term of the service agreement. Upon Shipper's establishment of an acceptable credit record pursuant to Sections 4.10(b)(iii) or 4.10(c) or upon expiration of the TSA, Transporter shall return Shipper's letter of credit, deposit, security interest, or guarantee as applicable. If Transporter returns a deposit to Shipper, Transporter shall pay interest to Shipper at rates set pursuant to 18 CFR Section 154.501(d).
- (f) If Shipper is found to be non-creditworthy, Transporter will inform Shipper, in writing upon Shipper's request, of the reasons for the determination.
- (g) If Shipper is unable to demonstrate creditworthiness using any of the methods described above for a request for new service, Transporter may deny the Shipper's request.
- (h) If Shipper is unable to demonstrate creditworthiness using any of the methods described above for service under an existing TSA, Transporter may, without waiving any rights or remedies it may have, terminate service upon 30-Day written notice using the notice procedures of Section 12.6 of the General Terms and Conditions.

#### 4.10 Creditworthiness (continued)

- (i) Transporter may determine in its reasonable discretion that a Shipper that requests new service is not creditworthy to receive such service on the basis that Shipper has outstanding payments due on invoices rendered by Transporter on current or past TSAs and Shipper has defaulted on such payments per the terms of Section 12 of the General Terms and Conditions.
- (j) If a Shipper has multiple TSAs with Transporter and defaults on one TSA, Transporter may deem a default by Shipper on that one TSA as a loss of creditworthiness on any other TSA the Shipper has with Transporter.
- (k) Notwithstanding any other provision of this section, the Initial Shippers identified in the Docket No. CP03-302-000 proceeding or any Shippers succeeding to such capacity shall demonstrate creditworthiness in an amount equal to at least one year of reservation charges under the TSA. The one-year requirement shall remain in effect until the earlier of the termination of the applicable TSA or when Transporter has been reimbursed for the cost of the new facilities.

#### 4.11 Discounting.

- (a) In the event that Transporter agrees to discount its rate to Shipper below Transporter's maximum rate under Transporter's FT, SEDS, IT, SS, and PAL Rate Schedules, the following discount terms may be reflected on the applicable service agreements and will apply without the discount constituting a material deviation from Transporter's Form of Service Agreement; provided, however, that any such discounted rates set forth below shall be between the minimum and maximum rates applicable to the service provided under the applicable rate schedule. Transporter and Shipper may agree that a specified discounted rate will apply under the following conditions:
  - (i) to specified quantities under the TSA or related scheduled overrun transportation;
  - (ii) to specified quantities achieving or not exceeding a certain level (including parked or loaned quantities withdrawn or paid back on the specific dates mutually agreed to by Transporter and Shipper or pursuant to Section 6.2 of Rate Schedule PAL);
  - (iii) in a specified relationship to quantities actually transported;
  - (iv) to specified quantities during specified periods of time or during specified periods of the year;
  - (v) to specified quantities at specific receipt or delivery points or other geographical locations;
  - (vi) to production reserves committed by the Shipper; and/or

4.11 (a) (continued)

- (vii) that a specific discounted rate is based on published index prices for specific receipt and/or delivery points or other agreed-upon published pricing reference points (such discounted rate may be based upon the differential between published prices or arrived at by formula). Any agreement containing such discounted rate shall specify the rate component(s) to be discounted (i.e., reservation charge or usage charge or both) and any formula will provide a reservation rate per unit of contract demand (Maximum Daily Quantity). To the extent the firm reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per dth. Furthermore, such discount shall not change the underlying rate design of the service being provided or include any minimum bill or minimum take provision that would have the effect of guaranteeing revenue.

In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable maximum rate at the time the discount agreement was executed subsequently exceeds the applicable maximum rate or is less than the applicable minimum rate due to a change in Transporter's maximum (minimum) rates so that such rate component must be adjusted downward (upward) to equal the new applicable maximum (minimum) rate, then other rate components may be adjusted upward (downward) to achieve the agreed overall rate, so long as none of the resulting rate components exceed the maximum rate or are less than the minimum rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. Nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable.

4.12 Negotiated Rate Authority

- (a) Authority and Conditions. The rate or rates to be charged for service pursuant to any rate schedule contained in this Tariff may vary in form or level from the maximum-to-minimum ranges set forth on Statement of Rates sheets of this Tariff, provided:
  - (i) Transporter and Shipper have executed a valid TSA agreeing to such negotiated rate(s) or rate formula,
  - (ii) At the time of execution of such TSA or amendment agreeing to the negotiated rate(s) or rate formula, Shipper had access to service pursuant to this Tariff at the rates then set forth on the Statement of Rates sheets or, in the event of initial construction, Shipper had access to service pursuant to this Tariff at recourse rates and an initial recourse rate estimate was provided in good faith, and

4.12 (a) (continued)

- (iii) Prior to commencing service at such negotiated rate(s) or rate formula, Transporter will have filed a tariff sheet advising the Commission of such negotiated rate TSA, stating the exact legal name of Shipper and specifying the rate or rate formula included in such agreement,
- (b) Impact on Capacity Allocation. To the extent the revenue level pursuant to the negotiated rate(s) or rate formula should exceed the maximum rate for such service stated on the Statement of Rates sheets of this Tariff, Shipper paying such rate(s) shall be treated, for capacity-allocation purposes pursuant to Section 6.5, and for purposes of evaluating ROFR bids pursuant to Section 4.9 of these General Terms and Conditions, as if the rate(s) paid had been equal to the maximum rate for such service stated on the Statement of Rates sheets. The highest rate the Shipper must match for ROFR matching purposes is the maximum rate set forth in this Tariff. Any Shipper, existing or new, paying the maximum tariff rate has the same right to capacity as a Shipper willing to pay a higher negotiated rate. If the negotiated rate is higher than the corresponding maximum recourse rate, the negotiated rate cannot be used as the price cap for release capacity pursuant to Section 9 of these General Terms and Conditions.
- (c) Accounting for Costs and Revenues. Transporter will maintain accounting records so that revenues can be tracked to each negotiated rate transaction
- (d) Subject to the limitations set forth below, Transporter may seek to include negotiated rates in a discount-type adjustment to the level of Transporter's recourse rates in general rate changes initiated by Transporter under Section 4 of the Natural Gas Act and rate changes initiated by others under Section 5 of the Natural Gas Act. Transporter may seek to include negotiated rates in such recourse rate adjustment whenever the rate for service is below the posted maximum rate for service under the applicable rate schedule for all or part of the 12-Month base period and/or the nine Month adjustment period for such rate change proceeding. However, if the negotiated rate TSA(s) was/were not in effect during the base period, such discount may still be requested in the recourse rate adjustment when the rate for service under the negotiated rate TSA is projected to be in effect with rates below the otherwise applicable maximum recourse rate as of the end of the 9-Month adjustment period applicable to such rate proceeding.
- (e) A discount adjustment to recourse rates shall only be allowed to the extent that Transporter can meet the standards required of an affiliate discount-type adjustment including requiring that the Transporter shall have the burden of proving that any discount granted is required to meet competition.



#### 4.12 (continued)

- (f) Transporter shall be required to demonstrate that any discount-type adjustment does not have an adverse impact on recourse rate Shippers.
  - (i) Demonstrating that, in the absence of Transporter's entering into such negotiated rate TSA providing for such discount, Transporter would not have been able to contract for such capacity at any higher rate, and that recourse rates would otherwise be as high or higher than recourse rates which result after applying the discount adjustment; or
  - (ii) Making another comparable showing that the negotiated rate discount contributes more fixed costs to the system than could have been achieved without the discount.
- (g) Transporter may also seek to include in a discount-type adjustment negotiated rate TSA that were converted from pre-existing discounted Part 284 agreements to negotiated rate TSAs.
- (h) This provision does not allow Transporter and Shipper to negotiate terms and conditions of service.

#### 4.13 Statutory Regulation

The respective obligations of Transporter and Shipper under the TSA are subject to the laws, orders, rules and regulations of duly constituted authorities having jurisdiction.

#### 4.14 Assignments

- (a) Assignable Parties. A Shipper may assign its TSA to:
  - (i) any person, firm, or corporation acquiring all, or substantially all, of the Natural Gas business of said Party;
  - (ii) a trustee or trustees, individual or corporate, as security for bonds or other obligations or securities; but it may not be otherwise assigned without the consent of the other Party hereto. Whenever any corporation is referred to herein, such reference shall be deemed to include the successors and assignees of such corporation.
- (b) If a Shipper wishes to assign a portion or all of its firm capacity under a TSA to a party not described above, it must do so using the capacity release provisions of this Tariff.

- 4.15 Agents. Shipper must provide written notice to Transporter of the name, and any other pertinent information of another person ("Agent") that has agency authority to act for Shipper pursuant to a TSA, in connection with (1) the operation of pipelines, facilities and wells in connection with a TSA under Transporter's rate schedules, (2) Imbalance Management and Critical Conditions as described in the General Terms and Conditions and/or (3) other matters covered by a TSA. If the Agent has authority under (1) and (2) above, operating notices shall be served on the Agent alone. When using an Agent, the Shipper remains bound by its obligations under a TSA. Further, commitments made by the Agent on behalf of the Shipper are binding on the Shipper as if made by the Shipper. The Shipper must provide prompt written notice of the termination of the agency.
- 4.16 Termination Obligations. Termination of a firm or interruptible TSA, SS Agreement, PAL, or HSP Agreement shall not relieve Shipper or Operator, as applicable, of the obligation to pay money due to Transporter or to correct any volume imbalances. All warranties and indemnities shall survive the termination of the TSA or Agreement.
- 4.17 Regulatory Authority: All services shall be performed pursuant to 18 CFR 284.221 authority, unless Shipper elects service to be performed pursuant to 18 CFR 284.101 (Section 311) authority. In that event, Transporter shall only accept, and Shipper shall only make, nominations for service to be performed pursuant to 18 CFR 284.101 (Section 311) in accordance with the regulations governing the provisions of such service, and after Transporter has received an "on behalf of" letter acceptable to Transporter.
- 4.18 Governing Law: The laws of the State of Colorado shall govern the validity, construction, interpretation and effect of TSAs and of the applicable Tariff provisions. TSAs are subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

## 5. SERVICE CONDITIONS

- 5.1 Transporter shall not be required to perform or continue service on behalf of any Shipper that fails to comply with any and all applicable terms of this Tariff and the terms of Shipper's TSA with Transporter.
- 5.2 Transporter and Shipper acknowledge that the TSA does not prohibit either party from selling or transferring its own facilities; therefore, neither Transporter nor Shipper shall have any obligation to provide services under the TSA that requires the use of any facilities sold or transferred; provided, however, Transporter first shall seek abandonment authorization for any jurisdictional facilities or jurisdictional services and Shipper shall have the right to protest such abandonment as inconsistent with the present or future public convenience and necessity.
- 5.3 Unless otherwise agreed to in writing, Transporter shall only be responsible for the maintenance and operation of its own properties and facilities and shall not be responsible for the maintenance or operation of any other properties or facilities connected in any way with the transportation of Natural Gas.
- 5.4 Transporter shall have the right to interrupt the transportation of Natural Gas when necessary to test, alter, maintain, modify, enlarge or repair any facility or property comprising a part of, or appurtenant to, Transporter's System, or otherwise related to the operation thereof. Transporter shall endeavor to cause a minimum of inconvenience to Shipper and, except in cases of emergency, shall give Shipper advance notice of its intention to so interrupt the transportation of gas and of the expected magnitude of such interruptions.
- 5.5 Venting of Gas. To the extent Transporter is unable to transport unauthorized overrun gas without jeopardizing the safety and integrity of Transporter's operations, such decisions to be solely within the judgment and discretion of Transporter, Transporter shall have the right to vent, without incurring any liability to Shipper, or any third party, such unauthorized overrun gas as it is unable to transport. However, Transporter shall use its best efforts to avoid or minimize such venting.
- 5.6 Transporter shall have no responsibility prior to its acceptance of Natural Gas at the receipt point(s) and after delivery at the delivery point(s), and Shipper shall have sole responsibility for all arrangements necessary for delivery of Natural Gas to Transporter at the receipt point(s) for transportation, and for all arrangements necessary for receipt of Natural Gas for the account of Shipper at the delivery point(s), which arrangements otherwise meet the provisions set forth in these General Terms and Conditions.

## 5.7 Pressure

- (a) Pressure at the receipt point(s). Shipper shall cause the gas to be tendered at the receipt point(s) at a pressure sufficient to enter Transporter's System, provided Shipper shall not, except with the agreement of Transporter, be permitted to tender the gas at any receipt point at a pressure in excess of the maximum pressure specified for the receipt point(s) in Exhibit A of the TSA.
- (b) Pressure at the delivery point(s). Transporter shall tender gas at the delivery point(s) at pressures sufficient to effect delivery into the receiving pipeline facilities against the pressures prevailing from time to time. Transporter, however, shall not be required to deliver gas at a pressure greater than the maximum pressure specified for each delivery point in Exhibit A of the TSA.
- (c) If mutually agreed upon in the TSA, Transporter may make minimum delivery pressure commitments to Shippers on a non-discriminatory basis, provided there is no adverse effect on its system. Transporter will not agree to a minimum delivery pressure that will render it unable to meet existing firm service obligations and, upon request, will provide a written explanation to the Shipper explaining the operational basis for rejecting any request for a minimum delivery pressure.

## 6. NOMINATIONS AND SCHEDULING PROCEDURES

6.1 Nomination Cycles (All times are Central Clock Time.) Except as provided below for certain nominations, Transporter will support the NAESB WGQ Standard 1.3.2 nomination cycles, as modified for the extension of the deadline for nominations to leave control of the nominating party (nomination deadlines) for an additional fifteen minutes. All times are Central Clock Time (CCT) pursuant to NAESB WGQ Standard No. 0.3.17.

All nominations requiring Transporter to coordinate nominations across multiple pipelines shall submit nominations in accordance with NAESB WGQ Standard 1.3.2.

### (a) The Timely Nomination Cycle

On the day prior to gas flow:

- 1:15 p.m. Nominations leave control of the Service Requester (SR);
- 1:30 p.m. Nominations are received by the Transporter (including from Title Transfer Tracking Service Providers (TTTSPs));
- 1:30 p.m. Transporter sends the quick response to the SR;
- 4:30 p.m. Transporter receives completed confirmations from confirming parties;
- 5:00 p.m. SR and point operator receive scheduled quantities from the Transporter.

Scheduled quantities resulting from Timely Nominations should be effective at the start of the next Gas Day. (NAESB WGQ Standard No. 1.3.2(i))

### (b) The Evening Nomination Cycle

On the day prior to gas flow:

- 6:15 p.m. Nominations leave control of the SR;
- 6:30 p.m. Nominations are received by the Transporter (including from TTTSPs);
- 6:30 p.m. Transporter sends the quick response to the SR;
- 8:30 p.m. Transporter receives completed confirmations from confirming parties;
- 9:00 p.m. Transporter provides scheduled quantities to the affected SR and point operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Evening Nominations should be effective at the start of the next Gas Day. (NAESB WGQ Standard No. 1.3.2(ii))

### (c) The Intraday 1 Nomination Cycle

On the current Gas Day:

- 10:15 a.m. Nominations leave control of the SR;
- 10:30 a.m. Nominations are received by the Transporter (including from TTTSPs);
- 10:30 a.m. Transporter sends the quick response to the SR;
- 12:30 p.m. Transporter receives completed confirmations from confirming parties;
- 1:00 p.m. Transporter provides scheduled quantities to the affected SR and point operator, including bumped parties (notice to bumped parties).

6.1 (continued)

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 2:00 p.m. on the current Gas Day. (NAESB WGQ Standard No.1.3.2(iii))

(d) The Intraday 2 Nomination Cycle

On the current Gas Day:

- 2:45 p.m. Nominations leave control of the SR;
- 3:00 p.m. Nominations are received by the Transporter (including from TTTSPs);
- 3:00 p.m. Transporter sends the quick response to the SR;
- 5:00 p.m. Transporter receives completed confirmations from confirming parties;
- 5:30 p.m. Transporter provides scheduled quantities to the affected SR and point operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 6:00 p.m. on the current Gas Day. (NAESB WGQ Standard No. 1.3.2(iv))

(e) The Intraday 3 Nomination Cycle

On the current Gas Day:

- 7:15 p.m. Nominations leave control of the SR;
- 7:30 p.m. Nominations are received by the Transporter (including from TTTSPs);
- 7:30 p.m. Transporter sends the quick response to the SR;
- 9:30 p.m. Transporter receives completed confirmations from confirming parties;
- 10:00 p.m. Transporter provides scheduled quantities to the affected SR and point operator.

Scheduled quantities resulting from Intraday 3 Nominations should be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle. (NAESB WGQ Standard No. 1.3.2(v))

(f) For purposes of NAESB WGQ Standard No. 1.3.2 (ii), (iii), (iv) and (v), the word "provides" shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post (NAESB WGQ Standard 1.3.2(vi)).

(g) Show in Section 1 of Part VI: Illustrations is a representation of NAESB WGQ Standard 1.3.2 in tabular format.

(h) Reserved.

- 6.2 Nomination Procedures. Nominating parties will submit nominations to Transporter in accordance with the procedures and conditions set forth in this section. However, Transporter reserves the right to accept nominations after the deadlines specified in Section 6.1, provided that no Shipper will be disadvantaged by such action.
- (a) All nominations should be considered original nominations and should be replaced to be changed. When a nomination for a date range is received, each Day within that range is considered an original nomination. When a subsequent nomination is received for one or more Days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the Days specified. The Days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only (NAESB WGQ Standard 1.3.7).
  - (b) All nominations should include Shipper defined begin dates and end dates. All nominations excluding intraday nominations should have roll-over options. Specifically, Shippers should have the ability to nominate for several Days, Months, or years, provided the nomination begin and end dates are within the term of Shipper's contract (NAESB WGQ Standard 1.3.5). For the date specified in the nomination, all nominations received by Transporter at or prior to a nomination deadline for that date shall be processed in the next available nomination cycle pursuant to this section.
  - (c) Intraday Nomination Requirements.
    - (i) For services that provide for intraday nominations and scheduling, there is no limitation as to the number of intraday nominations (line items as per NAESB WGQ Standard 1.2.1) which a Shipper may submit at any one standard nomination cycle or in total across all standard nomination cycles (NAESB WGQ Standard 1.3.32).
    - (ii) Intraday nominations are to be submitted in full-Day quantities.
    - (iii) Firm intraday nominations shall be scheduled ahead of previously scheduled interruptible nominations in the Evening, Intraday 1 and Intraday 2 Nomination Cycles. Application of this provision will result in such interruptible nominations being Bumped.
    - (iv) Flow Day Diversion. Subject to the limitations set forth in the applicable rate schedule, during any intraday nomination cycle of the Gas Day a shipper moving gas pursuant to this Tariff may use the Flow Day Diversion process to divert scheduled quantities to a new receipt or delivery point as detailed in this Section 6. Such diversion is limited to the elapsed pro rata scheduled quantities, as applicable.

6.2(c) (continued)

- (A) Flow Day Diversion Options
  - (1) A Shipper may divert scheduled quantities to a new receipt point upstream of a Segment.
  - (2) A Shipper may divert scheduled quantities to a new delivery point downstream of a Segment.
  - (3) Flow Day Diversion is not available for quantities scheduled at off-system locations nominated pursuant to General Terms and Conditions Section 4.6.
  
- (B) Conditions of Flow Day Diversion
  - (1) Shipper shall divert scheduled quantities under the same Transportation Service Agreement as quantities scheduled for the Gas Day.
  - (2) All nominations on a Transportation Service Agreement, including prior-cycle nominations and new intra-day nominations, shall be evaluated against quantities scheduled at a location(s) and on a Segment(s) available in the most recent intraday cycle.
  - (3) At Shipper's option, the Flow Day Diversion nomination may include changes to upstream/downstream transaction information, including package identification and rank.
  - (4) All nominations are evaluated based on the requirements of General Terms and Conditions Section 6.3.
    - (a) To the extent the sum of nominations for a transportation service agreement does not exceed the previously scheduled capacity for that Transportation Service Agreement, at a location or on a Segment, such nominations shall be processed as previously scheduled in the intraday cycle.
    - (b) If the sum of the nominated quantities on a Transportation Service Agreement in an intraday cycle exceeds the previously scheduled capacity at a location or on a Segment, such additional quantities shall be processed as incremental nominations and scheduled pursuant to GT&C Section 6.3.



