



August 1, 2024

Ms. Debbie-Anne A. Reese, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Gulf Run Transmission, LLC
Docket No. RP24- _____
Updates Related to Transporter's Use

Dear Ms. Reese:

Gulf Run Transmission, LLC ("Gulf Run") hereby electronically submits for filing with the Federal Energy Regulatory Commission ("Commission") as part of its FERC NGA Gas Tariff, Original Volume No. 1 ("Tariff"), the revised tariff records which are listed in Appendix A hereto, proposed to become effective September 1, 2024.

STATEMENT OF THE NATURE REASONS AND BASIS

Section 22 of the General Terms and Conditions ("GT&C") of Gulf Run's Tariff provides that Gulf Run will file a Periodic Rate Adjustment of the Transporter's Use percentage under Rate Schedules FTS, ITS and PS to reflect reductions or increases in fuel usage and lost or unaccounted for gas. In its first Transporter's Use filing in Docket No. RP24-749-000, Gulf Run requested a waiver of the provisions of GT&C Section 22 to permit it to charge a Transporter's Use percentage of 0.00% when the calculated Transporter's Use percentage resulted in a percentage that is less than zero. Gulf Run explained that GT&C Section 22 is not structured to address a situation in which it would be required to charge any of its shippers a negative Transporter's Use percentage. In the Commission's order accepting Gulf Run's filing¹, the Commission encouraged Gulf Run to amend its tariff, and thus obviate the need to file similar waiver requests. The purpose of this filing is to follow the Commission's recommendation to modify GT&C Section 22 to specify that if a negative Transporter's Use percentage is calculated, Gulf Run will use 0.00% as the Transporter's Use percentage.

Concurrently, Gulf Run is proposing updates to the Transporter's Use section in GT&C Section 22.2 to clarify the calculation of the Transporter's Use percentage. Additionally, Gulf Run is proposing updates to the definition of "Transporter's Use (%)" and adding a corresponding header to the Currently Effective Rates for Rate Schedules FTS, ITS and PS.

IMPLEMENTATION AND WAIVER REQUEST

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, Gulf Run requests that the proposed tariff records submitted herewith be accepted effective September 1, 2024. Gulf Run respectfully requests the Commission grant any waivers of its Regulations that it deems necessary to accept this filing and allow the proposed tariff records in this filing to become effective on September 1, 2024.

¹ 187 FERC ¶ 61,120 (2024).

CONTENTS OF THE FILING

This filing is made in electronic format in compliance with Section 154.4 of the Commission's Regulations. In addition to the proposed tariff records in RTF format with metadata attached, the XML filing package contains:

- A transmittal letter including a Statement of Nature, Reasons and Basis in PDF format;
- A clean copy of the proposed tariff record in PDF format;
- A marked version of the proposed tariff changes in PDF format; and
- A copy of the complete filing in PDF format for publishing in eLibrary.

COMMUNICATIONS, PLEADINGS AND ORDERS

Gulf Run requests that all Commission orders and correspondence as well as pleadings and correspondence from other parties concerning this filing be served on each of the following:

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In accordance with Section 154.2(d) of the Commission's Regulations, a copy of this filing is available for public inspection during regular business hours at Gulf Run's office at 1300 Main Street, Houston, Texas 77002. In addition, copies of this filing are being served on jurisdictional customers and interested state regulatory agencies. Gulf Run has posted a copy of this filing on its Internet website accessible via <https://pipelines.energytransfer.com/ipost/GR> under Informational Postings, Regulatory.

² Designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure. Gulf Run respectfully requests the Commission waive Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to allow Gulf Run to include additional representatives on the official service list.

³ Designated as responsible Company official under Section 154.7(a)(2) of the Commission's Regulations.

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Pursuant to Section 385.2011(c)(5) of the Commission's Regulations, the undersigned has read this filing and knows its contents; the contents are true as stated, to the best of his knowledge and belief; and the undersigned possesses full power and authority to sign such filing.

Respectfully submitted,

GULF RUN TRANSMISSION, LLC

/s/ Lawrence J. Biediger

Lawrence J. Biediger
Sr. Director, Rates and Regulatory Affairs

GULF RUN TRANSMISSION, LLC
FERC NGA Gas Tariff
Original Volume No. 1

Proposed to be effective September 1, 2024

<u>Version</u>	<u>Description</u>	<u>Title</u>
3.0.0	Rate Schedule FTS	Currently Effective Rates
3.0.0	Rate Schedule ITS	Currently Effective Rates
3.0.0	Rate Schedule PS	Currently Effective Rates
1.0.0	GT&C Section 1.	Definitions
1.0.0	GT&C Section 22.	Periodic Rate Adjustments

Currently Effective Rates
Rate Schedule FTS

<u>RATE SCHEDULE FTS</u>	Maximum Rate Per Dth -----	Minimum Rate Per Dth -----	Transporter's Use (%) -----	
			Fuel Retainage -----	Lost & Unaccounted For Gas -----
Reservation Charge Per Day				
Zone 1 – Zone 1	\$0.1041	\$0.0000	-	-
Zone 1 – Zone 2	\$0.2731	\$0.0000	-	-
Zone 2 – Zone 1	\$0.2731	\$0.0000	-	-
Zone 2 – Zone 2	\$0.1690	\$0.0000	-	-
Usage-1 Rate				
Zone 1 – Zone 1	\$0.0020	\$0.0020	0.45%	(0.21)%
Zone 1 – Zone 2	\$0.0042	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.0042	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.0022	\$0.0022	0.00%	0.00%
Authorized Overrun				
Zone 1 – Zone 1	\$0.1061	\$0.0020	0.45%	(0.21)%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.00%	0.00%

Currently Effective Rates
 Rate Schedule ITS

<u>RATE SCHEDULE ITS</u>	Maximum Rate Per Dth	Minimum Rate Per Dth	Transporter's Use (%)	
			Fuel Retainage	Lost & Unaccounted For Gas
	-----	-----	-----	-----
Zone 1 – Zone 1	\$0.1061	\$0.0020	0.45%	(0.21)%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.00%	0.00%

Currently Effective Rates
 Rate Schedule PS

<u>RATE SCHEDULE PS</u>	Maximum Rate Per Dth -----	Minimum Rate Per Dth -----	Transporter's Use (%) -----	
			Fuel Retainage -----	Lost & Unaccounted For Gas -----
Pool Transfer Area				
Zone 1 – Zone 1	\$0.1061	\$0.0020	-	-
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.1712	\$0.0022	-	-

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

In some instances, definitions are set forth in the Rate Schedules, General Terms and Conditions and the Forms of Service Agreements.

“Action Alert” shall have the meaning set forth in Section 7.6.

“Agreement” or **“Service Agreement”** shall mean the agreement executed by the Shipper and Transporter and any applicable exhibits, attachments and/or amendments thereto.

“Annual Charge Adjustment” or **“ACA”** shall have the meaning set forth in Section 22.1(a).

“Annual Transporter’s Use Filing” shall have the meaning set forth in Section 22.2(a).

“Authorized Overrun Gas” shall mean the quantity of Gas authorized by Transporter in excess of the MDQ specified in the applicable Rate Schedule FTS Agreement.

