



November 3, 2022

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Re: *Enable Gulf Run Transmission, LLC*  
Docket Nos. RP23-\_\_\_\_-000 and CP20-70-000, -001  
Tariff Compliance Filing

Dear Ms. Bose:

Gulf Run Transmission, LLC (“Gulf Run”) hereby submits for filing and acceptance by the Federal Energy Regulatory Commission (“FERC” or “Commission”) its baseline electronic filing of its Original Volume No. 1 FERC Gas Tariff (“Tariff”) proposed to be effective on December 15, 2022, or the date on which the Gulf Run Pipeline Project (“Project”) facilities are placed into service and the Acquisition and Lease (each as defined below) become effective. Gulf Run submits this filing to comply with the Commission’s order issued on June 1, 2021, in Docket Nos. CP20-68-000 and CP20-70-000 (“Certificate Order”).<sup>1</sup>

## STATEMENT OF NATURE, REASONS, AND BASIS

On June 1, 2021, the Commission issued the Certificate Order for Gulf Run’s proposed pipeline and ancillary facilities and Enable Gas Transmission, LLC’s (“EGT”) proposed Line CP Modifications,<sup>2</sup> as well as the transfer of Line CP from EGT to Gulf Run (the “Acquisition”), and the lease of a portion of capacity on Line CP from Gulf Run back to EGT (the “Lease”).<sup>3</sup> Gulf Run submitted as part of its certificate application a *pro forma* FERC Gas Tariff (“Pro Forma Tariff”) containing Gulf Run’s proposed initial rates and tariff language. Gulf Run later updated the proposed initial rates on June 5, 2020.<sup>4</sup> In the Certificate Order, the Commission granted the requested authorizations and approved the initial rates, as updated, and the Pro Forma Tariff as conditioned and modified in the Certificate Order.<sup>5</sup> In Ordering Paragraph (I), the Commission directed Gulf Run to file actual tariff records that comply with the requirements contained in the Certificate Order between 30 and 60 days before commencement of service on the Project.<sup>6</sup>

On September 15, 2022, as supplemented on September 27, 2022, Gulf Run submitted a revised *pro forma* Tariff (“Revised Pro Forma Tariff”) to reflect changes made since the Certificate Order, including but not limited to revisions related to the Commission’s directives in the Certificate Order and the merger of Enable Midstream Partners, LP, the parent company of Gulf

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<sup>1</sup> *Enable Gas Transmission, LLC, et al.*, 175 FERC ¶ 61,183 (2020).

<sup>2</sup> On October 12, 2022, Gulf Run’s corporate name changed from Enable Gulf Run Transmission, LLC to Gulf Run Transmission, LLC.

<sup>3</sup> See Certificate Order.

<sup>4</sup> Supplemental Information of Enable Gulf Run Transmission, LLC, Docket No. CP20-70-000 (June 5, 2020).

<sup>5</sup> Certificate Order at Ordering Paragraph (H).

<sup>6</sup> Certificate Order at Ordering Paragraph (I).

Run, with Energy Transfer LP. On October 11, 2022, the Commission accepted the Revised Pro Forma Tariff.<sup>7</sup>

Gulf Run's Revised Pro Forma Tariff also reflected changes to Gulf Run's delivery areas for the determination of the "Daily Cashout Price." Gulf Run proposed to use the "NGPL, Texok zone" price for two of the cashout areas (west of the Panola Compressor Station and from the Panola Compressor Station to the Vernon Compressor Station, each on Line CP), the "Tx. Gas, zone 1" price for the area east of the Vernon Compressor Station on Line CP, and the "Tx. Eastern, WLA" price for the area encompassing the new pipeline segment south of the Westdale Compressor Station. The proposed price indices best represent the relevant geographic areas on each portion of the Gulf Run system and are robust points with a high volume of trading and number of deals. Each of the proposed price indices complies with the Commission's Revised Policy Statement regarding natural gas price indices,<sup>8</sup> as supported by the data provided in Appendix C.<sup>9</sup> As shown by the data, the average daily volume traded and the average daily number of transactions for the proposed price indices each exceed the Commission's updated criteria. Accordingly, Gulf Run's proposed price indices are eligible for inclusion in a jurisdictional tariff.

Gulf Run files herewith its proposed actual tariff records to comply with the requirements of the Certificate Order and to establish its baseline electronic tariff pursuant to the Commission's Order No. 714.<sup>10</sup> The only changes to the Revised Pro Forma Tariff, as accepted by the Commission on October 11, 2022, reflect Gulf Run's corporate name change from Enable Gulf Run Transmission, LLC to Gulf Run Transmission, LLC as well as non-substantive housekeeping and formatting changes.<sup>11</sup> Consistent with the Commission's regulations,<sup>12</sup> a list of all Tariff records is contained in Appendix A hereto. Gulf Run is also submitting its actual Tariff records along with a marked PDF showing all changes from the Revised Pro Forma Tariff language.

## PROPOSED EFFECTIVE DATE

Gulf Run asks that the tariff records filed herein become effective on December 15, 2022 or the date on which the Project facilities are placed into service and the transfer of Line CP from EGT to Gulf Run and the lease of a portion of capacity on Line CP from EGT to Gulf Run becomes effective. Gulf Run respectfully requests any waivers that may be required for the Commission to accept the tariff records filed herein to become effective as requested.

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<sup>7</sup> *Enable Gulf Run Transmission, LLC*, Docket No. CP20-70-001 (Oct. 11, 2022).

<sup>8</sup> *Actions Regarding the Commission's Policy on Price Index Formation and Transparency, and Indices Referenced in Natural Gas and Electric Tariffs, Revised Policy Statement*, 179 FERC ¶ 61,036 (2022), *order correcting prior order*, 181 FERC ¶ 61,078 (2022).

<sup>9</sup> The information contained in Appendix C is from S&P Global Commodity Insights.

<sup>10</sup> *Electronic Tariff Filings*, 124 FERC ¶ 61,270 (2008).

<sup>11</sup> The housekeeping changes are minor in nature, including (1) cleanup changes on the title page; (2) updates to titles and groupings in the Table of Contents; (3) removal of numeric listings from index pages; (4) utilization of the term "Interactive Website" throughout the Tariff; (5) addition of General Terms and Conditions title on each relevant section; (6) removal of duplicative defined terms; (7) update to URL reference; (8) modification to listing of Service Agreements; (9) creation of new Miscellaneous Forms section; and (10) removal of extra line in signature block on Transaction Confirmation Form.

<sup>12</sup> 18 C.F.R. § 154.7(a)(5).

## LIST OF TARIFF RECORDS

A list of the tariff records is set forth in Appendix A (which is incorporated herein by reference) to this transmittal letter. Clean and marked (red-lined) versions of the tariff records are included in Appendix B. The marked version of the tariff records reflect changes from the Revised Pro Forma Tariff accepted by the Commission on October 11, 2022.<sup>13</sup>

## LIST OF MATERIALS ENCLOSED

The following materials are submitted herewith in an XML filing package in accordance with the requirements of the eTariff program set forth in Order No. 714 and consistent with Section 154.4(c) of the Commission's regulations<sup>14</sup>:

1. This transmittal letter;
2. Appendix A containing a list of the proposed Tariff records;
3. Appendix B containing Gulf Run's baseline tariff with clean and marked versions of each tariff record in PDF format consistent with Section 154.201(a) of the Commission's regulations<sup>15</sup>;
4. Appendix C containing supporting information that Gulf Run's price indices meet the Commission's established liquidity criteria;
5. A certificate of service certifying that the materials listed in this "List of Materials Enclosed" section have been served on all parties on the Official Service List compiled by the Secretary in Docket No. CP20-70.

## CORRESPONDENCE AND COMMUNICATION

All correspondence and communications regarding this filing should be addressed to the following:

\*Michael T. Langston  
Vice President  
Chief Regulatory Officer  
Gulf Run Transmission, LLC  
1300 Main Street  
Houston, TX 77002  
(713) 989-7610  
(713) 989-1205 (Fax)  
michael.langston@energytransfer.com

\*Jonathan F. Christian  
Assistant General Counsel  
Gulf Run Transmission, LLC  
1300 Main St.  
Houston, TX 77002  
(713) 989-2795  
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<sup>13</sup> *Enable Gulf Run Transmission, LLC*, Docket No. CP20-70-001 (Oct. 11, 2022).

<sup>14</sup> 18 C.F.R. § 154.4(c).

<sup>15</sup> 18 C.F.R. § 154.201(a).

Ms. Kimberly D. Bose, Secretary

November 3, 2022

Page 4

\*Lisa Yoho  
Sr. Director, Regulatory Affairs  
Gulf Run Transmission, LLC  
1300 Main Street  
Houston, TX 77002  
(713) 989-7952  
lisa.yoho@energytransfer.com

\* Persons designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure. Gulf Run respectfully requests that the Commission waive Rule 203(b)(3) in order to allow all designated representatives to be included on the Commission's official service list.

## **WAIVERS**

Gulf Run respectfully requests waiver of the notice requirement in 18 C.F.R. § 154.207, and any other waivers that may be required for the Commission to accept the tariff records filed herein to become effective as proposed. In addition, Gulf Run respectfully requests that the Commission shorten the comment period on this filing and issue an order at the earliest time possible.

## **CERTIFICATE AND ELECTRONIC FILING**

The undersigned certifies that she has read the filing and knows its contents; the contents are true as stated to the best knowledge and belief of the signer; and the signer possesses full power and authority to sign the filing.

## **POSTING AND SERVICE**

In accordance with the Commission's regulations, copies of this filing will be sent to the contact email addresses Gulf Run has available for all customers and interested state commissions. In addition, all materials listed in the "List of Materials Enclosed" section of this transmittal letter will be served upon all parties to Docket No. CP20-70.

Ms. Kimberly D. Bose, Secretary

November 3, 2022

Page 5

Should you have any questions, please contact the undersigned at 713.989.7952.

Sincerely,

/s/ Lisa Yoho

Lisa Yoho

Gulf Run Transmission, LLC

[lisa.yoho@energytransfer.com](mailto:lisa.yoho@energytransfer.com)

Attachment

cc: Keith Rogers (FERC)  
Gertrude Fernandez Johnson (FERC)  
Brian White (FERC)  
Marsha Palazzi (FERC)

### **CERTIFICATE OF SERVICE**

I hereby certify that I have electronically served the foregoing document upon customers of Gulf Run Transmission, LLC and interested state commissions that have requested electronic service, and that I have served all materials listed in the “List of Materials Enclosed” section of the foregoing transmittal letter upon all parties to Docket No. CP20-70.

Dated at Houston, Texas this 3rd day of November, 2022.