6.2(c) (continued)

- (v) Transportation Service Providers should provide affected Parties with notification of Intraday Bumps, Operational Flow Orders, and other Critical Notices through the affected Party's choice of Electronic Notice Delivery Mechanism(s) (NAESB WGQ Standard 5.3.34). "Electronic Notice Delivery" is the term used to describe the delivery of notices via Internet E-mail and/or EDI/EDM (NAESB WGQ Standard 5.2.2).
- (vi) Intraday Bump notices should indicate whether daily penalties will apply for the Gas Day for which quantities are reduced (NAESB WGQ Standard 1.3.51).
- (vii) Scheduling of intraday nominations shall be based on the elapsed pro rata scheduled quantities. Elapsed-prorated-scheduled quantity means that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based upon a cumulative uniform Hourly quantity for each nomination period affected (NAESB WGQ Standard 1.2.12).
- (viii) Intraday nominations can be used to request increases or decreases in total flow, changes to receipt points, or changes to delivery points of scheduled gas (NAESB WGQ Standard 1.3.11). However, requests for decrease in flow shall only be accepted to the extent they do not represent a decrease below previous confirmed quantities which would have flowed on the requested Gas Day prior to the nominated decrease, assuming even Hourly flow rates. Intraday nominations do not rollover (i.e. Intraday nominations span one Day only). Intraday nominations may be used to nominate new supply or market (NAESB WGQ Standard 1.3.33).
- (ix) Transporter will re-determine scheduled quantities, pursuant to the scheduling priorities of Section 6.3, at the Evening, Intraday 1, Intraday 2 and Intraday 3 Nomination Cycles when such scheduled quantities are affected by a discount requested by Shipper and granted by Transporter. Such re-determination may cause a discounted firm Shipper that receives a discount after Gas has been scheduled to be Bumped.
- (x) Scheduling of Intraday Nominations. For purposes of determining the portion of any intraday nomination which is to be scheduled when available capacity is not sufficient to schedule all confirmed quantities, all intraday nominations shall first be cumulated with all prior confirmed daily and intraday nominations for that gas Day and compared to Shipper's MDQ. For the intraday nomination being processed, if the cumulated nomination quantity is in excess of MDQ, that portion of the quantity in excess of MDQ and any subsequently processed intraday nomination under that TSA shall be considered as using overrun capacity.

6.2(c) (continued)

- (xi) Scheduling of Pool Nominations. When required by capacity constraints, nominations related to pooling agreement(s) shall be based on the priorities of the Downstream Shipper's service agreement(s). When appropriate, such capacity allocations may supersede the priority ranking provided by the Pooler.
- (d) Nominated Imbalance Quantities. Shippers shall separately nominate makeup and payback quantities to resolve imbalances.
- (e) Overrun Nominations. Overrun quantities should be requested on a separate transaction (NAESB WGQ Standard 1.3.19). However, in the event that such excess quantities are included in other nominations, the excess portion of such nomination will be scheduled pursuant to Section 6.5.
- (f) Responsibility for Nominated Quantities. When submitting nominations, the nominating party/Shipper is responsible for assuring that nominations are made in good faith and that sufficient gas supplies are available at the nominated receipt point(s). Pursuant to the procedures specified above, Transporter will verify nomination information with the Interconnecting Party and will determine the confirmed quantity. Transporter is not responsible for assuring that the confirmed quantities are actually tendered to Transporter at the receipt point(s).
- (g) Accuracy of Nominated Quantities. The nominating party/Shipper is responsible for the accuracy of nomination data. If Transporter determines that the confirming party/Shipper is consistently nominating greater quantities than the capacity of the meter or the party's ability to take such quantities, Transporter will reduce such nominations to the level of the most recent takes at that location.
- (h) Transporter's Obligation to Deliver. For any gas Day, except as provided for no-notice transportation service under Rate Schedule SEDS, Transporter shall not be obligated to deliver any greater quantity than it has confirmed and received. Further, Transporter is not obligated to increase or decrease quantities at any receipt or delivery point which have not been confirmed.
- (i) Pooling Nominations. Except when noted below, all nominations related to Pools are subject to the nomination procedures set forth in GT&C Section 6.2.
  - (i) With respect to nomination procedures, all Pooling nominations will identify the Pool as the delivery point.
  - (ii) With respect to daily and intraday nomination and confirmation schedules, the Pooler is responsible for submission of appropriate Pooling nominations to support confirmation of the Pool.
  - (iii) With respect to nominated imbalance quantities, Poolers may not nominate out of balance, except to resolve existing imbalances.

- 6.3 Scheduling of Receipt and Deliveries. Each Day, Transporter shall schedule the quantities nominated by Shippers in the order described hereinafter. Transporter shall schedule the lesser of the nominated quantity or the confirmed quantity. The following provisions shall not apply to no-notice transportation provided under Rate Schedule SEDS.
- (a) The first quantities scheduled shall be those quantities nominated and confirmed for service under Rate Schedules FT and SEDS utilizing Primary Capacity. If Transporter has insufficient capacity to schedule all nominated quantities as Primary Capacity, Transporter shall schedule pro rata based on contract entitlement at the point at which the capacity limitation occurs.
  - (b) The next quantities scheduled shall be those nominated and confirmed under Rate Schedules FT and SEDS for service involving Flow Path Secondary Capacity. Quantities using Flow Path Secondary Capacity will be scheduled based on the reservation rate being paid, with the highest rate being scheduled first. Shippers paying the same reservation rate shall be scheduled on a pro rata basis based on nominated quantities.
  - (c) The next quantities scheduled shall be those quantities nominated and confirmed for service under Rate Schedules FT and SEDS using Secondary Capacity. Secondary Capacity quantities will be scheduled based on the reservation rate being paid, with quantities at the highest rate being scheduled first. Quantities subject to the same rate shall be scheduled on a pro rata basis based on nominated quantities.
  - (d) The next quantities scheduled shall be those quantities required by Transporter for the operational purchases and sales gas requirements contemplated in Section 29 of the General Terms and Conditions of this Tariff.
  - (e) The next quantities scheduled shall be those quantities nominated and confirmed under Rate Schedule IT. Under this service, a Shipper paying a higher commodity rate than another Shipper shall be scheduled first. Further, within this group, Shippers paying the same commodity rate shall be scheduled pro rata based on nominated quantities.
  - (f) The last quantities scheduled shall be authorized overrun, imbalance quantities under any rate schedule, and quantities nominated and confirmed under Rate Schedule PAL. Quantities not associated with concurrent receipts or deliveries will only be scheduled when supported by Transporter's ability to deliver extra gas from the pipeline system without a concurrent supply or to receive extra gas into the pipeline system without a concurrent delivery.
    - (i) Notwithstanding Section 6.3(e)(ii) below, nominations for withdrawal and payback quantities under Rate Schedules PAL shall be scheduled first before nominations for park and/or loan quantities under Rate Schedules PAL.

6.3(f) (continued)

- (ii) For quantities scheduled within this Section 6.3(f), quantities will be scheduled based on the priority of the TSA or PAL Agreement under which the quantity is being nominated. Quantities nominated under firm TSAs shall be scheduled first in accordance with Section 6.3, as appropriate. Quantities nominated under interruptible TSAs or Rate Schedule PAL Agreements shall be scheduled next with quantities associated with higher commodity rates scheduled before those associated with lower commodity rates. Interruptible and Rate Schedule PAL nominations carrying the same commodity rate shall be scheduled pro rata based on the quantities nominated.

6.4 Confirmation Procedures

- (a) Confirmations issued during each scheduling cycle shall be treated as scheduled quantities at the point of interconnection. If a confirmation from an Interconnecting Party is received after final quantities are scheduled, the resulting imbalance will be carried on the Shipper's TSA unless the Interconnecting Party agrees to accept the scheduled quantities on its operational balancing agreement during the Intraday 3 Nomination Cycle.
- (b) With respect to the confirmation process for intraday nominations, the following provisions apply:
  - (i) Requests for Increases. In the absence of agreement to the contrary, the lesser of the confirmation quantities should be the new confirmed quantity. If there is no response to a request for confirmation or an unsolicited confirmation response, the previously scheduled quantity should be the new confirmed quantity.
  - (ii) Requests for Decreases. In the absence of agreement to the contrary, the lesser of the confirmation quantities should be the new confirmed quantity, but in any event no less than the elapsed-prorated-scheduled quantity. If there is no response to a request for confirmation or an unsolicited confirmation response, the greater of the confirmation quantity or the elapsed-prorated-scheduled quantity should be the new confirmed quantity.

## 6.5 Allocation of Capacity

Where transportation service is interrupted due to capacity limitations, service shall be interrupted pursuant to the following order until the level of scheduled service equals available capacity. Transporter shall provide as much notice as is practicable prior to implementing any interruption of services.

- (a) All overrun quantities on a pro rata basis.
- (b) The next quantities to be interrupted shall be those quantities nominated as imbalance quantities under any rate schedule and Rate Schedule PAL quantities. Such quantities shall be interrupted based on the priority of the TSA under which the quantity is being nominated. Quantities nominated under interruptible TSAs or Rate Schedule PAL Agreements shall be interrupted first with quantities associated with lower commodity rates interrupted before those associated with higher commodity rates. Interruptible and Rate Schedule PAL nominations carrying the same commodity rate shall be allocated pro rata based on the quantities scheduled. Quantities nominated under firm TSAs shall be interrupted next on a pro rata basis based on quantities scheduled.
- (c) The next quantities to be interrupted shall be those quantities nominated as interruptible service. The allocation of capacity will be based on the commodity rate being paid. A service at a lower rate than another service shall be interrupted first. Further within this group, Shippers that are paying the same commodity rate shall be allocated pro rata based on quantities scheduled.
- (d) The next quantities to be interrupted shall be those quantities required by Transporter for the operational purchases and sales gas requirements contemplated in Section 29 of the General Terms and Conditions of this Tariff.
- (e) The next quantities to be interrupted shall be those quantities utilizing Primary, Flow Path Secondary and/or Secondary Capacity (including imbalance payback quantities within firm entitlements). Reductions during the Evening Nomination Cycle will be interrupted using the scheduling priorities in Section 6.5 for firm services. Reductions occurring after the Evening Nomination Cycle will be interrupted pro rata based on contract entitlements at the point at which the capacity limitation occurs. For purposes of this section, contract entitlement involving non-Primary Capacity shall be the quantity scheduled to flow before the interruption of service.

## 6.6 Title Transfer Tracking Service

- (a) Transporter shall provide one or more pools for purposes of facilitating the aggregation and disaggregation of gas received into its system. The process of aggregating and disaggregating gas receipts shall be deemed pooling.
  - (b) At a minimum, Transporter should be responsible for accommodating Title Transfer Tracking ("TTT") services at all points identified by the Transporter as pooling points, where TTT services are requested. In absence of existing pooling points or in addition to existing pooling points where access to TTT activity is not reasonably accessible for supply receipt locations covered by an OBA, Transporter should be responsible for accommodating TTT at no less than one location. (NAESB WGQ Standard 1.3.64)
  - (c) The Title Transfer Tracking services should be supported by means of the nominations, quick responses and scheduled quantities processes. At Transporter's election, the confirmation process may also be utilized with Title Transfer Tracking Service Providers within Transporter's System. (NAESB WGQ Standard 1.3.65)
  - (d) Transporter shall provide service as a Title Transfer Tracking Provider ("TTTSP") at its designated pooling points. Parties wishing to transfer title to other parties using Transporter's TTT services must hold a pooling account with Transporter. Third Party Account Administrators ("3PADS") must hold a pooling account with Transporter and must follow the procedures and requirements for nominations, quick responses and scheduled quantities.
  - (e) Transporter may facilitate TTT service(s) at individual locations where such service(s) is requested.
- 6.7 Protection of Life and Property. Transporter and Shipper shall collaborate in making adjustments to receipt quantities or delivery quantities, if possible, which may be necessary to avoid or forestall injury to life and property.
- 6.8 Liability for Interruption. If service under this Tariff is interrupted consistent with this section, Transporter shall not be liable for damages resulting from the implementation of the procedures described herein, except to the extent that such interruptions of service are shown to be the result of negligence or misfeasance by Transporter.

## 7. RESPONSIBILITY FOR GAS AND PRODUCTS

Responsibility for Gas and Products As between Transporter and Shipper, Transporter shall be deemed to be in control and possession of the Natural Gas from the time it is delivered to Transporter at the receipt point(s) until it is redelivered to Shipper at the delivery point(s), and Shipper shall be deemed to be in control and possession of the Natural Gas at all other times. By tendering gas to Transporter, Shipper warrants that it has title to, or the right to ship, the gas it has delivered.

## 8. OPERATING PROVISIONS

### 8.1 FIRM SERVICE

#### (a) Segmentation of Capacity

- (i) **Applicability.** Any Shipper receiving firm transportation service under Rate Schedule FT or firm nominated transportation service under Rate Schedule SEDS may Segment its capacity pursuant to the provisions and restrictions of this section and Rate Schedule SEDS.
  - (A) Segmentation may be accomplished on a self-implementing basis, by nomination or capacity release.
  - (B) Segmentation may be accomplished on Transporter's System by specifying the desired Segmentation receipt and delivery points. Transporter shall permit such Segmentation if the provisions in Section 8.1(a)(ii) are met, if capacity is available, and if such Segmentation request can be supported without adversely affecting system operations or other firm obligations. Any new receipt or delivery points established by Segmentation will not affect Shipper's entitlements at existing receipt and delivery points except as adjusted by capacity release, and are deemed to be Segmentation receipt and/or delivery points, as appropriate. If the Segmentation involves the release of capacity, then the requirements of Section 9 must be met.
- (ii) **General Prerequisites for Segmentation.** To maintain the integrity and reliability of Transporter's system, the following prerequisites for Segmentation have been established to ensure that Segmentation is supported to the greatest extent possible without detriment to, or degradation of, any Shipper's service.
  - (A) Segmented capacity may not exceed Shipper's MDQ, except as provided below.
  - (B) Segmentation is subject to the availability of capacity and existing contractual obligations at and between the new receipt point(s) and/or delivery point(s) established as a result of Segmentation.
  - (C) The thermal content of gas being received at Segmented points must be no less than the thermal content of gas received at the original receipt point under the Shipper's TSA.



8.1(a)(ii) (Continued)

- (D) Shipper may nominate and tender and Transporter may confirm and receive quantities pursuant to Segmentation transactions which exceed Shipper's MDQ. However, the quantity of capacity usage on any Segment which exceeds Shipper's MDQ shall be considered Overrun Gas and shall be invoiced at the applicable maximum Authorized Overrun Rate.
- (iii) Implementation of Segmentation.
- (A) Segmentation transactions for which the receipt or delivery point lies within Shipper's Primary Receipt-to-Delivery Flow Path are to be scheduled as primary for the portion of the transaction that is within Shipper's Primary Receipt-to-Delivery Flow Path and Flow Path Secondary for the portion of the transaction outside such flow path. However, Shipper may request to acquire primary rights at the receipt and/or delivery point from Transporter, pursuant to Section 8.1(b)(ii).
  - (B) Segmentation transactions entirely outside the Primary Receipt-to-Delivery Flow Path are to be scheduled as Secondary Capacity.
  - (C) Both Releasing and Replacement Shippers may utilize Secondary Capacity. However, the combined nominations of such Shippers on any Segment are limited to the original contractual MDQ. Based on the replacement TSA's MDQ, Secondary Capacity on a Segment shall be allocated on a pro rata basis between the Releasing and Replacement Shippers up to the original contractual MDQ. Capacity utilized above the Secondary Capacity Allocation shall be scheduled and invoiced as authorized overrun.
  - (D) As long as FERC's Order No. 637 policies require it, a firm Shipper (or a Releasing Shipper and a Replacement Shipper participating in a capacity release) may Segment its capacity by simultaneously transporting its full MDQ in a forward haul and its full MDQ in a Backhaul to the same delivery point.
  - (E) Control of Segmentation. Transporter reserves the right at any time to control or restrict Segmentation when, in Transporter's sole discretion, such Segmentation would result in a degradation of service or pose a threat to the sound operation of Transporter's System. Such control or restriction may be necessary to ensure that critically sourced gas is available when and where it is needed during times of normal, as well as critical operations.

8.1(a) (Continued)

- (iv) Shipper, utilizing Segmentation point(s) shall pay the applicable maximum reservation and commodity rates for the portion of Shipper's quantities utilizing Segmentation points, unless Shipper has requested and been granted a discount pursuant to Section 3.2 of Rate Schedule FT, Section 4.6 of Rate Schedule SEDS or Shipper's TSA provides otherwise. In no event shall Shipper be entitled to more transportation service than is provided for under the TSA. Shipper's entitlements at the existing primary receipt or delivery points are not affected by Segmentation.
- (b) Flexible Receipt and Delivery Point(s).
- (i) Designation of primary receipt and delivery points. The receipt and delivery points listed in the TSA shall be the Shipper's primary receipt and delivery points. The total receipt point capacity must equal the total delivery point capacity and must equal the MDQ specified in the TSA.
  - (ii) Revision of Primary Points. A firm Shipper may request a permanent change to the primary receipt and delivery point(s) listed in the TSA. Requests for such changes shall be made in writing no less than five Business Days prior to the Day on which Shipper desires such change to be effective. Transporter shall evaluate all requests for changes as promptly as possible and shall grant such changes if capacity is available and the change can be made without adversely affecting system operations or other firm obligations at the new or existing Primary Point(s). For permanent changes to primary receipt and delivery point(s) listed in a Rate Schedule SEDS TSA, Transporter shall grant such changes only if Transporter also has all the required available capacity including Lease Capacity available to support the requested changes, and the proposed receipt and/or delivery point otherwise met the requirements of the service. Any changes in receipt and/or delivery point(s) shall result in a corresponding one-for-one reduction in quantities at the original receipt and/or delivery point(s). Shipper retains no rights to the reduced original points. Transporter may sell such reduced capacity to other Shippers requesting the capacity.
  - (iii) Through the nomination process, Shipper may request transportation service at Secondary Point(s) outside of the Primary Receipt-to-Delivery Flow Path. The Secondary Point(s) may be any receipt and/or delivery point(s). The total quantity of gas transported on behalf of Shipper shall not exceed Shipper's MDQ, unless otherwise agreed to by Transporter.
  - (iv) Discounted Transportation Rates. Unless otherwise agreed by Transporter, pursuant to Section 3.2 of Rate Schedule FT or Section 4.6 of Rate Schedule SEDS, Shipper shall pay the maximum firm transportation charges for service requested at Secondary Points or at revised primary receipt or delivery points.

## 8.2 Interruptible Service

Obtaining Interruptible Service. After receiving a valid request for interruptible service, Transporter will evaluate Shipper's request and respond to Shipper within five Business Days. Once the request has been evaluated and approved, Transporter will prepare and tender to Shipper, electronically or in writing, an agreement for execution.