“Authorized Overrun Rate” shall be stated in the Statement of Rates and shall be assessed as described in Section 3 of Rate Schedule FTS.

“Best Bid” shall have the meaning set forth in Section 17.1(l).

“Bidding Shipper” shall have the meaning set forth in Section 17.1(i).

“Bid Period” or **“Bidding Period”** shall have the meaning set forth in Section 17.1(f).

“Business Day” shall mean Monday through Friday, excluding federal banking holidays for transactions in the United States.

“BTU” shall mean one (1) British thermal unit, the amount of heat required to raise the temperature of one (1) pound of water from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit, (BTU is measured and reported on a dry basis at 14.73 psia and 60 degrees Fahrenheit).

“Cashout” shall mean the monetary settlement of quantities of Gas owed to or by Transporter or third parties, as further described in Section 6 of these General Terms and Conditions.

“Cashout Party” shall mean any Shipper or other contractually liable entity who has an imbalance under any Agreement, which imbalance will be resolved in accordance with Section 6 of these General Terms and Conditions.

“Cashout Price” shall mean the price determined pursuant to Section 6 of these General Terms and Conditions.

“Carthage Receipt Area” shall consist of all Receipt Points west of but not including the Panola Compressor Station.

“Central Clock Time” or **“CCT”** shall mean Central Standard Time (“CST”) except when Daylight Savings Time is in effect, when it shall mean one hour in advance of CST. All times referenced in Transporter’s Tariff shall be in CCT.

“Commission” or **“FERC”** shall mean the Federal Energy Regulatory Commission or any successor regulatory authority.

“Confirmed Price” shall mean the Transportation rate inclusive of all applicable fees and surcharges agreed upon, in writing and/or via the Transporter’s Interactive Website, by Transporter and Shipper or as otherwise required in this Tariff.

“Daily Cashout Price” shall have the meaning set forth in Section 6.8(c).

“Day” or **“Gas Day”** shall mean a twenty-four (24) consecutive hour period beginning at 9:00 a.m. Central Clock Time.

“Dekatherm” or **“Dth”** shall mean the quantity of heat energy which is equivalent to one (1) million (1,000,000) BTU.

“Delivery Point” shall mean an interconnection point on Transporter’s pipeline system that Shipper and Transporter shall agree upon, where Gas exits facilities owned by Transporter, and is metered.

“Delivery Point Operator” shall mean the party that is responsible for operating the facilities that are immediately downstream of the applicable Delivery Point.

“Due Cashout Party” shall have the meaning set forth in Section 6.2(b).

“Due Transporter Party” shall have the meaning set forth in Section 6.2(c).

“Elapsed Prorata Capacity” shall mean that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.

“Electric Transmission Operator” shall have the meaning set forth in Section 39.

“Electronic Communication” shall mean the transmission of information via Transporter’s Interactive Website, as prescribed by NAESB, or other mutually agreed communication methodologies used to transmit and receive information.

“Enhanced Maximum Daily Receipt Obligation” or **“Enhanced MDRO”** shall mean the greatest number of Dekatherms that Transporter is obligated to receive on a Priority Class One basis for or on behalf of Shipper on any Day at the applicable Primary Receipt Point(s).

“Force Majeure” shall mean an event or effect that cannot be reasonably anticipated or controlled as defined in Section 8.2.

“Gas” shall mean natural gas, including cap gas, casinghead gas produced with crude oil, gas from gas wells, gas from condensate wells, synthetic natural gas, or any mixture of these gases meeting the quality standards under Section 15 of these General Terms and Conditions.

“Gas Delivered Hereunder” shall mean the quantities of Gas allocated to Shipper by Transporter, as determined in accordance with the provisions of Section 5 of these General Terms and Conditions.

“Haynesville East Receipt Area” shall consist of all Receipt Points from but not including the Westdale Compressor Station to and including the Vernon Compressor Station.

“Haynesville West Receipt Area” shall consist of all Receipt Points from and including the Panola Compressor Station to and including the Westdale Compressor Station.

“Imbalance Due Transporter” Shall have the meaning set forth in Section 6.2(c).

“Imbalance Statement” shall have the meaning set forth in Section 6.1.

“Interim Capacity” shall have the meaning set forth in Section 16.6(h).

“Interim Transporter’s Use Filing” shall have the meaning set forth in Section 22.2(a).

“Interactive Website” or **“Website”** shall mean Transporter’s HTML site accessible via the Internet’s World Wide Web located at <https://pipelines.energytransfer.com/ipost/GR>.

“Intraday Nomination” shall mean a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of that Gas Day.

“ITS Rate” shall be stated in the Statement of Rates and shall be assessed as described in Section 3 of Rate Schedule ITS.

“Matching Period” shall have the meaning set forth in Section 17.1(k).

“Maximum Aggregate Quantity” or **“MAQ”** shall have the meaning set forth in Rate Schedule PALS Section 2.6.

“Maximum Daily Delivery Obligation” or **“MDDO”** shall mean the greatest number of Dekatherms that Transporter is obligated to deliver, on a Priority Class One basis to or on behalf of Shipper on any Day at the applicable Primary Delivery Point. The aggregate of the Maximum Daily Delivery Obligation(s) for all Primary Delivery Points under an Agreement may not exceed the MDQ set forth in the Agreement.

“Maximum Daily Quantity” or **“MDQ”** shall mean the greatest number of Dekatherms that Transporter is obligated to transport, on a firm basis, to or on behalf of Shipper on any Day.

“Maximum Daily Receipt Obligation” or “MDRO” shall mean the greatest number of Dekatherms that Transporter is obligated to receive, on a Priority Class One basis, for or on behalf of Shipper on any Day at the applicable Primary Receipt Point. The aggregate of the Maximum Daily Receipt Obligation(s) for all Primary Receipt Points under an Agreement may not exceed the MDQ set forth in the Agreement. For all provisions under the Tariff other than Section 4 of the General Terms and Conditions, references to MDRO include Enhanced MDRO, but not vice versa.

“Maximum Recourse Rate” shall mean the highest cost-based rate that Transporter is allowed to charge a Shipper who executes an Agreement for Transportation Service.

“Mcf” shall mean one (1) thousand (1,000) cubic feet of Gas. (Mcf is measured on a dry basis at 14.73 psia. and 60 degrees Fahrenheit).

“Minimum Delivery Pressure” shall have the meaning set forth in Shipper’s Agreement or an exhibit thereto, as applicable.

“Minimum Receipt Pressure” shall have the meaning set forth in Shipper’s Agreement or an exhibit thereto, as applicable.

“Minimum Recourse Rate” shall mean the lowest cost-based rate that Transporter is allowed to charge a Shipper who executes an Agreement for Transportation Service.

“Month” shall mean the period beginning on the first Day of a calendar Month and ending at the same hour on the first Day of the next succeeding calendar Month.

“Monthly Imbalance” shall mean a Shipper’s monthly quantity subject to resolution through the Cashout mechanism described in Section 6 of the General Terms and Conditions, calculated as the difference between (i) allocated quantities received from a Cashout Party for the Month, as determined in accordance with Section 5 of the General Terms and Conditions, adjusted for Transporter’s Use, and (ii) allocated quantities delivered to a Cashout Party for the Month, as determined in accordance with Section 5.

