

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southern Natural Gas Company, L.L.C.)

CP20-_____

**ABBREVIATED APPLICATION FOR AUTHORIZATION
TO ABANDON SERVICE UNDER
CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY**

Southern Natural Gas Company, L.L.C. (“Southern”) hereby files this abbreviated application pursuant to Section 7(b) of the Natural Gas Act and the Federal Energy Regulatory Commission’s (“Commission”) Regulations thereunder for authorization to abandon certain transportation agreements between Tenneco Oil Company¹ (“TOC”) and Southern provided under Southern’s Rate Schedules X-70 and X-233 as contained in Southern’s FERC Gas Tariff, Original Volume 2, as more fully described herein. Southern and TOC entered into the subject agreements on December 19, 1983 (X-70 Docket No. CP84-307); and September 26, 1985 (X-233 Docket No. CP86-147) (collectively referred to as “Transportation Agreements”).

In accordance with Sections 157.5 through 157.13, and 157.18 of the Commission’s Regulations, Southern states as follows:

**I.
DESCRIPTION OF APPLICANT**

The exact legal name of Southern is Southern Natural Gas Company, L.L.C., a limited liability company organized and existing under the laws of the State of Delaware and having its principal place of business at 569 Brookwood Village, Suite 749, Birmingham, Alabama 35209. Southern is a natural gas transmission company engaged in the operation of an interstate pipeline

¹ Letter from TOC regarding support of this application is included in Exhibit U of this filing.

system for the transportation of natural gas in the States of Louisiana, Mississippi, Alabama, Georgia, South Carolina, Florida and Tennessee, under authorizations granted by and subject to the jurisdiction of the Commission.

II.

CORRESPONDENCE AND COMMUNICATIONS

The names, titles, mailing addresses and telephone numbers of the persons who represent Southern and to whom communications concerning this application are to be addressed and upon whom service is to be made are:

*T. Brooks Henderson
Director – Rates and Regulatory
Southern Natural Gas Company, L.L.C.
P. O. Box 2563
Birmingham, Alabama 35202
brooks_henderson@kindermorgan.com

*Patricia S. Francis
Vice President and Managing Counsel
Southern Natural Gas Company, L.L.C.
P. O. Box 2563
Birmingham, Alabama 35202
patricia_francis@kindermorgan.com

* Persons designated to receive service pursuant to and under Rule 2010 of the Commission's Rules of Practice and Procedure.

III.

BACKGROUND

Rate Schedule X – 70 (Docket No. CP84-307)

On December 19, 1983, Southern and TOC entered into an agreement for Southern to receive and transport TOC's natural gas in Viosca Knoll Blocks 899 and 900 for delivery by displacement to Tennessee for TOC's account at the onshore terminus of Project SP 77 (a twenty six-inch pipeline jointly owned by Tennessee and Columbia Gulf Transmission Company).

On March 19, 1984, Southern filed in Docket No. CP84-307 an application for a certificate of public convenience and necessity authorizing the transportation by displacement on an

interruptible basis of up to 1,600 MMBtu's of natural gas per day for TOC. The Commission issued a certificate of public convenience and necessity by Order on March 19, 1985.²

The agreement remained in effect for the primary term of four (4) years. After the primary term, the agreement remained in effect from year to year thereafter, subject to cancellation on six (6) months prior written notice by either party. As described in the attached letter included in Exhibit U, TOC supports terminating the agreement to the extent of its ownership.

Rate Schedule X – 233 (Docket No. CP86-147)

On September 26, 1985, Southern and TOC entered into an agreement to transport TOC's natural gas from Main Pass Block 311 and Main Pass Block 312 to an interconnection between the facilities of Tennessee and Southern on Southern's platform in Main Pass Block 298.

On November 1, 1985, Southern filed in Docket No. CP86-147 an application for a certificate of public convenience and necessity authorizing the transportation on an interruptible basis of up to 2,000 MMBtu's of natural gas per day for TOC. The Commission issued a certificate of public convenience and necessity by Order on November 7, 1986.³

The agreement remained in effect for the primary term of five (5) years. After the primary term, the agreement remained in effect from year to year thereafter, subject to cancellation on one hundred eighty (180) days prior written notice by either party. As described in the letter provided in Exhibit U, TOC supports terminating the agreement to the extent of its ownership.

IV.
PROPOSED ABANDONMENT

Southern is seeking authorization to abandon the transportation services, rendered pursuant to the Transportation Agreements and provided under Rate Schedules X-70 and X-233. The

² *Southern Natural Gas Company, L.L.C.*, 30 FERC ¶ 61,295 (1985).

³ *Southern Natural Gas Company, L.L.C.*, 37 FERC ¶ 61,101 (1986).

Transportation Agreements are included herein as Exhibit U. Southern respectfully requests such abandonment be effective on the day of issuance of the Commission's order approving such abandonment.

V.

PUBLIC CONVENIENCE AND NECESSITY

Southern proposes to abandon service under Rate Schedules X-70 and X-233 of Volume 2 of its FERC Gas Tariff. The abandonment of these services and rate schedules will not impact the quality or quantity of services being provided to Southern's customers or the operations of its system. There will be no termination or reduction in firm service to any existing customers as a result of the proposed abandonment. Southern does not propose to abandon, modify or install any facilities in conjunction with the abandonment request. The Transportation Agreements and Rate Schedules are a historical carry-over and need to be abandoned as a housekeeping event because the intent and purpose of the Transportation Agreements no longer exists. Additionally, Southern abandoned by sale to High Point Gas Transmission, LLC, its pipeline and appurtenant facilities located in onshore and offshore Louisiana on the East Leg of its pipeline system south of its Toca Compressor Station on November 1, 2012.⁴ The Viosca Knoll, South Pass and Main Pass facilities were included in this sale rendering Southern no longer the owner of the assets to perform these transportation services. Therefore, and for these reasons, it is in the public convenience and necessity for the Commission to grant the abandonment authorization requested herein.

VI.

ENVIRONMENTAL MATTERS

Southern proposes to abandon service no longer required. No adverse environmental effects will result from the proposed abandonment because no facilities are impacted. Southern is

⁴ See *Order Approving Abandonment, Determining Jurisdictional Status of Facilities, and Issuing Certificates*, 139 FERC ¶ 61,237 (2012).

only seeking to abandon individually certificated services, and thus, the requested abandonment authority is exempt from the requirement to prepare an environmental assessment pursuant to 18 C.F.R. § 380.4(a)(27), because no construction or abandonment activities are involved. Therefore, Southern has not included an environmental report and believes that the instant application is categorically excluded from the preparation of an environmental assessment or an environmental impact statement.

VII. **RELATED APPLICATIONS**

Southern is not aware of any application to supplement or effectuate the proposal herein that must be filed or is to be filed by Southern or any other person with the Commission or any other federal, state or regulatory body.

VIII. **FORM OF NOTICE**

A form of notice suitable for publication in the *Federal Register* is attached hereto and incorporated herein by reference.

IX. **ABBREVIATED APPLICATION**

This application is abbreviated pursuant to 18 CFR § 157.7 of the Commission's regulations. Southern submits that an abbreviated application is justified and that the data and information in this application are sufficient to provide a full and complete understanding of the request and its effect on Southern's operations and the public. Accordingly, Southern has listed below the exhibits attached to this application containing the data required by 18 CFR § 157.18, including any omitted information and the facts relied upon to justify each omission.

X.
EXHIBITS

This Application is in abbreviated form pursuant to Section 157.7(a) of the Commission's Regulations under the Natural Gas Act. Accordingly, the following is a list of exhibits being submitted herewith or those that have been omitted for the reasons stated.

EXHIBIT T

RELATED APPLICATIONS

Omitted. The transportation services to be abandoned herein were authorized by Commission Order issued in Docket No. CP84-307-000 Southern Natural Gas Company 30 FERC ¶ 61,295 (1985), and Docket No. CP86-147-000 Southern Natural Gas Company 37 FERC ¶ 61,101 (1986). Southern knows of no other related applications pending before or authorized by the Commission, which directly and significantly affect this Application.

EXHIBIT U

CONTRACTS AND OTHER AGREEMENTS

Attached are copies of the Transportation Agreements. Southern and TOC have mutually agreed to terminate the aforementioned Transportation Agreements subject to a Commission order approving such abandonment pursuant to the attached letter dated September 17, 2020.

EXHIBIT V

FLOW DIAGRAM SHOWING DAILY DESIGN CAPACITY AND REFLECTING OPERATION OF APPLICANT'S SYSTEM AFTER ABANDONMENT

Omitted. Not applicable.

EXHIBIT W

IMPACT ON CUSTOMERS WHOSE SERVICE WILL BE TERMINATED

Omitted. Not applicable.

EXHIBIT X

EFFECT OF THE ABANDONMENT ON EXISTING TARIFFS

Upon receipt of the abandonment authorization sought herein, Southern will file to cancel its tariff sheet underlying the Rate Schedules identified herein.