/s/ Lisa Yoho

Lisa Yoho

## APPENDIX A LIST OF TARIFF RECORDS

<b><u>Version</u></b>	<b><u>Section (Description &amp; Title, Narrative Name)</u></b>
0.0.0	<i>Part I Table of Contents</i>
0.0.0	<i>Part II Preliminary Statement</i>
0.0.0	<i>Part III Maps</i>
0.0.0	1. System Map
0.0.0	2. Zone 1 Map
0.0.0	3. Zone 2 Map
0.0.0	<i>Part IV Currently Effective Rates</i>
0.0.0	Rate Schedule FTS: Currently Effective Rates
0.0.0	Rate Schedule ITS: Currently Effective Rates
0.0.0	Rate Schedule PALS: Currently Effective Rates
0.0.0	Rate Schedule PS: Currently Effective Rates
0.0.0	Addl Chrgs & Surcharges: Currently Effective Rates
0.0.0	<i>Part V Rate Schedules</i>
0.0.0	Rate Schedule FTS: Firm Transportation Service
0.0.0	Rate Schedule ITS: Interruptible Transportation Service
0.0.0	Rate Schedule PALS: Park and Loan Service
0.0.0	Rate Schedule PS: Pooling Service
0.0.0	<i>Part VI General Terms and Conditions</i>
0.0.0	GT&C Section 1. Definitions
0.0.0	GT&C Section 2. Nominations
0.0.0	GT&C Section 3. Scheduling and Curtailment
0.0.0	GT&C Section 4. Priority of Service
0.0.0	GT&C Section 5. Determination of Daily Allocated Receipts and Deliveries
0.0.0	GT&C Section 6. Imbalance Resolution Procedures
0.0.0	GT&C Section 7. Operational Flow Orders
0.0.0	GT&C Section 8. Force Majeure
0.0.0	GT&C Section 9. Penalties and Penalty Crediting Mechanism
0.0.0	GT&C Section 10. Reservation Charge Adjustment
0.0.0	GT&C Section 11. Operational Balancing Agreements (“OBAs”)
0.0.0	GT&C Section 12. Measurement and Measurement Equipment
0.0.0	GT&C Section 13. Receipt and Delivery Point Pressure
0.0.0	GT&C Section 14. Unauthorized Gas
0.0.0	GT&C Section 15. Quality of Gas
0.0.0	GT&C Section 16. Procedures for Contracting for Service
0.0.0	GT&C Section 17. Capacity Release Provisions
0.0.0	GT&C Section 18. Creditworthiness
0.0.0	GT&C Section 19. Default and Termination
0.0.0	GT&C Section 20. Negotiated Rates
0.0.0	GT&C Section 21. Discount Policy
0.0.0	GT&C Section 22. Periodic Rate Adjustments
0.0.0	GT&C Section 23. Modification
0.0.0	GT&C Section 24. Right of First Refusal

0.0.0		GT&C Section 25.	Billing
0.0.0		GT&C Section 26.	Payments
0.0.0		GT&C Section 27.	Warranty of Title
0.0.0		GT&C Section 28.	Possession of Gas
0.0.0		GT&C Section 29.	Waiver
0.0.0		GT&C Section 30.	Electronic Communication
0.0.0		GT&C Section 31.	Notices
0.0.0		GT&C Section 32.	New Facilities Policy
0.0.0		GT&C Section 33.	Off-system Pipeline Capacity
0.0.0		GT&C Section 34.	Incorporation in Rate Schedules and Agreements
0.0.0		GT&C Section 35.	Schedules and Contracts Subject to Regulation
0.0.0		GT&C Section 36.	North American Energy Standards Board Standards
0.0.0		GT&C Section 37.	Standards of Conduct Compliance Procedures
0.0.0		GT&C Section 38.	Limitation of Liability of Members and Operator
0.0.0		GT&C Section 39.	Permitted Sharing of Non-public Information
0.0.0		GT&C Section 40.	Non-Conforming Agreements
0.0.0	<i>Part VII</i>	<i>Forms of Service Agreement</i>	
0.0.0		Rate Schedule FTS: Form of Service Agreement	
0.0.0		Rate Schedule ITS: Form of Service Agreement	
0.0.0		Rate Schedule PALS: Form of Service Agreement	
0.0.0		Rate Schedule PS: Form of Service Agreement	
0.0.0		Capacity Release: Form of Service Agreement	
	<i>Part VIII</i>	<i>Miscellaneous Forms</i>	
0.0.0		1.	Transaction Confirmation Form (ITS and PS)

**APPENDIX B**  
**CLEAN TARIFF RECORDS**

FERC NGA GAS TARIFF

ORIGINAL VOLUME NO. 1

of

GULF RUN TRANSMISSION, LLC

Filed With The

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff  
Should be Addressed To:

Michael T. Langston  
Vice President  
Chief Regulatory Officer  
Telephone: (713) 989-7610  
Facsimile: (713) 989-1205  
[michael.langston@energytransfer.com](mailto:michael.langston@energytransfer.com)

GULF RUN TRANSMISSION, LLC  
1300 Main Street  
Houston, Texas 77002

## PART I TABLE OF CONTENTS

**Part II Preliminary Statement**

**Part III Tariff Map**

1. System	Map
2. Zone 1	Map
3. Zone 2	Map

**Part IV Currently Effective Rates**

Rate Schedule FTS	Currently Effective Rates
Rate Schedule ITS	Currently Effective Rates
Rate Schedule PALS	Currently Effective Rates
Rate Schedule PS	Currently Effective Rates
Addl Chrgs & Surcharges	Currently Effective Rates

**Part V Rate Schedules**

Rate Schedule FTS	Firm Transportation Service
Rate Schedule ITS	Interruptible Transportation Service
Rate Schedule PALS	Park and Loan Service
Rate Schedule PS	Pooling Service

**Part VI General Terms and Conditions**

GT&C Section 1.	Definitions
GT&C Section 2.	Nominations
GT&C Section 3.	Scheduling and Curtailment
GT&C Section 4.	Priority of Service
GT&C Section 5.	Determination of Daily Allocated Receipts and Deliveries
GT&C Section 6.	Imbalance Resolution Procedures
GT&C Section 7.	Operational Flow Orders
GT&C Section 8.	Force Majeure
GT&C Section 9.	Penalties and Penalty Crediting Mechanism
GT&C Section 10.	Reservation Charge Adjustment
GT&C Section 11.	Operational Balancing Agreements (“OBAs”)
GT&C Section 12.	Measurement and Measurement Equipment
GT&C Section 13.	Receipt and Delivery Point Pressure
GT&C Section 14.	Unauthorized Gas
GT&C Section 15.	Quality of Gas
GT&C Section 16.	Procedures for Contracting for Service
GT&C Section 17.	Capacity Release Provisions
GT&C Section 18.	Creditworthiness

GT&C Section 19.	Default and Termination
GT&C Section 20.	Negotiated Rates
GT&C Section 21.	Discount Policy
GT&C Section 22.	Periodic Rate Adjustments
GT&C Section 23.	Modification
GT&C Section 24.	Right of First Refusal
GT&C Section 25.	Billing
GT&C Section 26.	Payments
GT&C Section 27.	Warranty of Title
GT&C Section 28.	Possession of Gas
GT&C Section 29.	Waiver
GT&C Section 30.	Electronic Communication
GT&C Section 31.	Notices
GT&C Section 32.	New Facilities Policy
GT&C Section 33.	Off-system Pipeline Capacity
GT&C Section 34.	Incorporation in Rate Schedules and Agreements
GT&C Section 35.	Schedules and Contracts Subject to Regulation
GT&C Section 36.	North American Energy Standards Board Standards
GT&C Section 37.	Standards of Conduct Compliance Procedures
GT&C Section 38.	Limitation of Liability of Members and Operator
GT&C Section 39.	Permitted Sharing of Non-Public Information
GT&C Section 40.	Non-Conforming Agreements

**Part VII Forms of Service Agreement**

Rate Schedule FTS	Form of Service Agreement
Rate Schedule ITS	Form of Service Agreement
Rate Schedule PALS	Form of Service Agreement
Rate Schedule PS	Form of Service Agreement
Capacity Release	Form of Service Agreement

**Part VIII Miscellaneous Forms**

1.	Transaction Confirmation Form (ITS and PS)
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**PART II**  
**PRELIMINARY STATEMENT**

Transporter owns and operates a Gas pipeline company engaged in the business of transporting Gas in interstate commerce under authorization granted by, and subject to the jurisdiction of, the Federal Energy Regulatory Commission. Its pipeline system extends bi-directionally between Carthage, Texas and Perryville, Louisiana and includes a segment that extends southward from the Westdale Station to terminate at an interconnection with Golden Pass Pipeline LLC near Starks, Louisiana.

The location of Transporter's system is shown on the map included herein.

Services will be provided under specific Service Agreements and rate schedules and Transporter reserves the right to limit its Service Agreements for Transportation of Gas to Shippers acceptable to it after consideration of its existing commitments, delivery capacity, Delivery Point, creditworthiness of Shippers, and other factors deemed pertinent by Transporter, consistent with the terms and conditions of this Tariff.

**PART III  
TARIFF MAP**

1. System Map
2. Zone 1 Map
3. Zone 2 Map

## 1. System Map

The System Map may be displayed and downloaded at the Interactive Website below.

<https://pipelines.energytransfer.com/ipost/GR/maps/system-map>

## 2. Zone 1 Map

The Zone 1 Map may be displayed and downloaded at the Interactive Website below.

<https://pipelines.energytransfer.com/ipost/GR/maps/zone1>

### 3. Zone 2 Map

The Zone 2 Map may be displayed and downloaded at the Interactive Website below.

<https://pipelines.energytransfer.com/ipost/GR/maps/zone2>

**PART IV**  
**CURRENTLY EFFECTIVE RATES**

Rate Schedule FTS	Currently Effective Rates
Rate Schedule ITS	Currently Effective Rates
Rate Schedule PALS	Currently Effective Rates
Rate Schedule PS	Currently Effective Rates
Additional Charges and Surcharges	Currently Effective Rates

Currently Effective Rates  
 Rate Schedule FTS

<u>RATE SCHEDULE FTS</u>	Maximum Rate Per Dth -----	Minimum Rate Per Dth -----	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	0.40%	0.10%
Zone 1 – Zone 2	\$0.0042	\$0.0042	0.80%	0.10%
Zone 2 – Zone 1	\$0.0042	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.0022	\$0.0022	0.40%	0.10%
Authorized Overrun				
Zone 1 – Zone 1	\$0.1061	\$0.0020	0.40%	0.10%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.40%	0.10%

Currently Effective Rates  
 Rate Schedule ITS

<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	0.40%	0.10%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.40%	0.10%

Currently Effective Rates  
Rate Schedule PALS

<u>RATE SCHEDULE PALS</u>	Maximum Rate Per Dth	Minimum Rate Per Dth	Fuel Retainage	Lost & Unaccounted for Gas
	-----	-----	-----	-----
Activity Rate	\$0.2773	\$0.0042	-	-
Inventory Rate	\$0.2773	\$0.0042	-	-

Currently Effective Rates  
 Rate Schedule PS

<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	0.80%	0.10%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.1712	\$0.0022	-	-

Currently Effective Rates  
Additional Charges and Surcharges

ADDITIONAL CHARGES AND SURCHARGES APPLICABLE TO ALL RATE SCHEDULES	Maximum Rate Per Dth -----	Minimum Rate Per Dth -----
Annual Charge Adj. (ACA)	1/	1/
Gas for Transporter's Use	2/	2/

- 1/ ACA Commodity Surcharge to applicable customers, pursuant to Section 22.1 of the General Terms and Conditions.
- 2/ For scheduled Transportation Service where the Receipt Point(s) and Delivery Point(s) are all in the Perryville Area, as defined in a posting on Transporter's Interactive Website, the Gas for Transporter's Use shall be only the lost and unaccounted for gas percentage.

**PART V**  
**RATE SCHEDULES**

Rate Schedule FTS  
Rate Schedule ITS  
Rate Schedule PALS  
Rate Schedule PS

Firm Transportation Service  
Interruptible Transportation Service  
Park and Loan Service  
Pooling Service

Rate Schedule FTS  
Firm Transportation Service

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any Shipper for the Transportation of Gas by Transporter, subject to the following limitations:
- (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform service requested by Shipper;
  - (b) Transporter has received a complete request for transportation service under this Rate Schedule containing the items required by this Tariff. Complete requests received in writing or via Electronic Communication shall be sufficient;
  - (c) Transporter has reviewed and approved the request; and
  - (d) Shipper and Transporter have executed an FTS Agreement under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to all Transportation Service rendered by Transporter for Shipper pursuant to the executed FTS Agreement under this Rate Schedule.
- 2.2 Transportation Service under this Rate Schedule shall consist of: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account up to Shipper's MDQ.
- 2.3 Transportation Service rendered under this Rate Schedule shall be firm, up to the Transportation Path Capacity specified in the executed FTS Agreement.
- 2.4 Shipper may nominate Authorized Overrun Gas in accordance with Section 2 of the General Terms and Conditions. Transporter may render the requested service on an interruptible basis, subject to the terms of Rate Schedule ITS, if Transporter determines that it can do so without adverse effect on its operations or its ability to meet all its other obligations, and such quantities shall be considered Authorized Overrun Gas under this Rate Schedule. Notification that Authorized Overrun Gas quantities will not be scheduled or will be reduced may be communicated via Transporter's Interactive Website or otherwise during the scheduling process.