“Negotiated Rate” shall mean a rate or rate formula for computing a rate for service under a single Agreement. For scheduling and curtailment purposes, a Shipper paying a Negotiated Rate in excess of the Maximum Recourse Rate will be considered to be paying the Maximum Recourse Rate.

“Netting” shall be used to describe the process of resolving imbalances for a Shipper within an Operational Impact Area. There are two types of Netting:

- a. Summing is the accumulation of all imbalances above any applicable tolerances for a Shipper or agent.
- b. Offsetting is the combination of positive and negative imbalances above any applicable tolerances for a Shipper or agent.

“Nomination Balancing Service” or **“NBS”** shall have the meaning set forth in Rate Schedule PALS, Section 2.8.

“Non-Offending Shipper” shall have the meaning set forth in Section 9.6.

“North American Energy Standards Board” or **“NAESB”** shall mean the accredited organization established to set standards for certain natural gas industry business practices and procedures.

“OBA Party” shall have the meaning set forth in Section 11.1(a).

“Operational Balancing Agreement” or **“OBA”** shall mean a contract between two parties which specifies the procedures to manage operating variances at an interconnect.

“Operational Flow Order” shall mean an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity of Transporter’s system or to maintain operations required to provide efficient and reliable firm service. Whenever Transporter experiences these conditions, any pertinent order shall be referred to as an Operational Flow Order.

“Operational Impact Area” shall describe a Transportation Service Provider’s (as defined by the NAESB Standards) designation of the largest possible area(s) on its system in which imbalances have a similar operational impact, as posted on Transporter’s Interactive Website.

“Operator” shall have the meaning set forth in Section 38.

“Over-production” shall mean an imbalance existing at any given time consisting of an excess in the quantities which Shipper provided to Transporter at Receipt Point(s) over the quantities received by Shipper at Delivery Point(s).

“Payment Due Date” shall have the meaning set forth in Section 26.1.

“Perryville Receipt Area” shall consist of all Receipt Points east of but not including the Vernon Compressor Station.

“PHMSA” shall mean the Pipeline and Hazardous Materials Safety Administration.

“Point Operator” shall have the meaning set forth in Section 5.1(a).

“Pool” shall mean a group of points where Gas physically enters or leaves Transporter’s system and the associated Pooling Point where the aggregation of Gas quantities is permitted in accordance with Rate Schedule PS.

“Pooling Area” shall mean an area containing a group of Receipt Points located in a defined portion of Transporter’s system in which Pools may be established, and including one or more Pooling Points at which a Shipper may have an MDRO or nominate receipts. The Pooling Areas established on Transporter’s system shall be identified on Transporter’s Interactive Website.

“Pooling Point” shall mean a point on Transporter’s system which has been identified as a Receipt Point applicable to a Pool in the relevant PS Agreement, which shall not be a point where Gas physically enters or leaves Transporter’s system.

“Pool Manager” shall have the meaning set forth in Rate Schedule PS Section 1.1.

“Pool Transfer” shall mean the daily delivery allocation of a quantity of Gas out of one Pool into another. A Pool Transfer shall be made on a prospective basis pursuant to valid advance nominations and shall constitute a delivery on Transporter’s system for Imbalance purposes.

“Prearranged Service” shall have the meaning set forth in Section 16.6(g).

“Prearranged Shipper” shall have the meaning set forth in Section 17.1(h)(9).

“Primary Delivery Point” shall mean the Delivery Point(s) as specified in Exhibit A to Shipper’s FTS Agreement or, for capacity release agreements, pursuant to Shipper’s Replacement Capacity Agreement.

“Primary Receipt Point” shall mean the Receipt Point(s) as specified in Exhibit A to Shipper’s FTS Agreement or, for capacity release agreements, pursuant to Shipper’s Replacement Capacity Agreement.

“Prior Period Adjustment” or **“PPA”** shall have the meaning set forth in Section 5.3(a).

“Quick Response” shall mean the NAESB WGQ response used to communicate validation errors/warnings to a transaction submitted via the corresponding NAESB WGQ transaction.

“Rate Default” shall mean, for index-based capacity release transactions, the non-biddable rate specified in the Releasing Shipper’s Notice 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 shall serve as the Rate Default.

“Rate Floor” shall mean, for index-based capacity release transactions, the lowest rate specified in the Releasing Shipper’s Notice in dollars and cents that is acceptable to the Releasing Shipper. The Rate Floor may not be less than Transporter’s minimum Reservation Charge for the applicable Zone or zero cents where there is no stated minimum Reservation Charge.

“Receipt” or **“Receipts”** shall have the meaning set forth in Section 6.1.

“Receipt Area” shall mean all Receipt Points within a specified geographic area.

“Receipt Area Entitlement” shall mean the maximum quantity of Gas Shipper has the firm contract right to tender for receipt at all Receipt Points within an individual Receipt Area. Shipper’s Receipt Area Entitlement(s) shall be specified in Shipper’s Agreement.

“Receipt Point” shall mean an interconnection point on Transporter’s pipeline system that Transporter and Shipper shall agree upon, where Gas enters facilities owned by Transporter, and is metered, or a Pooling Point.

“Receipt Point Operator” shall mean the party that is responsible for operating the facilities that are immediately upstream of the applicable Receipt Point.

“Releasing Shipper” shall have the meaning set forth in Section 17.1(a).

“Replacement Capacity Agreement” shall mean, for a particular release transaction, the Service Agreement comprised of the notice of award of capacity posted on Transporter’s Interactive Website and the terms of the Form of Service Agreement under the applicable rate schedule, which forms are located in this tariff and posted on Transporter’s Interactive Website.

“Releasing Shipper’s Notice” shall have the meaning set forth in Section 17.1(e).

“Replacement Shipper” shall have the meaning set forth in Section 17.1(a).

“Request” shall have the meaning set forth in Section 20.2(b).

“Return Deficiency Charge” shall mean one hundred fifty percent (150%) of the highest daily index price during the term of the transaction as published, or calculated using published listings of prices, in Platts Gas Daily for Gas delivered at the point or geographic location which most closely approximates such point at which the gas was to be returned. If no index price is published for such period of time, the Return Deficiency Charge will be computed as the average of the applicable indices on the closest index publication date preceding and the closest index publication date following the beginning and end of the term of the applicable transaction, respectively. In the event that Platts Gas Daily ceases to be published, Transporter will post on its Interactive Website a replacement, and will file to amend the Tariff to reflect such replacement.

“Reput” shall mean the reinstatement of a capacity release transaction that was recalled.

“Secondary Delivery Point” shall mean a Delivery Point that is not specified as a Primary Delivery Point.

“Secondary Receipt Point” shall mean a Receipt Point that is not specified as a Primary Receipt Point.

“Segment Path Right” shall mean the quantity of Gas Shipper has the firm contract right to move within a segment and between a Primary Receipt Point and Primary Delivery Point. A Shipper’s Segment Path Right for any segment shall be the lesser of (i) the cumulative MDRO under Shipper’s Agreement upstream of such segment based on the primary direction of flow under the Agreement; (ii) the Receipt Area Entitlement specified in Shipper’s Agreement; or (iii) the MDQ specified in Shipper’s Agreement.

“Service Month” shall mean the Month during which Shipper receives services under this Tariff.