EXHIBIT Y

ACCOUNTING TREATMENT OF ABANDONMENT

Omitted. Not applicable.

EXHIBIT Z

LOCATION OF FACILITIES

Omitted. Not applicable.

EXHIBIT Z-2**ENVIRONMENTAL REPORT**

Omitted. The information required to be presented by this exhibit is not necessary since this abandonment falls under the categorical exclusion set forth in Section 380.

XI.
AUTHORIZATIONS REQUESTED

WHEREFORE, Southern respectfully requests that the Commission issue Southern an order permitting and approving abandonment of the Transportation Agreements between TOC and Southern effective on the day of issuance of the Commission's order approving such abandonment as requested herein. Southern also requests that this Application be handled expeditiously under the shortened procedure provided for in Rule 802 of the Commission's Rules of Practice and Procedure, and requests that if no issue of substance is raised by any request to be heard, protest or motion to intervene, that the Commission omit the intermediate decision procedure and waive oral hearing. Finally, Southern requests that the Commission grant such other and future authorizations, relief, and/or waivers as the Commission deems necessary to enable Southern to perform the acts contemplated herein.

Respectfully submitted,

SOUTHERN NATURAL GAS COMPANY,
L.L.C.

By: /s/ T. Brooks Henderson
T. Brooks Henderson
Director – Rates and Regulatory

Birmingham, Alabama
September 29, 2020

EXHIBIT U

CONTRACTS AND OTHER AGREEMENTS

EL PASO E.S.T. COMPANY

September 17, 2020

Mr. Ronnie Martin
Southern Natural Gas Company, L.L.C.
569 Brookwood Village, Suite 749
Birmingham, AL 35209
Via Electronic Mail

Re: Volume No. 2 Transportation Service Agreements: X-70 and X-233

Dear Mr. Martin:

Tenneco Oil Company ("TOC") and Southern Natural Gas Company, L.L.C. ("SNG") are parties to two individually authorized transportation service agreements:

- 1) SNG Rate Schedule X-70 authorized in the Federal Energy Regulatory Commission ("FERC") Docket No. CP84-307; and
- 2) SNG Rate Schedule X-233 authorized in FERC Docket No. CP86-147.

SNG has requested the support of TOC for the termination and abandonment of these two inactive transportation service agreements. TOC has reviewed its records and is unable to determine if it is the property party to these two inactive transportation service agreements. TOC sold all its oil and gas assets in multiple transactions prior to the 1996 purchase by El Paso and dissolved in 1998. Record ownership is unavailable. Notwithstanding the foregoing, to the extent TOC is the proper counterparty, El Paso Energy E.S.T. Company, the Trustee for the EPEC Oil Company Liquidating Trust established in connection with the dissolution of TOC, supports termination of the abandoned agreements.

Respectfully submitted,

El Paso Energy E.S.T. Company,
the Trustee for the EPEC Oil Company
Liquidating Trust

By: _____



Eric McCord
Assistant Secretary

RATE SCHEDULE X-70

GAS TRANSPORTATION AGREEMENT

BETWEEN

TENNECO OIL COMPANY

AND

SOUTHERN NATURAL GAS COMPANY

DATE OF AGREEMENT: DECEMBER 19, 1983

VIOSCA KNOLL BLOCKS 899 AND 900
OFFSHORE LOUISIANA

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70

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Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70
TRANSPORTATION AGREEMENT

THIS AGREEMENT entered into this 19th day of December, 1983, by and between TENNECO OIL COMPANY (Tenneco) and SOUTHERN NATURAL GAS COMPANY (Southern);

W I T N E S S E T H :

WHEREAS, Tenneco is a Delaware corporation and has the right to produce the natural gas reserves underlying Blocks 899 and 900, Viosca Knoll Area, offshore Louisiana; and

WHEREAS, Tenneco has uncommitted natural gas reserves underlying Viosca Knoll Blocks 899 and 900 for Tenneco's own use or for the fulfillment of other obligations; and

WHEREAS, Tenneco has advised Southern that it desires to use its Viosca Knoll Blocks 899 and 900 natural gas reserves for delivery to Air Products and Chemicals, Inc. (Air Products) in satisfaction of certain contractual obligations to Air Products and/or for use in Tenneco's Chalmette Refinery in Orleans Parish, Louisiana; and

WHEREAS, Tenneco has requested Southern to receive and transport on a best efforts basis through its existing pipeline facilities certain quantities of such uncommitted gas produced from Viosca Knoll Blocks 899 and 900 and to redeliver said gas to Tennessee Gas Pipeline Company, a Division of Tenneco Inc. (Tennessee) for Tenneco's account at the onshore terminus of that certain 24-inch pipeline jointly owned by Tennessee and Columbia Gulf Transmission Company (Columbia Gulf) known as Project SP77; and

WHEREAS, Southern is a Delaware corporation, operates a natural gas transmission system for the transportation and sale of natural gas in interstate commerce, is a "natural gas company" within the meaning of the Natural Gas Act, and is therefore subject to the regulatory jurisdiction of the Federal Energy Regulatory Commission (Commission) as determined by an order of the Federal Power Commission issued on October 6, 1942, in Docket No. G-296; and

WHEREAS, Southern owns and operates certain pipeline facilities in the Main Pass and South Pass Areas, offshore Louisiana, adjacent to Viosca Knoll Blocks 899 and 900; and

WHEREAS, by agreement dated May 24, 1983, Tennessee and Columbia Gulf have agreed to transport the natural gas Southern has the right to purchase from South Pass Blocks 57, 58, and 78 and to redeliver said gas for Southern's account at the onshore terminus of Project SP77; and

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

WHEREAS, subject to the prior receipt of all necessary governmental approvals and authorizations on terms and conditions acceptable to Southern, Southern is willing to transport Tenneco's uncommitted gas as requested in accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, Tenneco and Southern do hereby agree as follows:

ARTICLE I

Certain Definitions

As used herein, the following terms shall have the meanings set forth below:

- (a) Gas - Natural gas meeting the specifications set out in Section 1 of Exhibit A attached hereto.
- (b) Day - A period of 24 consecutive hours beginning at 7:00 A.M. local time at the Delivery Point or such other mutually agreeable time. The date of a day shall be that of its beginning.
- (c) Btu - A British Thermal Unit.
- (d) MMBtu - One million (1,000,000) Btu's.
- (e) Mcf - 1,000 cubic feet of gas.
- (f) Party - Southern or Tenneco and parties shall mean Southern and Tenneco.
- (g) Transportation Quantity - A daily quantity of gas up to 1,600 MMBtu which is produced by Tenneco from Viosca Knoll Blocks 899 and 900 and made available at the Delivery Point, and which Tenneco requests and Southern agrees to accept for transportation hereunder.
- (h) Redelivery Quantity - The daily quantity of gas delivered and accepted hereunder at the Delivery Point less a certain percentage of such quantity, the exact percentage being that determined in accordance with Section E of ARTICLE II hereof, as gas which shall be deemed to have been used as compressor fuel and company-use gas (including system unaccounted-for gas); less any and all shrinkage, fuel or loss resulting from or consumed in the processing of the gas transported hereunder; and less Tenneco's pro rata share of gas lost or vented (including unaccounted-for gas associated with such lost or vented gas) during transportation for any reason except gross negligence on the part of Southern.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

- (i) Delivery Point - The existing point of interconnection at the inlet of Southern's measurement facilities located on Shell Oil Company's "B" Platform in Block 62, South Pass Area, offshore Louisiana, located at Lambert coordinates X=2,834,167.46 and Y=164,309.64.
- (j) Redelivery Point - The existing point of interconnection of Project SP77 and Tennessee's 26-inch pipeline in Section 17, Township 23 South, Range 31 East, Plaquemines Parish, Louisiana.

ARTICLE II

Scope

Section A. Subject to the provisions hereof, Tenneco shall cause the Transportation Quantity to be delivered to Southern at the Delivery Point and Southern shall redeliver, or cause to be redelivered, the Redelivery Quantity to or for the account of Tenneco at the Redelivery Point. Once gas is accepted for delivery hereunder, Southern's transportation obligation shall be fulfilled when the quantity of gas to be redelivered hereunder is made available at the Redelivery Point.

Section B. It is recognized that the services performed hereunder shall be on an interruptible basis, and all transportation services shall be conditioned upon the availability of capacity sufficient for Southern to perform the services without detriment or disadvantage to Southern's obligations to its customers who are dependent on its general system supply and shall be further subject, in Southern's sole discretion, to the availability of excess capacity in Southern's pipeline facilities, to the operating conditions and system requirements of Southern, and to the terms and conditions of the contracts under which Southern purchases gas produced from South Pass Blocks 57, 58, and 78 and of such other gas purchase contracts that Southern may hereafter enter into for gas supplies attached to Project SP77.