## 9. CAPACITY RELEASE PROGRAM

- 9.1 Purpose. This section sets forth the specific terms and conditions applicable to Transporter's capacity release program. Unless otherwise stated in this Section 9, all times are Central Clock Time (CCT) pursuant to NAESB WGQ Standard No. 0.3.17.
- 9.2 Applicability. This section is applicable to any Releasing Shipper(s) or any Replacement Shipper(s) who elect to release all or a portion of its firm capacity under Rate Schedules FT and SEDS. Releasing Shipper(s) shall have the right to release, on a permanent or temporary basis, any portion of its firm capacity rights held under a TSA with Transporter, but only to the extent that the capacity so released is acquired by another Shipper pursuant to this section.
- 9.3 Availability of Released Capacity. Released capacity shall be made available on a non-discriminatory basis and shall be assigned on the basis of an open season or prearrangement in accordance with the procedures of this section and, where appropriate, the applicable NAESB WGQ Standards.
- 9.4 Qualification for Participation in the Capacity Release Program. Any party, whether seeking to acquire capacity under bid or a prearranged release, must be pre-qualified by Transporter prior to submitting a bid for released capacity. To be pre-qualified, a Shipper must satisfy the creditworthiness requirements of this Tariff. Notwithstanding such qualification to participate in the capacity release program, Transporter does not guarantee the payment of any outstanding amounts by a Replacement Shipper.
- 9.5 (a) Releases Assigned On the Basis of An Open Season. A Shipper electing to release capacity on the basis of an open season must post notice of release on Transporter's EBB pursuant to Section 9.7 hereof. Such notice shall be posted upon receipt unless Releasing Shipper requests otherwise.
- (b) The capacity release timeline (NAESB WGQ Timeline) applies to all parties involved in the capacity release process provided that 1) all information provided by the parties to the transaction is valid and the acquiring Shipper has been determined to be credit worthy before the capacity release bid is tendered, 2) for index-based capacity release transactions, the Releasing Shipper has provided the Transportation Service Provider (TSP) with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and 3) there are no special terms or conditions of the release. Further, the TSP may complete the capacity release process on a different timeline if the offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by the Transportation Service Provider. (NAESB WGQ Standard No. 5.3.1) Furthermore, the release must comply with the Bid Evaluation Methods described in Sections 9.11(d)(i) through (iii), hereof (Note 1):

9.5 (b) (continued)

NAESB WGQ Standard 5.3.2:

For biddable releases (one (1) year or less):

- (i) Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- (ii) Open season ends at 10:00 a.m. on the same or a subsequent Business Day (evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken).
- (iii) If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- (iv) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 p.m. Noon.
- (v) The contract is issued within one Hour of the award posting (with a new contract number, when applicable); nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

For biddable releases (more than one (1) year):

- (vi) Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- (vii) Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- (viii) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken.
- (ix) If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- (x) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.
- (xi) The contract is issued within one Hour of the award posting (with a new contract number, when applicable); nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

9.5 (b) (continued)

For non-biddable releases:

(xii) The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:

- Timely Cycle 12:00 Noon
- Evening Cycle 5:00 p.m.
- Intraday 1 Cycle 9:00 a.m.
- Intraday 2 Cycle 1:30 p.m.
- Intraday 3 Cycle 6:00 p.m.

(xiii) The contract is issued within one Hour of the award posting (with a new contract number, when applicable); nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

NOTE: (1) Posting of Notices of Release (either under an open season or a prearranged release) is subject to review by Transporter for accuracy, completeness, and validity before being posted.

9.6 Prearranged Releases. Shipper electing to release capacity on the basis of a prearranged release must post notice on Transporter's EBB pursuant to Section 9.8 herein.

- (a) No open season is required for a prearranged release which meets all of the terms of the release and is:
- (i) a release for more than one Year at the maximum reservation rate under the applicable Tariff rate schedule;
  - (ii) a release for any period of thirty-one Days or less;
  - (iii) a release to an asset manager as defined by FERC regulations at 18 C.F.R. 284.8; or
  - (iv) a release to a marketer participating in a state-regulated retail access program as defined by FERC regulations at 18 C.F.R. 284.8. All other prearranged releases shall be subject to an open season requirement contained in Section 9.5 hereof.
- (b) A Releasing Shipper may not re-release capacity that is a rollover or extension of a release of thirty-one Days or less to the same Replacement Shipper until twenty-eight (28) Days after the first release period has ended. The 28-Day hiatus does not apply to any re-release to the same Replacement Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding in this Section 9.6.

- 9.6 (continued)
- (c) A Shipper electing to release capacity on a prearranged basis not subject to an open season must post the notice of release on Transporter's EBB pursuant to the timeline for non-biddable releases in Sections 9.5(b)(xii) - (xv).
- 9.7 Notice by Shipper Electing to Release Capacity On An Open Season Basis. Any Shipper holding capacity rights subject to this Section 9 who desires to release such firm capacity on an Open Season Basis shall deliver notice via Transporter's EBB which shall contain the following:
- (a) Releasing Shipper's legal name, contract number, and the name of the individual responsible for authorizing the release of capacity;
  - (b) The maximum and minimum quantity of firm daily capacity which the Releasing Shipper desires to release, stated in Dth per Day;
  - (c) the receipt and delivery point(s) at which the Releasing Shipper will release capacity and the firm capacity to be released at each such point;
  - (d) whether capacity will be released on a recallable or a recallable and reputtable (returned to the Replacement Shipper) basis (subject to minimum terms and conditions in Section 9.12). Recall and reput terms must be objectively stated, nondiscriminatory, and applicable to all bidders. The Transportation Service Provider should support the ability for the Releasing Shipper to specify, as a condition of a release, whether the Releasing Shipper's recall notification must be provided exclusively on a Business Day (NAESB WGQ Standard 5.3.51).
  - (e) the requested effective date and the term of the release (minimum term of release is one Day);
  - (f) whether the Releasing Shipper is willing to consider release for a shorter time period than that specified in (e) above, and, if so, the minimum acceptable period of release;
  - (g) whether the Releasing Shipper desires bids for the released capacity to be stated in a dollar amount per Dth, as a percentage of Transporter's maximum Reservation Rate as in effect from time to time; or an index-based formula under one of the methods listed below, in conformance with NAESB WGQ Standard 5.3.26, Releasing Shipper has choice to specify dollars and cents or percent of maximum Tariff rate in the denomination of bids and Transporter shall support this choice. Once the choice is made by the Releasing Shipper, the bids should comport with the choice. The methods available for an index-based formula are:
    - (i) a percentage of the formula,
    - (ii) a dollars and cents differential from the formula, or
    - (iii) a dollars and cents differential from the Rate Floor;

9.7 (continued)

- (h) whether the Releasing Shipper desires to release capacity on a volumetric Reservation Rate Basis, and, if so, the minimum acceptable rate and, if applicable, any minimum volumetric load factor commitment-, or as an index-based formula.. (Capacity releases made on a volumetric rate basis cannot be re-released by the Replacement Shipper);
- (i) the applicable maximum reservation rate for capacity being released as shown on Transporter's Statement of Rates or as an index-based formula;
- (j) if Releasing Shipper is willing to consider releasing capacity at less than maximum reservation rate stated in (i) above, and if so, the minimum reservation rate Releasing Shipper is willing to accept;
- (k) Reserved.
- (l) whether the Releasing Shipper wants Transporter to market the capacity in accordance with Section 9.17 hereof;
- (m) for releases posted to comply with the NAESB WGQ Timeline as shown in Section 9.5(b) hereof, the Releasing Shipper shall select one of the following bid evaluation methods which are described more fully in Section 9.11(d):
  - (i) Present Value
  - (ii) Highest Rate
  - (iii) Net Revenue
- (n) In lieu of the methods described in Section 9.7(m) above, the Releasing Shipper may provide its own nondiscriminatory bid evaluation criteria; except that Transporter will not accept first bidder meeting minimum acceptable terms of the release as a valid bid evaluation method.
- (o) The time and date the notice is to be posted on Transporter's EBB. Release notice will be posted upon receipt unless otherwise requested by Releasing Shipper (open season dates will be posted by Transporter based on the requirements of Section 9.5 of this Tariff or by the Releasing Shipper, if Releasing Shipper requests a longer open season or an earlier posting than is required in Section 9.5). After the open season has commenced, a Releasing Shipper cannot specify the extension of an open season bid period without posting a new release;
- (p) whether the Releasing Shipper is willing to accept contingent bids;
- (q) Releasing Shipper shall elect one of the following:
  - (i) establish minimum terms of the release and display them on the electronic bulletin board; or



- 9.7 (continued)
- (ii) establish minimum terms of the release and keep such terms confidential (i.e., not post them on the electronic bulletin board) but Bidding Shippers will be informed on the EBB that minimums have been established;
  - (iii) establish no minimum terms; Releasing Shipper will accept highest bid received for the release.
  - (iv) any other applicable conditions of the release.
- (r) any other applicable conditions of the release.
- 9.8 Notice by Shipper Electing to Release Capacity on Prearranged Release Basis and Confirmation of Bid by Prearranged Shipper. The Releasing Shipper shall deliver a notice of a prearranged release via Transporter's electronic bulletin board. Likewise, the Prearranged Shipper must confirm its bid electronically on the EBB. The EBB notice shall set forth the following information
- (a) all the items contained in Section 9.7 hereof required to define a prearranged release;
  - (b) Prearranged Shipper's legal name, address, and the name of the individual responsible for authorizing the bid for the prearranged release;
  - (c) the term of the proposed acquisition of capacity by Prearranged Shipper (minimum term of any release is one Day);
  - (d) the reservation rate, expressed as a daily rate (dollars and cents) or percentage of the maximum reservation rate, or as an index-based formula, as specified by Releasing Shipper, the Prearranged Shipper has agreed to pay for the released capacity and any minimum volumetric load factor, if applicable. In conformance with NAESB WGQ Standard 5.3.26, Releasing Shipper has the choice to specify dollars and cents or percent of maximum Tariff rate in the denomination of bids and Transporter shall support this. Once the choice is made by the Releasing Shipper, the bids should comport with the choice. If capacity is released on a volumetric Rate basis, it cannot be re-released by the Replacement Shipper.
  - (e) the maximum and minimum quantity of firm daily capacity which the Releasing Shipper desires to release, stated in Dth per Day;
  - (f) whether or not the Prearranged Shipper is an affiliate of the Releasing Shipper or Transporter;
  - (g) whether or not the Prearranged Shipper is an asset manager or a marketer participating in a state-regulated retail access program, as defined by FERC regulations at 18 C.F.R. 284.8;

9.8 (continued)

- (h) the time and date the notice is to be posted on Transporter's EBB. Release notice will be posted upon receipt unless otherwise requested by Releasing Shipper (open season dates will be posted by Transporter based on the requirements of Section 9.5 of this Tariff, if applicable, or by Releasing Shipper, if Releasing Shipper requests a longer open season than the minimum required in Section 9.5 herein).

Releasing Shipper cannot allow extension of time provided for the Prearranged Shipper to match a higher bid (matching period as described in the timeline in Section 9.5 hereof) without posting a new release;

- (i) any other applicable conditions of the prearranged release.

9.9 Term of Released Capacity. The term of any release of firm capacity shall not exceed the term of the TSA or Replacement Capacity Agreement under which the release occurs, nor shall it be less than one Day.

9.10 Bids for Released Capacity Subject to Open Season. A bid may be submitted to Transporter by a Bidding Shipper at any time during the open season via Transporter's EBB.

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

- (i) Bidding Shipper's legal name and the name of the individual responsible for authorizing the bid;
- (ii) the term of the proposed acquisition;
- (iii) the maximum reservation rate, expressed as a daily rate (dollars and cents) or percentage of the maximum reservation rate, as appropriate, or maximum volumetric rate, or the maximum dollars differential or percentage of an index-based formula Bidding Shipper is willing to pay for the released capacity;
- (iv) the capacity desired at primary receipt and delivery points;
- (v) for Segmented capacity release requests, the prerequisites and requirements of Section 8.1(a) must be met.
- (vi) whether or not the Bidding Shipper is an affiliate of the Releasing Shipper or Transporter;

- 9.10 (a) (continued)
- (vii) for prearranged releases, whether or not the Bidding Shipper is an asset manager or a marketer participating in a state-regulated retail access program, as defined by FERC regulations at 18 C.F.R. 284.8;
  - (viii) any other information requested in the notice of release posted on Transporter's EBB;
  - (ix) whether or not the Bidding Shipper will meet all other terms of release (if there are any); and
  - (x) the time and date the bid was submitted to Transporter for posting on Transporter's EBB.
- (b) All valid and complete bid(s) received by Transporter during the open season as detailed in Section 9.5 hereof shall be posted on Transporter's EBB. The identity of the Bidding Shipper(s) will not be posted, but all other terms of the bid(s) will be posted on Transporter's EBB.
- (c) Except as stated in this Section 9.10(c), a Bidding Shipper may not bid a reservation rate less than the minimum reservation rate nor more than the maximum reservation rate applicable to the appropriate rate schedule nor may the capacity or the term of the release of such bid exceed the maximum quantity or term specified by the Releasing Shipper. No maximum rate limitation applies to a release of capacity, including an index-based release, for a period of one year or less if the release is to take effect on or before one year from the date on which Transporter is notified of the release.
- (d) A Bidding Shipper may withdraw its bid any time prior to the expiration of the open season but may not resubmit a bid for the same release at an equal or lower rate. Bids may be withdrawn in writing, interactively via the EBB .
- (e) A Bidding Shipper may only have one bid pending for a capacity release transaction at any one time.
- (f) All bids pending at the expiration of the open season shall be binding upon the Bidding Shipper(s). Further, the Bidding Shipper(s) agrees that its bid will constitute a binding agreement if the Bidding Shipper is awarded the released capacity pursuant to this Section 9.
- (g) Bids shall be binding until notice of withdrawal is received by Transporter on its Customer Activities Web site (NAESB WGQ Standard 5.3.13).

9.11 Awarding of Released Capacity. Released capacity shall be awarded in accordance with this section.

- (a) If a Bidding Shipper's bid satisfies all terms and conditions specified in the Releasing Shipper's notice, including the posted reservation rate, then the capacity shall be awarded to such Bidding Shipper, and the Releasing Shipper shall not be permitted to reject such bid. If such bid was submitted in an open season relating to a prearranged release, capacity shall be awarded as described in Section 9.11(h) hereof.
- (b) Offers shall be binding until notice of withdrawal is received by Transporter on its Customer Activities Web site (NAESB WGQ Standard 5.3.14). Releasing Shipper(s) may withdraw their offer of release any time prior to the start of the open season, or during the open season in the event of an unexpected change in Releasing Shipper's need for the capacity being released provided, however, that the Releasing Shipper may not withdraw its offer of release, if bids have been received that meet the minimum terms of the release. The Releasing Shipper may withdraw its offer to release capacity via the EBB. In summary, the Releasing Shipper has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no minimum bid has been made (NAESB WGQ Standard 5.3.16).
- (c) If more than one bid is received that is equal to or exceeds all the minimum terms and conditions specified in the Releasing Shipper's notice, then the Replacement Shipper(s) shall be the Bidding Shipper(s) who offer(s) the highest bid, based on the bid evaluation methods as posted by the Releasing Shipper in its notice of release. Transporter shall evaluate and rank all bids submitted during the open season. If Bidding Shipper has made a bid based on a contingency and such contingency has not been removed by the date and time specified pursuant to the timeline as described in Section 9.5 hereof, such bid shall be deemed withdrawn. If bids from two or more Bidding Shippers result in bids of equal value, then the capacity shall be awarded pursuant to Section 9.11(g) hereof.

9.11 (continued)

- (d) Bid Evaluation Methods. All bids received will be evaluated pursuant to one of the following methods:
- (i) Present Value Calculation. Releasing Shipper may elect to have all bids evaluated and ranked pursuant to a Present Value Calculation, as follows:

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

where:  $i$  = interest rate per Month using one-twelfth (1/12<sup>th</sup>) of the current FERC annual interest rate defined in Section 154.501(d)(1) of FERC's Regulations.  
 $n$  = term of the release, in Months  
 $R$  = the Reservation Charge(s) and Reservation Surcharge(s) bid  
 $V$  = volume stated in dth

- (ii) Highest Rate. Releasing Shipper may elect to have bids evaluated on the basis of the highest reservation rate bid;
- (iii) Net Revenue. Releasing Shipper may elect to have bids evaluated on the basis of the total reservation rate-based revenues received over the term of the release;
- (iv) Other Method. Releasing Shipper may at the time of posting of the notice of release specify how bids are to be evaluated to determine which offer is the best. The criteria must be objectively stated, applicable to all potential bidders, and nondiscriminatory. The criteria can contain provisions that allow for weighting of factors such as quantity, term, and rate; however, Transporter will not accept first bidder meeting minimum acceptable terms of the release as a valid bid evaluation methodology. If bid evaluation criteria are provided by the Releasing Shipper, the evaluation period specified in Section 9.5(b) shall be extended by one Business Day.
- (e) For index-based capacity release transactions, the Releasing Shipper should provide the necessary information and instructions to support the chosen methodology. If the Releasing Shipper specifies an index-based formula in its capacity release offer, the bid rate (R) used in the bid evaluation options of this Section 9.11 will be based on: 1) the dollars and cents differential or percentage of the Rate Default, or 2) the dollars and cents differential of the Rate Floor, as applicable.

9.11 (continued)

- (f) If bid evaluation criteria are provided by the Releasing Shipper, Transporter shall, for each bid received, calculate the total value of each bid received at the end of the open season based on the nondiscriminatory criteria provided by the Releasing Shipper. The results of this calculation shall determine each bid's total value. The bids will then be ranked by Transporter in order from the highest to the lowest total value.
- (g) For bids evaluated using any of the first three methods (Sections 9.11(d)(i) through (iii), above), Transporter shall notify the Releasing Shipper and successful bidder no later than 5:00 p.m. CCT on the Business Day before nominations are due (as specified in Section 9.5, hereof) and the capacity shall be awarded to the successful Bidding Shipper(s) (i.e., the Replacement Shipper(s)).
- (h) If bids from two or more Bidding Shippers result in bids of the highest equal value, the first bid received of highest equal value will be awarded the capacity. When Transporter makes awards of capacity for which there have been multiple bids meeting minimum conditions, Transporter shall award the bids, best bid first, until all offered capacity is awarded (NAESB WGQ Standard 5.3.4).
- (i) With respect to a prearranged release, if no better offer (as determined above) is received during an open season or the prearranged offer is for the applicable maximum reservation rate under the applicable rate schedule for a term of more than one year and meets all the other terms of the release, then the Prearranged Shipper shall become the Replacement Shipper for the released capacity. If a better offer is received during the open season, the Prearranged Shipper shall have the time specified in Section 9.5 hereof to match that offer. If the Prearranged Shipper fails to match the better offer, then the Bidding Shipper who presented the better offer, as determined above, shall become the Replacement Shipper.
- (j) A Releasing Shipper shall retain all of the capacity under the executed TSA or Replacement Capacity Agreement that is not acquired by a Replacement Shipper as the result of an open season or a prearranged release.
- (k) If no bids are received which meet or exceed all of the minimum conditions specified by the Releasing Shipper, no capacity shall be awarded.

9.12 Recalls and Reput of Capacity. If capacity is released subject to recall pursuant to Section 9.7(d), in addition to such other terms not inconsistent with this section as are agreed to by the Releasing Shipper and the Replacement Shipper, recall of such capacity shall be subject to the following terms and conditions:

(a) All Transportation Service Providers ("TSPs") should support the following recall notification periods for all released capacity subject to recall rights: (NAESB WGQ Standard 5.3.44)

(i) Timely Recall Notification:

(A) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 8:00 a.m. on the Day that Timely Nominations are due;

(B) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the Day that Timely Nominations are due;

(ii) Early Evening Recall Notification:

(A) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 3:00 p.m. on the Day that Evening Nominations are due;

(B) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the Day that Evening Nominations are due;

(iii) Evening Recall Notification

(A) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 5:00 p.m. on the Day that Evening Nominations are due;

(B) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the Day that Evening Nominations are due;

9.12 (a) (continued)

(iv) Intraday 1 Recall Notification:

- (A) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 7:00 a.m. on the Day that Intraday 1 Nominations are due;
- (B) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the Day that Intraday 1 Nominations are due; and

(v) Intraday 2 Recall Notification:

- (A) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 12:00 p.m. on the Day that Intraday 2 Nominations are due;
- (B) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 1:00 p.m. on the Day that Intraday 2 Nominations are due.

(vi) Intraday 3 Recall Notification:

- (A) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due;
- (B) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.

- (b) For recall notification provided to the Transportation Service Provider ("TSP") prior to the recall notification deadline specified in NAESB WGQ Standard No. 5.3.44 and received between 7:00 a.m. and 5:00 p.m., the TSP should provide notification to all affected Replacement Shippers no later than one Hour after receipt of such recall notification.

For recall notification provided to the TSP after 5:00 p.m. and prior to 7:00 a.m., the TSP should provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification. (NAESB WGQ Standard 5.3.45)

- (c) Releasing Shipper's notice of recall and reput must be submitted using Transporter's on-line capacity release system.