“Shipper” shall mean any person, corporation, limited liability company, partnership or any other legal entity who enters into an Agreement for service with Transporter.

“Starks Receipt Area” shall consist of all Receipt Points south of but not including the Westdale Compressor Station.

“System Balancing Adjustment” or **“SBA”** shall have the meaning set forth in Section 22.3.

“Tariff” or **“FERC Gas Tariff”** shall mean Transporter’s FERC Gas Tariff as effective from time to time.

“Tender Gas” and **“Tender of Gas”** shall mean that the delivering party is able and willing, and offers, to deliver Gas to the receiving party at the appropriate Receipt Point or Delivery Point.

“Timely Nomination Cycle” shall have the meaning set forth in Section 2.1(a)(1).

“Title Transfer” shall mean the change of title to Gas between parties at a location.

“Title Transfer Tracking” shall mean the process of accounting for the progression of title changes from party to party which process does not effect a physical transfer of the Gas.

“Title Transfer Tracking Service Provider” or **“TTTSP”** shall mean a party conducting Title Transfer Tracking activities.

“Transportation” and **“Transportation Service”** shall mean transportation of Gas including by displacement.

“Transportation Imbalance” shall have the meaning set forth in Section 6.2(a).

“Transportation Path” shall mean (i) for a firm Agreement that is not the result of a capacity release, all segments of Transporter’s pipeline system between the point or location designated as the beginning of the Transportation Path and the point or location designated as the end of the Transportation Path as specified in Shipper’s FTS Agreement, and (ii) for capacity release transactions, the segment(s) of Transporter’s pipeline system for which the Segment Path Right is greater than zero.

“Transporter” shall mean Gulf Run Transmission, LLC.

“Transporter’s Use” shall mean the quantity of Gas required by Transporter for compressor fuel, other company use and lost-and-unaccounted for Gas for service under each Agreement, and shall be equal to the Transporter’s Use (%) under each such Agreement multiplied by the quantities tendered to Transporter.

“Transporter’s Use (%)” shall mean the applicable percentage of Transporter’s Use, which shall be an allocable amount of Transporter’s Use, as calculated pursuant to Section 22.2. The Transporter’s Use (%) is shown on the Currently Effective Rates for Rate Schedules FTS, ITS and PS for each Zone of initial receipt and ultimate delivery and shall be annually redetermined and filed to be made

effective June 1 of each year in accordance with Section 22.2 of these General Terms and Conditions.

“Unauthorized Gas” shall mean any Quantity of Gas either received or delivered at a meter without any Shipper nomination.

“Unauthorized Overrun Gas” shall have the meaning set forth in Section 3.2 of Rate Schedule FTS or Section 3.3 of Rate Schedule PS, as the context requires.

“Under-production” shall mean an imbalance existing at any given time consisting of an excess in the quantities received by Shipper at Delivery Point(s) over the quantities Shipper provided to Transporter at Receipt Point(s).

“Zones” shall mean the following two rate Zones into which Transporter’s pipeline system is divided:

“Zone 1” means the Line CP system from Delhi, Louisiana to Carthage, Texas, not including the Westdale Compressor Station.

“Zone 2” means the portion of Transporter’s system from Westdale, Louisiana to Starks, Louisiana, including the Westdale Compressor Station.

GENERAL TERMS AND CONDITIONS

22. PERIODIC RATE ADJUSTMENTS

22.1 Federal Energy Regulatory Commission Annual Charge Adjustment.

- (a) The purpose of this Section 22.1 is to establish an Annual Charge Adjustment (“ACA”) as permitted by Section 154.402 of the Commission’s Regulations to permit Transporter to recover from its Shippers all annual charges assessed it by the Commission under Part 382 of the Commission’s Regulations.
- (b) Applicable Rate Schedules: The ACA as set forth in the Statement of Additional Charges and Surcharges of this Tariff, is applicable to Transporter’s Rate Schedules FTS and ITS.
- (c) Remittance to the Commission. Transporter shall remit to the Commission, not later than forty-five (45) days after receipt of the Annual Charges Billing, the Total Annual Charge stated on such billing.
- (d) Basis of the Annual Charge Adjustment. The Rate Schedules specified in Section 22.1(b) hereof shall include an increment for an Annual Charge Adjustment for costs specified in Section 22.1(a), above. Such adjustment shall be the billable charge factor from the Commission, adjusted to the Company’s pressure base and heating value, if required, which the Commission orders to be effective each fiscal year as posted in a notice on its website (<https://www.ferc.gov>) entitled “FY [Year] Gas Annual Charges Correction for Annual Charges Unit Charge.”

22.2 Transporter’s Use.

- (a) The initial Transporter’s Use (%) will be calculated for each Receipt and Delivery Zone combination based upon appropriate engineering principles and is stated in the Statement of Additional Charges and Surcharges. After one year of operation and each June 1 thereafter commencing in 2024, each Transporter’s Use (%) will be redetermined as set forth in Section 22.2(a)(1) and (2). Each Transporter’s Use (%) calculated pursuant to this method will go into effect on June 1 pursuant to a filing with FERC (each such annual filing an “Annual Transporter’s Use Filing”). Transporter may file interim proposals (each such interim proposal an “Interim Transporter’s Use Filing”) between Annual Transporter’s Use Filings, subject to approval by FERC. An Annual Transporter’s Use Filing or Interim Transporter’s Use Filing shall take into account both (x) prospective changes in Transporter’s Use (%) and (y) any unrecovered compressor fuel usage, other company use, and lost and unaccounted-for Gas from the 12 Months preceding the effective date of such filing.

- (1) In each Annual and Interim Transporter's Use Filing, Transporter shall calculate the projected Fuel Retainage portion of the Transporter's Use (%) by (A) estimating the total compressor fuel usage, other company use, and lost and unaccounted-for Gas required during the 12-Month period commencing with the effective date of the Annual or Interim Transporter's Use Filing and (B) dividing that volumetric figure by the total quantities estimated by Transporter to flow under the applicable Rate Schedules during the 12-Month period commencing with the effective date of the Annual or Interim Transporter's Use Filing.
 - (2) In each Annual and Interim Transporter's Use Filing, Transporter shall also calculate the total deferred compressor fuel usage, other company use, and lost and unaccounted-for Gas, the deferred portion of the Transporter's Use (%), by: (A) determining the actual total compressor fuel usage, other company use, and lost and unaccounted-for Gas for the calendar year preceding the effective date of such filing; (B) subtracting actual quantities retained by Transporter during the calendar year preceding the effective date of such filing; and (C) dividing the result, whether positive or negative, by the total quantities estimated by Transporter to flow under the applicable Rate Schedules for the 12-Month period commencing on the effective date of such filing.
- (b) In each Annual or Interim Transporter's Use Filing, Transporter shall add (A) the projected Fuel Retainage percentage, as calculated in accordance with Section 22.2(a)(1), and (B) the deferred portion of Transporter's Use (%), as calculated in accordance with Section 22.2(a)(2), to calculate the Transporter's Use (%). If the Transporter's Use (%) results in an overall negative percentage, then the Transporter's Use (%) will be 0.00%. The resulting Transporter's Use (%) established in the filing shall be effective until the effective date of Transporter's next succeeding Annual or Interim Transporter's Use Filing.