It is further recognized that Southern will effect redelivery of gas hereunder at the Redelivery Point by means of gas it may purchase in the South Pass Area, offshore Louisiana, and have transported by utilizing certain capacity rights it has in Project SP77. Southern's redelivery obligations hereunder are further conditioned (i) upon the availability of gas to Southern from South Pass Blocks 57, 58, and 78 and other sources of gas which may be purchased by Southern and transported in Project SP77 and (ii) upon the availability of capacity to Southern in Project SP77. It is expressly understood and agreed that Southern shall not be responsible for or have any liability to Tenneco whatsoever with respect to, arising out of, or in any way connected with the performance of the transportation services to be performed by Tennessee and Columbia Gulf for Southern through Project SP77.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

Section C. In the event that Tenneco has, from time to time, quantities of gas available for delivery to Southern under the terms and conditions of this Agreement in excess of 1,600 MMBtu per day at the Delivery Point, Tenneco may request Southern to transport such excess gas, and Southern may accept or refuse delivery of all or any part of such gas. In the event Southern agrees to accept delivery of quantities of gas in excess of 1,600 MMBtu per day, that gas will be transported on the same basis as the Transportation Quantity and in accordance with and subject to all the terms and conditions hereof.

Section D. It is recognized that because of dispatching and other variations, certain imbalances may occur in the transportation services rendered hereunder between the quantity of gas delivered by Tenneco, or for Tenneco's account, for transportation and the quantity of gas redelivered by Southern. Such imbalances shall be corrected, insofar as practicable, during the following month or as soon as possible thereafter. All gas delivered or redelivered hereunder on each day shall be delivered at as constant rates as practicable throughout such day. It is understood and agreed that there will be complete balancing upon or following termination of this Agreement, and that the balancing provisions of this Section D shall survive the termination of the other portions of this Agreement until such time as such balancing is attained.

Section E. In accordance with the provisions hereinabove set forth, Southern shall be entitled to retain at no cost to Southern a percentage of the quantity of gas delivered by Tenneco and accepted by Southern hereunder at the Delivery Point as gas which shall be deemed to have been used as compressor fuel and company-use gas in the performance of the services provided for hereunder. The percentage of the quantity of gas delivered hereunder to be retained for such fuel and company-use purposes shall initially be one (1) percent of the Transportation Quantity.

It is understood and agreed, however, that Southern shall have the right, without any further agreement by Tenneco, to adjust the percentage of gas retained by Southern for fuel and company-use purposes, from time to time, to reflect the actual operating experience of Southern and/or any change to the methodology used by Southern to calculate the amount of fuel and company-use gas utilized in its system. Southern shall notify Tenneco of any such adjustment, and upon written request, Southern shall furnish to Tenneco information to support any such adjustment to the percentage of fuel and company-use gas retained hereunder.

ARTICLE III

Responsibility

Section A. As between the parties hereto, Tenneco shall be deemed to be in exclusive control and possession of the Transportation Quantity until such gas has been

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

actually delivered to Southern at the Delivery Point, while the gas is in Tenneco's custody (or the custody of another on its behalf) for processing in accordance with Section 6 of Exhibit A hereof, and after the gas has been made available to Tenneco or for the account of Tenneco hereunder by Southern at the Redelivery Point. Southern shall be deemed to be in exclusive control and possession of the Transportation Quantity only while it is in Southern's facilities between the Delivery Point and the Redelivery Point. Title to that share of gas deemed to be fuel, company-use, vented, lost, or unaccounted-for gas hereunder shall pass to Southern at the Delivery Point.

Section B. The party deemed to be in control and possession of the gas to be transported hereunder shall be responsible for and shall indemnify the other party with respect to any losses (except that Southern shall not be responsible for or be obligated to indemnify Tenneco with respect to gas losses other than gas losses resulting from Southern's gross negligence), claims, liabilities or damages (except consequential) caused while the gas is deemed to be in the control and possession of that party or arising from its control and possession of the gas.

ARTICLE IV

Notice

Section A. Tenneco shall nominate gas for transportation hereunder by notifying Southern of the quantity of gas it has available at the Delivery Point not less than twelve (12) hours prior to the beginning of any day on which Tenneco desires such services. Tenneco may terminate the transportation of its gas during any day of transportation upon four (4) hours' prior notice to Southern; however, the Transportation Quantity may not otherwise be changed by Tenneco during any day of transportation. Southern and Tenneco may establish a uniform daily Transportation Quantity, but any change in that established uniform quantity by Tenneco shall be subject to the twelve-hour prior notice provision set forth above.

Section B. After receipt of Tenneco's nomination, Southern shall notify Tenneco prior to the start of the day for which Tenneco has nominated gas for transportation of the quantity of gas it is willing to transport to the Redelivery Point. Southern may change the Transportation Quantity during any day of transportation upon reasonable notice to Tenneco.

Section C. Tenneco warrants that all gas nominated for transportation hereunder will be its gas produced from Viosca Knoll Blocks 899 and 900 and will be used in satisfaction of its presently existing contractual obligations to Air Products and/or for use in Tenneco's Chalmette Refinery in Orleans Parish, Louisiana.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

ARTICLE V

Remuneration

Section A. Tenneco shall pay Southern for the transportation services rendered hereunder a transportation fee of 43.7 cents per MMBtu redelivered at the Redelivery Point. ^{1/}

Section B. The charge hereinabove provided shall be subject to increase or decrease pursuant to any order issued by the Commission, or any other governmental agency having jurisdiction, in any rate proceeding initiated by, or applicable to, Southern. In addition, Tenneco agrees that Southern shall, without further agreement by Tenneco, at all times during the term hereof, have the right to effect changes, from time to time, in such charge and to file notices of such changes with the Commission pursuant to Section 4(d) of the Natural Gas Act whenever, in Southern's judgment, such changes are needed to assure Southern that it will receive just and reasonable compensation for the services performed hereunder for Tenneco.

Section C. In addition to the amounts otherwise due pursuant to this ARTICLE V, Tenneco shall pay or reimburse Southern for the full amount of any present or future tax or assessment levied upon Southern with respect to the receipt, transportation and redelivery of gas for Tenneco hereunder to the extent such taxes are not included in the rate provided for in this ARTICLE V; excluding, however, ad valorem or similar taxes now or hereafter levied upon the physical facilities of Southern utilized to receive, transport and redeliver gas for Tenneco as herein provided.

ARTICLE VI

Statements

Section A. Subject to the provisions of ARTICLE IX, on or before the fifteenth (15th) day of each calendar month Southern shall mail to Tenneco a monthly statement, including an invoice for services rendered during the preceding calendar month hereunder, setting forth the preceding month's volumes and Btu content of the gas received for the account of Tenneco at the Delivery Point for transportation hereunder and the volumes and Btu content of the gas redelivered at the Redelivery Point.

Section B. Tenneco shall make payment to Southern or to Southern's account for the services performed during the preceding calendar month by First Class U.S. Mail at the address set forth for Southern in Section C of ARTICLE X hereof, or by wire transfer or by First Class U.S. Mail (as Southern may elect) at such address or addresses as Southern may hereafter designate, from time to time, on or before the twenty-fifth

^{1/} Revised Charge: 34.24¢, per order dated March 19, 1985 in Docket No. CP84-307 plus GRI surcharge of 1.35¢.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: January 1, 1986

Issued on: November 26, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

(25th) day of each calendar month; provided, however, that in the event Southern's bill is delayed by Southern beyond the fifteenth (15th) day of the calendar month, the date for payment thereof shall be accordingly extended.

Section C. Should Tenneco fail to pay any amount when due, interest on the unpaid amount shall accrue at the rate equal to the prime rate then being charged by The Chase Manhattan Bank, N.A., from the date payment was due until payment is made. If any such failure to make payment continues for thirty (30) days, Southern may suspend the transportation of gas hereunder, but the exercise of such right shall be in addition to any other remedy available to Southern.

ARTICLE VII

Term

Section A. This Agreement shall become effective on the date hereinabove first written and, subject to the terms and conditions hereof, shall be in force and effect for a primary term of four (4) years from the effective date hereof, and shall continue and remain in full force and effect year to year thereafter, unless and until terminated by either party upon six (6) months' written notice prior to the end of the primary term or any one-year extension thereof.