9.12 (continued)

- (d) The recall notice must detail receipt and delivery point(s) and quantities being recalled. The notification shall also state the length of the recall period and the conditions of any reput rights of the Releasing Shipper and reput obligations of the Replacement Shipper as may have been negotiated at the time of the release (see Section 9.7(d), hereof). Unless otherwise agreed to by the Releasing Shipper and the Replacement Shipper, and Transporter is so advised, the Replacement Shipper will regain the capacity at the end of the recall period.
- (e) In the event of an intraday capacity recall, the Transportation Service Provider ("TSP") should determine the allocation of capacity between the Releasing Shipper and the Replacement Shipper(s) based upon the Elapsed Prorata Capacity ("EPC"). Variations to the use of EPC may be necessary to reflect the nature of the TSP's tariff, services and/or operational characteristics. (NAESB WGQ Standard 5.3.56)
- (f) Unless otherwise agreed between Releasing Shipper, Replacement Shipper, and Transporter, the Releasing Shipper must notify Transporter and Replacement Shipper of its intent to reput the capacity back to the Replacement Shipper. The deadline for notifying the Transportation Service Provider of a reput is 8:00 a.m. to allow for timely nominations to flow on the next gas Day (NAESB WGQ Standard 5.3.54).
- (g) In the event of a reput after a recall period, the Releasing Shipper may not reput capacity at point(s) other than those originally released. When capacity is recalled, it may not be reput for the same gas Day (NAESB WGQ Standard 5.3.53). Unless otherwise agreed to in the terms of the release and Transporter is advised of such condition, the Releasing Shipper may permanently retain capacity at certain Primary Points originally released.
- (h) Transporter shall not assess penalties during non-critical periods on transactions related to quantities recalled during an intraday scheduling cycle.

### 9.13 Execution of Agreements or Amendments

- (a) The successful bidder (or successful Prearranged Shipper) for capacity shall become the Replacement Shipper and its bid for capacity or posting of prearranged release pursuant to Sections 9.8 and 9.10 shall be binding. The bid submitted by the Replacement Shipper as supplemented by the posting of the notice of capacity release on Transporter's EBB shall constitute the Replacement Capacity Agreement. The Replacement Shipper(s) will gain rights to nominate firm capacity consistent with the capacity acquired from the Releasing Shipper, and for the term as agreed to by the Releasing Shipper and subject to all other terms of the underlying Agreement and Sections 9.7 and 9.8 herein. The Releasing Shipper(s) will relinquish its firm entitlement rights to nominate consistent with the same terms. Replacement Shipper(s) are not permitted to change Primary Receipt or Delivery Point(s) under the Releasing Shipper's Agreement unless the release is permanent and at maximum rates. Replacement Shippers are, however, allowed to make nominations at Secondary Points subject to the same conditions as the underlying agreements, including paying the maximum applicable reservation rate under the applicable Rate Schedule unless a discount is agreed to by Transporter.
- (b) Where capacity has been released for the entire remaining term of the Releasing Shipper's TSA, the Releasing Shipper may request Transporter to amend its TSA to reflect the release of capacity. The Releasing Shipper shall remain bound by and liable for payment of the reservation charge under the TSA unless the Replacement Shipper is paying the maximum reservation rate for the entire contract term, provided that any requisite consent(s) are obtained from applicable financial institution(s).

9.14 Notice of Completed Transactions. Within 48 Hours after the transaction commences, pursuant to Section 9.11, Transporter shall post a Notice of Completed Transaction on its electronic bulletin board for a minimum period of five Business Days. The notice shall include the following information regarding each transaction:

- (a) the name(s) of the Releasing Shipper and the Replacement Shipper (or Prearranged Shipper);
- (b) term of release;
- (c) reservation rate as bid;
- (d) delivery point(s);
- (e) receipt point(s);
- (f) capacity (Dth);
- (g) present value of winning bid(s), if such method for bid evaluation was utilized;

9.14 (continued)

- (h) whether the capacity is recallable and reputtable and, if so, recall and reput terms; and
- (i) whether or not the Replacement Shipper is an affiliate of the Releasing Shipper or Transporter;
- (j) whether or not the Replacement Shipper is an asset manager or a marketer participating in a state-regulated retail access program, as defined by FERC regulations at 18 C.F.R. 284.8.
- (k) Service may begin on the initial date of the term of the release if nominations are made timely to Transporter and are in accordance with this Tariff.
- (l) Releasing Shipper shall include the tariff reservation rate and all reservation surcharges as a total.

9.15 Effective Date of Release and Acquisition. The effective date of the release by a Releasing Shipper and acquisition by a Replacement Shipper shall be on the date so designated in the Replacement Capacity Agreement (posted term effective date).

9.16 Rates

- (a) The reservation rate(s) for any released firm capacity under Rate Schedule FT or Rate Schedule SEDS shall be the reservation rate(s) bid by the Replacement Shipper. Such reservation rate(s) and reservation surcharge(s) shall not be less than Transporter's minimum or more than Transporter's maximum reservation rate(s) and reservation surcharge(s) under the applicable rate schedule as in effect from time to time, except as noted in Section 9.10(c) of the GT&C.
- (b) Replacement Shipper shall pay the applicable maximum commodity rate in addition to all other applicable charges and surcharge(s) for the service rendered unless otherwise agreed by Transporter. In the event that the Releasing Shipper has agreed to a negotiated rate pursuant to Section 4.12, the Replacement Shipper shall pay the commodity charge(s) applicable to the Releasing Shipper's contract.
- (c) For releases based on a volumetric reservation rate, the minimum and maximum rates shall be computed by converting the reservation rate to a daily rate by multiplying the maximum and minimum reservation rate by 12 Months and dividing that product by 365 Days or 366 Days as appropriate.
- (d) The reservation charge(s) and reservation surcharge(s) for any index-based capacity release shall be determined according to NAESB Standard 5.3.67.

- 9.17 Marketing Fee. A Releasing Shipper may request that Transporter actively market the capacity to be released. In such event, the Releasing Shipper and Transporter shall negotiate the terms of the marketing service to be provided by Transporter and the marketing fee to be charged therefore.
- 9.18 Billing. Transporter will bill the Replacement Shipper the reservation charge(s) and any applicable surcharges specified in the Replacement Capacity Agreement, and the Replacement Shipper shall pay these amounts directly to Transporter. The Releasing Shipper shall be billed the reservation charge(s) and any associated surcharges pursuant to its contract, and, concurrently, Transporter will credit said bill by the reservation charge(s) and applicable surcharge(s) due from the Replacement Shipper. The Releasing Shipper shall also be billed a negotiated marketing fee, if applicable, pursuant to the provisions of Section 9.17 herein. A Replacement Shipper who re-releases acquired capacity shall also pay Transporter's marketing fee, if applicable.

Transporter separately maintains gas flows of Releasing and Replacement Shippers and will directly bill the appropriate Shipper for any overrun and imbalance charges, if applicable. Replacement Shipper shall pay the applicable Tariff maximum commodity rate(s) for service rendered unless otherwise agreed by Transporter.

If a Replacement Shipper fails to make payment to Transporter of the reservation charge(s) and any applicable reservation surcharge(s) due as set forth in Section 12, Transporter shall invoice Releasing Shipper the unpaid (1) reservation rates, (2) surcharges to the reservation rate, (3) other reservation-type charges, and (4) interest charges and late fees associated with such amounts. In addition, the Releasing Shipper may terminate the release of capacity to the Replacement Shipper if such Shipper fails to pay all of the amount of any bill for service under the Replacement Agreement when such amount is due.

- 9.19 Compliance by Replacement Shipper. By acquiring released capacity, a Replacement Shipper agrees that it will comply with the terms and conditions of Transporter's certificate of public convenience and necessity authorizing this Capacity Release Program and all applicable Commission orders and regulations. Such Replacement Shipper also agrees to be responsible to Transporter for compliance with all terms and conditions of Transporter's Tariff, as well as the terms and conditions of the Replacement Capacity Agreement.
- 9.20 Obligations of Releasing Shipper. The Releasing Shipper shall continue to be liable and responsible for all reservation charge(s) associated with the released capacity derived from the reservation charge specified in the Releasing Shipper's TSA or Replacement Capacity Agreement. Re-releases by a Replacement Shipper shall not relieve the original or any subsequent Releasing Shipper of its obligations under this section.

- 9.21 Refunds. In the event that the Commission orders refunds of any rates charged by Transporter, Transporter shall provide refunds to Releasing Shippers to the extent that such Shippers have paid a rate in excess of Transporter's just and reasonable, applicable maximum rates. Releasing Shipper will bear the responsibility for providing refunds to the appropriate Replacement Shippers.
- 9.22 Right to Terminate a Temporary Capacity Release
- (a) Using the notice procedures of Section 12.6 of the General Terms and Conditions, Transporter may elect to terminate a Replacement Capacity Agreement upon 30 Days written notice to the Replacement Shipper, and to FERC, under the following conditions.
    - (i) Transporter has or will terminate the Releasing Shipper's service pursuant to (i) the Termination of Service provisions of Section 12.6 the General Terms and Conditions or (ii) the Creditworthiness requirements of Section 4.10 of the General Terms and Conditions; and
    - (ii) The rate stated in the Replacement Capacity Agreement is less than the rate for service under the TSA with the Releasing Shipper.
  - (b) A creditworthy Replacement Shipper may continue an existing Replacement Capacity Agreement by notifying Transporter prior to the end of the 30-Day notice period that it agrees to pay a rate that is the lesser of:
    - (i) the applicable maximum rate; or
    - (ii) the same rate as is in the TSA between Transporter and the Releasing Shipper; or
    - (iii) a mutually agreed upon rate.
- 9.23 Segmented Releases. Shipper may also release capacity using the Segmentation provisions of Section 8.1(a) under the following conditions.
- (a) The Segmented release must be within the Primary Receipt-to-Delivery Flow path.
  - (b) The quantity released does not exceed the MDQ entitlements for that Segment.

9.24 Advertisements. Any person may advertise for the purchase of capacity on Transporter's System on its EBB by submitting the desired advertisement (up to one page) to Transporter. Transporter shall post such advertisement on the Informational Postings portion of its EBB no later than the Business Day following receipt thereof if so requested, so long as the advertisement is not unlawful or inconsistent with Transporter's Tariff. The posted period requested may be for a period of time not to exceed one month. There will be no posting fee for such advertisements seeking to purchase capacity on Transporter's System. A response in and of itself to an advertisement seeking to purchase capacity never constitutes a capacity release. To release capacity, the Shipper holding the capacity rights must utilize the release procedures set forth in Section 9 of these General Terms and Conditions.

## 10. IMBALANCE MANAGEMENT

- 10.1 Rates of Flow. Unless otherwise agreed, at each receipt and delivery point, quantities tendered or caused to be tendered for Shipper's account in any Hour shall not exceed 1/24<sup>th</sup> of daily scheduled quantities at such point. However, Transporter may from time to time, on a non-discriminatory basis, permit reasonable operating variations that do not adversely affect other Shippers or operating conditions. If Transporter is unable to accommodate operating variances without adversely affecting other Shippers or system operations, it may reduce the flow into or out of its System by partially or fully closing the valves at the applicable receipt or delivery points.
- 10.2 Imbalance Management and Operating Tolerances.
- (a) Imbalance. For purposes of this section, "imbalance" shall mean the cumulative difference between receipt quantities less FL&U, and the quantities accepted by Shipper or Shipper's designee at the delivery points, resulting from current Month activity plus any beginning of Month imbalance.
  - (b) Balancing Obligations. Daily and monthly balancing of receipt quantities and the quantities delivered to Shipper shall be Shipper's responsibility. Transporter shall, to the extent practicable, deliver quantities for Shipper's account concurrently with the receipt of receipt quantities. At no time shall Transporter be required to receive quantities for Shipper's account in excess of the quantities Shipper or Shipper's designee will accept at the delivery point(s) on a concurrent basis. Similarly, Transporter shall not be required to make quantities available for delivery in excess of the receipt quantities being tendered by Shipper on a concurrent basis.
  - (c) Operating Tolerances. Shipper and Transporter shall manage the receipts and deliveries so that daily and Monthly imbalances shall be kept as near zero as practicable.
  - (d) Notification. Either Party shall notify the other as soon as practicable when it becomes aware that receipts and deliveries are not in balance. Transporter shall formally notify Shipper of allocated receipts, deliveries, and related imbalances, by way of Transporter's EBB as soon as allocated quantities are available.
  - (e) Third Party Imbalance Management Services. Transporter shall accommodate third-party imbalance management services on a non-discriminatory basis as long as these services comply with applicable NAESB WGQ Standards and do not adversely impact system operations. Criteria for third-party services will include compliance with NAESB WGQ nomination and confirmation time lines, and meeting Transporter credit requirements appropriate for the quantity of Shipper imbalance gas for which such third party may be responsible.

10.2 (continued)

- (f) **Imbalances with Other Parties.** Transporter shall not be responsible for eliminating any imbalances between Shipper and any third party, including imbalances between local distribution companies and/or specific end users. Furthermore, Transporter shall not be obligated to deviate from its standard operating and accounting procedures in order to reduce or eliminate any such imbalances.
- (g) **Balancing Upon Termination.** Upon termination of the TSA, any imbalance shall be eliminated through the procedures set forth in this section.
  - (i) Shipper shall have the first five calendar days of the month following the TSA termination date to resolve the terminated TSA imbalance pursuant to this Section 10.3.
  - (ii) Any remaining imbalance at the end of the five-day period of the month following the TSA termination date will be cashed out to eliminate the remaining balance in accordance with Section 10.4(b).
  - (iii) Cash out of terminated TSA imbalances will not be required if a resolution to the imbalance is mutually agreed to in writing prior to the end of the five-day period of the month following the TSA termination date. Any such written imbalance resolution will be agreed to on a not unduly discriminatory basis and posted on Transporter's EBB.
- (h) **Inactive TSA Imbalances.** An Inactive TSA is defined as any TSA with an imbalance that has remained unchanged for a three consecutive month period. Any such Inactive TSA imbalance quantity will be cashed out in accordance with Section 10.4(b). Transporter will provide notice to the Inactive TSA Shipper 15 days prior to the pending cash out.
- (i) **Locations For Which Electronic Measurement Is Not Available.** When measurement information is not available at a location at the time allocations are performed, quantities will be allocated as nominated. If measurement data is received on or before the fifth Business Day of the Month following flow, daily quantities will be reallocated pursuant to the appropriate Pre-determined Allocation procedure for the location. Measurement data which is received after the fifth Business Day of the Month will be used to retroactively allocate quantities at the location. Imbalances resulting from such retroactive allocations will be reflected for the next Month on the appropriate Shipper TSAs.



### 10.3 Imbalance Adjustments.

- (a) **Imbalance Transfers.** At the end of each Month, Transporter shall, unless otherwise agreed, review each Shipper's TSAs and will transfer imbalances among such TSAs to provide the Shipper with the lowest possible imbalance on all TSAs. Transporter will first transfer imbalances among a Shipper's TSAs under the same rate schedule. Thereafter, Transporter will transfer imbalances among that Shipper's TSAs under all rate schedules. No imbalance under any TSA will be increased as the result of a transfer.
- (b) Upon completion of imbalance transfers, Shipper may elect to trade the remaining imbalance quantity under its TSA in the Imbalance Trade process as described in Sections 10.3(c) and 10.3(d) below.
- (c) **Election for Imbalance Trades.** On or before the ninth Business Day of the Month following the accumulation of an imbalance, a Shipper may notify Transporter of its election to make an imbalance trade. If Transporter does not receive notification, then the imbalance will be cashed out pursuant to the terms of this section.
- (d) **Imbalance Trades.** The term "imbalance trade" shall mean the reallocation of imbalances from one Shipper to another Shipper in order to reduce the imbalances of both Shippers. Transporter shall effect an election to trade imbalances incurred during a Month as posted and verified electronically.
  - (i) A Shipper, acting without the assistance of Transporter, may negotiate an imbalance trade arrangement with another Shipper.
  - (ii) Upon Shipper's designation, Transporter shall post on its EBB the Shipper's availability to trade imbalances. Such posting shall include the imbalance quantity available to be traded, the Shippers' contact name(s) and phone number(s) and any special conditions. Such posting may be made through the seventeenth Business Day of the Month following the Month of gas flow.
  - (iii) Shippers shall negotiate the terms of any trades among themselves.
  - (iv) Shippers trading imbalances must electronically notify Transporter of their trade no later than the seventeenth Business Day of the Month following the Month in which the imbalance to be traded was created.
  - (v) Only trades which have the effect of reducing a Shipper's imbalance quantity under a specific TSA are permitted.
  - (vi) Transporter shall permit trade arrangements at no additional cost to the Shippers.

10.3 (d) (continued)

- (vii) After completion of all trade transactions, Transporter shall apply the traded imbalance quantity to Shipper's TSA imbalance quantity. After all successful imbalance trades have been completed, the remaining imbalance will be cashed out pursuant to Section 10.4.

10.4 Cash Out. All remaining imbalances shall be subject to the following Cash Out provisions.

- (a) Determination of Cash Out Quantities. The term "cash out" shall refer to the valuation of an imbalance at a market-related price pursuant to the requirements of this section. Application of the cash out process will result in a monetary value due to the Shipper or Transporter which upon payment, will result in reduction of the imbalance to zero.
  - (i) Transporter shall determine the imbalance quantity applicable to each TSA through the last Day of the Month.
  - (ii) Shippers shall have the opportunity to reduce the end-of-Month imbalances pursuant to the imbalance trading procedures above. Such reductions, if any, shall determine a final end-of-Month imbalance for each TSA.
  - (iii) Except as provided in Sections 10.2(g) and 10.2(h), Transporter and Shipper shall Cash Out the full imbalance by applying the Cash Out Index Price to the final end-of-Month imbalance if such imbalance exceeds the Monthly threshold quantity. If the end-of-Month imbalance does not exceed the Monthly threshold, such imbalance will be forwarded to the next Month's imbalance calculation, unless the Shipper elects to cash out the imbalance.
  - (iv) The Monthly threshold applicable to a Rate Schedule FT or Rate Schedule SEDS TSA will be calculated by multiplying the MDQ by the number of Days in the applicable Month and 3%. The Monthly threshold applicable to a Rate Schedule IT TSA will be calculated by multiplying the monthly scheduled quantity by 3%.
- (b) Determination of Cash Out Liabilities.
  - (i) Shipper shall not be subject to cash out if the imbalance occurs at an interconnection between Transporter's System and another interstate pipeline, unless Shipper fails to follow the scheduling procedures of Section 6 of the General Terms and Conditions.
  - (ii) Imbalances shall be valued at the reference prices for the Month in which the imbalance was incurred.

10.4 (b) (continued)

- (iii) Cash outs shall be priced in the following manner.
  - (A) For that portion of the imbalance less than the Monthly threshold quantity:

If Shipper owes end-of-Month balances to Transporter, the quantities shall be cashed out at the reference price described in Section 10.4(b)(iv)(D) below.

If Transporter owes end-of-Month balances to Shipper, the quantities shall be cashed out at the reference price described in Section 10.4(b)(iv)(B) below.
  - (B) For that portion of the imbalance exceeding the Monthly threshold quantity:

If Shipper owes end-of-Month balances to Transporter, the quantities shall be cashed out at the highest of the reference prices described in Section 10.4(b)(iv) below.

If Transporter owes end-of-Month balances to Shipper, the quantities shall be cashed out at the lowest of the reference prices described in Section 10.4(b)(iv) below.
- (iv) Each Month, Transporter shall use the reference prices reviewed by the Commission and listed below to determine the Cash Out Index Price. Should any of these publications become temporarily unavailable or to the extent a publication fails to report the applicable prices, Transporter shall substitute information posted in a similar publication. Should any of these publications become permanently unavailable or a reference price no longer be reported, Transporter shall substitute information posted in a similar publication after first filing for Commission approval of the point or publication it wishes to use as a substitute. Changes in the name, format or other method of reporting by the publications in Section 10.4(b)(iv) that do not materially affect the content shall not affect their use hereunder. The Cash Out Index Prices shall be reported on Transporter's EBB no later than 5:00 p.m. CCT on the fifth Business Day of the Month following the production Month.
  - (A) The Cheyenne Hub price reported in Natural Gas Intelligence (“NGI”) Bidweek Survey.
  - (B) The average of the daily Cheyenne Hub prices reported in the NGI Daily Gas Price Index for NAESB Business Days.