22.3 System Balancing Adjustment. In order to maintain an operational system balance on its system, Transporter will calculate a system balancing adjustment ("SBA") charge.

- (a) Transporter's SBA balance shall be the sum of the net annual system Cashout balance determined in accordance with Section 6 of the General Terms and Conditions, OBA Cashouts, any gains or losses associated with operational purchases or sales made necessary in order to manage OBAs, and any associated administrative costs.
- (b) The net SBA balance, determined pursuant to Section 22.3(a) for the period ending on January 31 of the year in which the filing pursuant to Section 22.3(c) is made, will be refunded to or recovered from Shippers pursuant to the procedures in this Section 22.3. Upon determining the net SBA balance at the end of the accumulation period, Transporter shall calculate surcharges or refunds designed to allocate such balance to Shippers based upon each Shipper's actual throughput during the

twelve-month accumulation period. If the net SBA balance determined in Section 22.3(a) through January 31 of the year in which the filing pursuant to Section 22.3(c) is made exceeds \$250,000, a Shipper's net debit or credit for the accumulation period shall be due and payable sixty (60) days after the Commission's acceptance of the filing pursuant to Section 22.3(c). Notwithstanding the immediately preceding sentence, if the net SBA balance results in a surcharge/debit, each Shipper who is allocated a surcharge/debit shall have the right, by providing notice to Transporter within the sixty (60)-day period, to elect to pay the surcharge/debit ratably over the twelve (12)-Month period, commencing with the first day of the first calendar month following the last day of the sixty (60)-day period, with interest calculated for each payment from the end of the sixty (60)-day period until the payment is made (at the rate set forth in Section 154.501(d) of the Commission's regulations). If the net SBA balance determined in Section 22.3(a) through January 31 of the year in which the filing pursuant to Section 22.3(c) is made is less than or equal to \$250,000, it shall be carried over to the calculation made under this Section 22.3(b) during the next twelve-month accumulation period.

- (c) Transporter shall file with the Commission on May 1 of each year thereafter, to establish the SBA refund or surcharge determined pursuant to the procedures in this Section 22.3, to be effective on June 1 of each year.

MARKED VERSION

Currently Effective Rates
Rate Schedule FTS

<u>RATE SCHEDULE FTS</u>	Maximum Rate Per Dth -----	Minimum Rate Per Dth -----	Transporter's Use (%)	
			Fuel Retainage -----	Lost & Unaccounted For Gas -----
Reservation Charge Per Day				
Zone 1 – Zone 1	\$0.1041	\$0.0000	-	-
Zone 1 – Zone 2	\$0.2731	\$0.0000	-	-
Zone 2 – Zone 1	\$0.2731	\$0.0000	-	-
Zone 2 – Zone 2	\$0.1690	\$0.0000	-	-
Usage-1 Rate				
Zone 1 – Zone 1	\$0.0020	\$0.0020	0.45%	(0.21)%
Zone 1 – Zone 2	\$0.0042	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.0042	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.0022	\$0.0022	0.00%	0.00%
Authorized Overrun				
Zone 1 – Zone 1	\$0.1061	\$0.0020	0.45%	(0.21)%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.00%	0.00%

Currently Effective Rates
Rate Schedule ITS

	Transporter's Use (%)			

<u>RATE SCHEDULE ITS</u>	Maximum Rate Per Dth	Minimum Rate Per Dth	Fuel Retainage	Lost & Unaccounted For Gas
	-----	-----	-----	-----
Zone 1 – Zone 1	\$0.1061	\$0.0020	0.45%	(0.21)%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.00%	0.00%

Currently Effective Rates
Rate Schedule PS

	Transporter's Use (%)			
<u>RATE SCHEDULE PS</u>	Maximum Rate Per Dth	Minimum Rate Per Dth	Fuel Retainage	Lost & Unaccounted For Gas
	-----	-----	-----	-----
Pool Transfer Area				
Zone 1 – Zone 1	\$0.1061	\$0.0020	-	-
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.30%	(0.21)%
Zone 2 – Zone 2	\$0.1712	\$0.0022	-	-

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

In some instances, definitions are set forth in the Rate Schedules, General Terms and Conditions and the Forms of Service Agreements.

“Action Alert” shall have the meaning set forth in Section 7.6.

“Agreement” or **“Service Agreement”** shall mean the agreement executed by the Shipper and Transporter and any applicable exhibits, attachments and/or amendments thereto.

“Annual Charge Adjustment” or **“ACA”** shall have the meaning set forth in Section 22.1(a).

“Annual Transporter’s Use Filing” shall have the meaning set forth in Section 22.2(a).

“Authorized Overrun Gas” shall mean the quantity of Gas authorized by Transporter in excess of the MDQ specified in the applicable Rate Schedule FTS Agreement.

“Authorized Overrun Rate” shall be stated in the Statement of Rates and shall be assessed as described in Section 3 of Rate Schedule FTS.

“Best Bid” shall have the meaning set forth in Section 17.1(l).

“Bidding Shipper” shall have the meaning set forth in Section 17.1(i).

“Bid Period” or **“Bidding Period”** shall have the meaning set forth in Section 17.1(f).

“Business Day” shall mean Monday through Friday, excluding federal banking holidays for transactions in the United States.

“BTU” shall mean one (1) British thermal unit, the amount of heat required to raise the temperature of one (1) pound of water from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit, (BTU is measured and reported on a dry basis at 14.73 psia and 60 degrees Fahrenheit).

“Cashout” shall mean the monetary settlement of quantities of Gas owed to or by Transporter or third parties, as further described in Section 6 of these General Terms and Conditions.

“Cashout Party” shall mean any Shipper or other contractually liable entity who has an imbalance under any Agreement, which imbalance will be resolved in accordance with Section 6 of these General Terms and Conditions.

“Cashout Price” shall mean the price determined pursuant to Section 6 of these General Terms and Conditions.

“Carthage Receipt Area” shall consist of all Receipt Points west of but not including the Panola Compressor Station.

“Central Clock Time” or **“CCT”** shall mean Central Standard Time (“CST”) except when Daylight Savings Time is in effect, when it shall mean one hour in advance of CST. All times referenced in Transporter’s Tariff shall be in CCT.

“Commission” or **“FERC”** shall mean the Federal Energy Regulatory Commission or any successor regulatory authority.

“Confirmed Price” shall mean the Transportation rate inclusive of all applicable fees and surcharges agreed upon, in writing and/or via the Transporter’s Interactive Website, by Transporter and Shipper or as otherwise required in this Tariff.

“Daily Cashout Price” shall have the meaning set forth in Section 6.8(c).

“Day” or **“Gas Day”** shall mean a twenty-four (24) consecutive hour period beginning at 9:00 a.m. Central Clock Time.

“Dekatherm” or **“Dth”** shall mean the quantity of heat energy which is equivalent to one (1) million (1,000,000) BTU.

“Delivery Point” shall mean an interconnection point on Transporter’s pipeline system that Shipper and Transporter shall agree upon, where Gas exits facilities owned by Transporter, and is metered.

“Delivery Point Operator” shall mean the party that is responsible for operating the facilities that are immediately downstream of the applicable Delivery Point.

“Due Cashout Party” shall have the meaning set forth in Section 6.2(b).