Section B. It is recognized that Southern's producer seller(s) of gas transported for the account of Southern in Project SP77 has/have retained the right under their contracts with Southern to process such gas for the extraction of liquefiable hydrocarbons at the Shell Oil Company-operated Yscloskey Plant in St. Bernard Parish, Louisiana. Notwithstanding the provision of Section A of this Article VII, should Southern's producer seller(s) elect to process such gas as provided for in said contract(s), this Agreement shall, at Southern's election, terminate on the date Southern's producer seller(s) commence processing, unless the parties have executed a supplementary written agreement providing for a redelivery point other than the Redelivery Point, in which case this Agreement shall continue and remain in full force and effect as provided for in Section A of this Article VII. Southern shall give reasonable notice to Tenneco of its producer seller(s) election to process and of its election to terminate this Agreement. Southern shall not be responsible for or have any liability to Tenneco whatsoever with respect to, arising out of or in any way connected with its election to terminate under the provisions of this Section B of Article VII, and Tenneco shall indemnify and hold Southern harmless from and against any and all suits, judgments, claims, demands, causes of action, costs, losses, and expenses arising out of or in any way connected with Southern's termination of this Agreement pursuant to this Section B of Article VII.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

ARTICLE VIII

Governmental Regulations

Section A. This Agreement is subject to all present and future valid laws, orders, rules, and regulations of any regulatory body of the federal or state government having or asserting jurisdiction herein.

Section B. Promptly following the execution of this Agreement, Southern shall prepare, file, and prosecute with diligence an application for a certificate of public convenience and necessity authorizing Southern to transport gas in interstate commerce on behalf of Tenneco according to the terms and conditions set forth herein.

Section C. In the event all such necessary regulatory approvals for the services to be provided hereunder have not been issued or have not been issued on terms and conditions acceptable to Southern within one (1) year from the date of the initial application therefor, then either party may terminate this Agreement without liability or further obligation to the other party by giving the other party written notice thereof at any time subsequent to the end of such one-year period, but prior to the receipt of all such acceptable approvals. Southern reserves the right to pursue its applications in such manner as it deems to be in its best interest, including the right to file whatever pleadings and motions it deems desirable and shall not be obligated to accept any regulatory authorization which contains, in Southern's sole opinion, unreasonable or onerous terms and conditions.

ARTICLE IX

Allocation Statements

It is recognized that gas other than the gas transported hereunder may be measured by the meter at the Delivery Point. Accordingly, Tenneco agrees to provide, or cause to be provided, to Southern, by the tenth (10th) day of each month, an allocation statement setting forth any information reasonably deemed necessary by Southern for the purposes hereof. Tenneco further hereby agrees that Southern shall have the right to rely conclusively on the allocation statements provided to it hereunder for the purpose of determining the quantity of gas delivered by Tenneco at the Delivery Point.

ARTICLE X

Measurement

The parties recognize and acknowledge that Tennessee has not installed measurement facilities at the Redelivery Point and that Southern shall allocate, subject

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

to all the terms and conditions hereof, the quantity of gas delivered to Tennessee at the Redelivery Point between that quantity transported and delivered hereunder for Tenneco's account and that quantity delivered for its own account based on the quantities of gas Southern receives from South Pass Blocks 57, 58, and 78 and the quantities of gas produced from other blocks which are transported for Southern in Project SP77 as determined by Southern's measurement facilities located on the producers' platforms in such blocks and by the provisions of that certain Gas Transportation Agreement dated May 24, 1983, among Columbia Gulf, Tennessee, and Southern providing for transportation of Southern's gas through Project SP77.

ARTICLE XI

Miscellaneous

Section A. No waiver by Southern or Tenneco of any default of either party under this Agreement shall operate as a waiver of any subsequent default whether of a like or different character.

Section B. No modification of or supplement to the terms and provisions hereof shall be or become effective except by execution of a supplementary written agreement between the parties hereto.

Section C. All notices hereunder, except those specifically provided for under other provisions hereof, shall be deemed duly given if in writing and sent by postpaid registered or certified mail addressed to the respective parties at the addresses stated below or such other addresses as they shall respectively hereafter designate in writing from time to time, except dispatching notices which may be given by telephone:

Tenneco:

Notices and Statements

Tenneco Oil Company
Post Office Box 2511
Houston, Texas 77001

Attention: Oil and Gas Contracts

Invoices

Tenneco Oil Company
Post Office Box 2511
Houston, Texas 77001

Attention: Revenue Accounting-
Gulf of Mexico Region

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

Southern:

Notices

Southern Natural Gas Company
Post Office Box 2563
Birmingham, Alabama 35202-2563

Attention: Gas Control Department

Statement and Payments

Southern Natural Gas Company
Post Office Box 2563
Birmingham, Alabama 35202-2563

Attention: Gas Accounting Department

Section D. Exhibit A attached to this Agreement constitutes a part of this Agreement, and the terms and conditions stated in said Exhibit A are incorporated herein.

IN WITNESS WHEREOF, this Agreement is executed and effective as of the date first above written.

ATTEST:

SOUTHERN NATURAL GAS COMPANY

John C. Tweed
Assistant Secretary

By Robert K. Hutchison
Vice President

ATTEST:

TENNECO OIL COMPANY

By Jack A. Dutton

Signature page of Transportation Agreement between Tenneco Oil Company and Southern Natural Gas Company regarding gas reserves underlying Viosca Knoll Blocks 899 and 900 dated the 19th day of December, 1983.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

EXHIBIT A

SECTION 1 - QUALITY OF GAS

(1) The gas delivered and redelivered hereunder will be merchantable gas and will upon delivery by either party to the other party hereunder:

- (a) be free of objectionable liquids and solids and be commercially free from dust, gums, gum-forming constituents, or other liquid or solid matter which might become separated from the gas in the course of transportation through the pipeline;
- (b) not contain more than 200 grains of total sulphur or 10 grains of hydrogen sulphide or 0.30 gallons of iso-pentane and heavier hydrocarbons, per Mcf;
- (c) not contain more than 2% by volume of carbon dioxide and nitrogen or 1% of oxygen;
- (d) not contain more than 7 pounds of water per 1,000 Mcf;
- (e) have a temperature of not more than 120° F., nor less than 40° F.;
- (f) have a gross heating value of at least nine hundred fifty (950) Btu per cubic foot. The gross heating value of the gas shall be determined by a mutually acceptable test of one cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit and at a pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute and saturated with water vapor. Tests for such determination of heating value shall be conducted at least on a monthly basis, or such other intervals as determined necessary by Southern, by a method or methods to be mutually agreed upon, and the result of any test shall be used until the results of a subsequent test shall be known. If a recording calorimeter is installed, the monthly average of the daily readings shall be used. Unless and until measuring facilities are installed at the Redelivery Point, the gas that Southern makes available for redelivery hereunder shall be deemed to have the same Btu content as the weighted average Btu content contained in Southern's gas volumes produced from South Pass Blocks 57, 58, and 78 and from any additional blocks from which Southern may purchase gas which is transported for Southern in Project SP77.

(2) The sulphur content, and hydrogen sulphide content shall be determined by approved standard methods generally in use in the natural gas industry.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

The hydrocarbon content shall be determined by the method prescribed by the Gas Processors Association in NGPA Publication 2261-72 or ASTM Publication D 1945-64 (1968), or any revisions thereof, or by such other method as shall be mutually agreed upon.

The water content shall be determined at such intervals as shall be found necessary in practice, by the use of dew point apparatus approved by the Bureau of Mines and utilizing curves for "Water Vapor Content of Compressed Natural Gas" comprising Figure 41 to Bureau of Mines, U. S. Department of the Interior, Monograph 8 "Gas Hydrates and Their Relations to the Operation of Natural-Gas Pipe Lines," or by such other curve or method as shall be mutually agreed upon.

SECTION 2 - METERS AND MEASUREMENT

(1) Measuring Equipment and Tests. As set forth in ARTICLE X of the Agreement, it is recognized that no measurement facilities exists at the Redelivery Point. Upon the installation of measuring facilities at the Redelivery Point, Tenneco shall be responsible for insuring that said facilities comply with the provisions hereof, and if so, Tenneco or Tenneco's designee shall operate said facilities in accordance with the provisions hereof. At the Delivery Point Southern shall provide, or cause to be provided, and Southern shall operate, or cause to be operated, orifice meters of standard type constructed and installed in accordance with the applicable specifications contained in Report No. 3 of the Gas Measurement Committee of the American Gas Association, published April 1955, as such report has been or may from time to time be revised (hereinafter called "Report No. 3"), suitable for the measurement of gas in accordance with Report No. 3, or any other method that may be mutually agreeable. The party responsible for installation of the meters as hereinabove set forth shall provide such other instruments and equipment as are necessary to provide information for the measurement of gas.

Southern shall read, or cause to be read, the meters and change the charts each eight days or at such other intervals as may be mutually agreed upon. Upon request, Southern will submit for checking and calculation the records and charts from such metering equipment, together with calculations therefrom. Such records, charts and calculations shall be returned within 15 days after receipt thereof, after which the same shall be kept on file for the mutual use of both parties for a period of one year.