- 10.4 (b) (iv) (continued)
- (C) The average of the prices reported in the NGI Bidweek Survey for the following points: ANR SW, NGPL Midcontinent, Panhandle Eastern, Southern Star.
  - (D) The average of the daily prices reported in the NGI Daily Gas Price Index for NAESB Business Days for the following points: ANR SW, NGPL Midcontinent, Panhandle Eastern, Southern Star.
  - (v) Transporter shall pay or credit the account, as appropriate, of Shipper for any cash out amounts due Shipper. Shipper shall pay Transporter for any cash out amounts due Transporter.
  - (vi) Upon payment of the appropriate cash out amounts, the final end-of-Month quantities under the affected TSA will be reduced to zero.
  - (vii) Transporter will not cash out imbalances if: (i) Shipper's action is excused by force majeure, (ii) Transporter has invoked force majeure, or (iii) the imbalances are caused by Transporter or result from Transporter's error. Transporter shall permit any imbalances exempted from cash out under this provision to be made up in-kind or by some other mutually agreeable method.
  - (viii) Within 90 Days, total penalties that are in excess of Transporter's gas costs and administrative costs that are received by Transporter pursuant to the operation of this section, shall be credited to Transporter's firm and interruptible transportation Shippers on a pro rata basis in accordance with the quantities transported for each Shipper.
- 10.5 Determination of Deliveries. At each receipt or delivery point, quantities shall be based upon an allocation procedure. Quantities shall mean quantities nominated by Shipper and scheduled and confirmed by Transporter pursuant to Section 6.4.
- (a) At each receipt and delivery point, Transporter shall reach agreement with the Interconnecting Party as to the Predetermined Allocation Agreement (PDA) to be used.
    - (i) PDAs shall be established using the allocation methodologies and criteria set forth in the NAESB WGQ Standards.
    - (ii) PDAs for each gas Day shall be agreed to prior to gas flow. To the extent possible, changes to PDAs during a calendar Month shall be minimized or avoided.

10.5 (a) (continued)

- (iii) Transporter shall post on its EBB the PDA methodology to be used at each receipt and delivery point.
  - (iv) In the event that less than confirmed nominations are to be allocated, Transporter shall use the ranks provided in the affected nominations to determine Shipper priorities to the extent that use of such rank is not in conflict with other provisions of this Tariff.
  - (v) Transporter shall not be liable for any damages which may directly or indirectly result from Transporter's implementing the allocation procedures set forth in this section, so long as Transporter complies with the provisions of this Section 6 of the General Terms and Conditions.
- (b) Absent agreement to a PDA methodology, quantities at each receipt and delivery point shall be allocated pro rata based on scheduled quantities or based on the OBA provisions of Section 10.6.

10.6 Transporter may enter into Operational Balancing Agreements (OBA) at receipt and delivery points with the Interconnecting Party. An OBA is a contract between Transporter and an interconnected operator which specifies the procedures to manage operating variances at an interconnect (NAESB WGQ Standard 2.2.1). Such OBAs provide for the allocation of scheduled quantities to the Shippers' accounts with any operational variances allocated to the OBA. The form of agreement used by Transporter follows the format of the Model OBA developed by NAESB WGQ. Locations covered by an effective OBA do not require a Predetermined Allocation Agreement.

10.7 Maintenance of System Integrity. Nothing in this section limits Transporter's right to take action that may be required to adjust receipts and deliveries of gas in order to alleviate conditions that threaten the integrity of its system, including maintenance of service to higher-priority Shippers.

## 11. SYSTEM OPERATIONAL PARAMETERS

- 11.1 Operating Plan. An Operating Plan affecting all firm Shippers will be developed to coordinate the requirements and system operations for each Month. The Operating Plan, which includes all scheduled maintenance for each Month, will be the basis for Transporter's operations during such Month to assure system integrity and efficient operation of Transporter's transmission system. All affected Parties will be required to conform their transportation services to the Operating Plan, including responding to any Strained Operating Condition ("SOC") or Critical Operating Condition issued by Transporter. The Operating Plan for the year shall be posted on Transporter's electronic bulletin board at least one Month prior to the beginning of the year and will be updated at least Monthly thereafter.
- 11.2 Critical Condition Procedures
- (a) A Strained Operating Condition ("SOC") may be issued using the notification procedures of Section 6.2(c)(iv) of this Tariff in situations where in Transporter's reasonable judgment general system flexibility, normally available Day to Day, cannot be afforded to Shippers to accommodate minor variations in receipt and delivery quantities from nominated levels. Examples of such operating conditions include (1) when a system outage occurs; (2) when extreme weather conditions develop; (3) when line pack exceeds (above or below) operational tolerances; or (4) when takes on a Shipper's behalf deviate from its scheduled quantities by 5% or more. The issuance of an SOC requests Shippers' voluntary support in correcting over-performance or under-performance. An SOC does not constitute a critical condition for purposes of the Unauthorized Overrun Charge.
  - (b) If the SOC does not improve, Transporter, using its reasonable judgment, may declare a Critical Operating Condition after the SOC has been in effect for at least one intraday scheduling cycle. The Critical Operating Condition will be issued using the notification procedures of Section 6.2(c)(iv) of this Tariff. The Critical Condition will be limited to the smallest area of the system possible so that the fewest number of Shippers are affected.
  - (c) During a Critical Operating Condition period, the Shipper shall adjust receipts or deliveries to a level that varies less than 3% from the scheduled volume for such Day or 100 dth, whichever is larger. If the Shipper continues to under-perform by failing to deliver or take the quantities it scheduled for that flow Day, a Critical Condition Unauthorized Overrun Charge shall be levied by Transporter to the Shipper in the amount shown on the Statement of Rates sheet.

### 11.3 Force Majeure.

- (a) A force majeure event includes without limitation by this recital: acts of God, including fires, explosions, earthquakes or volcanic eruptions, storms, floods, washouts and extreme cold or freezing weather; necessity for compliance with any court order, law, regulation or ordinance promulgated by any governmental authority having jurisdiction, either federal, Indian, state or local, civil or military; acts of a public enemy; wars and civil disturbances; strikes, lockouts or other industrial disturbances; breakage or accident to machinery or lines of pipe; the necessity for testing (as required by governmental authority or as deemed necessary for safe operation by the testing party); inability to obtain necessary materials, supplies, permits, or labor to perform or comply with any obligation or condition of this Tariff; inability to obtain rights of way; and any other causes that are not reasonably in the control of the party claiming suspension.
- (b) A force majeure event shall include shutdowns for purposes of necessary repairs, relocations, or construction of facilities associated with any of the events described in Section 11.2(a) above.
- (c) If because of a force majeure event either Transporter or Shipper is rendered unable, wholly or in part, to perform its obligations under a TSA, and if such party gives notice of such event within a reasonable period of time and provides full particulars of the event in writing or by electronic communication (other than telephone), nonperformance of the party giving such notice shall be excused during the continuance of such event and to the extent its performance is affected by such event. The party claiming force majeure shall use due diligence to remedy its nonperformance with all reasonable dispatch, including the making of provision for such alternate performance as may be economical and practical.
- (d) No force majeure event affecting the performance by Transporter or Shipper shall relieve such party of liability 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. Nor shall such causes or contingencies affecting such performance relieve either party from its obligations to make payments as mutually agreed under the applicable Rate Schedule.

## 12. BILLING AND PAYMENT

### 12.1 Billing

- (a) Billing. On or before the ninth Business Day of each Month Transporter shall provide to Shipper an invoice for the total payment for services rendered to Shipper under the TSA during the preceding Month.
- (b) When Shipper is in control of information required by Transporter to prepare invoices, Shipper shall cause such information to be received by Transporter on or before the fifth Business Day of the Month immediately following the Month to which the information applies. If the information is not received by such deadline, Transporter will make a good faith estimate of the information and proceed with the billing process.
- (c) Invoices shall be deemed rendered when Transporter posts notification on its electronic bulletin board that invoices are final. Shipper may also access their invoice on Transporter's electronic bulletin board or may request to have invoices rendered via U.S. Mail. If the Shipper elects to have invoices rendered via U.S. Mail, then Shipper's invoice shall be deemed rendered when Transporter places such invoice in the U.S. Mail service with sufficient postage for delivery to the person and address designated pursuant to the applicable service agreement.
- (d) Shipper may request a complimentary e-mail notification of posting of the invoice on the electronic bulletin board, provided that it is Shipper's responsibility to maintain current e-mail information with Transporter to ensure delivery.
- (e) Shipper may elect to change its invoice delivery mechanism by notifying Transporter before the end of the Month to be effective for the next billing cycle.

### 12.2 Payment and Late Charge

- (a) Payment. Each Shipper shall pay Transporter in immediately available funds, at the address listed in the Payments, Notices, and Contacts Section of this Tariff, within 10 Days of receipt of the invoice for the preceding Month. Unless otherwise specified, the effective payment due date of an invoice when such due date does not fall upon a Business Day should be the first Business Day following the due date (NAESB WGQ Standard 3.3.25). Any invoice provided by Transporter which is received by Shipper after the ninth Business Day of the Month shall not extend the due date of payment unless Transporter is responsible for such delay.
- (b) Late Charge. Should Shipper fail to pay the entire amount of any invoice when same is due, interest compounded on the unpaid balance shall accrue using the interest rates and procedures specified in Section 154.501(d) of the Commission regulations from the due date of payment to the date of actual payment. In the event a late charge accrues to an amount less than \$10, Transporter will not invoice the late charge amount and such charge shall not be reflected on Shipper's account.



- 12.3 Dispute Procedures. In the event of a bona fide dispute between the parties concerning the billed amount, Transporter shall not terminate transportation service under the notification procedures outlined below when Shipper acts in a timely manner to provide additional information and security for Transporter in accordance with the following procedures.
- (a) Remittance Detail. When Shipper submits payment, it must pay all amounts not in dispute and provide documentation supporting any disputed amounts. If payment differs from the amount invoiced, Shipper shall provide remittance detail with the payment. However, unless Shipper provides documentation specifying otherwise, if either principal or interest are due, any payments thereafter received shall first be applied to the interest due, then to the previously outstanding principal due and, lastly, to the most current principal due, unless the parties mutually agree otherwise.
  - (b) Payment Security. Within 30 Days after the due date of any payment, Shipper must pay the disputed amount in full or provide sufficient security for the disputed amount. If Shipper pays the disputed amount, such amount is subject to return by Transporter, with interest calculated in accordance with Section 12.2(b), if the dispute is resolved in Shipper's favor. If Shipper does not pay the disputed amount, it must furnish good and sufficient surety bond, guaranteeing payment to Transporter of all amounts ultimately found due after resolution of the dispute, including the amount now in dispute plus the estimated interest calculated in accordance with Section 12.2(b) that accrues until resolution of the dispute. This section does not apply to ordinary adjustments of overcharges and undercharges in accordance with Section 12.5.
- 12.4 Corrections. The time period for corrections to invoice or statement data shall be six Months from the date of the initial invoice or statement with a three-Month rebuttal period using the dispute resolution procedures above, excluding government required rate changes. This limitation does not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this limitation. If there is a deliberate omission or misrepresentation of fact, there will be no time limit for correction of the invoice. If there has been a mutual mistake of fact, no corrections shall be made for an invoicing error unless notice of the mistake is given within 24 Months after the mistake is committed.
- 12.5 Adjustment of Overcharge and Undercharge - If it is determined within the time limits specified in Section 12.4 that Shipper has been overcharged or undercharged as a result of an error in billing for which Transporter is solely responsible and Shipper paid such bill, then the following procedures will apply. Unless mutually agreed otherwise, Transporter shall refund within 30 Days of a final determination the amount of any overcharge, with interest calculated pursuant to Section 12.2(b) above. Unless mutually agreed otherwise, Shipper shall pay within 30 Days of a final determination the amount of any undercharge, with interest calculated pursuant to Section 12.2(b) above. Interest shall be calculated from the time such overcharge or undercharge was paid to the date of refund or payment, respectively. This section does not apply to payments subject to a billing dispute in accordance with Section 12.3.

- 12.6 Termination of Service. Without prejudice to any other rights and remedies available to Transporter under the law and the TSA, Transporter shall have the right to terminate transportation service using the following notification procedures if any undisputed amount billed to a defaulting Shipper remains unpaid for more than 30 Days after the due date thereof. If the defaulting Shipper has released a portion of its capacity, then Transporter shall also comply with the requirements of Section 9.22.
- (a) First Notice: On or about 10 Days after the due date of any payment, Transporter shall provide written notice to the defaulting Shipper and to the FERC that service may be terminated in 30 Days unless payment is received;
  - (b) Second Notice: On or about 20 Days after the due date of any payment, Transporter shall provide written notice to the defaulting Shipper and to the FERC, that service may be terminated in 20 Days unless payment is received;
  - (c) Final Notice: On or about 30 Days after the due date of any payment, Transporter shall provide written notice to the defaulting Shipper and to the FERC, that service will be terminated unless payment is received within 10 Days.
  - (d) If a defaulting Shipper's service is terminated under a TSA, such Shipper shall compensate Transporter for any difference between the revenues due Transporter for the remaining contract term under the terminated TSA and the revenues to be received under a replacement TSA, if any, marketed to another Shipper to replace the terminated TSA.

### 13. FUEL GAS AND L&U

- 13.1 Fuel Gas shall consist of compressor station fuel gas and fuel gas for other utility purposes. Lost and Unaccounted for Gas (“L&U”) shall include but is not limited to line losses and other unaccounted-for gas in the operation of Transporter's pipeline system. Fuel Gas and L&U, or referred to collectively as FL&U, shall be furnished in-kind by Shippers at each receipt point on a pro rata basis based on the quantity received.
- 13.2 The Fuel Gas and L&U Percentages shall be stated on the Statement of Rates in Transporter's Tariff, and shall apply to those Rate Schedules requiring assessment of Fuel Gas and/or L&U. Transactions that do not consume Fuel Gas will not be assessed a Fuel Gas charge; however, such transactions will be assessed a charge for L&U as identified in each filing made pursuant to Section 13.3.
- 13.3 The Fuel Gas and L&U Percentages shall be recomputed at least annually. Transporter shall file the annual adjustment filing to propose Fuel Gas and L&U Percentages to become effective April 1 of each calendar year. At its election, Transporter may also submit FL&U adjustment filings more frequently than annually. Such non-annual filings shall be submitted at least 30 Days prior to the proposed effective date of the proposed Fuel Gas and L&U Percentages. The proposed Fuel Gas and L&U Percentages shall become effective on the proposed date after appropriate FERC review and notice. Transporter will provide details of any known and identifiable line loss due to explosion, fire, or other calamity and any related insurance claims in its FL&U adjustment filings.

#### 13.4 Derivation of Fuel Gas and/or L&U Percentages

- (a) The Fuel Gas and /or L&U Percentage(s) shall be derived separately, by dividing: (i) the sum of the Projected Fuel Gas or L&U Requirement(s) and the Fuel Gas or L&U Requirement Adjustment(s) (numerator), by (ii) the projected receipt quantities related to the anticipated transportation service for all Shippers during the upcoming period (denominator).
- (i) The Projected Fuel Gas and/or L&U Requirement(s) shall be the quantity of gas which is the sum of the Fuel Gas and/or L&U projected by Transporter to be required to support the anticipated transportation service for all Shippers under all Rate Schedules during the upcoming period.
- (ii) The Fuel Gas and/or L&U Requirement(s) shall include the Fuel Gas and/or L&U paid by Transporter to Colorado Interstate Gas Company, L.L.C. for compression services at its Cheyenne Plains Jumper Compressor Station.
- (iii) The Fuel Gas and/or L&U Requirement Adjustment(s) shall be the quantity of gas which is the difference between: (i) the actual quantities of FL&U experienced by Transporter during the data collection period; and (ii) the quantities of gas retained by Transporter during the data collection period. Determination of the actual quantities of FL&U experienced during this period shall include an adjustment to eliminate the effect of changes in system line pack, if any.
- (iv) Neither the Fuel Gas nor L&U Percentages shall be less than zero. Should the calculation of the FL&U Percentages result in FL&U Percentages less than zero, the FL&U Percentages shall be adjusted to zero and the quantities that would have reduced the calculation of the FL&U Percentages below zero shall be deferred and applied to the calculation of the FL&U Percentages in a future period. Transporter will submit to the Commission any workpapers supporting the deferral of quantities in updates of the FL&U Percentages submitted pursuant to the provisions of this Section 13.

13.4 (a) (iv) (continued)

(A) To the extent possible, any deferred Fuel Gas quantities shall first be netted against any under-collected quantities of Fuel Gas from the data collection period and any deferred L&U quantities shall be netted against any under-collected L&U quantities from the data collection period. Any over-retained quantities of Fuel Gas during the data collection period and/or any remaining deferred quantities of Fuel Gas that would result in the total Fuel Gas percentage being less than zero percent shall be netted against any under-collection of L&U quantities during the data collection period. Similarly, any over-retained quantities of L&U during the data collection period and/or any remaining deferred quantities of L&U that would result in the total L&U percentage being less than zero percent shall be netted against any under-collection of Fuel Gas during the collection period.

13.5 Cash Out of Fuel Gas and L&U Over-Collected Quantities. Fuel Gas and L&U over-collected quantities, as calculated pursuant to Section 13.4, may be eligible for cash out. Transporter may refund to Shippers, either by payment or invoice credit, the value of any Fuel Gas and/or L&U over-collected quantities which exceed 40,000 dth over a twelve-Month period after netting applicable quantities as provided for in Section 13.4(a)(iv). Should Transporter remit refunds pursuant to this Section 13.5, such refunds shall be calculated using an allocation based on the ratio of a Shipper's Fuel Gas and L&U receipt quantities to the total Fuel Gas and L&U receipt quantities during the same twelve-Month period. Fuel Gas and L&U over-collected quantities will be valued at the price reported on the Natural Gas Intelligence Bidweek Survey for Cheyenne Hub for the appropriate month. Refunds to Shippers will be due no later than 45 Days after the Commission issues an order accepting the applicable FL&U filing.

13.6 FL&U calculations shall be accomplished pursuant to NAESB WGQ standards.

- (a) When the fuel reimbursement method is fuel in-kind, the results of the fuel reimbursement calculations for the nomination process should be rounded to the nearest Dekatherm or Gigajoule (Canada) or Gigacalorie (Mexico). The mathematical effect of rounding can yield a result of zero. (NAESB WGQ Standard No. 1.3.15).
- (b) Where fuel reimbursement is in-kind, the standard fuel calculation mechanism, as this is related to the nomination process, should be  $(1 - \text{fuel \%} / 100)$  multiplied by receipt quantity = delivery quantity (NAESB WGQ Standard No. 1.3.16).
- (c) For in-kind fuel reimbursement methods, Service Providers should not reject a nomination for reasons of rounding differences due to fuel calculation of less than 5 Dth (NAESB WGQ Standard No. 1.3.29).

13.6 (continued)

- (d) The transportation priority for fuel should be the same as the level of service as the transaction to which it applies (NAESB WGQ Standard No. 1.3.31).
- (e) For current in-kind fuel reimbursement procedures, fuel rates should be made effective only at the beginning of the Month (NAESB WGQ Standard No. 1.3.28).

#### 14. PENALTIES

- 14.1 Penalty Provisions. Shipper will only be subject to one penalty for the same type of infraction involving any quantity of gas in conjunction with transportation service under this Tariff.
- 14.2 Unauthorized Overrun Revenue Crediting. The actual unauthorized overrun revenues that are in excess of Transporter's costs associated with an unauthorized overrun event, received by Transporter in any calendar year under a firm or interruptible TSA shall be credited by invoice credit to those firm and interruptible Shippers who did not incur unauthorized overrun charges in the Month for which such revenues were received. Credits to eligible Shippers shall be made on a pro rata basis, based on a Shipper's total reservation and commodity charges paid each Month. Such credit shall be made not later than the March accounting Month statement sent subsequent to the calendar year-end by Transporter. Any revenue collected and retained by Transporter pursuant to this section shall accrue interest calculated pursuant to Section 154.501(d) of the Commission's Regulations.