“Due Transporter Party” shall have the meaning set forth in Section 6.2(c).

“Elapsed Prorata Capacity” shall mean that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.

“Electric Transmission Operator” shall have the meaning set forth in Section 39.

“Electronic Communication” shall mean the transmission of information via Transporter’s Interactive Website, as prescribed by NAESB, or other mutually agreed communication methodologies used to transmit and receive information.

“Enhanced Maximum Daily Receipt Obligation” or **“Enhanced MDRO”** shall mean the greatest number of Dekatherms that Transporter is obligated to receive on a Priority Class One basis for or on behalf of Shipper on any Day at the applicable Primary Receipt Point(s).

“Force Majeure” shall mean an event or effect that cannot be reasonably anticipated or controlled as defined in Section 8.2.

“Gas” shall mean natural gas, including cap gas, casinghead gas produced with crude oil, gas from gas wells, gas from condensate wells, synthetic natural gas, or any mixture of these gases meeting the quality standards under Section 15 of these General Terms and Conditions.

“Gas Delivered Hereunder” shall mean the quantities of Gas allocated to Shipper by Transporter, as determined in accordance with the provisions of Section 5 of these General Terms and Conditions.

“Haynesville East Receipt Area” shall consist of all Receipt Points from but not including the Westdale Compressor Station to and including the Vernon Compressor Station.

“Haynesville West Receipt Area” shall consist of all Receipt Points from and including the Panola Compressor Station to and including the Westdale Compressor Station.

“Imbalance Due Transporter” Shall have the meaning set forth in Section 6.2(c).

“Imbalance Statement” shall have the meaning set forth in Section 6.1.

“Interim Capacity” shall have the meaning set forth in Section 16.6(h).

“Interim Transporter’s Use Filing” shall have the meaning set forth in Section 22.2(a).

“Interactive Website” or **“Website”** shall mean Transporter’s HTML site accessible via the Internet’s World Wide Web located at <https://pipelines.energytransfer.com/ipost/GR>.

“Intraday Nomination” shall mean a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of that Gas Day.

“ITS Rate” shall be stated in the Statement of Rates and shall be assessed as described in Section 3 of Rate Schedule ITS.

“Matching Period” shall have the meaning set forth in Section 17.1(k).

“Maximum Aggregate Quantity” or **“MAQ”** shall have the meaning set forth in Rate Schedule PALS Section 2.6.

“Maximum Daily Delivery Obligation” or **“MDDO”** shall mean the greatest number of Dekatherms that Transporter is obligated to deliver, on a Priority Class One basis to or on behalf of Shipper on any Day at the applicable Primary Delivery Point. The aggregate of the Maximum Daily Delivery Obligation(s) for all Primary Delivery Points under an Agreement may not exceed the MDQ set forth in the Agreement.

“Maximum Daily Quantity” or **“MDQ”** shall mean the greatest number of Dekatherms that Transporter is obligated to transport, on a firm basis, to or on behalf of Shipper on any Day.

“Maximum Daily Receipt Obligation” or “MDRO” shall mean the greatest number of Dekatherms that Transporter is obligated to receive, on a Priority Class One basis, for or on behalf of Shipper on any Day at the applicable Primary Receipt Point. The aggregate of the Maximum Daily Receipt Obligation(s) for all Primary Receipt Points under an Agreement may not exceed the MDQ set forth in the Agreement. For all provisions under the Tariff other than Section 4 of the General Terms and Conditions, references to MDRO include Enhanced MDRO, but not vice versa.

“Maximum Recourse Rate” shall mean the highest cost-based rate that Transporter is allowed to charge a Shipper who executes an Agreement for Transportation Service.

“Mcf” shall mean one (1) thousand (1,000) cubic feet of Gas. (Mcf is measured on a dry basis at 14.73 psia. and 60 degrees Fahrenheit).

“Minimum Delivery Pressure” shall have the meaning set forth in Shipper’s Agreement or an exhibit thereto, as applicable.

“Minimum Receipt Pressure” shall have the meaning set forth in Shipper’s Agreement or an exhibit thereto, as applicable.

“Minimum Recourse Rate” shall mean the lowest cost-based rate that Transporter is allowed to charge a Shipper who executes an Agreement for Transportation Service.

“Month” shall mean the period beginning on the first Day of a calendar Month and ending at the same hour on the first Day of the next succeeding calendar Month.

“Monthly Imbalance” shall mean a Shipper’s monthly quantity subject to resolution through the Cashout mechanism described in Section 6 of the General Terms and Conditions, calculated as the difference between (i) allocated quantities received from a Cashout Party for the Month, as determined in accordance with Section 5 of the General Terms and Conditions, adjusted for Transporter’s Use, and (ii) allocated quantities delivered to a Cashout Party for the Month, as determined in accordance with Section 5.

“Negotiated Rate” shall mean a rate or rate formula for computing a rate for service under a single Agreement. For scheduling and curtailment purposes, a Shipper paying a Negotiated Rate in excess of the Maximum Recourse Rate will be considered to be paying the Maximum Recourse Rate.

“Netting” shall be used to describe the process of resolving imbalances for a Shipper within an Operational Impact Area. There are two types of Netting:

- a. Summing is the accumulation of all imbalances above any applicable tolerances for a Shipper or agent.
- b. Offsetting is the combination of positive and negative imbalances above any applicable tolerances for a Shipper or agent.

“Nomination Balancing Service” or **“NBS”** shall have the meaning set forth in Rate Schedule PALS, Section 2.8.

“Non-Offending Shipper” shall have the meaning set forth in Section 9.6.

“North American Energy Standards Board” or **“NAESB”** shall mean the accredited organization established to set standards for certain natural gas industry business practices and procedures.

“OBA Party” shall have the meaning set forth in Section 11.1(a).

“Operational Balancing Agreement” or **“OBA”** shall mean a contract between two parties which specifies the procedures to manage operating variances at an interconnect.

“Operational Flow Order” shall mean an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity of Transporter’s system or to maintain operations required to provide efficient and reliable firm service. Whenever Transporter experiences these conditions, any pertinent order shall be referred to as an Operational Flow Order.

“Operational Impact Area” shall describe a Transportation Service Provider’s (as defined by the NAESB Standards) designation of the largest possible area(s) on its system in which imbalances have a similar operational impact, as posted on Transporter’s Interactive Website.

“Operator” shall have the meaning set forth in Section 38.

“Over-production” shall mean an imbalance existing at any given time consisting of an excess in the quantities which Shipper provided to Transporter at Receipt Point(s) over the quantities received by Shipper at Delivery Point(s).

“Payment Due Date” shall have the meaning set forth in Section 26.1.

“Perryville Receipt Area” shall consist of all Receipt Points east of but not including the Vernon Compressor Station.

“PHMSA” shall mean the Pipeline and Hazardous Materials Safety Administration.

“Point Operator” shall have the meaning set forth in Section 5.1(a).

“Pool” shall mean a group of points where Gas physically enters or leaves Transporter’s system and the associated Pooling Point where the aggregation of Gas quantities is permitted in accordance with Rate Schedule PS.

“Pooling Area” shall mean an area containing a group of Receipt Points located in a defined portion of Transporter’s system in which Pools may be established, and including one or more Pooling Points at which a Shipper may have an MDRO or nominate receipts. The Pooling Areas established on Transporter’s system shall be identified on Transporter’s Interactive Website.