Each Party may, at its option and expense, install and operate meters, instruments and equipment of standard type to check the other party's meters and equipment, but the measurement of gas for the purposes hereof shall be by Southern-operated meters only at the Delivery Point, except as hereinafter specifically provided to the contrary.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

At least once every thirty five (35) days, Southern shall test its meters and recording instruments, and Tenneco, if it has installed check meters or other recording instruments, shall at the same time test its meters and instruments. Each party shall give notice to the other party of the time of all tests of metering equipment so that the other party may conveniently (but at its own expense) have its representative present.

The meters, instruments, and equipment installed by either party shall be subject to inspection by the other at all reasonable times, and either party may request that a test be made of the other party's meters or instruments. If the percentage of inaccuracy of the equipment in question shall be found to be less than 2%, then the cost of such test shall be borne by the party requesting the test.

If upon any test the percentage of inaccuracy of any metering equipment is found to be in excess of 2%, previous readings of such equipment shall be corrected for any period which is definitely known or agreed upon, but in case such period is not so known or agreed upon, such correction shall be made for a period covering the last half of the period since the last test, but in no event for a period exceeding 15 days.

Any error resulting from the calculation of chart records shall be corrected promptly upon detection if either party notifies the other of such error within six months following the expiration of the month in which such error was made.

If for any reason meters are out of service or out of repair so that the amount of gas delivered cannot be ascertained or computed from the readings thereof, the amount of gas delivered during such period shall be estimated and agreed upon by the use of the first of the following methods which is feasible: (a) by using the registration of any check measuring equipment if installed and accurately registering, (b) by correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation, or (c) by estimating the quantity delivered by reference to actual deliveries during the preceding periods under similar conditions when the equipment in question was registering accurately.

(2) Unit of Volume and Basis of Measurement. The unit of volume for all purposes of this Agreement shall be based on 1,000 cubic feet of gas. A "cubic foot of gas" shall be the amount necessary to fill a cubic foot of space when the gas is at a temperature of 60°F and an absolute pressure of 14.73 pounds per square inch unless otherwise specifically stated herein. The atmospheric pressure shall be assumed to be 14.7 pounds per square inch absolute at the Delivery Point.

Volumes shall be computed in accordance with the instructions contained in Report No. 3, using the specific gravity method prescribed by paragraph (72) for the determination of supercompressibility. In the event the viscosity, specific gravity or temperature of the gas are not within the variations provided in paragraph (62) of Report

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

No. 3, the applicable factor F_r shall be calculated by such method as may be mutually agreed upon.

Volumes shall be corrected for temperature and specific gravity as provided below.

The flowing temperature of the gas shall be determined by means of a recording thermometer of standard manufacture and the arithmetic average of the chart record during the periods of time during which gas was flowing shall be the temperature at which such gas was delivered for the period of such chart record. Volumes shall be corrected for each degree of variation in the average temperature from 60°F.

The specific gravity of the gas shall be determined by a recording gravitometer of standard manufacture except that if neither party considers it necessary to install a recording gravitometer, spot tests shall be made with an Edwards type gas balance, or by such other method as shall be mutually agreed upon. If a recording gravitometer is used, the arithmetic average of the chart record during the periods of time during which gas was flowing shall be the specific gravity of the gas for the period of such chart record. If the spot test method is used, the specific gravity shall be determined at least once each 35 days on a day as near the first of each month as practicable, or as often as may be found necessary in practice, and the results obtained from each such test shall be the specific gravity of the gas delivered during such month and until the next month in which a test is made. Volumes shall be corrected for each 0.001 variation from 1.000.

In determining the volume of gas delivered during any period, the orifice chart integrator, electroscanner or inspection method shall be used in reading the meter charts.

SECTION 3 - WARRANTY OF TITLE AND INDEMNIFICATION

Each party warrants the title to all gas delivered by it to the other party hereunder. Tenneco further represents and warrants that it will pay and satisfy, or make provision for the payment and satisfaction of, any and all claims of every nature whatsoever in, to, or in respect of gas delivered by it hereunder; and Tenneco hereby agrees to defend at its cost, and when notified by Southern to indemnify Southern against, all suits, judgments, claims, demands, causes of action, costs, losses, and expenses arising out of or in any way connected with any claims to the gas delivered hereunder.

Southern assumes no obligation whatever to any royalty owner or to the owner of any other interest of any kind in any gas delivered hereunder at the Delivery Point, and Tenneco shall pay all such royalties or other interests upon or in respect to such gas.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

SECTION 4 - FORCE MAJEURE

In the event of either party hereto being rendered unable, wholly or in part, by force majeure to carry out its obligations under this Agreement, other than to make payments due hereunder, it is agreed that, on such Party giving notice and full particulars of such force majeure in writing or by telephone (followed by written confirmation) or by telegraph to the other party as soon as possible after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused but for no longer period; and such cause shall as far as possible be remedied with all reasonable dispatch; provided, however, that no party hereto shall be required against its will to adjust any labor dispute.

The term "force majeure" shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the necessity for maintenance of or making repairs or alterations to machinery, facilities or lines of pipe, freezing of wells, or lines of pipe, partial or entire failure of wells, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome; such term shall likewise include the inability of either party to acquire, or delays on the part of such party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights-of-way grants, permits, permissions, licenses (which terms shall not, however, include certificates issued by the Federal Energy Regulatory Commission), materials or supplies which are required to enable such party to fulfill its obligations hereunder.

SECTION 5 - DELIVERY PRESSURES

All gas delivered hereunder at the Delivery Point by or for the account of Tenneco shall be delivered to Southern at pressures sufficient to deliver the Transportation Quantity into Southern's facilities at the working pressures maintained by Southern at the Delivery Point; provided, however, that such delivery pressure shall not exceed Southern's maximum allowable operating pressures at such point.

All gas delivered hereunder at the Redelivery Point by Southern shall be delivered to Tenneco or for its account at the working pressures maintained, by or available to Southern, from time to time, at the Redelivery Point.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

SECTION 6 - PROCESSING RIGHTS

(1) Tenneco shall have the right to process the gas subject hereto at no cost to Southern by giving sixty (60) days' prior written notice to Southern of its election to process such gas; provided, however, that such processing shall occur in or in the vicinity of the Shell Oil Company-operated Toca Plant, St. Bernard Parish, Louisiana, hereinafter referred to as "Plant", and provided, further, in the event the gas is processed in facilities other than the Plant, the gas remaining after processing shall be returned to Southern's pipeline at a mutually agreeable point downstream from the Plant. In either event, such processing shall not cause the gas to fail to meet the quality specifications set forth in Section 1 of this Exhibit A. Tenneco may process the gas for its own account, jointly with others or by assignment of such rights to others. Following the effective date of Tenneco's notice, Southern shall not acquire any right, title or interest in any liquefiable hydrocarbons extracted by Tenneco hereunder from the gas in the processing thereof.

(2) Southern has heretofore installed certain facilities to provide for the delivery of gas from its pipeline system to the Plant for processing. Should any new or additional facilities, alterations or modifications of existing facilities be required to facilitate the processing of gas by Tenneco hereunder, the installation of such new or additional facilities or the alteration or modification of existing facilities, to the extent they affect Southern's pipeline system, will be performed by Southern and, upon receipt of billing therefor, Tenneco agrees to reimburse Southern for all costs and expenses incurred by Southern in connection with the processing of gas by Tenneco hereunder.

(3) Southern agrees to deliver to Tenneco for processing a volume of gas containing as nearly as practical the same number of gallons of propane and heavier hydrocarbons as are delivered to Southern by Tenneco at the Delivery Point. If gas other than gas received from Tenneco hereunder is also being transported through Southern's pipeline, Tenneco shall have the right to process a quantity of the commingled gas in Southern's pipeline which contains as nearly as practical a quantity of propane and heavier hydrocarbons equal to the propane and heavier hydrocarbons contained in the gas delivered at the Delivery Point.

(4) In the event the gas is processed in the Plant, the redelivery of residue gas and the accounting therefor shall be in accordance with the terms and conditions of that certain agreement between Southern and owners of the Plant, dated February 3, 1969, for the operation of the Plant. In the event the gas is processed in facilities other than the Plant, the redelivery of residue gas and the accounting therefor shall be in accordance with procedures mutually satisfactory to Southern and Tenneco.