## 15. REVENUE SHARING MECHANISM

- 15.1 Crediting for Qualifying Shippers. Revenues collected by Transporter under Rate Schedules IT and SS and from short-term firm service (service which is available on a seasonal basis only for terms of less than one year) under Rate Schedule FT (including authorized overruns) during any calendar year shall be subject to the following crediting requirements.
- (a) Transporter shall retain all Rate Schedule IT and SS revenues, all Rate Schedule FT short-term firm revenues, and all authorized overruns collected attributable to:
    - (i) that portion of the applicable Rate Schedules IT, SS, and FT rates (including authorized overruns) representing variable costs; and
    - (ii) any applicable surcharges.
  - (b) In the event Transporter receives interruptible and short-term firm revenues in excess of the cost allocation described in Section 14.2(a) above, Transporter shall credit such revenues in the following manner. The revenues shall be allocated to all Shippers and to Transporter using the percentage provided in the negotiated rate Shippers' TSAs. Then, each Shipper shall be allocated a proportionate share based upon the relationship of the total payments received from the Shipper and the total of all such revenues received by Transporter. Negotiated rate shippers shall be credited revenues as provided for in their TSAs. Non-negotiated rate Shippers will be credited 100% of their allocated share.
  - (c) IT Crediting for Qualifying Shippers. The revenues to be credited, if any, shall be credited to those qualifying Shippers not later than April 15 of each year, or if a credit cannot be applied, a cash refund shall be distributed.



## 16. RESERVATION CHARGE CREDIT

### 16.1 Reservation Charge Credit

- (a) If during force majeure and/or unplanned maintenance events Transporter fails to schedule the nominated and confirmed quantities up to a Shipper's MDQ, Transporter will provide a partial reservation charge adjustment as set forth in Section 16.1(f) for the entire period of force majeure or unplanned maintenance.
- (b) If during planned maintenance events Transporter fails to schedule the nominated and confirmed quantities up to a Shipper's MDQ, Transporter will provide a reservation charge adjustment as described below. The adjustment shall be applicable under the following schedule:
  - (i) No adjustment shall be applicable for Days 1 through 15 of the service failure.
  - (ii) An adjustment shall be applicable for Days 16 through 30 of the service failure as set forth in Section 16.1(e).
  - (iii) A partial adjustment shall be applicable for any Days after the 30th Day of the service failure as set forth in Section 16.1 (f).
- (c) If during periods other than force majeure or maintenance Transporter fails to schedule the nominated and confirmed quantities up to a Shipper's MDQ, Transporter will provide a reservation charge adjustment as described in Section 16.1(e) below.
- (d) No adjustment shall be made with respect to any service nominated at Secondary or Flow Path Secondary receipt or delivery points.
- (e) The reservation charge specified in the TSA, and any related surcharge, will be reduced for any service failures on each Day during the period described in Sections 16.4(ii) and 16(c) by an amount equal to the product of (1) the quantity of gas up to the Shipper's MDQ not scheduled by Transporter times (2) the rate per Dth equal to the quotient of the reservation rate in the TSA divided by the number of applicable Days, rounded to the nearest tenth of a cent.

16.1 (Continued)

- (f) The reservation charge specified in the TSA, and any related surcharge, will be reduced for any service failures on each Day during the period described in Sections 16(a) and 16(b)(iii) by an amount equal to the product of (1) the quantity of gas up to the Shipper's MDQ not scheduled by Transporter times (2) the rate per Dth equal to the quotient of the reservation rate in the TSA divided by the number of applicable Days, rounded to the nearest tenth of a cent times 40% of the maximum recourse rate (representing Transporter's equity return and associated taxes). Reservation charge credits under discounted or negotiated rate TSAs shall be applicable only to that portion of the rate that exceeds 60% (the amounts other than equity return and associated tax portion) of the maximum recourse rate. This percentage will be re-determined whenever the maximum recourse rate changes.
- (g) Any adjustment shall be credited against transportation charges for a future Month or refunded if the TSA has terminated. In no event shall such credit be provided to Shippers later than 90 Days after the Month in which the credit was earned. Such crediting shall be Shipper's sole and exclusive remedy for Transporter's failure as described herein unless damages incurred by Shipper are shown to be the result of gross negligence or willful misconduct by Transporter. If a court makes such a finding, then Transporter shall only be liable for its proportionate amount of negligence.
- (h) No adjustments shall be required if Transporter's failure to schedule gas is due to Shipper's failure to perform in accordance with the terms of the TSA and the Tariff, including, but not limited to, Critical Condition Orders and failure of supply, transportation, and/or market upstream of or downstream from Transporter's pipeline system.

## 17. ANNUAL CHARGE ADJUSTMENT SURCHARGE

### 17.1 Annual Charge Adjustment Surcharge.

- (a) The purpose of this Section is to establish and collect an Annual Charge Adjustment (“ACA”) surcharge which Transporter can recover annual charges assessed to it, as calculated by the Commission, for all transportation rate schedules. Such ACA Surcharge shall be the unit charge shown on the Commission’s website, as revised and posted annually. Such surcharge is incorporated by reference into Transporter’s currently effective FERC Gas Tariff.
- (b) All amounts assessed shall be recorded in FERC Account No. 928. Transporter will not seek to recover the ACA assessed to it pursuant to Part 382 of the Commission's Regulations in an NGA Section 4 rate case.
- (c) The proposed effective date of surcharges pursuant to this section shall be October 1.

## 18. WAIVERS

- 18.1 Penalty Waiver. Transporter may, in exercise of its reasonable discretion, and on a nondiscriminatory basis, waive all or a part of any penalty which might otherwise apply. Transporter shall maintain a record of all waivers granted.
- 18.2 Non-Waiver of Future Default. The failure of either Party hereto at any time to require performance by the other Party of any provision of the agreement shall in no way affect the right of such Party thereafter to enforce the same, nor shall the waiver by either Party of any breach of any provision hereof by the other Party be taken or held to be a waiver by such Party of any succeeding breach of such provision, or as a waiver of the provision itself.
- 18.3 Waivers of Past or Future Defaults.
- (a) Transporter may, from time to time and on a not unduly discriminatory basis, waive any of its rights hereunder and compliance with the provisions of this Tariff. All such waivers shall be limited to past defaults or other past occurrences or case-by-case in advance waivers addressing specific, short-term operational problems.
  - (b) Transporter shall record any such waivers in a log, which shall be posted for public inspection on its website in accordance with Part 358 of the Commission's Regulations.

## 19. DESCRIPTIVE HEADINGS

The descriptive headings of the provisions of the TSA and of these General Terms and Conditions are formulated and used for convenience only and shall not be deemed to affect the meaning or construction of any such provision.

## 20. ELECTRONIC BULLETING BOARD ("EBB")

- 20.1 Transporter's electronic bulletin board ("EBB") is accessed through Transporter's designated Internet site(s). The EBB provides a portfolio of electronic business services to Shippers. The EBB is available on a non-discriminatory basis to any party that has compatible equipment. The EBB may be accessed on the Internet at [www.kindermorgan.com](http://www.kindermorgan.com). Questions about the EBB may be directed to the applicable telephone number provided in the "Points of Contact" section.
- 20.2 Transporter's EBB shall provide a means for a Releasing Shipper to release its firm transportation rights in accordance with Section 9 of this Tariff.
- 20.3 Parties wishing to bid on released capacity shall post their bids through the EBB. Only those parties that have satisfied the creditworthiness requirements of Section 4.10 of this Tariff may submit a bid.
- 20.4 The EBB shall contain information concerning the availability of capacity:
- (a) at receipt points;
  - (b) by pipeline Segment;
  - (c) at delivery points; and
  - (d) whether the capacity is available from Transporter directly or through Transporter's Capacity Release Program set forth in Section 9 of this Tariff.
- 20.5 Notice of Available Firm and Interruptible Capacity. Transporter will post on its EBB the availability of firm and interruptible capacity on a continuous basis, pursuant to Section 284.13(d) of the Commission's regulations.
- 20.6 Transporter may revoke a user's access code if Transporter has good cause to believe that one of the following events has occurred:
- (a) Fraudulent or unauthorized use of the access code.
  - (b) An action resulting in a breach of security such as loss, theft or unauthorized disclosures or use of data contained on the EBB.
  - (c) Conduct that threatens the viable operations of the EBB or wrongly interferes with the business transactions of another party.

- 20.7 EBB access, including historical data, shall be available to state regulatory commissions and state consumer advocates on the same basis as any other party. Transporter shall maintain backup copies of the data contained on its EBB for three years, which may be archived to off-line storage. Parties may access the on-line data directly through the EBB. In the event the data has been archived off-line, parties may request the data through the EBB's electronic mail service. Transporter will provide a computer disk containing archived data for a charge of \$50.00. EBB users shall be allowed to download files so their contents can be reviewed in detail without tying up access to the EBB. Information on the most recent transactions shall be listed before older information. EBB users shall be able to split large files into smaller parts for ease of use. On-line help shall be available to assist the EBB users along with a search function allowing users to locate all information concerning a specific transaction, and menus that permit users to separately access notices of available capacity and standards of conduct information. Notwithstanding this Section 20.7, Transporter shall retain its affiliate waiver log for five years from the date of posting.
- 20.8 Transporter's currently effective Tariff, as revised from time to time, is posted on the EBB. Therefore, Transporter shall provide paper copies of the effective Tariff to Shippers and interested state commissions only when specifically requested.
- 20.9 Shippers desiring to exchange information using Transporter's designated Internet site must first enter into the appropriate trading partner agreement with Transporter.

## 21. AFFILIATE-RELATED INFORMATION

- 21.1 Compliance Plan for Transportation Services. Transporter is an interstate Natural Gas pipeline company that transports Natural Gas for others pursuant to Subparts B and G of Part 284 and may be affiliated with corporations which may have marketing function employees as defined in Section 358 of the Commission's Regulations. This section provides the information and procedures required by 18 C.F.R. Section 250.16(b) and (c).
- 21.2 Shared facilities between Transporter's transmission function employees and the marketing function employees of Transporter's affiliate(s), if any, are posted on Transporter's electronic bulletin board.



## 22. ADVERSE CLAIMS TO NATURAL GAS

- 22.1 Notwithstanding Section 25.1 herein, Shipper agrees to indemnify and hold harmless Transporter, its officers, agents, employees and contractors against any liability, loss or damage whatsoever, including litigation expenses, court costs and attorneys' fees, suffered by Transporter, its officers, agents, employees or contractors, where such liability, loss or damage arises directly or indirectly out of any demand, claim, action, cause of action or suit brought by any person, association or entity, public or private, asserting ownership of or an interest in the Natural Gas tendered for transportation or the proceeds resulting from any sale of that natural gas or any cash out of imbalances. The receipt and delivery of Natural Gas by Transporter under the TSA shall not be construed to affect or change title to the Natural Gas.

### 23. Compliance with 18 CFR, Section 284.12

Transporter has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.2, which are required by the Commission in 18 CFR Section 284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

#### **Standards not Incorporated by Reference and their Location in Tariff:**

Pursuant to NAESB's Copyright Procedure Regarding Member and Purchaser Self-Executing Waiver as adopted by the NAESB Board of Directors on April 4, 2013, Transporter may publish in its tariff, compliance filings, in communications with customers or stakeholders in conducting day to day business or in communications with regulatory agencies some or all of the language contained in NAESB standards protected by copyright, provided that Transporter includes appropriate citations in the submission.

Transporter has elected to reproduce only the following Business Practices and Electronic Communications standards, NAESB WGQ Version 3.2, that are protected by NAESB's copyright. With respect to each reproduced standard (including any minor corrections), Transporter incorporates the following: © 1996 - 2020 North American Energy Standards Board, Inc., all rights reserved.

<u>NAESB Standard</u>	<u>Tariff Record</u>
1.2.1	Part IV: General Terms and Conditions ("GT&C") Section 6.2(c)(i)
1.2.12	GT&C Sections 1.4(c) and 6.2(c)(vii)
1.3.2(i)-(vi)	GT&C Sections 6.1(a) - (f)
1.3.5	GT&C Section 6.2(b)
1.3.7	GT&C Section 6.2(a)
1.3.11	GT&C Section 6.2(c)(viii)
1.3.15	GT&C Section 13.6(a)
1.3.16	GT&C Section 13.6(b)
1.3.17	GT&C Section 6.6
1.3.19	GT&C Section 6.2(e)
1.3.28	GT&C Section 13.5(e)
1.3.29	GT&C Section 13.5(c)
1.3.31	GT&C Section 13.5(d)
1.3.32	GT&C Section 6.2(c)(i)
1.3.33	GT&C Section 6.2(c)(viii)
1.3.39	GT&C Section 1.4(c)
1.3.51	GT&C Section 6.2(c)(vi)
1.3.64	GT&C Section 6.6(b)
1.3.65	GT&C Section 6.6(c)

**Standards not Incorporated by Reference and their Location in Tariff:**

(continued)

2.2.1	GT&C Section 10.6
2.3.7	GT&C Section 2.1
2.3.8	GT&C Section 2.3
2.3.11	GT&C Section 2.1
2.3.12	GT&C Section 2.1
2.3.13	GT&C Section 2.1
2.3.14	GT&C Section 2.2
3.2.1	GT&C Section 1.5
3.3.25	GT&C Section 12.2(a)
5.2.1	GT&C Section 1.8
5.2.2	GT&C Section 6.2(c)(v)
5.3.1	GT&C Section 9.5(b)
5.3.2	GT&C Section 9.5(b)
5.3.4	GT&C Section 9.11(h)
5.3.13	GT&C Section 9.10(g)
5.3.14	GT&C Section 9.11(b)
5.3.16	GT&C Section 9.11(b)
5.3.21	Part II: Statement of Rates ("Statement of Rates") Section 1, Footnote 1
5.3.22	Statement of Rates Section 1, Footnote 1
5.3.23	Statement of Rates Section 1, Footnote 1
5.3.26	GT&C Sections 9.7(g) and 9.8(d)
5.3.34	GT&C Section 6.2(c)(v)
5.3.44	GT&C Sections 9.12(a) and (b)
5.3.45	GT&C Section 9.12(b)
5.3.51	GT&C Section 9.7(d)
5.3.53	GT&C Section 9.12(g)
5.3.54	GT&C Section 9.12(f)
5.3.56	GT&C Section 9.12(e)

**Standards Incorporated by Reference:**

**Additional Standards:**

**General:**

Definition:

0.2.5

Standards:

0.3.1, 0.3.2, 0.3.16, 0.3.17

**Creditworthiness:**

Standards:  
0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.8, 0.3.9, 0.3.10

**Gas/Electric Operational Communications:**

Definitions:  
0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:  
0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

**Operating Capacity and Unsubscribed:**

Standards:  
0.3.18, 0.3.20, 0.3.21, 0.3.22

Data Sets:  
0.4.2, 0.4.3

**Location Data Download**

Standards:  
0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, 0.3.29

Dataset:  
0.4.4

**Storage Information:**

Data Set:  
0.4.1

### **Nominations Related Standards:**

Definitions:

1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.13, 1.2.14, 1.2.15, 1.2.16, 1.2.17, 1.2.18, 1.2.19

Standards:

1.3.1, 1.3.3, 1.3.4, 1.3.6, 1.3.8, 1.3.9, 1.3.13, 1.3.14, 1.3.18, 1.3.20, 1.3.21, 1.3.22, 1.3.23, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.30, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.3.80, 1.3.81, 1.3.82

Data Sets:

1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7

### **Flowing Gas Related Standards:**

Definitions:

2.2.2, 2.2.3, 2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.9, 2.3.10, 2.3.15, 2.3.16, 2.3.17, 2.3.18, 2.3.19, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.26, 2.3.27, 2.3.28, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.3.66

Datasets:

2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.17, 2.4.18

### **Invoicing Related Standards:**

Standards:

3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.14, 3.3.15, 3.3.16, 3.3.17, 3.3.18, 3.3.19, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.26, 3.3.27

Datasets:

3.4.1, 3.4.2, 3.4.3, 3.4.4

### **Quadrant Electronic Delivery Mechanism Related Standards:**

Definitions:

4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60, 4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.109, 4.3.110

### **Capacity Release Related Standards:**

Definitions:

5.2.3, 5.2.4, 5.2.5

Standards:

5.3.3, 5.3.5, 5.3.7, 5.3.8, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.15, 5.3.18, 5.3.19, 5.3.20, 5.3.24, 5.3.25, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.52, 5.3.55, 5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Datasets:

5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.4.20, 5.4.21, 5.4.22, 5.4.23, 5.4.24, 5.4.25, 5.4.26, 5.4.27

### **Internet Electronic Transport Related Standards:**

Definitions:

10.2.1, 10.2.2, 10.2.3, 10.2.4, 10.2.5, 10.2.6, 10.2.7, 10.2.8, 10.2.9, 10.2.10, 10.2.11, 10.2.12, 10.2.13, 10.2.14, 10.2.15, 10.2.16, 10.2.17, 10.2.18, 10.2.19, 10.2.20, 10.2.21, 10.2.22, 10.2.23, 10.2.24, 10.2.25, 10.2.26, 10.2.27, 10.2.28, 10.2.29, 10.2.30, 10.2.31, 10.2.32, 10.2.33, 10.2.34, 10.2.35, 10.2.36, 10.2.37, 10.2.38, 10.2.39

Standards:

10.3.1, 10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8, 10.3.9, 10.3.10, 10.3.11, 10.3.12, 10.3.14, 10.3.15, 10.3.16, 10.3.17, 10.3.18, 10.3.19, 10.3.20, 10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25, 10.3.26, 10.3.27, 10.3.28, 10.3.29

**Standards for which Waiver or Extension of Time to Comply have been granted:**

<u>NAESB Standard</u>	<u>Waiver, Variance or Extension of Time</u>	<u>Relevant Tariff Section and/or Description</u>	<u>Initial Order Granting Request</u>	<u>Most Recent Order Granting Continuation</u>
0.4.1	Extension	Extension for EDI Implementation		
1.3.2	Variance	GT&C Section 6.1 Extension of nomination cycle deadlines for certain transactions	RP06-37-000, November 16, 2005 (unpublished letter order) 154 FERC ¶ 61,250 (2016)	168 FERC ¶ 61,061 (2019)
2.4.1	Extension	Extension for EDI Implementation		
2.4.2	Extension	Extension for EDI Implementation		
2.4.3	Extension	Extension for EDI Implementation		
2.4.4	Extension	Extension for EDI Implementation		
2.4.6	Extension	Extension for EDI Implementation		
3.4.1	Extension	Extension for EDI Implementation		
3.4.2	Extension	Extension for EDI Implementation		
3.4.3	Extension	Extension for EDI Implementation		
3.4.4	Extension	Extension for EDI Implementation		
4.3.60	Waiver	Requirement for multi-factor authentication		

## 24. TAXES

All production (including ad valorem-type production taxes), transportation, gathering, delivery, sales, severance, or other excise taxes or assessments upon the gas tendered hereunder by Shipper to Transporter, which are now or hereafter in existence or authorized for collection by any state or other governmental agency or duly constituted authority, either directly or indirectly, shall be the responsibility of the Shipper and shall be paid or caused to be paid by Shipper.



## 25. INDEMNIFICATION/LIABILITY

25.1 Each party to the TSA shall bear responsibility for all of its own breaches, tortious acts, or tortious omissions connected in any way with the executed TSA causing damages or injuries of any kind to the other party or to any third party, unless otherwise expressly agreed in writing between the parties. Therefore, the offending party as a result of such offense shall hold harmless and indemnify the non-offending party against any claim, liability, loss, or damage whatsoever suffered by the non-offending party or by any third party. As used herein: the term "party" shall mean a corporation or partnership entity or individual and its officers, agents, employees and contractors; the phrase "damages or injuries of any kind" shall include without limitation litigation expenses, court costs, and attorneys' fees; and the phrase "tortious acts or tortious omissions" shall include without limitation sole or concurrent simple negligence, gross negligence, recklessness, and intentional acts or omissions.

## 26. COMPLAINT PROCEDURES

26.1 Complaint Procedures. If an existing or potential Shipper has a complaint relating to any request for transportation service or any on-going transportation service, Shipper should complete the attached complaint form and should be mailed by registered or certified mail to the address listed in the “Points of Contact” section.

Transporter shall notify Shipper within 48 Hours that the complaint has been received. Each complaint will be noted on the transportation service complaint log. Each complaint shall be investigated, and Transporter shall inform Shipper in writing within 30 Days of receipt of the complaint of the action, if any, taken in response to Shipper's complaint. Transporter shall maintain a separate file for all Shipper complaints and Transporter's responses.