### 3. RATES

#### 3.1 Each Month, Shipper shall pay to Transporter the following:

- (a) **Reservation Charge.** Shipper shall pay the product of the Reservation Charge for each Zone, as stated in the Statement of Rates, multiplied by the number of days in the Month multiplied by Shipper's MDQ. The Reservation Charge shall be adjusted for the first and last contract Months to reflect the number of Days during those Months service was available.
- (b) **Contract Quantities.** Shipper shall pay the Usage-1 Rate for each Zone, as stated in the Statement of Rates, multiplied by that portion of the total quantity of Gas deliveries on any Day pursuant to the Shipper's FTS Agreement which is not in excess of the lower of (i) 105% (or 100% when a Scheduling Variance Penalty applies pursuant to Section 9.4 of the General Terms and Conditions) of the scheduled quantities of Gas under the FTS Agreement for such Day or (ii) the MDQ in effect under the FTS Agreement for such Day.
- (c) **Authorized Overrun Gas.** For shipments of Authorized Overrun Gas, Shipper shall pay the Authorized Overrun Rate for each Zone, as stated in the Statement of Rates, multiplied by the quantity of Authorized Overrun Gas.
- (d) **Other Applicable Charges or Surcharges.** Shipper shall pay all applicable surcharges or charges, including, but not limited to those contained in Sections 6 and 21 of the General Terms and Conditions, and as stated in the Statement of Additional Charges and Surcharges for each Zone of initial receipt and ultimate delivery.
- (e) **Transporter's Use.** Each Shipper will furnish Transporter fuel at the nominated Receipt Point(s). The amount of fuel furnished to Transporter will be the applicable percentage for Transporter's Use, as stated in the Statement of Additional Charges and Surcharges for each Zone of initial receipt and ultimate delivery, multiplied by the quantity of Gas tendered by Shipper to Transporter.
- (f) **Negotiated Rates.** Shipper and Transporter may mutually agree, pursuant to the provisions of Section 20 of the General Terms and Conditions, to a Negotiated Rate, which rate shall be less than, equal to, or greater than Transporter's Maximum Recourse Rate. Any such rates may be based upon a rate design other than straight fixed variable (SFV).
- (g) **Discounted Rates.** Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the Transportation Paths for which a Maximum Recourse Rate and Minimum Recourse Rate are stated in the Statement of Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not

exceed the applicable Maximum Recourse Rate(s), nor shall they be less than the Minimum Recourse Rate(s), set forth on such Currently Effective Rates. Transporter shall have the right to charge the Maximum Recourse Rate at any time as a condition for new service, or for continuation of service under an existing FTS Agreement.

3.2 Unauthorized Overrun Service.

- (a) Each Dekatherm of Gas Delivered Hereunder to Shipper on any Day which is in excess of Shipper's MDQ and which has not been authorized under Section 2.4 of this Rate Schedule shall be considered as "Unauthorized Overrun Gas" and shall be subject to a penalty rate equal to two times the applicable ITS Rate and Transporter's Use, pursuant to Section 3.1(e) of this Rate Schedule shall apply.
- (b) Each Dekatherm of Gas Delivered Hereunder as Unauthorized Overrun Gas at any time after Transporter has issued an Action Alert or OFO directing Shipper to cease and desist shall be subject to the Action Alert Penalty or Operational Flow Order Penalty, as applicable, as described in Section 7.8 of the General Terms and Conditions.

4. RECEIPT AND DELIVERY POINTS

4.1 Receipt Point Availability.

- (a) Shipper's Primary Receipt Point(s) will be listed in Shipper's FTS Agreement. Shipper shall have the right to utilize all other Receipt Point(s) within a Zone for which Shipper has segment entitlements as Secondary Receipt Point(s), subject to available capacity and the provisions of the General Terms and Conditions.
- (b) Those Shipper's FTS Agreements under this Rate Schedule that were executed by Transporter and Shipper pursuant to a service agreement entered into on or before the in-service date of the pipeline system, may, if mutually agreed, be eligible for Enhanced MDRO. The Enhanced MDRO, which shall be set forth in such Shipper's FTS Agreement, is applicable for Receipt Points in the following Receipt Areas: (i) Carthage Receipt Area; (ii) Haynesville West Receipt Area; (iii) Haynesville East Receipt Area; (iv) Perryville Receipt Area; and (v) Starks Receipt Area.

4.2 Shipper's Primary Delivery Point(s) and Shipper's Transportation Path will be listed in Shipper's FTS Agreement. Shipper shall have the right to utilize all other Delivery Point(s) within a Zone for which Shipper has segment entitlements as Secondary Delivery Point(s), subject to available capacity and the provisions of the General Terms and Conditions.

4.3 Shipper shall have the right to re-designate any points, as Primary Receipt Point(s) or Primary Delivery Point(s), subject to available capacity and the provisions of the General

Terms and Conditions; provided, however, if Shipper is paying a Negotiated Rate or Discounted Rate for service under the FTS Agreement and requests to change its Primary Receipt Point or Delivery Point, as applicable, under the FTS Agreement, then unless otherwise agreed to in writing by Shipper and Transporter the rate applicable for service to such new Primary Receipt Point or Primary Delivery Point, as applicable, shall be the Maximum Recourse Rate.

5. COMMISSION AND OTHER REGULATORY FEES

- 5.1 Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

6. GENERAL TERMS AND CONDITIONS

- 6.1 All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

Rate Schedule ITS  
Interruptible Transportation Service

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any Shipper for the Transportation of Gas by Transporter, subject to the following limitations.
- (a) Transporter has received a complete request for transportation service under this Rate Schedule containing the items required by this Tariff. Complete requests received in writing or via Electronic Communication shall be sufficient;
  - (b) Transporter has reviewed and approved the request; and
  - (c) Shipper and Transporter have executed an ITS Agreement under this Rate Schedule

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to all Transportation Service rendered by Transporter for Shipper pursuant to the executed ITS Agreement under this Rate Schedule.
- 2.2 Transportation Service under this Rate Schedule shall consist of: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- 2.3 Transportation Service rendered under this Rate Schedule shall be interruptible. Interruptible service shall be available only to the extent of available capacity as it may be from Day to Day and from time to time within the Gas Day, under current conditions and shall be offered in accordance with the priorities established in Section 4 of the General Terms and Conditions of Transporter's Tariff.

3. RATES

- 3.1 Each Month, Shipper will pay Transporter the following:
- (a) The applicable ITS Rate, as stated in the Statement of Rates, multiplied by the total quantity of Gas deliveries on any Day pursuant to the Shipper's ITS Agreement.
  - (b) Other Applicable Charges or Surcharges. All applicable surcharges or charges, including, but not limited to, those contained in Sections 6 and 21 of the General Terms and Conditions and as stated in the Statement of Additional

Charges and Surcharges for each Zone of initial receipt and ultimate delivery multiplied by each Dekatherm of Gas delivered.

- (c) Transporter's Use. Each Shipper will furnish Transporter fuel at the nominated Receipt Point(s). The amount of fuel furnished to Transporter will be the applicable percentage for Transporter's Use, as stated in the Statement of Additional Charges and Surcharges for each Zone of initial receipt and ultimate delivery, multiplied by the quantity of Gas tendered by Shipper to Transporter.

3.2 Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 20 of the General Terms and Conditions, to a Negotiated Rate, which rate shall be less than, equal to, or greater than Transporter's applicable Maximum Recourse Rate.

3.3 Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the Transportation Paths for which a Maximum Recourse Rate and Minimum Recourse Rate are stated in the Statement of Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Recourse Rate(s), nor shall they be less than the Minimum Recourse Rate(s), set forth on such Currently Effective Rates. Transporter shall have the right to charge the Maximum Recourse Rate at any time as a condition for new service, or for continuation of service under an existing ITS Agreement.

#### 4. COMMISSION AND OTHER REGULATORY FEES

4.1 Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

#### 5. GENERAL TERMS AND CONDITIONS

5.1 All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

Rate Schedule PALS  
Park and Loan Service

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any Shipper that requests parking and/or loaning service on an interruptible basis from Transporter when:
- (a) Transporter determines that service under this Rate Schedule may be rendered pursuant to either Subparts B or G of Part 284 of the Commission's Regulations;
  - (b) Transporter has received a complete request for transportation service under this Rate Schedule containing the items required by this Tariff. Complete requests received in writing or via Electronic Communication shall be sufficient;
  - (c) Transporter has reviewed and approved the request; and
  - (d) Shipper and Transporter have executed a PALS Agreement for service under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to the parking and loaning and subsequent removal and return, respectively, of Gas for Shipper's account under a PALS Agreement for parking and/or loaning, as applicable, up to Maximum Aggregate Quantity ("MAQ") set forth in Shipper's PALS Agreement or the Maximum Aggregate Transaction Quantity ("MATQ") authorized by Transporter from time to time and agreed between Shipper and Transporter in an Exhibit to Shipper's PALS Agreement. All service provided under this Rate Schedule shall be subject to the provisions of the applicable PALS Agreement(s) and the General Terms and Conditions of this Tariff.
- (a) Service hereunder shall consist of:
    - (i) Park and loan service, which shall mean:
      - (1) Parking:
        - i. the receipt of gas by Transporter delivered (or deemed transferred from an imbalance under Shipper's Service Agreement(s)), at one or more physical receipt points or Pools agreed to on Transporter's system, up to Shipper's MAQ or MATQ;
        - ii. the retention of such Gas by Transporter; and

iii. the subsequent removal of such Gas for Shipper's account at the agreed upon time and at the same point(s) or other mutually agreed upon point(s); or

(2) Loaning:

i. the advance of Gas by Transporter for Shipper's account (or deemed transferred to an imbalance under Shipper's PALS Agreement(s)) at one or more physical Delivery Points or Pools agreed to on Transporter's system, up to the quantity authorized by Transporter; and

ii. the subsequent delivery or return of such quantity of Gas to Transporter by Shipper at the agreed upon time and at the same point(s) or other mutually agreed point(s) on Transporter's system.

All services described in this Section 2.1 shall be in accordance with a PALS Agreement.

2.2 Additional Terms

- (a) All services under this Rate Schedule shall be subject to interruption (decrease, suspension or discontinuation), in whole or in part, at any time. For such interruptible services, Transporter shall have no obligation to provide services hereunder for or during any given period if it determines that to do so may interfere with its ability to provide services with a higher priority or to meet its other obligations or that to do so may have an adverse effect on Transporter's operations.
- (b) Except as expressly provided for in this Rate Schedule, Shipper must nominate any services requested hereunder (including the removal of parked Gas and the return of loaned Gas) and service shall not be available or authorized until scheduled by Transporter. All activity will be subject to scheduling on a basis at least as frequently as daily. Transporter may, at its sole discretion, reasonably exercised and in a manner not unduly discriminatory, consider and accept nominations for service under this Rate Schedule submitted at times other than generally provided for in Sections 2 and 3 of the General Terms and Conditions.

2.3 Any parking or loaning under this Rate Schedule shall occur at a physical Receipt Point or Delivery Point, as applicable pursuant to Section 2.1(a), or Pool, unless Transporter agrees otherwise. Shipper must make any necessary arrangements with Transporter and/or third parties to deliver Gas to the designated parking point(s) or return point(s) for loaned Gas and/or to receive and transport loaned Gas or parked Gas upon removal from the point(s) at which the Gas is loaned or received for parking. Transportation service is not provided under the parking and loaning option of this Rate Schedule. If

Transporter loans Gas to a Shipper, or Shipper removes parked Gas, which is nominated and scheduled to make up an imbalance consisting of quantities Due Transporter under a Service Agreement, then Shipper may be required to nominate under a separate FTS or ITS Agreement with Transporter and pay rate(s) applicable to such service to effectuate transportation of such Gas from the points at which such Gas was loaned and/or parked under this Rate Schedule to the point of imbalance.

#### 2.4 Removal of Parked Quantity

- (a) With respect to the parking option under this Rate Schedule, Shipper shall be obligated to remove its parked quantities in accordance with the PALS Agreement between Transporter and Shipper. Additionally, Transporter may require Shipper to remove all or any portion of its parked gas quantities upon forty-eight (48) hours (or such longer period as may be specified) notice to Shipper. If Shipper fails to remove such quantities in accordance with Transporter's notice, Transporter shall take title to the gas quantities Shipper was instructed to remove, free and clear of any adverse claims; provided, however, that Transporter shall not take title to such quantities if, and for so long as, Shipper nominated to remove such quantities in accordance with its PALS Agreement with Transporter or Transporter's notice, and Transporter was unable to schedule and deliver such quantities in accordance with such nomination.
- (b) When Shipper schedules removal of its parked quantities, all such quantities shall be deemed received at the point at which such quantities were originally received into Transporter's system, unless Transporter agrees otherwise. If such removal occurs at a point other than such agreed to point, Shipper may be required to nominate under a separate Service Agreement with Transporter and pay rate(s) applicable to such service to effectuate removal of such Gas from the other points.