“Pooling Point” shall mean a point on Transporter’s system which has been identified as a Receipt Point applicable to a Pool in the relevant PS Agreement, which shall not be a point where Gas physically enters or leaves Transporter’s system.

“Pool Manager” shall have the meaning set forth in Rate Schedule PS Section 1.1.

“Pool Transfer” shall mean the daily delivery allocation of a quantity of Gas out of one Pool into another. A Pool Transfer shall be made on a prospective basis pursuant to valid advance nominations and shall constitute a delivery on Transporter’s system for Imbalance purposes.

“Prearranged Service” shall have the meaning set forth in Section 16.6(g).

“Prearranged Shipper” shall have the meaning set forth in Section 17.1(h)(9).

“Primary Delivery Point” shall mean the Delivery Point(s) as specified in Exhibit A to Shipper’s FTS Agreement or, for capacity release agreements, pursuant to Shipper’s Replacement Capacity Agreement.

“Primary Receipt Point” shall mean the Receipt Point(s) as specified in Exhibit A to Shipper’s FTS Agreement or, for capacity release agreements, pursuant to Shipper’s Replacement Capacity Agreement.

“Prior Period Adjustment” or **“PPA”** shall have the meaning set forth in Section 5.3(a).

“Quick Response” shall mean the NAESB WGQ response used to communicate validation errors/warnings to a transaction submitted via the corresponding NAESB WGQ transaction.

“Rate Default” shall mean, for index-based capacity release transactions, the non-biddable rate specified in the Releasing Shipper’s Notice 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 shall serve as the Rate Default.

“Rate Floor” shall mean, for index-based capacity release transactions, the lowest rate specified in the Releasing Shipper’s Notice in dollars and cents that is acceptable to the Releasing Shipper. The Rate Floor may not be less than Transporter’s minimum Reservation Charge for the applicable Zone or zero cents where there is no stated minimum Reservation Charge.

“Receipt” or **“Receipts”** shall have the meaning set forth in Section 6.1.

“Receipt Area” shall mean all Receipt Points within a specified geographic area.

“Receipt Area Entitlement” shall mean the maximum quantity of Gas Shipper has the firm contract right to tender for receipt at all Receipt Points within an individual Receipt Area. Shipper’s Receipt Area Entitlement(s) shall be specified in Shipper’s Agreement.

“Receipt Point” shall mean an interconnection point on Transporter’s pipeline system that Transporter and Shipper shall agree upon, where Gas enters facilities owned by Transporter, and is metered, or a Pooling Point.

“Receipt Point Operator” shall mean the party that is responsible for operating the facilities that are immediately upstream of the applicable Receipt Point.

“Releasing Shipper” shall have the meaning set forth in Section 17.1(a).

“Replacement Capacity Agreement” shall mean, for a particular release transaction, the Service Agreement comprised of the notice of award of capacity posted on Transporter’s Interactive Website and the terms of the Form of Service Agreement under the applicable rate schedule, which forms are located in this tariff and posted on Transporter’s Interactive Website.

“Releasing Shipper’s Notice” shall have the meaning set forth in Section 17.1(e).

“Replacement Shipper” shall have the meaning set forth in Section 17.1(a).

“Request” shall have the meaning set forth in Section 20.2(b).

“Return Deficiency Charge” shall mean one hundred fifty percent (150%) of the highest daily index price during the term of the transaction as published, or calculated using published listings of prices, in Platts Gas Daily for Gas delivered at the point or geographic location which most closely approximates such point at which the gas was to be returned. If no index price is published for such period of time, the Return Deficiency Charge will be computed as the average of the applicable indices on the closest index publication date preceding and the closest index publication date following the beginning and end of the term of the applicable transaction, respectively. In the event that Platts Gas Daily ceases to be published, Transporter will post on its Interactive Website a replacement, and will file to amend the Tariff to reflect such replacement.

“Reput” shall mean the reinstatement of a capacity release transaction that was recalled.

“Secondary Delivery Point” shall mean a Delivery Point that is not specified as a Primary Delivery Point.

“Secondary Receipt Point” shall mean a Receipt Point that is not specified as a Primary Receipt Point.

“Segment Path Right” shall mean the quantity of Gas Shipper has the firm contract right to move within a segment and between a Primary Receipt Point and Primary Delivery Point. A Shipper’s Segment Path Right for any segment shall be the lesser of (i) the cumulative MDRO under Shipper’s Agreement upstream of such segment based on the primary direction of flow under the Agreement; (ii) the Receipt Area Entitlement specified in Shipper’s Agreement; or (iii) the MDQ specified in Shipper’s Agreement.

“Service Month” shall mean the Month during which Shipper receives services under this Tariff.

“Shipper” shall mean any person, corporation, limited liability company, partnership or any other legal entity who enters into an Agreement for service with Transporter.

“Starks Receipt Area” shall consist of all Receipt Points south of but not including the Westdale Compressor Station.

“System Balancing Adjustment” or **“SBA”** shall have the meaning set forth in Section 22.3.

“Tariff” or **“FERC Gas Tariff”** shall mean Transporter’s FERC Gas Tariff as effective from time to time.

“Tender Gas” and **“Tender of Gas”** shall mean that the delivering party is able and willing, and offers, to deliver Gas to the receiving party at the appropriate Receipt Point or Delivery Point.

“Timely Nomination Cycle” shall have the meaning set forth in Section 2.1(a)(1).

“Title Transfer” shall mean the change of title to Gas between parties at a location.

“Title Transfer Tracking” shall mean the process of accounting for the progression of title changes from party to party which process does not effect a physical transfer of the Gas.

“Title Transfer Tracking Service Provider” or **“TTSP”** shall mean a party conducting Title Transfer Tracking activities.

“Transportation” and **“Transportation Service”** shall mean transportation of Gas including by displacement.

“Transportation Imbalance” shall have the meaning set forth in Section 6.2(a).

“Transportation Path” shall mean (i) for a firm Agreement that is not the result of a capacity release, all segments of Transporter’s pipeline system between the point or location designated as the beginning of the Transportation Path and the point or location designated as the end of the Transportation Path as specified in Shipper’s FTS Agreement, and (ii) for capacity release transactions, the segment(s) of Transporter’s pipeline system for which the Segment Path Right is greater than zero.

“Transporter” shall mean Gulf Run Transmission, LLC.

“Transporter’s Use” shall mean the quantity of Gas required by Transporter for compressor fuel, other company use and lost-and-unaccounted for Gas for service under each Agreement, and shall be equal to the Transporter’s Use (%) under each such Agreement multiplied by the quantities tendered to Transporter.

“Transporter’s Use (%)” shall mean the applicable percentage of Transporter’s Use, which shall be an allocable amount of Transporter’s Use, as calculated pursuant to Section 22.2. The ~~applicable percentage~~**Transporter’s Use (%)** is shown ~~in the Statement of Additional Charges and Surcharges~~on the Currently Effective Rates for Rate Schedules FTS, ITS and PS for each Zone of

initial receipt and ultimate delivery and shall be annually redetermined and filed to be made effective June 1 of each year in accordance with Section 22.2 of these General Terms and Conditions.