### SHIPPER COMPLAINT FORM

Name of Shipper:

---

Identification of contract under question:

---

Designation of time period involved:

---

Nature of complaint:

---

---

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Signature \_\_\_\_\_

Title \_\_\_\_\_

## 27. INCIDENTAL SALES

Incidental Sales. Transporter may sell operational gas to the extent necessary to maintain system pressure, fuel quantities and line pack.

## 28. MISCELLANEOUS SURCHARGES

(Reserved)

## 29. OPERATIONAL PURCHASES AND SALES

- 29.1 Transporter may buy and/or sell gas to the extent necessary: (i) to maintain system pressure and line pack; (ii) to balance fuel quantities; (iii) to implement the cash out of imbalances procedures contained in Section 10.4 of the General Terms and Conditions of the Tariff; and (iv) to perform other operational functions of Transporter in connection with transportation and other similar services. Such transactions shall occur on a not unduly discriminatory basis.
- 29.2 Transporter will make operational sales by either posting notice of such operational gas sales on its electronic bulletin board (in accordance with the applicable provisions of Section 9 of the General Terms and Conditions of this Tariff); or by posting for bid operational gas quantities on the IntercontinentalExchange or another independent trading platform, exchange or clearing house.
- 29.3 Transporter will file a report indicating the source of the operational gas purchased/sold, the date of such purchases/sales, volumes, the purchase/sale price, the costs and revenues from such purchases/sales and the disposition of the associated costs and revenues for all types of operational purchases and sales. Transporter will file such report in conjunction with its annual FL&U and EPC filings pursuant to Sections 13 and 30 of the General Terms and Conditions. The data collection period for such report shall be the twelve-Month period ending three calendar Months before the filing date of the report to coincide with Transporter's annual FL&U and EPC filings.

### 30. ELECTRIC POWER COSTS

- 30.1 The Electric Power Costs are electricity costs related to the operation of Transporter's compressor stations and amine gas processing facilities, including but not limited to, electric provider's tariff-based connection fees and demand and usage charges related to the electricity required to operate Transporter's compressor stations and amine gas processing facilities. EPC shall be paid by Shippers on a pro rata basis based on the quantity of Natural Gas delivered by Transporter to Shippers.
- 30.2 The EPC shall be stated on the Statement of Rates in Transporter's Tariff and shall apply to those Rate Schedules requiring assessment of EPC. The EPC shall not be required if transportation service is provided via Backhaul.
- 30.3 Should the calculation of the EPC result in a negative charge, such charge will be used to offset future EPCs.
- 30.4 The initial EPC shall be as accepted by the Commission in Docket No. RP14-630-000. The first EPC adjustment filing shall be made with the next FL&U adjustment filing, submitted pursuant to Section 13 of the General Terms and Conditions. Thereafter, the EPC adjustment filing shall be made at least annually in conjunction with the FL&U adjustment filing described in Section 13. The proposed EPC shall become effective on the proposed date after appropriate FERC review and notice.
- (a) After the first EPC adjustment filing, the data collection period for subsequent EPC filings shall be the twelve-Month period ending three calendar Months before the filing date of the EPC adjustment filing unless Transporter elects to submit such filing more frequently pursuant to Section 30.4(b).
  - (b) At its election, Transporter may submit an EPC adjustment filing more frequently than annually. Such non-annual filings shall be submitted at least 30 Days prior to the proposed effective date of the proposed EPC. Such surcharge shall become effective on the proposed date after appropriate FERC review and notice.

### 30.5 Derivation of EPC Amount

- (a) The EPC amount shall be derived by dividing: (i) the sum of the Projected EPC Requirement and the EPC Requirement Adjustment (numerator), by (ii) the projected delivery quantities related to the anticipated transportation service for all Shippers during the upcoming period (denominator).
  - (i) The Projected EPC Requirement shall be the total electric costs projected by Transporter to be required to support the anticipated transportation service for all Shippers under all applicable Rate Schedules during the upcoming period.
  - (ii) The EPC Requirement Adjustment shall be the amount in dollars which is the difference between: (i) the actual amount of electric power costs in dollars incurred by Transporter during the data collection period; and (ii) the amount in dollars retained by Transporter from the EPC during the data collection period.

## FORMS OF SERVICE AGREEMENTS

### Preliminary Statement

Pursuant to Transporter's "Tariff Re-Organization" filing in Docket No. RP10-876; and subsequent filing pursuant to the electronic tariff requirements of Docket No. RM01-5, the pro forma service agreements contained in this Tariff are modified to reflect revised GT&C section references. (See below for the new section references.) As such, the currently Executed TSAs shall remain in effect and shall not be rendered non-conforming due to these modified references.

Former Section Reference  
Section 31

Current Section Reference  
Section 4.11



FORM OF TRANSPORTATION SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE FT

Agreement No. \_\_\_\_\_

FIRM TRANSPORTATION SERVICE AGREEMENT

RATE SCHEDULE FT

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

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

DATED: \_\_\_\_\_

(Placement of text on page, number of pages, numbering of paragraphs, sections and footnotes, format, capitalization, headings and font may vary from Pro Forma to Service Agreement)

FORM OF TRANSPORTATION SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE FT

Agreement No. \_\_\_\_\_

Transportation Service Agreement  
Rate Schedule FT  
Dated: \_\_\_\_\_

The Parties identified below, in consideration of their mutual promises, agree as follows:

1. Transporter: CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.
2. Shipper: \_\_\_\_\_
3. Applicable Tariff and Incorporation by Reference: Transporter's FERC Gas Tariff First Revised Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Tariff.
4. Changes in Rates and Terms. Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Shipper's right to protest the same.
5. Transportation Service: Transportation Service at and between primary receipt point(s) and primary delivery point(s) shall be on a firm basis. Receipt and delivery of quantities at Secondary Receipt Point(s) and/or Secondary Delivery Point(s) shall be in accordance with the Tariff.

(Insert the applicable portion(s) of the following provision when service involves the construction of facilities:

The parties recognize that Transporter must construct additional facilities in order to provide Transportation Service for Shipper under this Agreement. Parties agree that on in-service date the following provisions no longer apply. Transporter's obligation under this Agreement are subject to:

(i) The receipt and acceptance by Transporter of a FERC certificate for the additional facilities, as well as the receipt by Transporter of all other necessary regulatory approvals, permits and other authorizations for the additional facilities in form and substance satisfactory to Transporter in its sole discretion.

- (ii) The approval of the appropriate management, management committee, and/or board of directors of Transporter and/or its parent companies to approve the level of expenditures for the additional facilities.
- (iii)\_\_\_\_\_.)

- 6. Receipt and Delivery Points: Shipper agrees to tender gas for transportation service and Transporter agrees to accept receipt quantities at the primary receipt point(s) identified in Exhibit A. Transporter agrees to provide transportation service and deliver gas to Shipper (or for Shipper's account) at the primary delivery point(s) identified in Exhibit A. Minimum and maximum receipt and delivery pressures, as applicable, are listed on Exhibit A.
- 7. Rates and Surcharges: As set forth in Exhibit B. Shipper shall pay the applicable maximum tariff rate unless otherwise provided. Transporter and Shipper may mutually agree to a discounted rate pursuant to the rate provisions of Rate Schedule FT and Section 4.11 of the General Terms and Conditions. Upon mutual agreement, the parties may also enter into a separate letter agreement or an electronic contract specifying any discount applicable to the Agreement.
- 8. Negotiated Rate: Yes \_\_\_\_\_ No \_\_\_\_\_
- 9. Maximum Delivery Quantity ("MDQ")

MDQ (Dth/d)	Effective Date
-----	-----

- 10. Term of Firm Transportation Service: \_\_\_\_\_

[Insert term of service including any (i) construction contingencies, (ii) extension rights such as an evergreen or rollover provision, (iii) contractual rights of first refusal, (iv) interim capacity limitations, and/or (v) related termination provisions, as applicable.]

- 11. Notices, Statements, and Bills:

To Shipper:  
Invoices: \_\_\_\_\_  
Attn: \_\_\_\_\_  
All Notices: \_\_\_\_\_  
Attn: \_\_\_\_\_

To Transporter: See "Points of Contact" in the Tariff.

- 12. Effect on Prior Agreement(s): \_\_\_\_\_
  
- 13. Governing Law: Transporter and Shipper expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

IN WITNESS WHEREOF, the Parties have executed this Agreement. This Agreement may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:

SHIPPER:

CHEYENNE PLAINS GAS PIPELINE  
COMPANY, L.L.C.

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

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

Accepted and agreed to this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

Accepted and agreed to this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

Agreement No. \_\_\_\_\_

EXHIBIT A

to

Transportation Service Agreement  
Rate Schedule FT

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.  
and

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

Dated: \_\_\_\_\_

Shipper's Maximum Delivery Quantity ("MDQ"): See ¶ \_\_\_

The following data elements shall be described on this Exhibit A, as applicable

- Primary Receipt Point(s) (including, among other things, Point Identification Number (PIN) and Point Identification Number Name) (1)
- Primary Delivery Point(s) (including, among other things, Point Identification Number (PIN) and Point Identification Number Name) (1)
- Effective Dates
- Primary Receipt Point Quantity (Dth per Day)(2)
- Primary Delivery Point Quantity (Dth per Day)(3)
- Minimum Pressure (p.s.i.g.)(4)
- Maximum Pressure (p.s.i.g.)(4)

Notes: [Insert as applicable]

- (1) Information regarding receipt and delivery point(s), including legal descriptions, measuring parties, and interconnecting parties, shall be posted on Transporter's electronic bulletin board. Transporter shall update such information from time to time to include additions, deletions, or any other revisions deemed appropriate by Transporter.
- (2) Each Receipt point Quantity may be increased by an amount equal to Transporter's Fuel Reimbursement percentage. Shipper shall be responsible for providing such Fuel Reimbursement at each receipt point on a pro rata basis based on the quantities received on any Day at a receipt point divided by the total quantity delivered at all delivery points under this Transportation Service Agreement.
- (3) The sum of the delivery quantities at all delivery point(s) shall be equal to Shipper's MDQ.

- (4) Pressure conditions shall be in accordance with Section 5.7 of the General Terms and Conditions of the Tariff.

Agreement No. \_\_\_\_\_

EXHIBIT B

to

Transportation Service Agreement

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.  
and

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

Dated: \_\_\_\_\_

The following data elements shall be described on this Exhibit B, as applicable:

Primary Receipt Point(s) (including, among other things, Point Identification Number (PIN) and Point Identification Number Name)

Primary Delivery Point(s) (including, among other things, Point Identification Number (PIN) and Point Identification Number Name)

Reservation Rate (1)(4)

Commodity Rate (1)(4)

Effective Dates

Fuel (2)(4)

Surcharges (3)

Secondary Receipt Point(s) (including, among other things, Point Identification Number (PIN) and Point Identification Number Name)

Secondary Delivery Point(s) (including, among other things, Point Identification Number (PIN) and Point Identification Number Name)

Authorized Overrun (1)(5)

Electric Power Cost (6)

Notes: [Insert as applicable]

- (1) Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates for service under Rate Schedule FT or other superseding Rate Schedules; as such rates may be changed from time to time. The reservation rate shall be payable regardless of quantities transported.

-and/or-

[Insert for discount rate(s), as necessary (e.g., 1(a), (1b), etc.)

As provided in Section 4.11 of the GT&C of Transporter's Tariff, the parties agree to the following discount rate(s) \_\_\_\_\_ (insert if applicable) which shall be payable regardless of

quantities transported. The rates charged under this Agreement shall not be less than the minimum, nor greater than the maximum rate provided in Transporter's Tariff.

-and/or-

[Insert for negotiated rate(s) as necessary (e.g., 1(a), (1b), etc.)

As provided in Section 4.12 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) \_\_\_\_\_(insert if applicable) which shall be payable regardless of quantities transported.

- (2) Fuel Reimbursement shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.
- (3) Surcharges, if applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time, unless otherwise agreed to by the Parties.

ACA:

The ACA Surcharge shall be assessed pursuant to Section 17.1 of the General Terms and Conditions of the Tariff.

- (4) Quantities scheduled by Transporter from/to primary and/or secondary, and/or segmented point(s) on any off-system capacity held by Transporter shall be subject to Transporter's Off-System Capacity charges as described on Transporter's EBB and/or pursuant to Section 4.6 of the General Terms and Conditions of the Tariff.
- (5) Subject to Transporter's authorized maximum and minimum rates in effect from time to time, a rate of \$\_\_\_ per Dth shall apply to Daily Authorized Overrun of up to \_\_Dth per Day.
- (6) EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.



FORM OF TRANSPORTATION SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE IT

Agreement No. \_\_\_\_\_

INTERRUPTIBLE TRANSPORTATION SERVICE AGREEMENT

RATE SCHEDULE IT

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

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

DATED: \_\_\_\_\_

(Placement of text on page, number of pages, numbering of paragraphs, sections and footnotes, format, capitalization, heading and font may vary from Pro Forma to Service Agreement)

FORM OF TRANSPORTATION SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE IT

Agreement No. \_\_\_\_\_

Transportation Service Agreement  
Rate Schedule IT  
Dated: \_\_\_\_\_

The Parties identified below, in consideration of their mutual promises, agree as follows:

1. Transporter: CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.
2. Shipper: \_\_\_\_\_
3. Applicable Tariff and Incorporation by Reference: Transporter's FERC Gas Tariff First Revised Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Tariff.
4. Changes in Rates and Terms. Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Shipper's right to protest the same.
5. Transportation Service: Transportation Service at and between receipt point(s) and Delivery Point(s) shall be on an interruptible basis.

Receipt and Delivery Points: Systemwide

All receipt and delivery point(s) included on Transporter's master list of receipt and delivery point(s) as posted on its electronic bulletin board.

For each receipt and delivery point, data posted shall include a description of the legal location, pressure information, the identity of the interconnected party and the measuring party, and such other data as Transporter may include from time to time. Transporter's master list of receipt and delivery point(s) shall be updated from time to time to add or delete receipt or delivery point(s) and to modify data pertinent to receipt and delivery Point(s), all as deemed appropriate by Transporter.

- 6. Rates and Surcharges: As set forth in Exhibit A. Shipper shall pay the applicable maximum tariff rate unless otherwise provided. Transporter and Shipper may mutually agree to a discounted rate pursuant to the rate provisions of Rate Schedule IT and Section 4.11 of the General Terms and Conditions. Upon mutual agreement, the parties may also enter into a separate letter agreement or an electronic contract specifying any discount applicable to the Agreement.
- 7. Negotiated Rate: Yes \_\_\_\_\_ No \_\_\_\_\_
- 8. Term of Interruptible Transportation Service: \_\_\_\_\_

[Insert term of service including any (i) construction contingencies, (ii) extension rights such as an evergreen or rollover provision, (iii) related termination provisions, as applicable.]

- 9. Notices, Statements, and Bills:

To Shipper:

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

\_\_\_\_\_

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

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

\_\_\_\_\_

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

To Transporter:

See Points of Contact section in the Tariff.

- 10. Effect on Prior Agreement(s): \_\_\_\_\_
- 11. Governing Law: Transporter and Shipper expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

IN WITNESS WHEREOF, the Parties have executed this Agreement. This Agreement may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:

SHIPPER:

CHEYENNE PLAINS GAS PIPELINE  
COMPANY, L.L.C.

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

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

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

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

Agreement No. \_\_\_\_\_

EXHIBIT A

to

Transportation Service Agreement  
Rate Schedule IT

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.  
and

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

Dated: \_\_\_\_\_

The following data elements shall be described on this Exhibit A, as applicable:  
Receipt Point(s) (including, among other things, Point Identification Number (PIN) and  
Point Identification Number Name)  
Delivery Point(s) (including, among other things, Point Identification Number (PIN) and  
Point Identification Number Name)  
Commodity Rate (1)  
Effective Dates (See ¶\_\_\_\_)  
Fuel (2)  
Surcharges (3)  
Electric Power Cost (4)

Notes: [Insert as applicable]

- (1) Unless otherwise agreed by the Parties, the Commodity Rate for service shall be Transporter's then-effective maximum rate for service under Rate Schedule IT, or other superseding Rate Schedule, as such rates may be changed from time to time.

-and/or-

[Insert for discount rate(s), as necessary (e.g. (1a), (1b), etc.)]

As provided in Section 4.11 of the GT&C of Transporter's Tariff, the parties agree to the following discount rate(s) \_\_\_\_\_. The rate(s) charged under this Agreement shall not be less than the minimum, nor greater than the maximum rate provided in Transporter's Tariff

-and/or-

[Insert for negotiated rate(s), as necessary (e.g., (1a) (1b), etc.)]  
As provided in Section 4.12 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate\_\_\_\_\_.

- (2) Fuel Reimbursement shall be as stated on Transporter's Statement of Rates for Transportation of Natural Gas section in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.
- (3) Surcharges, if applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed to by the parties.

ACA:

The ACA Surcharge shall be assessed pursuant to Section 17.1 of the General Terms and Conditions of the Tariff.

- (4) EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.

FORM OF SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE SS

Agreement No. \_\_\_\_\_

INTERRUPTIBLE SWING SERVICE AGREEMENT

RATE SCHEDULE SS

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

\_\_\_\_\_  
(Operator)

DATED: \_\_\_\_\_

(Placement of text on page, number of pages, numbering of paragraphs, sections and footnotes, format, capitalization, headings and font may vary from Pro Forma to Service Agreement)

FORM OF SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE SS

Agreement No. \_\_\_\_\_

Interruptible Swing Service Agreement  
Rate Schedule SS  
Dated: \_\_\_\_\_

The Parties identified below, in consideration of their mutual promises, agree as follows:

1. Transporter: CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.
2. Operator: \_\_\_\_\_
3. Applicable Tariff and Incorporation by Reference: Transporter's FERC Gas Tariff First Revised Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Tariff.
4. Changes in Rates and Terms. Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Operator's right to protest the same.
5. Point(s) of Delivery: \_\_\_\_\_
6. Rates and Charges: As set forth in Exhibit A. Transporter and Operator may also agree to a discount as described in Section 4.11 of the General Terms and Conditions of the Tariff. Each Month, Operator shall pay Transporter for the Swing Service provided hereunder at rates set forth.
7. Negotiated Rate: Yes \_\_\_\_\_ No \_\_\_\_\_
8. Term of Interruptible Swing Service: \_\_\_\_\_

[Insert term of service including any (i) construction contingencies, (ii) extension rights such as an evergreen or rollover provision, (iii) related termination provisions, as applicable.]



9. Notices, Statements and Bills:

To Operator: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn.: \_\_\_\_\_

Invoices:  
All Notices: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn.: \_\_\_\_\_

To Transporter: See "Points of Contact" in the Tariff.

10. Effect on Prior Agreement(s): \_\_\_\_\_

11. Governing Law: Transporter and Operator expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

IN WITNESS WHEREOF, the Parties have executed this Agreement electronically or in writing.

TRANSPORTER:

OPERATOR:

CHEYENNE PLAINS GAS PIPELINE  
COMPANY, L.L.C.

\_\_\_\_\_

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

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

Accepted and agreed to  
\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_

Accepted and agreed to  
\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_

Agreement No. \_\_\_\_\_

EXHIBIT A  
to  
Interruptible Swing Service Agreement  
Rate Schedule SS

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.  
and

\_\_\_\_\_  
(Operator)

Dated: \_\_\_\_\_

The following data elements shall be described on this Exhibit A, as applicable:  
Point(s) of Delivery (including, among other things, Point Identification Number  
(PIN) and Point Identification Number Name)  
Commodity Rate (1)  
Effective Dates (See ¶\_\_\_\_)

Notes:

- (1) Unless otherwise agreed by the Parties in writing, the rates for service shall be transporter's maximum rates for service under Rate Schedule SS, or other superseding Rate Schedule; as such rates may be changed from time to time.

-and/or-

[Insert for discount rate(s), as necessary (e.g., (1a), (1b), etc.)]

As provided in Section 4.11 of the GT&C of Transporter's Tariff, the parties agree to the following discount rate(s)\_\_\_\_\_. The rate(s) charged under this Agreement shall not be less than the minimum, nor greater than the maximum rate provided in Transporter's Tariff.

-and/or-

[Insert for negotiated rate(s), as necessary (e.g. (1a), (1b),etc.)]

As provided in Section 4.12 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s)\_\_\_\_\_.