#### 2.5 Return of Loaned Quantities

- (a) Shippers utilizing the loan option under this Rate Schedule shall be obligated to return the quantity of gas advanced by Transporter in accordance with the PALS Agreement between Transporter and Shipper. Additionally, Shipper must return all or any portion of the loaned quantity if required by Transporter upon forty-eight (48) hours (or such longer period as may be specified) notice. Failure to do so will result in the assessment of the charges described in Section 4.2 of this Rate Schedule; provided, however, that Transporter shall not assess such charges if, and for so long as, Shipper nominated to return such quantities in accordance with its PALS Agreement with Transporter or Transporter's notice, and Transporter was unable to schedule and receive such quantities in accordance with such nomination.

- (b) When Shipper returns loaned quantities to Transporter, such return shall occur at the points agreed to by Transporter, and Transporter shall have the right to adjust subsequent transportation invoices (under other Rate Schedules) of Shipper's to reflect any additional amounts owed by Transporter if such return occurs at a point different than the point agreed upon.
- 2.6 Shipper's PALS Agreement under this Rate Schedule PALS may designate the MAQ or MATQ to be parked and/or loaned at any one time under the transaction, and any other information or limitations applicable to the transaction, e.g., daily or monthly quantities, term of transaction (including schedules for contemplated activity), point(s) and rate(s) applicable, etc. Each borrowing and parking transaction shall be accounted for and tracked separately, even if occurring contemporaneously unless otherwise agreed in the PALS Agreement. Shipper's nomination for parking and loaning activities must designate the applicable point(s), quantities applicable thereto, and a Service Agreement, if applicable. When Shipper schedules removal of Gas in its parked account, if nominated to be transported or received into Pools on Transporter's system, Transporter may deem all such quantities as having been received at the point(s) at which the parked Gas entered Transporter's system and Shipper shall also specify the applicable points(s) at which the prior parking occurred. When Shipper desires to eliminate an imbalance consisting of quantities Due Cashout Party under a Service Agreement, if Transporter accepts and schedules any such nomination under this Rate Schedule, then such Gas may be deemed parked at the point(s) at which it initially entered Transporter's system.
- 2.7 If the receipt, return or removal of Gas in Shipper's parked or loaned account, as applicable, is scheduled and adequate quantities are not tendered or taken at the applicable point(s), Transporter will not debit or credit such deficient quantities to the account(s).
- 2.8 A Shipper may request the Nomination Balancing Service ("NBS") option under which that Shipper will nominate parking or loaning transactions for purposes of eliminating discrepancies between its receipt and delivery nominations under its PALS Agreement(s). Election of this option shall require a separate Rate Schedule PALS Agreement for each Shipper. No MAQ, MATQ, maximum or minimum daily quantities will be specified in such PALS Agreement, and daily park and loan quantities and points will be determined in the nomination, confirmation and scheduling process. The provision of service under the NBS option shall be subject to the priority described in Section 4 of the General Terms and Conditions and subject to suspension or other limitations as required during actions taken pursuant to Section 7 of the General Terms and Conditions.

### 3. RATES

- 3.1 The rate charged for service hereunder shall consist of the currently effective Park and Loan Rates shown on Transporter's Statement of Rates contained in this Tariff.

- 3.2 Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 20 of the General Terms and Conditions, to a Negotiated Rate, which rate shall be less than, equal to, or greater than Transporter's Maximum Recourse Rate. Any such rates may be based upon a rate design other than straight fixed variable (SFV).
- 3.3 Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for service under this Rate Schedule for which a Maximum Recourse Rate and Minimum Recourse Rate are stated in the Statement of Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Recourse Rate(s), nor shall they be less than the Minimum Recourse Rate(s), set forth on such Currently Effective Rates. Transporter shall have the right to charge the Maximum Recourse Rate at any time as a condition for new service, or for continuation of service under an existing PALS Agreement.

#### 4. MONTHLY BILL

- 4.1 Calculation: The bill for a Service Month shall be the sum of:
- (a) for each account, the product of the Activity Rate and the total Dth of Gas initially loaned or parked, and/or returned or taken delivery of, on each Day, plus
  - (b) the product of the Inventory Rate and the total Dth of parked or loaned Gas in each account at the end of each Day excluding the quantities subject to the Activity Rate on such Day, on a first-in, first-out basis (for parking) and a first-out, first-in basis (for loaning).
- 4.2 Adjustments.
- (a) Failure to Return Loaned Quantities: In accordance with the provisions of Section 2.5(a) above, if Shipper fails to return loaned quantities when required to do so under this Rate Schedule, Shipper shall be billed an amount determined by multiplying the quantities which Shipper failed to return by the higher of the Return Deficiency Charge for the Month of the loan, or the Month in which return was required.
- 4.3 Other Charges. A bill for a Service Month may also include amounts attributable to filing and other fees, penalties and charges provided by this Tariff.

#### 5. COMMISSION AND OTHER REGULATORY FEES

- 5.1 Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

6. GENERAL TERMS AND CONDITIONS

- 6.1 All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

Rate Schedule PS  
Pooling Service

1. AVAILABILITY:

- 1.1 This Rate Schedule is available to any party (hereinafter referred to as Pool Manager) that requests pooling service from Transporter when:
- (a) Transporter has received, reviewed and accepted a complete request for service containing the items identified in the Information Required in Request for Transportation as set forth in this Tariff. Complete requests received in writing or via electronic means using the Internet shall be sufficient;
  - (b) Pool Manager and Transporter have executed a PS Agreement in the form provided in this Tariff; and
  - (c) Pool Manager complies with the provisions of this Rate Schedule, its PS Agreement and all other applicable provisions of this Tariff.
- 1.2 Service under this Rate Schedule shall be subject to interruption, in whole or in part, at any time and available subject to capacity constraints and operational conditions. Transporter shall have no obligation to provide service hereunder on any Day if it determines that to do so may interfere with its ability to meet its other obligations or that it may have an adverse effect on Transporter's operations.
- 1.3 Transporter may suspend pooling service if necessary for efficient operation of its system or to comply with Firm Transportation Services.

2. APPLICABILITY AND CHARACTER OF SERVICE:

- 2.1 General.
- (a) Pooling shall consist of the aggregation of supplies from Receipt Point(s) into one or more Pools under Pool Manager's PS Agreement at the initial point of entry into Transporter's pipeline system. Shippers transporting Gas may utilize Pools as Receipt Points or Delivery Points under their PS Agreements in accordance with the applicable provisions of this Tariff.
  - (b) This Rate Schedule shall apply to the pooling and aggregation of Gas by Transporter pursuant to a PS Agreement providing for such pooling service on an interruptible basis. Additionally, this Rate Schedule shall apply to Pool Transfers on an interruptible basis. Service provided under this Rate Schedule shall be rendered pursuant to the provisions of the PS Agreement and the

General Terms and Conditions of this Tariff and either Subpart B or G of Part 284 of the Commission's Regulations.

- (c) A single PS Agreement under this Rate Schedule shall govern multiple Pools and Pooling Areas, with one Pool for each Pooling Area, unless otherwise agreed or required by Transporter.

## 2.2 Pool Manager's Responsibilities.

- (a) For Shippers transporting Gas under Service Agreements pursuant to Rate Schedules FTS, ITS, or for other Pool Managers for Pool Transfer purposes, nominating the Pool Manager's Pool as a Receipt Point, Pool Manager shall act as such Shippers' designee for purposes of submitting certain receipt nomination and allocation information. A Shipper's submission of a receipt nomination naming a Pool shall be deemed to authorize the applicable Pool Manager to act as Shipper's designee.
- (b) Pool Manager shall also assume responsibility for matching the Gas received by Transporter at entry into its system with quantities scheduled for delivery for the account of the Shipper nominating the Pool as a Receipt Point.
- (c) Pool Manager shall submit its nominations and allocation information to Transporter via its pooling nominations as provided in Section 2 of Transporter's General Terms and Conditions.

## 2.3 Pool Receipts and Deliveries.

- (a) Each Pool shall have access to all physical Receipt Point(s) available to the Pool within the applicable Pooling Area. Transporter shall provide a master list of generally available Receipt Points for each Pooling Area, via electronic means using Transporter's Interactive Website, upon request.
- (b) Subject to capacity constraints and operational conditions from time to time, a Pool Manager may receive under its PS Agreement Gas from Receipt Points available to the Pool within a Pooling Area, and aggregate and deliver said supplies into the appropriate Pool for such Pooling Area at the initial point of entry into Transporter's transmission system.
- (c) A Pool Manager may nominate deliveries under its PS Agreement as transfers to other Pools, subject to applicable limitations, and as receipts for other Shippers under downstream FTS or ITS Agreements for physical deliveries from Transporter's system. Subject to the availability of capacity and prevailing operating conditions on Transporter's system, Transporter will (i) confirm properly nominated receipts into Pools and properly nominated deliveries from Pools to PS Agreements under Rate Schedules FTS, ITS and PALS; and (ii) confirm and schedule properly nominated Pool Transfer quantities using the "lesser of"

rule described in NAESB WGQ Standard 1.3.22. For Pool Transfers, allocated quantities will equal scheduled quantities.

- 2.4 Imbalances. Imbalances in a Pool are calculated by determining the difference between total aggregated receipts into the Pool and the total deliveries allocated out of such Pool. In the event of quantities Due Cashout Party or Due Transporter in a given Pool, the PS Agreement under which the Pooling service is rendered will have an Imbalance for each individual Pooling Area, as applicable. Monthly imbalances for different Pooling Areas under Pool Manager's PS Agreement may be offset against one another if Pool Manager pays a fee or charge as described in Section 6 of Transporter's General Terms and Conditions, and otherwise complies with the requirements of such subsection. Pool Managers can resolve imbalances during the Month by revising nominations, subject to the availability of capacity and operational conditions. Any imbalance remaining at the end of a Month shall be cashed-out in accordance with the provisions of Section 6 of Transporter's General Terms and Conditions. Receipts into the Pool must equal deliveries out of the Pool on a daily basis, unless Transporter otherwise agrees.
- 2.5 Performance. Transporter shall not have any liability to a Pool Manager or any other Shipper as a result of Transporter's reliance on the performance by a Pool Manager of its obligations hereunder, and each Pool Manager shall indemnify Transporter from and against any and all losses, damages, expenses, claims, actions or proceedings threatened, incurred or initiated as a result of Transporter's reliance on such performance.
- 2.6 Creditworthiness. Pool Managers or potential Pool Managers shall be required to comply with the provisions of Section 18 of the General Terms and Conditions of this Tariff.

3. RATES AND OTHER CHARGES:

- 3.1 Pool Manager is subject to and will be invoiced for balancing and other fees, penalties and charges (including for other services provided under other Rate Schedules) in accordance with the Statement of Rates and the General Terms and Conditions of this Tariff. If, with respect to all or particular pooling activities, Transporter has declared curtailment or invoked the provisions of Section 7 of the General Terms and Conditions, and during one or more Days in the Service Month, Pool Manager's pooling activities constitute pooling activities that may result in penalties as described in the notice issued by Transporter under Section 9 the General Terms and Conditions, then Pool Manager shall be subject to and pay a charge in an amount equivalent to the sum of the products of:
- (i) the quantities by which Pool Manager's pooling activities are greater or less than the quantities authorized and scheduled by Transporter,
- multiplied by

- (ii) the applicable rate per Dth as specified in Transporter's Statement of Rates contained in this Tariff.

3.2 For Pool Transfers between Pooling Areas, Pool Manager shall pay, or cause to be paid, the maximum applicable charge for such transfers across Pooling Areas as shown in the Statement of Rates for Pool Transfers, unless Transporter agrees otherwise. Transporter may post generally available rates for Pool Transfers on its Interactive Website or may enter into individual agreements with Pool Managers for Pool Transfer rates. If Transporter posts generally available Pool Transfer rates, the Pool Manager's Pool Transfer nomination shall constitute its agreement to pay the applicable posted Pool Transfer rates and Transporter shall not be required to make individual transactional postings regarding such transactions. Transporter shall not charge for Pool Transfers within the same Pooling Area. Transporter will not retain or charge Transporter's Use for Pool Transfers unless such transfers are across zones, in which case the amount of fuel furnished to Transporter will be the applicable percentage for Transporter's Use, as stated in the Statement of Rates, multiplied by the quantity of Gas nominated by Pool Manager.