(5) "Plant Volume Reduction" or "PVR" shall include all Btu's consumed as fuel and shrinkage, for other uses or by losses of gas resulting from the processing of the gas.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-70 (continued)
TRANSPORTATION AGREEMENT

Tenneco shall pay Southern for transporting the plant volume reduction in Southern's facilities to the plant site from the point of delivery a rate of .02 cents per Mcf per mile, which fee shall be adjusted, effective on January 1, 1983, and on each successive January 1 thereafter, by multiplying said fee by a fraction, the numerator of which is the value of the Implicit Price Deflator for the Gross National Product (1972 = 100) published by the U.S. Department of Commerce for the immediately preceding calendar year, and the denominator of which is 91.36 (the GNP Implicit Price Deflator for the base year of 1970), or such higher rates as the Commission or other governmental authority having jurisdiction by order of general or specific applicability or otherwise approves or requires from time to time to be charged or collected for the transportation of plant volume reduction hereunder at any time during the term of this agreement, or assigned to such transportation as a credit against Southern's cost of service, together with any interest required to be paid by Southern in connection with any such required charge, collection or assignment. If the Commission does not require a higher rate to be so charged, collected or assigned to the transportation of plant volume reduction hereunder but provides, in the exercise of its cost allocation powers in approving Southern's jurisdictional resale rates, that a portion of Southern's cost of service shall be allocated to the transportation of plant volume reduction, then Southern shall charge and Tenneco shall pay for any transportation of plant volume reduction during the term of this agreement a rate which shall recover the entire portion and amount of Southern's cost of service allocated or attributable to such transportation, together with any interest required to be paid by Southern in connection with such allocation.

(6) Southern reserves the right to use gas upstream of the point of processing as is required for the reasonable and prudent operation of Southern's facilities and the right to make nominal sales of gas to others for drilling fuel, lease operations, pumping stations and other similar purposes. It is also recognized that some losses of gas volumes containing liquefiable hydrocarbons may occur as a result of such sale and/or the operation of such facilities. Tenneco's proportionate part of the liquefiable hydrocarbons so used or lost shall be deducted from the quantity of liquefiable hydrocarbons otherwise deliverable to Tenneco for processing.

(7) All operations conducted by or on behalf of Tenneco in the processing of gas hereunder shall be at its sole cost, risk and expense, and, as between Tenneco and Southern, Tenneco shall be responsible for the safe handling of the gas while it is in Tenneco's custody (or the custody of another on Tenneco's behalf) for processing.

(8) In view of the processing rights hereinabove granted, Tenneco agrees not to process nor permit others, including Tenneco's producer sellers, to process the gas subject hereto for the recovery of liquefiable hydrocarbons prior to the delivery of such gas to Southern at the Delivery Point hereunder other than by conventional field separation facilities.

Issued by: Gilbert L. Vascocu
Senior Vice President
Finance and Rates

Effective: April 1, 1985

Issued on: July 19, 1985

RATE SCHEDULE X-233

GAS TRANSPORTATION AGREEMENT

Between

TENNECO OIL COMPANY

and

SOUTHERN NATURAL GAS COMPANY

DATE OF AGREEMENT: SEPTEMBER 26, 1985

Issued by: Gilbert L. Vascocu
Sr. Vice-President
Finance and Rates
Issued on: July 26, 1988

Effective: November 7, 1986

RATE SCHEDULE X-233

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RATE SCHEDULE X-233

TRANSPORTATION AGREEMENT

THIS AGREEMENT entered into this 26th day of September, 1985, by and between TENNECO OIL COMPANY, (Tenneco), a Delaware corporation, and SOUTHERN NATURAL GAS COMPANY (Southern), a Delaware corporation;

W I T N E S S E T H :

WHEREAS, Tenneco has developed certain reserves of gas to be produced from Main Pass Area Block 312, offshore Louisiana; and

WHEREAS, Tenneco anticipates the need, from time to time for transportation for certain quantities of gas produced in Main Pass Area Block 312 for use in its oil production operations in Main Pass Area Block 297, offshore Louisiana (312 Gas); and

WHEREAS, subject to the prior receipt of all governmental approvals and authorizations on terms and conditions acceptable to Southern, Southern is willing to assist Tenneco by providing such transportation services in accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, Tenneco and Southern do hereby agree as follows:

ARTICLE I

(Certain Definitions)

As used herein, the following terms shall have the meanings set forth below:

- (a) Gas - Natural gas meeting the specifications set out in Section 1 of Exhibit A attached hereto.
- (b) Day - A period of 24 consecutive hours beginning at 7:00 A.M. local time at the Delivery Point or such other mutually agreeable time. The reference date of a day shall be that of its beginning.
- (c) Btu - A British Thermal Unit.
- (d) MMBtu - One million (1,000,000) Btu's.

Issued by: Gilbert L. Vascocu
Sr. Vice-President
Finance and Rates
Issued on: July 26, 1988

Effective: November 7, 1986

RATE SCHEDULE X-233 (Continued)

- (e) Mcf - 1,000 cubic feet of gas.
- (f) Party - Southern or Tenneco and Parties shall mean Southern and Tenneco.
- (g) Transportation Quantity - A daily quantity of 312 Gas up to 2000 MMBtu accepted by Southern in accordance with the terms of this Agreement.
- (h) Redelivery Quantity - The daily quantity of gas delivered and accepted hereunder at the Delivery Point less Tenneco's pro rata share of gas lost or vented during transportation for any reason except gross negligence or willful misconduct on the part of Southern.
- (i) Delivery Point - The existing point of interconnection in Main Pass Area Block 311, offshore Louisiana, between the pipeline facilities extending from Tenneco et al, Main Pass Block 311 "A" and 311 "B" platforms and Southern's Main Pass Block 62 Pipeline.
- (j) Redelivery Point - The existing point of interconnection between the facilities of Tennessee Gas Pipeline Company and the outlet of the measurement facilities of Southern located on the Platform operated by Southern in Main Pass Area Block 298, offshore Louisiana.

ARTICLE II

(Scope)

Section A. Subject to the provisions hereof, Tenneco shall cause the Transportation Quantity to be delivered to Southern at the Delivery Point and Southern shall redeliver, or cause to be redelivered, the Redelivery Quantity to the account of Tenneco at the Redelivery Point. Once gas is accepted for delivery hereunder, Southern's transportation obligation shall be fulfilled when the quantity of gas to be redelivered hereunder is made available at the Redelivery Point.

Section B. In addition to the limitations set forth in Section A of this ARTICLE II, it is recognized that the services performed hereunder shall be on an interruptible basis, and all transportation services shall be conditioned upon the availability of capacity sufficient for Southern to perform the services without detriment or disadvantage to Southern's obligations to its customers who are dependent on its general system supply, and shall be further subject, in Southern's sole discretion, to the availability of excess capacity in Southern's pipeline facilities and to the operating conditions and system requirements of Southern.

Issued by: Gilbert L. Vascocu
Sr. Vice-President
Finance and Rates
Issued on: July 26, 1988

Effective: November 7, 1986

RATE SCHEDULE X-233 (Continued)

Section C. In the event that Tenneco has, from time to time, transportation requirements for quantities of 312 Gas in excess of 2000 MMBtu per day available for delivery to Southern at the Delivery Point, Tenneco may request Southern to transport the excess gas, and Southern may accept or refuse delivery of all or any part of such gas. In the event Southern agrees to accept delivery of any such excess gas, that gas will be transported on the same basis as the Transportation Quantity and in accordance with and subject to all the terms and conditions hereof.

Section D. It is recognized that because of dispatching and other variations, certain minor imbalances may occur in the transportation services rendered hereunder between the quantity of gas delivered by Tenneco hereunder for transportation (less adjustments provided for in Article I, Section (h) hereof) and the quantity of gas redelivered by Southern. Such imbalances shall be corrected, insofar as practicable, during the following month or as soon as possible thereafter. It is understood and agreed that there will be complete balancing upon or following termination of this Agreement, and that the balancing provisions of this Section D shall survive the termination of the other portions of this Agreement until such time as such balancing is attained.

ARTICLE III

(Responsibility)

Section A. As between the parties hereto, Tenneco shall be deemed to be in exclusive control and possession of the Transportation Quantity and any gas transported pursuant to Section C of Article II hereof until such gas has been actually delivered to Southern at the Delivery Point, and after the gas has been delivered to the account of Tenneco hereunder by Southern at the Redelivery Point. Southern shall be deemed to be in exclusive control and possession of the Transportation Quantity and any gas transported pursuant to Section C of Article II hereof only while it is in Southern's facilities between the Delivery Point and Redelivery Point.

Section B. The Party deemed to be in control and possession of the gas to be transported hereunder shall be responsible for and shall indemnify the other Party with respect to any losses (except that Southern shall not be responsible for or be obligated to indemnify Tenneco with respect to gas losses other than gas losses resulting from Southern's gross negligence or willful misconduct), claims, liabilities or damages (except consequential) caused while the gas is deemed to be in the control and possession of that Party or arising from its control and possession of the gas.

RATE SCHEDULE X-233 (Continued)

ARTICLE IV

(Notice)

Section A. Tenneco shall nominate gas for transportation hereunder by notifying Southern of the quantity of gas it has available at the Delivery Point not less than twelve (12) hours prior to the beginning of any day on which Tenneco desires such services. Southern and Tenneco may establish a uniform Transportation Quantity, but any change in that established uniform quantity by Tenneco shall be subject to the twelve-hour prior notice provision set forth above.