FORM OF INTERRUPTIBLE PARKING AND LENDING SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE PAL

Agreement No. \_\_\_\_\_

INTERRUPTIBLE PARKING AND LENDING SERVICE AGREEMENT

RATE SCHEDULE PAL

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

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

DATED: \_\_\_\_\_

(Placement of text on page, number of pages, numbering of paragraphs, sections and footnotes, format, capitalization, headings and font may vary from Pro Forma to Service Agreement.)

FORM OF INTERRUPTIBLE PARKING AND LENDING SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE PAL

Agreement No. \_\_\_\_\_

Interruptible Parking and Lending Service Agreement  
Dated: \_\_\_\_\_

The Parties identified below, in consideration of their mutual promises, agree as follows:

1. Transporter: CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.
2. Shipper: \_\_\_\_\_
3. Applicable Tariff and Incorporation by Reference: Transporter's FERC Gas Tariff First Revised Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement and the associated Park and Loan Service Request Order(s) ("PAL RO") in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement and the associated PAL RO(s) have the meanings given to them in the Tariff.
4. Changes in Rates and Terms. Transporter shall have the right to propose to the FERC such changes in its rates and terms of service as it deems necessary, and this Agreement and the associated PAL RO(s) shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Shipper's right to protest the same.
5. Parking and Lending Service: Upon Shipper's request Transporter may, on any Day and on an interruptible basis,
  - (a) hold (park) the quantity nominated to be parked for Shipper's account at the designated PAL Point(s) on the designated date(s) specified in Shipper's PAL RO upon approval from Transporter and withdraw of such quantity at the same point(s) on the designated date(s) in the PAL RO;
  - (b) advance (loan) quantities of Natural Gas nominated by Shipper at the PAL Point(s) on the designated date(s) specified in Shipper's PAL RO and approved by Transporter. Shipper shall pay back such advanced quantities on the designated date(s) at the same point(s) where the loan occurred as set forth in the PAL RO.
6. Rates and Surcharges: As set forth in the PAL RO.

7. Term of Parking and Lending Service: \_\_\_\_\_

This Agreement shall continue in full force and effect Month to Month thereafter unless terminated by written notice from one Party to the other upon 30-Day written notice. (Use only when applicable.)

8. Effect on Prior Agreement(s): \_\_\_\_\_.

9. Contact Information:

To Shipper: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

To Transporter: See "Points of Contact" in the Tariff.

10. Governing Law: Transporter and Shipper expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

IN WITNESS WHEREOF, the parties have executed this Agreement. This Agreement may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:

SHIPPER:

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Accepted and agreed to this

Accepted and agreed to this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Request Order No. \_\_\_\_\_

PAL SERVICE REQUEST ORDER ("PAL RO")  
 related to  
 INTERRUPTIBLE PARKING AND LENDING SERVICE AGREEMENT  
 RATE SCHEDULE PAL

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

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

Dated: \_\_\_\_\_

1. PAL Agreement No: \_\_\_\_\_ Type of Service: Park \_\_\_\_\_ Loan \_\_\_\_\_
2. Maximum PAL Quantity: \_\_\_\_\_ (Dth)
3. PAL Point(s): \_\_\_\_\_

4. Schedule:

Date(s) Service to be Provided (May Reflect a Range of Dates)		Daily PAL Quantity (Dth) (May Reflect a Range of Quantities)			
<u>From</u>	<u>Through</u>	<u>Park or Loan Payback</u>		<u>Loan or Park Withdrawal</u>	
		<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

5. Park and Loan Rates: Unless otherwise agreed by the Parties in this PAL RO, the Park and Loan Rates for service shall be Transporter's then effective maximum rates for service under Rate Schedule PAL or other superseding Rate Schedule, as such rates may be changed from time to time. Should a discount rate or a negotiated rate apply pursuant to GT&C Section 4.11 or GT&C Section 4.12, respectively, such rate shall apply for only parked or loaned quantities withdrawn or paid back

on the specified dates set forth above. Rates may vary based on quantity, time period, etc., as set forth in the PAL RO.

From	Through	Rate Description	Rate
6. Negotiated Rate: Yes _____ No _____			

7. Notices, Statements, and Bills:

To Shipper:

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

\_\_\_\_\_

\_\_\_\_\_

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

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

\_\_\_\_\_

\_\_\_\_\_

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

To Transporter: See "Points of Contact" in the Tariff.

8. Other Conditions (if applicable): \_\_\_\_\_

IN WITNESS WHEREOF, the parties have executed this PAL RO. This PAL RO may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:

SHIPPER:

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Accepted and agreed to this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Accepted and agreed to this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

FORM OF HEADSTATION POOLING SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE HSP

Agreement No. \_\_\_\_\_

HEADSTATION POOLING SERVICE AGREEMENT

RATE SCHEDULE HSP

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

\_\_\_\_\_  
(Pooler)

DATED: \_\_\_\_\_

(Placement of text on page, number of pages, numbering of paragraphs, sections and footnotes, format, capitalization, headings, and font may vary from this Pro Forma to the Service Agreement.)



FORM OF HEADSTATION POOLING SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE HSP

Agreement No. \_\_\_\_\_

Headstation Pooling Agreement  
Rate Schedule HSP  
Dated: \_\_\_\_\_

The Parties identified below, in consideration of their mutual promises, agree as follows:

1. Transporter: CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.
2. Pooler: \_\_\_\_\_
3. Applicable Tariff and Incorporation by Reference: Transporter's FERC Gas Tariff, First Revised Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Tariff.
4. Changes in Rates and Terms. Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Pooler's right to protest the same.
5. Point(s) of Receipt and Delivery:  
  
All receipt point(s) included on Transporter's master list of receipt point(s) related to Transporter's Pooling Areas and Pools as posted on Transporter's EBB. For each receipt point, data posted shall include a description of the legal location, pressure information, the identity of the interconnected party and the measuring party, and such other data as Transporter may include from time to time. Transporter's master list of receipt point(s) shall be updated from time to time in order to add or delete and/or modify data pertinent to receipt point(s), all as deemed appropriate by Transporter.
6. Rates and Surcharges: As set forth in Exhibit A.
7. Term of Headstation Pooling Service: \_\_\_\_\_.

[Insert term of service including any (i) extension rights such as an evergreen or rollover provision, (ii) contractual rights of first refusal and/or (iii) related termination provisions, as applicable.]

8. Notices, Statements, and Bills:

To Pooler:

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

\_\_\_\_\_

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

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

\_\_\_\_\_

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

To Transporter: See "Points of Contact" in the Tariff.

9. Effect on Prior Agreement(s): \_\_\_\_\_.

10. Governing Law: Transporter and Pooler expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

IN WITNESS WHEREOF, the Parties have executed this Agreement. This Agreement may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:  
CHEYENNE PLAINS GAS  
PIPELINE COMPANY, L.L.C.

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

POOLER:

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

Accepted and agreed to this Accepted and agreed to this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

Agreement No. \_\_\_\_\_

EXHIBIT A

To

HEADSTATION POOLING SERVICE AGREEMENT  
RATE SCHEDULE HSP

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

\_\_\_\_\_  
(Pooler)

Dated: \_\_\_\_\_

The following data elements shall be described on this Exhibit A, as applicable:

Pooling Area(s) (1)  
Pool(s) (2)

- NOTES: (1) All receipt point(s) within the designated Pooling Area, as posted on Transporter's EBB, are eligible for service under this Service Agreement.
- (2) Only quantities nominated from the related Pooling Area may be delivered and aggregated at the designated Pool. Pooler is responsible for designating the Downstream Shipper(s) receiving Gas at the Pool.

FORM OF TRANSPORTATION SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE SEDS

Agreement No. \_\_\_\_\_

STORAGE ENHANCED DELIVERY SERVICE AGREEMENT  
RATE SCHEDULE SEDS

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.

and

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

DATED: \_\_\_\_\_

(Placement of text on page, number of pages, numbering of paragraphs, sections and footnotes, format, capitalization, headings and font may vary from Pro Forma to Service Agreement)

FORM OF TRANSPORTATION SERVICE AGREEMENT  
APPLICABLE TO RATE SCHEDULE SEDS

Agreement No. \_\_\_\_\_

Storage Enhanced Delivery Service Agreement  
Rate Schedule SEDS  
Dated: \_\_\_\_\_

The Parties identified below, in consideration of their mutual promises, agree as follows:

1. Transporter: CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.
2. Shipper: \_\_\_\_\_
3. Applicable Tariff and Incorporation by Reference: Transporter's FERC Gas Tariff First Revised Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Tariff.
4. Changes in Rates and Terms. Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Shipper's right to protest the same.
5. Storage Enhanced Delivery Service: Subject to the provisions of this Agreement, Rate Schedule SEDS, and the applicable provisions of the General Terms and Conditions of the Tariff: (a) quantities of Natural Gas shall be banked, stored, and drawn on a firm basis for Shipper (or Shipper's account); and (b) transportation service at and between primary receipt point(s) and primary delivery point(s) shall be on a firm basis. Receipt and delivery of quantities at Secondary Receipt Point(s) and/or Secondary Delivery Point(s) shall be in accordance with the Tariff.
6. Service Points: Shipper agrees to tender Natural Gas for storage service at the Bank Point and for the subsequent withdrawal of previously banked quantities of Natural Gas at the Draw Point as both points are identified on Exhibit A. Transporter agrees to accept the tendered gas at the Bank Point and store it until withdrawn at the Draw Point. Shipper also agrees to the transportation of the banked quantities or other quantities tendered by Shipper and Transporter agrees to transport such quantities, from the primary receipt point(s) to the primary delivery point(s) as such points are identified on Exhibit A. Minimum and maximum pressures, as applicable, are listed on Exhibit A.

7. Rates and Surcharges: As set forth in Exhibit B. Shipper shall pay the applicable maximum tariff rate(s) unless otherwise provided. Transporter and Shipper may mutually agree to a discounted rate or negotiated rate pursuant to the rate provisions of Rate Schedule SEDS and Section 4.11 or Section 4.12 of the General Terms and Conditions of the Tariff.

8. Negotiated Rate: Yes \_\_\_\_\_ No \_\_\_\_\_

9. Maximum Banked Amount ("MBA") (insert varying MBA if applicable)

MBA (Dth/d)	Effective
-----	-----
-----	-----

10. Maximum Delivery Quantity ("MDQ") (insert varying MDQ if applicable)

MDQ (Dth/d)	Effective
-----	-----
-----	-----

11. Term of Storage Enhanced Delivery Service: \_\_\_\_\_

[Insert term of service including any (i) construction contingencies, (ii) extension rights such as an evergreen or rollover provision, (iii) contractual rights of first refusal, including a conditional right of first refusal that is subject to the availability of Lease Capacity (iv) interim capacity limitations, (v) provisions related to the acquisition of lease capacity and/or (vi) related termination provisions, as applicable.]

(Insert the applicable portion(s) of the following provisions as needed):

The parties recognize that Transporter must construct additional facilities, and/or obtain sufficient lease capacity, to provide the service for Shipper under this Agreement. Parties agree that on [Insert applicable date, e.g., in-service date or commencement date] the conditions precedent to the rights and obligations of this Agreement listed below shall no longer apply. Transporter's obligations under this Agreement are subject to the following conditions precedent:

[Insert as necessary (e.g., (i), (ii), (iii), etc.)

(i) [Insert regulatory approvals, as applicable]

(ii) [Insert approval of management, as applicable]

(iii) [Insert additional conditions precedent, as necessary]

12. Notices, Statements, and Bills:

To Shipper:

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

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

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

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

To Transporter: See "Points of Contact" in the Tariff.

13. Effect on Prior Agreement(s): \_\_\_\_\_

14. Governing Law: Transporter and Shipper expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

15. Elimination of Non-Conforming Provisions: Upon the satisfaction or waiver of any condition precedent to the obligations within this Agreement, which are memorialized in Paragraph \_\_ of this Agreement, or the completion of any action which causes provisions of this Agreement to be no longer relevant, Transporter and Shipper shall execute an amendment to this Agreement [or a replacement Agreement] with each of such conditions and/or provisions omitted, but with all other terms of this Agreement unchanged. [Insert paragraph upon agreement of the Parties for conditions precedent incorporated in paragraph 11 above, or for provisions that may become no longer relevant due to actions.]

IN WITNESS WHEREOF, the Parties have executed this Agreement. This Agreement may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:

SHIPPER:

CHEYENNE PLAINS GAS PIPELINE  
COMPANY, L.L.C.

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

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

Accepted and agreed to this

Accepted and agreed to this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

EXHIBIT A

to

Storage Enhanced Delivery Service Agreement  
Rate Schedule SEDS

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.  
and

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

Dated: \_\_\_\_\_

Storage - Shipper's Maximum Banked Amount ("MBA"): See ¶\_\_

Transportation - Shipper's Maximum Delivery Quantity ("MDQ"): See ¶\_\_

The following data elements shall be described on this Exhibit A, as applicable:

- Primary Receipt Point(s) (including, among other things, Point Identification Number (PIN) and PIN Name) (1)
- Primary Delivery Point(s) (including, among other things, (PIN and PIN Name) (1)
- Bank Point(s) (including, among other things, (PIN and PIN Name) (1)
- Draw Point(s) (including, among other things, (PIN and PIN Name) (1)
- Effective Dates
- Primary Receipt Point(s) Quantity (Dth per Day) (2)
- Primary Delivery Point(s) Quantity (Dth per Day) (3)
- Minimum Pressure (p.s.i.g.) (4)
- Maximum Pressure (p.s.i.g.) (4)

Notes: [Insert as applicable]

- (1) Information regarding points, including legal descriptions, measuring parties, and interconnecting parties, shall be posted on Transporter's electronic bulletin board. Transporter shall update such information from time to time to include additions, deletions, or any other revisions deemed appropriate by Transporter.



- (2) The quantity at each receipt point may be increased by an amount equal to Transporter's Fuel Reimbursement percentage. Shipper shall be responsible for providing such Fuel Reimbursement at each receipt point on a pro rata basis based on the quantities received on any Day at a receipt point divided by the total quantity delivered at all delivery points under this Agreement.
- (3) The sum of the delivery quantities at all delivery point(s) shall be equal to Shipper's MDQ.
- (4) Pressure conditions shall be in accordance with Section 5.7 of the General Terms and Conditions of the Tariff.

Agreement No. \_\_\_\_\_

EXHIBIT B

to

Storage Enhanced Delivery Service Agreement  
Rate Schedule SEDS

between

CHEYENNE PLAINS GAS PIPELINE COMPANY, L.L.C.  
and

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

Dated: \_\_\_\_\_

The following data elements shall be described on this Exhibit B, as applicable:

Storage

Bank Point(s) (including, among other things, (PIN and PIN Name)

Draw Point(s) (including, among other things, (PIN)and PIN Name)

Transportation

Primary Receipt Point(s) (including, among other things, Point Identification Number  
(PIN) and PIN Name) (7)

Primary Delivery Point(s) (including, among other things, (PIN and PIN Name) (7)

Reservation Rate(s) (1) (4)

Commodity Rate (1) (4)

Effective Dates

Fuel (2) (4)

Surcharges (3)

Secondary Receipt Point(s) (which may include, among other things, (PIN and PIN  
Name)

Secondary Delivery Point(s) (which may include, among other things, (PIN and PIN  
Name)

Authorized Overrun Rates (1) (5)

Electric Power Cost (6)

Notes: [Insert as applicable]

- (1) Unless otherwise agreed by the Parties in writing, the rates for service including rates for service components shall be Transporter's maximum rates, as may be changed from time to time, for service under rate Schedule SEDS or other superseding Rate Schedules. The reservation rate(s) shall be payable regardless of quantities transported.

-and/or-

[Insert for discount rate(s), as necessary (e.g., 1(a), (1b), etc.)

As provided in Section 4.11 of the General Terms and Conditions of Transporter's Tariff, the parties agree to the following discount rate(s) \_\_\_\_\_ (insert the following, as applicable, for components - "comprised of \_\_\_\_\_"). The rates charged under this Agreement shall not be less than the applicable minimum, nor greater than the maximum rate or maximum component rates provided in Transporter's Tariff.

-and/or-

[Insert for negotiated rate(s) as necessary (e.g., 1(a), (1b), etc.)

As provided in Section 4.12 of the General Terms and Conditions of Transporter's Tariff, the parties agree to the following negotiated rate(s) \_\_\_\_\_ (insert the following, as applicable, for components - "comprised of \_\_\_\_\_").

-and/or-

[Insert if capacity is associated with Lease Capacity (e.g., 1(a), (1b), etc.)

Service under this Agreement is subject to the additional charges associated with the Leased Capacity as described in Rate Schedule SEDS and the Statement of Rates.

- (2) Fuel Reimbursement shall be as stated in Transporter's Rate Schedule SEDS and the Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.
- (3) Surcharges, if applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time, unless otherwise agreed to by the Parties. The ACA Surcharge shall be assessed pursuant to Section 17.1 of the General Terms and Conditions of the Tariff.
- (4) Quantities scheduled by Transporter using nominated transportation from/to primary and/or secondary, and/or segmented point(s) on any off-system capacity held by Transporter shall be subject to Transporter's Off-System Capacity charges as described on Transporter's EBB and/or pursuant to Section 4.6 of the General Terms and Conditions of the Tariff.
- (5) Subject to Transporter's authorized maximum and minimum rates in effect from time to time, a rate of \$\_\_\_ per Dth shall apply to Daily Authorized Overrun of up to \_\_Dth per Day.

- (6) EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.
- (7) The no-notice service feature of this Rate Schedule is only available for transportation to and at the Primary Delivery Point.

## GRAPHICAL ILLUSTRATIONS

Section 1. Nomination Scheduling Timeline. All Times are Central Clock Time.

Time CCT	Day Ahead of Flow Effective Flow Time Start of Next Gas Day	Day of Flow
Midnight		
1:00 AM		
2:00 AM		
3:00 AM		
4:00 AM		
5:00 AM		
6:00 AM		
7:00 AM		
8:00 AM		
9:00 AM		Timely and Evening Effective Flow Time
10:15 AM		ID 1 Nominations Leave Control of SR
10:30 AM		ID 1 Nominations Received by Transporter; ID 1 Nomination Quick Response Issued by Transporter to SR
11:00 AM		
Noon		
12:30 PM		ID 1 Completed Confirmations Due to Transporter from Confirming Party
1:00 PM		ID 1 Scheduled Quantity Issued for SR and Point Operator by Transporter
1:15 PM	Timely Nominations Leave Control of Service Requester (SR)	
1:30 PM	Timely Nominations Received by Transporter; Timely Nomination Quick Response Issued by Transporter to SR	
2:00 PM		ID 1 Effective Flow Time
2:30 PM		
2:45 PM		ID 2 Nominations Leave Control of SR
3:00 PM		ID 2 Nominations Received by Transporter; ID 2 Nomination Quick Response Issued by Transporter to SR
4:00 PM		
4:30 PM	Timely Completed Confirmations Due to Transporter from Confirming Party	
5:00 PM	Timely Scheduled Quantity Received by SR and Point Operator from Transporter	ID 2 Completed Confirmations Due to Transporter from Confirming Party
5:30 PM		ID 2 Scheduled Quantity Issued for SR and Point Operator by Transporter
6:00 PM		ID 2 Effective Flow Time
6:15 PM	Evening Nominations Leave Control of SR	
6:30 PM	Evening Nominations Received by Transporter; Evening Nomination Quick Response Issued by Transporter to SR	
7:00 PM		
7:15 PM		ID 3 Nominations Leave Control of SR
7:30 PM		ID 3 Nominations Received by Transporter; ID 3 Nomination Quick Response Issued by Transporter to SR
8:00 PM		
8:30 PM	Evening Completed Confirmations Due to Transporter from Confirming Party	
9:00 PM	Evening Scheduled Quantity Issued for SR and Point Operator by Transporter	
9:30 PM		ID 3 Completed Confirmations Due to Transporter from Confirming Party
10:00 PM		ID 3 Scheduled Quantity Issued for SR and Point Operator by Transporter; ID 3 Effective Flow Time
11:00 PM		
11:59 PM		

NON-CONFORMING AGREEMENTS

Section 1	Reserved
Section 2	Reserved
Section 3	Reserved
Section 4	Reserved
Section 5	Reserved
Section 6	Reserved
Section 7	Reserved
Section 8	Reserved
Section 9	Reserved

Reserved



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