3.3 Unauthorized Overrun Service.

- (a) If a Pool Manager's pooling activities on any Day are in excess of are greater than the quantities authorized and scheduled by Transporter, such pooling activities shall be considered as "Unauthorized Overrun Gas" and shall be subject to a penalty rate equal to two times the applicable ITS Rate and Transporter's Use shall apply.
- (b) If, with respect to all or particular pooling activities, Transporter has declared curtailment or invoked the provisions of Section 7 of the General Terms and Conditions, and during one or more Days in the Month Pool Manager's pooling activities constitute pooling activities that may result in penalties as described in the notice issued by Transporter under Section 7.8 of the General Terms and Conditions, then Pool Manager shall be subject to the Action Alert Penalty or Operational Flow Order Penalty, as applicable, as described in Section 7.8 of the General Terms and Conditions.

3.4 Transporter may waive all or part of any such charges. Transporter may communicate information about curtailments, capacity allocation, and authorized and scheduled quantities to Pool Manager via Transporter's Interactive Website-or otherwise during the scheduling process.

4. COMMISSION AND OTHER REGULATORY FEES

Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

**PART VI**  
**GENERAL TERMS AND CONDITIONS**

GT&C Section 1.	Definitions
GT&C Section 2.	Nominations
GT&C Section 3.	Scheduling and Curtailment
GT&C Section 4.	Priority of Service
GT&C Section 5.	Determination of Daily Allocated Receipts and Deliveries
GT&C Section 6.	Imbalance Resolution Procedures
GT&C Section 7.	Operational Flow Orders
GT&C Section 8.	Force Majeure
GT&C Section 9.	Penalties and Penalty Crediting Mechanism
GT&C Section 10.	Reservation Charge Adjustment
GT&C Section 11.	Operational Balancing Agreements (“OBAs”)
GT&C Section 12.	Measurement and Measurement Equipment
GT&C Section 13.	Receipt and Delivery Point Pressure
GT&C Section 14.	Unauthorized Gas
GT&C Section 15.	Quality of Gas
GT&C Section 16.	Procedures for Contracting for Service
GT&C Section 17.	Capacity Release Provisions
GT&C Section 18.	Creditworthiness
GT&C Section 19.	Default and Termination
GT&C Section 20.	Negotiated Rates
GT&C Section 21.	Discount Policy
GT&C Section 22.	Periodic Rate Adjustments
GT&C Section 23.	Modification
GT&C Section 24.	Right of First Refusal
GT&C Section 25.	Billing
GT&C Section 26.	Payments
GT&C Section 27.	Warranty of Title
GT&C Section 28.	Possession of Gas
GT&C Section 29.	Waiver

GT&C Section 30.	Electronic Communication
GT&C Section 31.	Notices
GT&C Section 32.	New Facilities Policy
GT&C Section 33.	Off-system Pipeline Capacity
GT&C Section 34.	Incorporation in Rate Schedules and Agreements
GT&C Section 35.	Schedules and Contracts Subject to Regulation
GT&C Section 36.	North American Energy Standards Board Standards
GT&C Section 37.	Standards of Conduct Compliance Procedures
GT&C Section 38.	Limitation of Liability of Members and Operator
GT&C Section 39.	Permitted Sharing of Non-Public Information
GT&C Section 40.	Non-Conforming Agreements

## 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 applicable percentage is shown in the Statement of Additional Charges and Surcharges 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

### 2. NOMINATIONS

2.1 All nominations must contain the mandatory data elements included in the NAESB standards and any additional business-conditional or mutually agreeable data elements applicable to Transporter's services. All nominations shall include Shipper defined begin dates and end dates. All nominations, excluding intraday nominations, should have roll-over options. Specifically, Shippers have the ability to nominate for several Days or Months, provided the nomination begin and end dates are within the term of the Shipper's Agreement. Nominations must specify the daily scheduled quantity, and all quantities must be stated in Dekatherms. At the end of each Gas Day, Transporter shall provide the final scheduled quantities for the just completed Gas Day. With respect to the implementation of this process via the Transporter's Interactive Website, Transporter shall make available an end of Gas Day Scheduled Quantity (NAESB WGQ Standard No. 1.4.5) and Scheduled Quantity for Operator (NAESB WGQ Standard No. 1.4.6). A receiver of either of these documents can waive Transporter's requirement to send such documents.

- (a) All nominations for Gas to flow at the beginning of a Gas Day must be submitted to Transporter via the Transporter's Interactive Website unless another method of communication is mutually agreed upon by Transporter and Shipper, and must be submitted in accordance with the standard nomination timelines for the Timely and Evening Nomination Cycles set forth in this Section 2.1(a). All nominations are considered original nominations and should be replaced to be changed. When a nomination for a date range is received, each Day within that range is considered an original nomination. When a subsequent nomination is received for one or more Days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the Day(s) specified. The Days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only.

Transporter shall support the following standard nomination cycles (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17):

- (1) The Timely Nomination Cycle on the day prior to Gas flow:
- |           |  |
|-----------|--|
| 1:00 p.m. | Nominations leave control of the Shipper;  |
| 1:15 p.m. | Nominations are received by Transporter (including from Title Transfer Tracking Service Providers (TTTSPs)); |
| 1:30 p.m. | Transporter sends the Quick Response to the Shipper;   |

4:30 p.m.	Transporter receives completed confirmations from confirming parties;
5:00 p.m.	Shipper and Point Operator receive scheduled quantities from Transporter.

Scheduled quantities resulting from Timely Nominations shall be effective at the start of the next Gas Day.

(2) The Evening Nomination Cycle on the day prior to Gas flow:

6:00 p.m.	Nominations leave control of the Shipper;
6:15 p.m.	Nominations are received by Transporter (including from TTTSPs);
6:30 p.m.	Transporter sends the Quick Response to the Shipper;
8:30 p.m.	Transporter receives completed confirmations from confirming parties;
9:00 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Evening Nominations shall be effective at the start of the next Gas Day.

For purposes of Section 2.1(a)(2), "provides" shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

- (b) Shipper shall include in its nominations the desired order of priority of receipts and deliveries under each Agreement which Transporter will use when taking action to change receipts and/or deliveries according to Sections 4.2, 4.3, 4.4 and 4.5. The order of priority shall indicate that a priority of one (1) shall be the last to be affected by changes. Nominations with the same priority will be adjusted pro rata.
- (c) If Shipper completes and resubmits an incomplete nomination, then Transporter will process the nomination in the first nomination cycle that occurs where the Shipper's complete nomination meets the deadline for nominations.
- (d) Under no circumstances shall Transporter be obligated to deliver to any Shipper, on any Day, a quantity of Gas under any Agreement greater than Transporter received at the Receipt Point(s) on behalf of such Shipper under such Agreement.

2.2 Implementation of Intraday Nominations.

- (a) For services that provide for Intraday Nominations and scheduling, there will be no limitation as to the number of Intraday Nominations (line items as per NAESB Standard 1.2.1) which a Shipper may submit at any one standard nomination cycle or in total across all standard nomination cycles. Intraday Nominations submitted by Shipper shall comply with the requirements of (b) below. Transporter may, at its sole discretion, reasonably exercised and in a manner not unduly discriminatory, receive, recognize, and schedule an Intraday Nomination submitted later than the deadlines provided above, provided that Transporter, Shipper and the upstream/downstream connected parties must mutually agree in advance to the adjusted Gas flow.
- (b) Intraday Nominations shall include an effective date and time. The interconnected parties shall agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in Transporter's Agreement or Tariff. Intraday Nominations do not roll over (i.e., Intraday Nominations span one Gas Day only). Intraday Nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if an Intraday Nomination modifies an existing nomination.
- (c) Subject to upstream and downstream operators' confirmations and Transporter's operating conditions, an Intraday Nomination submitted pursuant to this Section 2.2 can be used to request increases or decreases in total flow, changes to Receipt Points, or changes to Delivery Points of scheduled Gas.
- (d) With respect to Intraday Nominations for reductions in previously scheduled quantities, Transporter will accept, subject to the limitations set forth in Section 2.1(a), any explicitly confirmed quantity, down to and including the elapsed prorated scheduled quantity or zero, at Transporter's discretion, for such Intraday Nomination; provided, however, if such Intraday Nomination requires confirmation from an upstream and/or downstream interconnected pipeline then any Intraday Nomination to reduce previously scheduled quantities will be subject to, and limited to, the reduced quantity confirmed by such upstream and/or downstream interconnected pipeline.
- (e) Transporter shall allow Shipper to alter the order of priority of receipts and deliveries upon which Transporter shall rely in taking actions to adjust receipts and/or deliveries under Section 2.1 above, provided that such changes are submitted via the Transporter's Interactive Website, or, in the event Transporter's Interactive Website is unavailable, by another method of communication mutually agreed upon by Transporter and Shipper, in accordance with the nomination deadlines set forth in Section 2.1(a), above.
- (f) Notice. For purposes of providing notice of any nomination changes (including where an interruptible Shipper's nomination is bumped by a firm Shipper's Intraday Nomination) to a Shipper and/or Shipper's agent, Transporter shall use Electronic Communication.

(g) Transporter shall support the following standard nomination cycles (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17):

(1) The Intraday 1 Nomination Cycle on the current Gas Day:

10:00 a.m.	Nominations leave control of the Shipper;
10:15 a.m.	Nominations are received by Transporter (including from TTTSPs);
10:30 a.m.	Transporter sends the Quick Response to the Shipper;
12:30 p.m.	Transporter receives completed confirmations from confirming parties;
1:00 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 1 Nominations shall be effective at 2:00 p.m. on the current Gas Day.

(2) The Intraday 2 Nomination Cycle on the current Gas Day:

2:30 p.m.	Nominations leave control of the Shipper;
2:45 p.m.	Nominations are received by Transporter (including from TTTSPs);
3:00 p.m.	Transporter sends the Quick Response to the Shipper;
5:00 p.m.	Transporter receives completed confirmations from confirming parties;
5:30 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 2 Nominations shall be effective at 6:00 p.m. on the current Gas Day.

(3) The Intraday 3 Nomination Cycle on the current Gas Day:

7:00 p.m.	Nominations leave control of the Shipper;
7:15 p.m.	Nominations are received by Transporter (including from TTTSPs);
7:30 p.m.	Transporter sends the Quick Response to the Shipper;
9:30 p.m.	Transporter receives completed confirmations from confirming parties;
10:00 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators.

Scheduled quantities resulting from Intraday 3 Nominations shall be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

For purposes of Section 2.2(g) “provides” shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

- (h) Bump Protection: Transporter shall not schedule an intraday or hourly nomination change, if the result of scheduling such nomination would be to bump flowing and/or scheduled service under any firm primary or secondary service (Priority Class One through Priority Class Six). Transporter shall give an Intraday Nomination submitted by a firm Shipper priority over nominated and scheduled volumes for Shippers flowing volumes with a priority below secondary firm service (Priority Class Seven or lower), provided that Transporter will not permit bumping of any services, including interruptible services, for Intraday Nominations submitted after the Intraday 2 Nomination Cycle deadline. Once all or a portion of a Shipper’s nomination is accepted and scheduled during any nomination period, such scheduled service shall not be interrupted unless: (1) such capacity is required to provide a higher priority service prior to the end of the Intraday 2 Nomination Cycle as described in Section 2.2(g)(2) above; or (2) curtailment is necessary pursuant to the provisions of Section 3.3 of the General Terms and Conditions. Transporter shall provide bump notice to bumped Shippers by 9:00 p.m. as to Nominations submitted by the Evening Nomination Cycle, by 1:00 p.m. as to Intraday Nominations submitted by the Intraday 1 Nomination Cycle, and by 5:30 p.m. as to Intraday Nominations submitted by the Intraday 2 Nomination Cycle. Transporter shall provide bump notice to the bumped Shippers by the notice procedures set forth in Section 31 of the General Terms and Conditions. Transporter will notify the interruptible Shipper being bumped if penalties will apply on the Day its service is to be bumped.