“Unauthorized Gas” shall mean any Quantity of Gas either received or delivered at a meter without any Shipper nomination.

“Unauthorized Overrun Gas” shall have the meaning set forth in Section 3.2 of Rate Schedule FTS or Section 3.3 of Rate Schedule PS, as the context requires.

“Under-production” shall mean an imbalance existing at any given time consisting of an excess in the quantities received by Shipper at Delivery Point(s) over the quantities Shipper provided to Transporter at Receipt Point(s).

“Zones” shall mean the following two rate Zones into which Transporter’s pipeline system is divided:

“Zone 1” means the Line CP system from Delhi, Louisiana to Carthage, Texas, not including the Westdale Compressor Station.

“Zone 2” means the portion of Transporter’s system from Westdale, Louisiana to Starks, Louisiana, including the Westdale Compressor Station.

GENERAL TERMS AND CONDITIONS

22. PERIODIC RATE ADJUSTMENTS

22.1 Federal Energy Regulatory Commission Annual Charge Adjustment.

- (a) The purpose of this Section 22.1 is to establish an Annual Charge Adjustment (“ACA”) as permitted by Section 154.402 of the Commission’s Regulations to permit Transporter to recover from its Shippers all annual charges assessed it by the Commission under Part 382 of the Commission’s Regulations.
- (b) Applicable Rate Schedules: The ACA as set forth in the Statement of Additional Charges and Surcharges of this Tariff, is applicable to Transporter’s Rate Schedules FTS and ITS.
- (c) Remittance to the Commission. Transporter shall remit to the Commission, not later than forty-five (45) days after receipt of the Annual Charges Billing, the Total Annual Charge stated on such billing.
- (d) Basis of the Annual Charge Adjustment. The Rate Schedules specified in Section 22.1(b) hereof shall include an increment for an Annual Charge Adjustment for costs specified in Section 22.1(a), above. Such adjustment shall be the billable charge factor from the Commission, adjusted to the Company’s pressure base and heating value, if required, which the Commission orders to be effective each fiscal year as posted in a notice on its website (<https://www.ferc.gov>) entitled “FY [Year] Gas Annual Charges Correction for Annual Charges Unit Charge.”

22.2 Transporter’s Use.

- (a) The initial Transporter’s Use (%) will be calculated for each Receipt and Delivery Zone combination based upon appropriate engineering principles and is stated in the Statement of Additional Charges and Surcharges. After one year of operation and each June 1 thereafter commencing in ~~2024~~, each Transporter’s Use (%) will be redetermined as set forth in Section 22.2(a) ~~(1) and (2)~~. Each Transporter’s Use (%) calculated pursuant to this method will go into effect on June 1 pursuant to a filing with FERC (each such annual filing an “Annual Transporter’s Use Filing”). Transporter may file interim proposals (each such interim proposal an “Interim Transporter’s Use Filing”) between Annual Transporter’s Use Filings, subject to approval by FERC. An Annual Transporter’s Use Filing or Interim Transporter’s Use Filing shall take into account both (x) prospective changes in Transporter’s Use (%) and (y) any unrecovered compressor fuel usage, other company use, and lost and unaccounted-for Gas from the 12 Months preceding the effective date of such filing.

- (1) In each Annual and Interim Transporter's Use Filing, Transporter shall calculate the projected Fuel Retainage portion of the Transporter's Use (%) by (A) estimating the total compressor fuel usage, other company use, and lost and unaccounted-for Gas required during the 12-Month period commencing with the effective date of the Annual or Interim Transporter's Use Filing and (B) dividing that volumetric figure by the total quantities estimated by Transporter to flow under the applicable Rate Schedules during the 12-Month period commencing with the effective date of the Annual or Interim Transporter's Use Filing.
- (2) In each Annual and Interim Transporter's Use Filing, Transporter shall also calculate the total ~~unrecovered-deferred~~ compressor fuel usage, other company use, and lost and unaccounted-for Gas, the deferred portion of the Transporter's Use (%), by: (A) determining the actual company use, lost, and unaccounted-for quantities total compressor fuel usage, other company use, and lost and unaccounted-for Gas for the calendar year preceding the effective date of such filing; (B) subtracting actual quantities retained by Transporter during the calendar year preceding the effective date of such filing; and (C) dividing the result, whether positive or negative, by the total quantities estimated by Transporter to flow under the applicable Rate Schedules for the 12-Month period commencing on the effective date of such filing.
- ~~(b)(3)~~ In each Annual or Interim Transporter's Use Filing, Transporter shall add (A) the ~~Transporter's Use~~ projected Fuel Retainage (%) ~~percentage established in that filing,~~ as calculated in accordance with Section 22.2(a)(~~i1~~), and (B) the deferred portion of Transporter's Use (%) ~~percentage, as~~ calculated ~~under in accordance with~~ Section 22.2(a)(~~ii2~~), to calculate the Transporter's Use (%). If the Transporter's Use (%) results in an overall negative percentage, then the Transporter's Use (%) will be 0.00%. The resulting ~~total Transporter's Use (%)~~ percentage established in the filing ~~percentage~~ shall be effective until the effective date of Transporter's next succeeding Annual or Interim Transporter's Use Filing.

22.3 System Balancing Adjustment. In order to maintain an operational system balance on its system, Transporter will calculate a system balancing adjustment ("SBA") charge.

- (a) Transporter's SBA balance shall be the sum of the net annual system Cashout balance determined in accordance with Section 6 of the General Terms and Conditions, OBA Cashouts, any gains or losses associated with operational purchases or sales made necessary in order to manage OBAs, and any associated administrative costs.
- (b) The net SBA balance, determined pursuant to Section 22.3(a) for the period ending on January 31 of the year in which the filing pursuant to Section 22.3(c) is made, will be refunded to or recovered from Shippers pursuant to the procedures in this Section 22.3. Upon determining the net SBA balance at the end of the accumulation

period, Transporter shall calculate surcharges or refunds designed to allocate such balance to Shippers based upon each Shipper's actual throughput during the twelve-month accumulation period. If the net SBA balance determined in Section 22.3(a) through January 31 of the year in which the filing pursuant to Section 22.3(c) is made exceeds \$250,000, a Shipper's net debit or credit for the accumulation period shall be due and payable sixty (60) days after the Commission's acceptance of the filing pursuant to Section 22.3(c). Notwithstanding the immediately preceding sentence, if the net SBA balance results in a surcharge/debit, each Shipper who is allocated a surcharge/debit shall have the right, by providing notice to Transporter within the sixty (60)-day period, to elect to pay the surcharge/debit ratably over the twelve (12)-Month period, commencing with the first day of the first calendar month following the last day of the sixty (60)-day period, with interest calculated for each payment from the end of the sixty (60)-day period until the payment is made (at the rate set forth in Section 154.501(d) of the Commission's regulations). If the net SBA balance determined in Section 22.3(a) through January 31 of the year in which the filing pursuant to Section 22.3(c) is made is less than or equal to \$250,000, it shall be carried over to the calculation made under this Section 22.3(b) during the next twelve-month accumulation period.

- (c) Transporter shall file with the Commission on May 1 of each year thereafter, to establish the SBA refund or surcharge determined pursuant to the procedures in this Section 22.3, to be effective on June 1 of each year.