Section B. After receipt of Tenneco's nomination, Southern shall notify Tenneco of the quantity of gas it is willing to transport to the Redelivery Point on any day not less than four (4) hours prior to the day on which Tenneco has nominated gas for transportation hereunder. Southern may change the Transportation Quantity during any day of transportation upon four (4) hours' prior notice to Tenneco.

ARTICLE V

(Remuneration)

Section A. Commencing with the effective date hereof and unless and until changed as hereinafter provided in this ARTICLE V, Tenneco agrees to pay to Southern as the charges for the service and transportation provided hereunder a rate of 24.9 cents (24.9¢) for each MMBTU of gas delivered hereunder by Southern at the Redelivery Point. 1/

Section B. The charges hereinabove provided shall be subject to increase or decrease pursuant to any order issued by the Federal Energy Regulatory Commission (Commission), or any other governmental agency having jurisdiction, in any rate proceeding initiated by, or applicable to, Southern. Tenneco agrees that Southern shall, without further agreement by Tenneco, at all times during the term hereof, have the right to change such charges and to effect such changes by filing notice of such changes with the Commission pursuant to Section 4 of the Natural Gas Act as may be needed to assure Southern that it will receive just and reasonable compensation for the services performed hereunder for Tenneco. Such changes shall become effective as permitted by Section 4 and the Commission's regulations thereunder, and the adjusted charges shall be collected by Southern as filed.

Section C. In addition to the transportation rate hereinabove set forth, Tenneco shall pay to Southern for each Mcf of gas transported and redelivered hereunder a Gas Research Institute (GRI) surcharge in the amount of 1.25¢ per

1/ Plus the ACA unit charge and the volumetric Take-or-Pay surcharge which are set forth in Sections 21 and 22, respectively, of Southern's FERC Gas Tariff, Sixth Revised Volume Number 1.

Issued by: Gilbert L. Vascocu
Sr. Vice-President
Finance and Rates
Issued on: July 26, 1988

Effective: November 7, 1986

RATE SCHEDULE X-233 (Continued)

Mcf or such other GRI funding unit or surcharge as the Commission or other governmental authority may from time to time by order of general or specific applicability or otherwise prescribe or approve. ^{1/}

Section D. In addition to the amounts which may otherwise be charged under this ARTICLE V, Tenneco shall pay or reimburse Southern for the full amount of any present or future tax or assessment levied upon Southern with respect to the receipt, transportation and redelivery of gas for Tenneco hereunder to the extent such taxes are not included in the calculation of the rates then being collected hereunder as provided for in this ARTICLE V; excluding, however, ad valorem or similar taxes now or hereafter levied upon the physical facilities of Southern utilized to receive, transport and redeliver gas for Tenneco as herein provided.

Section E. Tenneco will reimburse Southern for any and all filing or other fees required in connection with this transportation that Southern is obligated to pay to the Commission or to any other governmental authority having jurisdiction over this transportation.

ARTICLE VI

(Statements)

Section A. On or before the fifteenth (15th) day of each calendar month Southern shall mail to Tenneco an invoice for the amount due for the transportation services rendered for the preceding calendar month. Subject to the provisions of ARTICLE IX, on or before the twenty-fifth (25th) day of each calendar month Southern shall mail to Tenneco a monthly statement of the daily volumes and the Btu content of the gas received for the account of Tenneco at the Delivery Point for transportation hereunder, along with the volumes and the Btu content of the gas redelivered at the Redelivery Point. Southern shall be entitled to base its monthly invoice for any month on its reasonable estimate of the volumes and Btu content transported.

Section B. Tenneco shall make payment to Southern or to Southern's account for the services performed during the preceding calendar month by First Class U.S. Mail at the address set forth for Southern in Section C of ARTICLE X hereof, or by wire transfer or by First Class U.S. Mail (as Southern may elect) at such address or addresses as Southern may hereafter designate, from time to time, on or before the twenty-fifth (25th) day of each calendar month; provided, however, that in the event Southern's bill is delayed by Southern beyond the fifteenth (15th) day of the calendar month, the date for payment thereof shall be accordingly extended.

^{1/} Current GRI surcharge as set forth in Section 19 of the General Terms and Conditions and shown on Sheet 4A of Southern's FERC Gas Tariff, Sixth Revised Volume No. 1.

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Section C. Should Tenneco fail to pay any amount when due, interest on the unpaid amount shall accrue at the rate equal to the prime rate then being charged by The Chase Manhattan Bank, N.A., from the date payment was due until payment is made. If any such failure to make payment continues for twenty (20) days, Southern may suspend the transportation of gas hereunder, but the exercise of such right shall be in addition to any other remedy available to Southern; provided, however, that if Tenneco, in good faith, shall dispute the amount of any such bills or parts thereof and shall pay to Southern such amounts as it concedes to be correct and, at any time thereafter within thirty (30) days of a demand made by Southern, shall furnish a good and sufficient surety bond in an amount and with sureties satisfactory to Southern conditioned upon the payment of any amounts ultimately found due upon such bills after a final determination, which may be reached either by agreement or judgment of the courts, as the case may be, then Southern shall not be entitled to suspend further delivery of gas unless and until default be made in the conditions on such bond.

ARTICLE VII

(Term)

Section A. Subject to the provisions hereof, this Agreement shall be effective as of the date hereinabove first written and shall continue and remain in force and effect for a primary term of five (5) years commencing on said date and from year to year thereafter, unless and until terminated by either party upon one hundred eighty days' written notice prior to the end of the primary term or any of the one-year extensions thereof.

ARTICLE VIII

(Governmental Regulations)

Section A. This Agreement is subject to all present and future valid orders, rules, and regulations of any regulatory body of the federal or state government having or asserting jurisdiction herein, and to Southern's receipt of regulatory approvals acceptable to Southern.

Section B. Promptly following the execution of this Agreement, Southern shall file and prosecute with due diligence any required applications with governmental bodies requesting approval to receive, transport and redeliver gas as provided herein.

Section C. In the event all such necessary regulatory approvals have not been issued or have not been issued on terms and conditions acceptable to Southern or Tenneco within one (1) year from the date of the initial

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application therefor, then either party may terminate this Agreement without liability or further obligation to the other party by giving the other party written notice thereof at any time subsequent to the end of such one-year period, but prior to the receipt of all such acceptable approvals.

ARTICLE IX

(Allocation Statements)

Section A. It is recognized that gas other than the gas transported hereunder may be measured by the meter(s) for the Delivery Point. Accordingly, Tenneco agrees to provide, or cause to be provided, to Southern, or its designee, by the tenth (10th) day of each month an allocation statement setting forth any information reasonably deemed necessary by Southern for the purposes hereof. Tenneco further hereby agrees that Southern shall have the right to conclusively rely on the allocation statements provided to it for the purposes of determining the amount of gas delivered from each and every interest at the Delivery Point.

ARTICLE X

(Miscellaneous)

Section A. No waiver by Southern or Tenneco of any default of either Party under this Agreement shall operate as a waiver of any subsequent default whether of a like or different character.

Section B. No modification of or supplement to the terms and provisions hereof shall be or become effective except by execution of a supplementary written agreement between the Parties hereto.

Section C. All notices hereunder, except those specifically provided for under other provisions hereof, shall be deemed duly given if in writing and sent by postpaid registered or certified mail addressed to the respective Parties at the addresses stated below or such other addresses as they shall respectively hereafter designate in writing from time to time, except dispatching notices which may be given by telephone:

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Tenneco: Notices, Statements and Invoices

Tenneco Oil Company
P. O. Box 2511
Houston, Texas 77001

Attention: Gas Accounting Department

Southern: Notices

Southern Natural Gas Company
Post Office Box 2563
Birmingham, Alabama 35202 2563

Attention: Gas Control Department

Statements

Southern Natural Gas Company
Post Office Box 2563
Birmingham, Alabama 35202 2563

Attention: Gas Accounting Department

Payments

Southern Natural Gas Company
Post Office Box 102502
68 Annex
Atlanta, Georgia 30368

Section D. Exhibit A attached to this Agreement constitutes a part of this Agreement, and the terms and conditions stated in said Exhibit A are incorporated herein.

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IN WITNESS WHEREOF, this Agreement is executed and effective as of the date first above written.