## GENERAL TERMS AND CONDITIONS

### 3. SCHEDULING AND CURTAILMENT

#### 3.1 Scheduling Capacity during a start of day Nomination Cycle.

- (a) Transporter shall allocate its pipeline capacity as well as each Receipt Point and each Delivery Point capacity on the basis of the priority classes listed in Section 4 below as follows:
  - (1) prorata for Priority Class One nominations; then
  - (2) prorata for Priority Class Two; then
  - (3) prorata for Priority Class Three; then
  - (4) prorata for Priority Class Four; then
  - (5) prorata for Priority Class Five; then
  - (6) prorata for Priority Class Six; then
  - (7) on the basis of Confirmed Price for Priority Class Seven; then
  - (8) make-up Gas for FTS Agreements, then make-up Gas for ITS Agreements.
- (b) Ties within any Priority Class shall be allocated pro rata based on nominations.

#### 3.2 Scheduling Available Capacity during an Intraday Nomination Cycle. Transporter shall schedule available capacity during each of the Intraday Nomination Cycles in accordance with Section 3.1 above.

#### 3.3 Curtailment of Scheduled Volumes during a Day. If, at any time, Transporter determines that the capacity of its system, or portion(s) thereof, is insufficient to serve all scheduled service, or to accept the quantities of Gas tendered, the capacity which requires curtailment shall be curtailed so as to provide the service which is feasible in the order prescribed for Scheduling in Section 3.1 above; however, once scheduled by Transporter pursuant to this Section 3, Priority Class Two, Priority Class Three, Priority Class Four, Priority Class Five, and Priority Class Six will have the same curtailment priority as Priority Class One; and provided, further, if a capacity constraint occurs on the upstream or downstream system which results in a curtailment, the upstream or downstream operator shall determine the change in scheduled nominations on its system, which Transporter may take into account during curtailment. Such change in scheduled nominations shall be confirmed via Transporter's Interactive Website. To enable prompt action in an emergency

situation where capacity is insufficient, Transporter shall have the authority to take all necessary and appropriate actions, as then may appear necessary, to preserve the operational integrity of its system. Transporter shall notify Shippers of the existence of any such emergency situation by use of Electronic Communication, as soon as it is reasonably practicable.

- 3.4 Segmentation of Capacity by Nomination. Any Shipper receiving Transportation Service under Rate Schedule FTS shall have the right to segment its firm capacity by utilizing multiple Receipt Points and Delivery Points within the Zone or Zones in which it reserves capacity. The right to segment is subject to the requirement that a Shipper's firm capacity utilization pursuant to its Rate Schedule FTS Agreement and, if such Agreement is the result of capacity release, the firm capacity utilization of all other Shippers of capacity rights derived from the initial Rate Schedule FTS Agreement, does not exceed, in the aggregate (based on all relevant Shipper firm capacity utilization), the contract entitlements of the initial Rate Schedule FTS Agreement in any segment (including, without limitation, the relevant MDQ) where the nominated segments overlap. For the purpose of determining whether there is an overlap of MDQ, a forward haul and a backhaul nominated to the same Delivery Point or from the same Receipt Point at the same time shall not be deemed to be an overlap at that point. Subject to the foregoing, for the purpose of determining whether there is an overlap of MDQ on a segment, a forward haul and a backhaul nominated on the same segment at the same time shall be deemed to be an overlap on the segment. As a general matter, Shipper will have the right to segment its capacity so long as it is utilizing its Primary Receipt Point(s) and Primary Delivery Point(s), as well as all Secondary Receipt Points and Secondary Delivery Points, as long as such use does not impair Transporter's ability to render firm Transportation Service, does not adversely affect Shippers' firm Transportation Service rights, and/or does not adversely affect the safe and reliable operation of Transporter's pipeline system.
- 3.5 Segmentation of Capacity by Capacity Release. Releasing Shippers can also segment capacity through capacity release in accordance with Section 17 of the General Terms and Conditions of Transporter's Tariff, subject to the requirement that the release (or multiple releases) does not increase the total contract entitlements in any segment (including, without limitation, the relevant MDQ) above the contract entitlement of the initial Rate Schedule FTS Agreement. For the purpose of determining whether there is an overlap of MDQ, a forward haul and a backhaul nominated to the same Delivery Point or from the same Receipt Point at the same time shall not be deemed to be an overlap at that point. Subject to the foregoing, for the purpose of determining whether there is an overlap of MDQ on a segment, a forward haul and a backhaul nominated on the same segment at the same time shall be deemed to be an overlap on the segment. As a general matter, Shipper will have the right to segment its capacity so long as it is utilizing its Primary Receipt Point(s) and Primary Delivery Point(s), as well as all Secondary Receipt Points and Secondary Delivery Points, as long as such use does not impair Transporter's ability to render firm Transportation Service, does not adversely affect Shippers' firm Transportation Service rights, and/or does not adversely affect the safe and reliable operation of Transporter's pipeline system and/or does not result in quantities being nominated in any

manner that is inconsistent with Section 17.1(a) of these General Terms and Conditions. If the Service Agreement designates a Delivery Point at which deliveries can only be accomplished by displacement, the phrase "Deliveries By Displacement Only" shall be inserted to clarify that Transporter's ability to effectuate the displacement will be dependent on sufficient receipt quantities being scheduled and flowing at the point.

- 3.6 General. It is recognized that Transporter may not have capacity either systemwide, in a Zone, Receipt Area, Pooling Area, or on a particular segment to provide all transportation services requested or that Transporter has scheduled. Therefore, the assignment and allocation procedures and priorities set forth in this section may be applied on a systemwide or segment-by-segment basis. Notwithstanding anything to the contrary in this tariff, Transporter may reject any request for firm or interruptible service or nomination for interruptible service, or limit the term of the Service Agreement requested by Shipper, if Transporter, in its reasonable judgment, determines that the service requested or nominated would utilize a portion of Transporter's system such that a capacity constraint would be created that would likely prevent Transporter from utilizing other portions of its system.

## GENERAL TERMS AND CONDITIONS

### 4. PRIORITY OF SERVICE

- 4.1 Transporter shall have the right to curtail or discontinue services, in whole or in part, on all or a portion of its system at any time for reasons of Force Majeure or when capacity or operating conditions so require, or it is necessary to make modifications, repairs or operating changes to its system. Transporter shall provide Shipper notice of such curtailment as is reasonable under the circumstances. Notwithstanding anything to the contrary contained in this Section 4.1, Transporter will schedule routine repairs and maintenance in a manner that to the greatest extent possible will not disrupt the flow of quantities scheduled and confirmed in accordance with Section 2 of the General Terms and Conditions.
- 4.2 In situations where Transporter cannot schedule all nominations submitted, either system wide, at a receipt or delivery point, or on a particular segment of its system, due to capacity or operational constraints, Transporter will schedule nominations first at the receipt or delivery point level, then at the segment level in a manner that will, in Transporter's reasonable judgment, alleviate the operational or capacity constraints. At all times, Transporter will schedule in a manner that, in Transporter's reasonable judgment, will best alleviate the operational or capacity constraint and maximize total throughput on Transporter's system, utilizing the priorities set below, subject to other terms and conditions of this Tariff.
- 4.3 Throughput Scheduling Priority. For each nomination cycle, Transporter shall allocate throughput capacity pursuant to Sections 3.1 and 3.2 of these General Terms and Conditions utilizing the priorities of service described below:
- (a) Priority Class One. Among Rate Schedule FTS nominations where such nomination (or portion thereof) meets all of the following criteria:
    - (1) utilizes a Primary Receipt Point at which the nominated quantity is within the Enhanced MDRO and/or the MDRO, as applicable;
    - (2) utilizes a Primary Delivery Point at which the nominated quantity is within the Agreement's Maximum Daily Delivery Obligation; and
    - (3) is within the Agreement's MDQ; and
    - (4) is within the Agreement's Segment Path Right for each segment traversed by the nomination.
  - (b) Priority Class Two. Among Rate Schedule FTS nominations where each nomination (or portion thereof):

- (1) utilizes a Primary Receipt Point in excess of the Enhanced MDRO or MDRO, as applicable, or
  - (2) utilizes a Primary Delivery Point in excess of the MDDO; and
  - (3) is within the Agreement's MDQ; and
  - (4) is within the Agreement's Segment Path Right for each segment traversed by the nomination.
- (c) Priority Class Three. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
  - (2) is within the Agreement's MDQ; and
  - (3) such Secondary Receipt Point and/or Secondary Delivery Point are within the Agreement's Segment Path Rights.
- (d) Priority Class Four. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Primary Receipt Point within the MDRO, and
  - (2) utilizes a Primary Delivery Point within the MDDO; and
  - (3) is within the Agreement's MDQ; and
  - (4) is above the Agreement's Segment Path Right for at least one segment traversed by the nomination.
- (e) Priority Class Five. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
  - (2) is within the Agreement's MDQ; and
  - (3) such Secondary Receipt Point and/or Secondary Delivery Point are outside of the Agreement's Segment Path Rights.
- (f) Priority Class Six. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) includes a nomination that has a direction of flow that is opposite of the Transportation Path in the applicable Agreement.

- (g) Priority Class Seven. Among Rate Schedule ITS, Rate Schedule PALS, Rate Schedule PS and Authorized Overrun Gas.
  - (h) Priority Class Eight. Make-up Gas scheduled at Transporter's discretion.
- 4.4 Receipt/Delivery Point Scheduling Priority. For each nomination cycle, Transporter shall schedule Receipt Point capacity or Delivery Point capacity pursuant to Sections 3.1 and 3.2 of these General Terms and Conditions utilizing the priorities of service described below:
- (a) Priority Class One. Among Rate Schedule FTS nominations:
    - (1) For Receipt Point restrictions, for nominations (or portion thereof) that are within the Agreement's Enhanced MDRO or MDRO, as applicable, at the point of the restriction.
    - (2) For Delivery Point restrictions, nominations (or portion thereof) that are within the Agreement's MDDO at the point of the restriction.
  - (b) Priority Class Two. Among Rate Schedule FTS nominations where the nominations meet both of the requirements below:
    - (1) the nomination (or portion thereof) exceeds the Enhanced MDRO, MDRO, or MDDO, as applicable, at the point, and
    - (2) the nomination (or portion thereof) is within the Agreement's Segment Path Right at the point.
  - (c) Priority Class Three. Among Rate Schedule FTS nominations where the nominations meets both the requirements below:
    - (1) Utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
    - (2) is within the Agreement's Segment Path Right.
  - (d) Priority Class Four. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
    - (1) utilizes a Primary Receipt Point within the Enhanced MDRO or MDRO, as applicable, for the applicable point, and
    - (2) utilizes a Primary Delivery Point within the MDDO for the applicable point; and
    - (3) is within the Agreement's MDQ; and
    - (4) is above the Agreement's Segment Path Right for at least one segment traversed by the nomination.

- (e) Priority Class Five. Among Rate Schedule FTS nominations where the nominations meet both of the requirements below:
    - (1) Utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
    - (2) is outside of the Agreement's Segment Path Right.
  - (f) Priority Class Six. [Reserved].
  - (g) Priority Class Seven. Among Rate Schedule ITS, Rate Schedule PALS, Rate Schedule PS and Authorized Overrun Gas.
  - (h) Priority Class Eight. Make-up Gas scheduled at Transporter's discretion.
- 4.5 Overlapping Nominations. For the purposes of Sections 4.2 and 4.3 above, in the event that a Releasing Shipper and/or its Replacement Shipper(s) submit overlapping nominations which in sum exceed in any segment the level of entitlement for which the Releasing Shipper originally contracted, the relative priority of each nomination shall be determined first according to the scheduling procedures in Sections 4.2 and 4.3 of the General Terms and Conditions, as applicable, and then by applying priority to the Releasing Shipper's nominations.

## GENERAL TERMS AND CONDITIONS

### 5. DETERMINATION OF DAILY ALLOCATED RECEIPTS AND DELIVERIES

#### 5.1

- (a) Allocation of Receipts/Deliveries. Unless Transporter and Delivery Point Operator or Receipt Point Operator, as applicable, (a "Point Operator") mutually agree to allocate receipts and deliveries each Day using ranked, pro rata, percentage, swing or operator provided value methodologies, such deliveries will be allocated through the meter pro rata, to the extent applicable, based on confirmed nominations.
- (b) The Point Operator shall notify Transporter via Electronic Communication after or during confirmation and before start of the Day, that it desires to establish allocation priorities at Receipt and/or Delivery Points using any of the following methodologies: ranked, pro rata, percentage, swing or Point Operator provided value, provided, however, Transporter will not be required to agree to any of such allocation methodologies if they are operationally or administratively infeasible.
- (c) Transporter shall advise such Point Operator of or make available via the Transporter's Interactive Website the confirmed nominations at such Receipt/Delivery Point.
- (d) The Point Operator shall establish separate allocation priorities for Over- and Under-production at the level of detail that the confirmed nominations are provided, and advise Transporter of such priorities via Transporter's Interactive Website before the beginning of the Day. Any confirmed nominations that do not have established allocation priorities shall be prorated based upon confirmed nominations and shall be allocated after all confirmed nominations that have established allocation priorities.
- (e) In the case of Under-production, such allocation priorities shall be used by Transporter to allocate Gas, such that Transporter shall allocate Gas to each Shipper, in order of priority designated by the Point Operator, up to the full nomination of that Shipper, until the entire gross measured volume at such Receipt/Delivery Point is allocated.
- (f) In the case of Over-production, such allocation priorities shall be used by Transporter to allocate Gas, such that Transporter shall allocate Gas to each Shipper, in order of priority designated by the Point Operator, equal to the full nomination of that Shipper, with any Over-produced quantities being allocated to the Shipper(s) with the lowest priority, until the entire gross measured volume at

such Receipt/Delivery Point is allocated, unless otherwise agreed by Transporter and Point Operator.

- (g) Simultaneous Receipts and Deliveries. To the extent that both receipts and deliveries have been nominated at the same meter for any Day:
  - (1) If the actual flow through the meter represents a delivery by Transporter, then the nominated receipts shall be allocated as confirmed and scheduled and the sum of such receipts shall be added to the metered quantity before any allocation is made in accordance with Section 5.1; or
  - (2) If the actual flow through the meter represents a receipt by Transporter, then the nominated deliveries shall be allocated as confirmed and scheduled and the sum of such deliveries shall be added to the metered quantity before any allocation is made in accordance with Section 5.1.

5.2 Variations by Shipper of actual receipts and deliveries from the nominated receipts and deliveries shall be kept to a minimum. Receipts and deliveries shall be made at uniform hourly rates unless provisions to deliver the Gas at a non-uniform rate are otherwise agreed upon by Transporter

5.3 Prior Period Adjustments.

In accordance with the provisions of Sections 5, 6, and 12 of these General Terms and Conditions, Transporter shall use the best information available to close its allocation of quantities for a Service Month within five (5) Business Days after the end of such Service Month. To the extent that adjustments are made after the date of such close, such adjustments ("Prior Period Adjustments" or "PPA") shall be subject to this Section 5.3. If the PPA is due to the correction of measurement data or allocations, such adjustments shall be processed within six (6) Months of the applicable Service Month. The time limitation for disputes of allocations shall be six (6) months from the date of the initial month-end allocation with a three (3) month rebuttal period. Notwithstanding the above-specified deadlines for processing/rebutting PPAs, such deadlines shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not be diminished by this standard. In addition, for a period of up to six (6) months after the end of the applicable Service Month, Transporter will accept an adjustment for a scheduled nomination and/or allocation methodology provided that the requested change (i) is agreed upon in writing, including email, by all affected upstream and/or downstream parties and Transporter and (ii) does not impact Transporter in a detrimental manner. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods.

## GENERAL TERMS AND CONDITIONS

### 6. IMBALANCE RESOLUTION PROCEDURES

- 6.1 For the purposes of this Section 6, “Receipt” or “Receipts” shall mean quantities of Gas allocated pursuant to Section 5 of these General Terms and Conditions, net of Transporter’s Use, and “Delivery” or “Deliveries” shall mean quantities of Gas allocated pursuant to Section 5. After the end of each Service Month, Transporter shall render to each Cashout Party a statement detailing any imbalance between Monthly Receipts, adjusted for Transporter’s Use, and Monthly Deliveries under all of Cashout Party’s Transportation Agreements (“Imbalance Statement”). Such Imbalance Statement shall be available on the Transporter’s Interactive Website pursuant to Section 25 of these General Terms and Conditions.
- 6.2 Cumulative Daily Transportation Imbalances shall be subject to the following imbalance resolution procedures.
- (a) Definition of Transportation Imbalance: “Transportation Imbalance” shall mean the difference between a Shipper’s allocated Receipts, adjusted for Transporter’s Use, and allocated Deliveries under any firm or interruptible Agreement. All imbalances will be calculated on a daily basis and designated to be at the applicable Delivery Point.
  - (b) Definition of an Imbalance Due Cashout Party: “Due Cashout Party” shall mean that Deliveries under an Agreement at the Delivery Point are less than Receipts at the Receipt Point, adjusted for Transporter’s Use; such difference in quantity is “Due To” a Cashout Party.
  - (c) Definition of an Imbalance Due Transporter: “Due Transporter” shall mean that Deliveries under an Agreement at the Delivery Point exceed Receipts at the Receipt Point, adjusted for Transporter’s Use; such difference in quantity is “Due From” a Cashout Party.
- 6.3 Balancing.
- (a) General: Shipper shall be obligated under practical operating conditions to avoid any imbalance, to correct any such imbalances as soon as possible and in accordance with this Section 6, and to conform receipts to scheduled nominations and deliveries to scheduled nominations. Shippers with deliveries in Pooling Area(s) different than that of receipts shall be deemed for purposes of cashout of Monthly Imbalances to hold any imbalance(s) in the Pooling Area(s) of delivery; provided, however, that Pool Managers shall be subject to the provisions of Rate Schedule PS.

- (b) Limitations: Transporter shall not be obligated under any circumstances (i) to deliver more Gas to a Shipper during any given Day or Month than it shall have received for the account of Shipper during said period, (ii) to receive or deliver during any given Day a total quantity of Gas in excess of the Maximum Daily Quantity, MDDO, and MDRO, or, if service is being limited by Transporter, the maximum quantity of available capacity allocated to Shipper. In the event that Shipper fails to comply with its obligations under this section, Transporter may, in addition to charging the applicable rate for such volumes, impose excess charges or penalties that might otherwise be assessed and/or avail itself of any other remedies available to Transporter in accordance with its Tariff and under applicable law.
- 6.4 Netting. For each Month, all cumulative Transportation Imbalances within each Operational Impact Area will be netted among each of Cashout Party's firm and interruptible Agreements. Any netting that crosses a zone boundary shall be assessed the applicable ITS Rate and Transporter's Use.
- 6.5 Imbalance Trading.
  - (a) Trading: Posting and trading of the previous Month's netted Transportation Imbalances will be allowed within each Operational Impact Area by the Cashout Party until the end of the 17th Business Day of the current Month. An imbalance that is previously authorized for posting shall be posted on or before the 9th Business Day of the Month. Any trades that cross zone boundaries shall be assessed the applicable ITS Rate and Transporter's Use. Imbalances to be posted for trading shall be authorized by the Cashout Party. Transporter shall provide the ability to view and, upon request, download posted imbalances. Transporter shall not be required to post zero imbalances. When trading imbalances, a quantity shall be specified. Trading will be allowed only when (i) imbalances are within the same Operational Impact Area and (ii) the resulting trade will reduce the imbalances for each Cashout Party. Transporter shall allow Cashout Parties to trade imbalances with other Cashout Parties within the same Operational Impact Area if the two Cashout Parties' imbalances are offsetting balances such that the net imbalance for each Cashout Party after the completion of the trade would be reduced to a quantity closer to zero.
  - (b) Transporter shall enable the imbalance trading process by providing the ability for (i) the Shipper to authorize the posting of imbalances (pursuant to NAESB WGQ Standard No. 2.4.9) on Transporter's Interactive Website; (ii) a party to view the posted imbalances (pursuant to NAESB WGQ Standard No. 2.4.10) on Transporter's Interactive Website; (iii) the initiating trader to submit a request to Transporter for an imbalance trade (pursuant to NAESB WGQ Standard No. 2.4.11) on Transporter's Interactive Website; (iv) Transporter, in response to the request for an imbalance trade, to provide any error/warning message(s), as necessary, which includes the name of the relevant data element, if appropriate, along with the corresponding message; (v) the initiating trader to withdraw its request for an

imbalance trade via the Transporter's Interactive Website; (vi) Transporter to, optionally, request the confirming trader to confirm the request for an imbalance trade; (vii) the confirming trader to confirm the request for an imbalance trade via the Transporter's Interactive Website; (viii) Transporter to provide the initiating trader and the confirming trader with the status of the requested imbalance trade no later than 12:00 p.m. (noon) on the next Business Day, including, if applicable, an explanation when the trade quantity is not equal to the trade quantity requested; (ix) Transporter to effectuate the confirmed trade; and (x) Transporter to reflect the trade prior to or on the next monthly Shipper imbalance or cashout statement.

- (c) An imbalance trade can only be withdrawn by the initiating trader and only prior to the confirming trader's confirmation of the trade. An imbalance trade is considered final when confirmed by the confirming trader and effectuated by Transporter.

6.6 Final Resolution of Transportation Imbalances. If Cashout Party has a Transportation Imbalance remaining after the close of the trading period, such Transportation Imbalance will be cashed out in accordance with the Cashout provisions set forth in Section 6.8 below.

6.7 All balancing shall be based on the applicable Delivery Point within an Operational Impact Area. Cashout Party may nominate transactions (in accordance with Section 2 of the General Terms and Conditions) during the Month to correct Transportation Imbalances within an Operational Impact Area. Transporter's ability to receive or deliver imbalance quantities shall be dependent upon Transporter's physical operations, and Transporter is under no obligation to allow receipt or delivery of such quantities for resolution of Transportation Imbalances if it determines such activity would jeopardize pipeline operations.

6.8 Cashout Provision. At the time Transporter makes available an invoice(s) to Cashout Party for Transportation Service during the previous Month, Transporter shall invoice Cashout Party, or credit Cashout Party's invoice, as appropriate, to resolve in cash any net Monthly Imbalance remaining between actual Receipts, adjusted for Transporter's Use, and actual Deliveries after the period during which the relevant Transportation Imbalance quantities have been subjected to the imbalance resolution mechanisms set forth in this Section 6. Transporter will make available with each invoice an Imbalance Statement detailing the unresolved imbalance amount and detailing the amount due in accordance with the following calculations.

- (a) Due Cashout Party. The amount due from Transporter to a Due Cashout Party for a month shall be calculated as follows: beginning with the Day having the lowest Daily Cashout Price of the Days on which, after aggregating all of Shipper's Monthly Imbalance under its Service Agreements, the amount of Shipper's aggregate Receipts at Receipt Points are in excess of aggregate Deliveries at Delivery Points for such Day (to the extent such amount does not exceed the amount of Shipper's Monthly Imbalance) shall be multiplied by the relevant Daily Cashout Price and the discount factor applicable pursuant to Section 6.8(e)(i). To the extent that any

unresolved Monthly Imbalance remains thereafter, the same process will be repeated, using the Day with aggregate Receipts at Receipt Points in excess of aggregate Deliveries at Delivery Points and the next lowest Daily Cashout Price for such Month and the relevant discount factor, and so forth, until the entire Monthly Imbalance has been resolved.