SOUTHERN NATURAL GAS COMPANY

By J. M. Anderson
Its

Attest:

R. David Hendrickson
Its Assistant Secretary

TENNECO OIL COMPANY

By Jack Slatton
Its

Attest:

Its

Effective: November 7, 1986

RATE SCHEDULE X-233 (Continued)

Exhibit A

SECTION 1 - QUALITY OF GAS

(1) The gas delivered and redelivered hereunder will be merchantable gas and will upon delivery by either Party to the other hereunder:

- (a) be free of objectionable liquids and solids and be commercially free from dust, gums, gum-forming constituents, or other liquid or solid matter which might become separated from the gas in the course of transportation through pipeline;
- (b) not contain more than 200 grains of total sulphur or 10 grains of hydrogen sulphide or 0.30 gallons of iso-pentane and heavier hydrocarbons, per Mcf;
- (c) not contain more than 3% by volume of carbon dioxide or nitrogen or 1% of oxygen;
- (d) not contain more than 7 pounds of water per 1,000 Mcf;
- (e) have a temperature of not more than 120° F., nor less than 40° F.;
- (f) have a gross heating value of at least one thousand seventy-five (1075) Btu per cubic foot. The gross heating value of the gas shall be determined by a mutually acceptable test of one cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit and at a pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute and saturated with water vapor. Tests for such determination of heating value shall be conducted at least on a monthly basis, or such other intervals as determined necessary by Southern, by a method or methods to be mutually agreed upon, and the result of any test shall be used until the results of a subsequent test shall be known. If a recording calorimeter is installed, the monthly average of the daily readings shall be used.

(2) The sulphur content and hydrogen sulphide content shall be determined by approved standard methods generally in use in the natural gas industry.

The hydrocarbon content shall be determined by the method prescribed by the Gas Processors Association in NGPA Publication 2261-72 or ASTM Publication D 1945-64 (1968), or any revisions thereof, or by such other method as shall be mutually agreed upon.

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The water content shall be determined at such intervals as shall be found necessary in practice, by the use of dew point apparatus approved by the Bureau of Mines and utilizing curves for "Water Vapor Content of Compressed Natural Gas" comprising Figure 41 to Bureau of Mines, U. S. Department of the Interior, Monograph 8 "Gas Hydrates and Their Relations to the Operation of Natural-Gas Pipe Lines," or by such other curve or method as shall be mutually agreed upon.

SECTION 2 - METERS AND MEASUREMENT

(1) Measuring Equipment and Tests. At a point on Tenneco's platform upstream of the Delivery Point, and at a point on Southern's platform upstream of the Redelivery Point Southern shall provide, or cause to be provided, and operate orifice meters of standard type constructed and installed in accordance with the applicable specifications contained in Report No. 3 of the Gas Measurement Committee of the American Gas Association, published April 1955, as such report has been or may from time to time be revised (hereinafter called "Report No. 3"), suitable for the measurement of gas in accordance with Report No. 3, or any other method that may be mutually agreeable. The Party responsible for installation of the meters as hereinabove set forth shall provide such other instruments and equipment as are necessary to provide information for the measurement of gas.

Each Party shall read, or cause to be read, the meters it is responsible for providing and change the charts each eight days or at such other intervals as may be mutually agreed upon. Upon request, each Party will submit to other Party for checking and calculation the records and charts from such metering equipment, together with calculations therefrom. Such records, charts and calculations shall be returned within 15 days after receipt thereof, after which the same shall be kept on file for the mutual use of both Parties for a period of one year.

Either Party may, at its option and expense, install and operate meters, instruments and equipment of standard type to check meters and equipment provided or caused to be provided by the other Party, but the measurement of gas for the purposes hereof shall be by the meters provided as hereinabove set forth only, except as hereinafter specifically provided to the contrary.

At reasonable intervals, the Parties shall test the respective meters and recording instruments, and either Party, if it has installed check meters or other recording instruments, shall at the same time test its meters and instruments. Each Party shall give notice to the other of the time of all tests of metering equipment so that the other may conveniently (but at its own expense) have its representative present.

RATE SCHEDULE X-233 (Continued)

The meters, instruments, and equipment installed, provided, or caused to be provided, by either Party shall be subject to inspection by the other Party at all reasonable times, and either Party may request that a test be made of the other Party's meters or instruments. If the percentage of inaccuracy of the equipment in question shall be found to be less than 2%, then the cost of such test shall be borne by the Party requesting the test.

If upon any test the percentage of inaccuracy of any metering equipment is found to be in excess of 2%, previous readings of such equipment shall be corrected for any period which is definitely known or agreed upon, but in case such period is not so known or agreed upon, such correction shall be made for a period covering the last half of the period since the last test, but in no event for a period exceeding 15 days.

Any error resulting from the calculation of chart records shall be corrected promptly upon detection if either Party notifies the other of such error within six months following the expiration of the month in which such error was made.

If for any reason meters are out of service or out of repair so that the amount of gas delivered cannot be ascertained or computed from the readings thereof, the amount of gas delivered during such period shall be estimated and agreed upon by the use of the first of the following methods which is feasible: (a) by using the registration of any check measuring equipment if installed and accurately registering, (b) by correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation, or (c) by estimating the quantity delivered by reference to actual deliveries during the preceding periods under similar conditions when the equipment in question was registering accurately.

(2) Unit of Volume and Basis of Measurement. The unit of volume for all purposes of this Agreement shall be based on 1,000 cubic feet of gas. A "cubic foot of gas" shall be the amount necessary to fill a cubic foot of space when the gas is at a temperature of 60° F. and an absolute pressure of 14.73 pounds per square inch unless otherwise specifically stated herein. The atmospheric pressure shall be assumed to be 14.7 pounds per square inch absolute at the Delivery Point and the Redelivery Point.

Volumes shall be computed in accordance with the instructions contained in Report No. 3, using the specific gravity method prescribed by paragraph (72) for the determination of supercompressibility. In the event the viscosity, specific gravity or temperature of the gas are not within the variations provided in paragraph (62) of Report No. 3, the applicable factor F shall be calculated by such method as may be mutually agreed upon. r

Volumes shall be corrected for temperature and specific gravity as provided below.

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The flowing temperature of the gas shall be determined by means of a recording thermometer of standard manufacture and the arithmetic average of the chart record during the periods of time during which gas was flowing shall be the temperature at which such gas was delivered for the period of such chart record. Volumes shall be corrected for each degree of variation in the average temperature from 60° F.

The specific gravity of the gas shall be determined by a recording gravitometer of standard manufacture except that if neither Party considers it necessary to install a recording gravitometer, spot tests shall be made with an Edwards type gas balance, or by such other method as shall be mutually agreed upon. If a recording gravitometer is used, the arithmetic average of the chart record during the periods of time during which gas was flowing shall be the specific gravity of the gas for the period of such chart record. If the spot test method is used, the specific gravity shall be determined at least once each 35 days on a day as near the first of each month as practicable, or as often as may be found necessary in practice, and the results obtained from each such test shall be the specific gravity of the gas delivered during such month and until the next month in which a test is made. Volumes shall be corrected for each 0.001 variation from 1.000.

In determining the volume of gas delivered during any period, the orifice chart integrator, electroscanner or inspection method shall be used in reading the meter charts.

SECTION 3 - WARRANTY OF TITLE AND INDEMNIFICATION

Each Party warrants the title to all gas delivered by it to the other Party hereunder. Each Party further represents and warrants that it will pay and satisfy, or make provision for the payment and satisfaction of, any and all claims of every nature whatsoever in, to, or in respect of gas delivered by it hereunder; and each Party hereby agrees to defend at its cost against all suits, judgments, claims, demands, causes of action, costs, losses, and expenses arising out of or in any way connected with any claims to the gas delivered hereunder.

Southern assumes no obligation whatever to any royalty owner or to the owner of any other interest of any kind in any gas delivered at the Delivery Point, and Tenneco shall pay all such royalties or other interests upon or in respect to such gas.

SECTION 4 - FORCE MAJEURE

In the event of either Party hereto being rendered unable, wholly or in part, by force majeure to carry out its obligations under this Agreement, other than to make payments due hereunder, it is agreed that, on such Party giving notice and full particulars of such force majeure in writing or by telephone

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(followed by written confirmation) or by telegraph to the other Party as soon as possible after the occurrence of the cause relied on, the obligations of the Party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused but for no longer period; and such cause shall as far as possible be remedied with all reasonable dispatch.

The term "force majeure" shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the necessity for maintenance of or making repairs or alterations to machinery, facilities or lines of pipe, freezing of wells, or lines of pipe, partial or entire failure of wells, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the Party claiming suspension and which by the exercise of due diligence such Party is unable to prevent or overcome; such term shall likewise include the inability of either Party to acquire, or delays on the part of such Party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights-of-way grants, permits, permissions, licenses (which terms shall not, however, include certificates issued by the Federal Energy Regulatory Commission), materials or supplies which are required to enable such Party to fulfill its obligations hereunder.

SECTION 5 - DELIVERY PRESSURES

All gas delivered hereunder at the Delivery Point by or for the account of Tenneco shall be delivered at pressures sufficient to enter Southern's pipeline at such working pressures maintained by Southern at the Delivery Point; provided, however, that such delivery pressure shall not exceed 1,100 psig.

All gas delivered hereunder at the Redelivery Points by Southern shall be delivered to the account of Tenneco at the working pressures maintained, from time to time, by Southern at such point.

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Comment Date: _____, 2020

Kimberly D. Bose,
Secretary