- (b) **Due Transporter Party.** The amount due from a Due Transporter Party to Transporter for a month shall be calculated as follows: beginning with the Day having the highest Daily Cashout Price of the Days on which, after aggregating all of Shipper's Monthly Imbalance under its Service Agreements, the amount of Shipper's aggregate Receipts at Receipt Points are less than the aggregate Deliveries at Delivery Points for such Day (to the extent such amount does not exceed the amount of Shipper's Monthly Imbalance) shall be multiplied by the relevant Daily Cashout Price and the discount factor applicable pursuant to Section 6.8(d)(i). To the extent that any unresolved Monthly Imbalance remains thereafter, the same process will be repeated, using the Day with aggregate Receipts at Receipt Points less than aggregate Deliveries at Delivery Points and the next highest Daily Cashout Price for such Month and the relevant discount factor, and so forth, until the entire Monthly Imbalance has been resolved. In addition to the foregoing, Transporter shall charge Cashout Party an allowance for fuel calculated by multiplying Shipper's Monthly Imbalance by the applicable Transporter's Use %
- (c) **Cashout Price.** "Daily Cashout Price" for any Day shall be determined by use of the "Midpoint" price for the delivery areas listed below as published in Platts Gas Daily for the applicable delivery area.

<u>Pipeline Delivery Area</u>	<u>"Daily Price Survey" Price</u>
West of the Panola Compressor Station	NGPL, Texok zone
Panola Compressor Station to Vernon Compressor Station	NGPL, Texok zone
East of the Vernon Compressor Station	Tx. Gas, zone 1
South of the Westdale Compressor Station	Tx. Eastern, WLA

**Cessation of Publications.** If on any day, the reported prices referenced above are not published, Transporter shall use the last published price before the relevant day. In the event that the price(s) described in this Section 6.8(a) are no longer published, Transporter will file to change its Tariff.

- (d) **Imbalance Due Transporter**
  - (1) **Imbalance Due Transporter Factor.** If a Cashout Party's Monthly Imbalance is less than or equal to 5% of the allocated quantities delivered to a

Cashout Party for the Month, as determined in accordance with Section 5, the monthly Cashout bill will be based on the Daily Cashout Price determined pursuant to Section 6.8(b). If an Imbalance Due Transporter is greater than 5%, the monthly Cashout bill will be based on the accumulated sum of the results of the formulas listed below such that, and until, the total Monthly Imbalance is fully accounted for:

Imbalance Level	Factor	Applicable Cashout Price
0% - ≤5%	1.00	Daily Cashout Price
> 5% - ≤10%	1.10	(Daily Cashout Price x quantity > 5%) + level above
>10% - ≤15%	1.20	(Daily Cashout Price x quantity >10%) + levels above
>15% - ≤20%	1.30	(Daily Cashout Price x quantity >15%) + levels above
>20% - ≤25%	1.40	(Daily Cashout Price x quantity >20%) + levels above
>25%	1.50	(Daily Cashout Price x quantity >25%) + levels above

In each case, the Daily Cashout Price shall be determined pursuant to Section 6.8(b).

- (2) For purposes of determining the appropriate Imbalance Due Transporter Factor, Cashout Party's imbalance level shall be determined by taking the imbalance computed by comparing (x) the Deliveries at the Delivery Point and (y) the Receipts at the Receipt Point and by dividing the amount of the excess Deliveries by the Receipts less the Transporter's Use. For OBA imbalances that are resolved pursuant to this Section 6, the calculation of Cashout charges relating to excess Deliveries shall also include a Transportation imbalance charge, which shall be calculated by multiplying the excess Delivery quantity by the actual weighted average of all applicable usage rates owed on all quantities of Gas delivered during the Month to that OBA Party.

(e) Imbalance Due Cashout Party

- (1) If an Imbalance Due Cashout Party is less than or equal to 5% allocated quantities delivered to a Cashout Party for the Month, as determined in accordance with Section 5, the monthly Cashout bill will be based Daily Cashout Price determined pursuant to Section 6.8(a). If a Cashout Party's Monthly Imbalance is greater than 5%, the monthly Cashout bill will be

based on the accumulated sum of the results of the formulas listed below such that, and until, the total Monthly Imbalance is fully accounted for:

Imbalance Level	Factor	Applicable Cashout Price
0% - ≤5%	1.00	Daily Cashout Price
>5% - ≤10%	.90	(Daily Cashout Price x quantity > 5%) + level above
>10% - ≤15%	.80	(Daily Cashout Price x quantity >10%) + levels above
>15% - ≤20%	.70	(Daily Cashout Price x quantity >15%) + levels above
>20% - ≤25%	.60	(Daily Cashout Price x quantity >20%) + levels above
>25%	.50	(Daily Cashout Price x quantity >25%) + levels above

In each case, the Daily Cashout Price shall be determined pursuant to Section 6.8(a).

- (2) For purposes of determining the appropriate Imbalance Due Cashout Party factor, Cashout Party's imbalance level shall be determined by taking the imbalance computed by comparing (x) the Deliveries at the Delivery Point and (y) the Receipts at the Receipt Point and by dividing the excess Receipts by the total Receipts less Transporter's Use. For OBA imbalances that are resolved pursuant to this Section 6, the calculation of the amount due the Cashout Party relating to excess Receipts shall also include a Transportation imbalance credit, which shall be calculated by multiplying the excess Receipt quantity by the actual weighted average of all applicable usage rates owed on all quantities of Gas delivered during the Month to that OBA Party. Transporter shall have no responsibility for the distribution of funds beyond the initial distribution, in accordance with this resolution procedure, to the Cashout Party.
- (f) A Cashout of Transportation Imbalances at prices above or below the Daily Cashout Price shall not occur if Transporter determines that such Transportation Imbalances are due to Transporter's negligence or otherwise waives application of the Cashout factors described in Section 6.8(d)(i) or Section 6.8(e)(ii). Additionally, the Cashout factors described in Section 6.8(d)(i) or 6.8(e)(i) shall not apply if such imbalances occurred during circumstances of Force Majeure that directly affect the Transporter's or upstream or downstream facilities over which Gas is transported under the applicable Agreement, or during circumstances of Force Majeure that directly affect Shipper's facilities for the period until Shipper has an opportunity to

adjust its nominations (Shipper shall give written notice within forty-eight (48) hours of such Force Majeure event), or were the direct result of an Action Alert or OFO issued to the Shipper or its supplier.

- 6.9 Cashout of Transportation Imbalances at Agreement Expiration. At the time of expiration of an Agreement, all Transportation Imbalances shall be resolved pursuant to the provisions of Section 6.8 above.
- 6.10 Annual System Cashout Mechanism. Transporter shall establish an annual mechanism to determine the costs of implementing this Cashout provision. Such mechanism shall calculate, on a system-wide basis, the annual gross balance (positive or negative) derived from the Cashout program, which will be accounted for and disposed of in accordance with Section 22.3 of the General Terms and Conditions.
- 6.11 Operational Purchases and Sales of Gas.
- (a) Applicability.
- (1) Transporter may purchase and/or sell gas to the extent necessary to: (A) balance compressor fuel usage, other company use, and lost and unaccounted-for Gas; (B) maintain system pressure and line pack; (C) manage imbalance quantities; (D) perform other operational functions of Transporter in connection with transportation and other similar services; and (E) otherwise protect the operational integrity of Transporter's pipeline system. Any such purchases or sales shall be made on an unbundled basis. Operational purchases or sales for these purposes shall have a lower priority than Priority One Service.
- (2) The sale or purchase of natural gas shall occur at any Receipt Point or Delivery Point on Transporter's pipeline system or at points located within any off-system capacity held by Transporter on other systems. Such purchases or sales shall be authorized pursuant to Transporter's blanket certificate and will be made on a non-discriminatory basis.
- (b) Solicitation of Bids. Transporter will make operational sales by posting notice on the Transporter's Interactive Website.
- (c) Reporting Requirements. Transporter will file an annual report on or before May 1 of each year reflecting the operational purchases and sales for the 12-month period ending the preceding December 31. The report will state the source of the gas purchased/sold, the date of the purchases/sales, volumes, the purchase/sales price, the cost and revenues for such purchase/sales, the disposition of the associated costs and revenues for all operational purchases and sales, and an explanation of the purpose of any operational purchases and sales transaction, including whether the purchase or sale was conducted without following the

procedures set forth in Section 6.11(b) above due to an emergency, and explaining the nature of the emergency.

## GENERAL TERMS AND CONDITIONS

### 7. OPERATIONAL FLOW ORDERS

- 7.1 Notification of Conditions that May Require the Issuance of an OFO or Action Alert. Transporter shall provide prior notice, via posting on its Interactive Website, of upcoming events that may affect Transporter's pipeline system such as those listed in Section 7.2 below that may necessitate the issuance of an Action Alert or OFO pursuant to this Section 7.
- 7.2 Circumstances Warranting Issuance of an Operational Flow Order or Action Alert. Transporter shall have the right to issue Operational Flow Orders or Action Alerts as specified in this Section 7 that require actions by Shippers/Point Operators in order (1) to alleviate conditions that threaten to impair Transporter's ability to provide reliable service, (2) to maintain pipeline operations at the pressures required to provide efficient and reliable service, (3) to have adequate Gas supplies in Transporter's system to receive and deliver Gas consistent with its firm Transportation Service obligations, (4) to maintain Transportation Service to all firm Shippers and for all firm Transportation Services, and (5) to maintain Transporter's system in balance for the foregoing purposes. Transporter shall lift any effective Operational Flow Order or Action Alert promptly upon the cessation of operating conditions that caused the relevant system problem(s).
- 7.3 Voluntary Actions to be Taken to Avoid Issuance of an Operational Flow Order. Transporter shall, to the extent practicable, take all reasonable actions necessary to avoid issuing an Operational Flow Order. Such actions may include (1) working with Point Operators to temporarily adjust, by mutual agreement, receipts and/or deliveries at relevant Receipt Point(s) or Delivery Point(s), (2) working with Shippers/Point Operators to adjust, by mutual agreement, scheduled flows on Transporter's system, (3) issuing an Action Alert designed to mitigate the conditions which, if continued, would require the issuance of an Operational Flow Order, or (4) taking any other reasonable action designed to mitigate the system problem. After taking all such reasonable actions to avoid issuing an Operational Flow Order, Transporter will have the right to issue Operational Flow Orders, if necessary, in the circumstances described in Sections 7.2 and 7.7.
- 7.4 Applicability of Operational Flow Orders or Action Alerts. Transporter shall issue an Operational Flow Order or Action Alert as localized as is reasonably practicable based on Transporter's good faith judgment concerning the situations requiring remediation such that an Operational Flow Order or Action Alert will be directed (1) to Shippers/Point Operators causing the problem necessitating the Operational Flow Order or Action Alert or transporting Gas in the area of Transporter's system in which there is an operational problem, and (2) to those Shippers/Point Operators transporting Gas in the area of Transporter's system where action is required to correct the problem necessitating the Operational Flow Order or Action Alert. Transporter will tailor the Operational Flow Order or Action Alert to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in subsections 7.6 and 7.7.

- 7.5 Notice. All Operational Flow Orders and Action Alerts will be issued via posting on Transporter's Interactive Website, to be followed by a notification to the specific affected Shippers and Point Operators (if any) affected by such postings. The Operational Flow Order/Action Alert will set forth (1) the time and date of issuance and effectiveness, (2) the actions a Shipper/point operator is required to take, (3) the time by which a Shipper/ Point Operators must be in compliance with the Operational Flow Order/Action Alert, (4) the anticipated duration of the Operational Flow Order/Action Alert, (5) if the penalties contemplated by this Section 7.5 are in effect or not, and any (6) other terms that Transporter may reasonably require to ensure the effectiveness of the Operational Flow Order or Action Alert. Each Shipper and Point Operator must designate one or more persons for Transporter to contact on operating matters at any time, on a twenty-four (24)-hour a day, three hundred sixty-five (365)-day a year basis. Such contact persons must have adequate authority and expertise to deal with such operating matters. If Transporter cannot contact any Shipper/ Point Operator because that Shipper/ Point Operator has failed to designate a contact person or Shipper's/ Point Operator's contact person is unavailable, Transporter shall not be responsible for any consequences that result from its subsequent actions taken to alleviate the system problem. Transporter, however, will make reasonable continuing efforts to notify the affected Shipper/ Point Operator, promptly upon occurrence of any material change in the information. Transporter will post a notice on its Interactive Website informing the Shipper/ Point Operator when any Operational Flow Order or Action Alert in effect will be cancelled and specifying the factors that caused the Operational Flow Order or Action Alert to be issued and then lifted, to the extent such factors are known.
- 7.6 Action Alerts. In the event that, in Transporter's judgment, action is required to avoid a system integrity issue, Transporter may issue Action Alerts.
- (a) Issuance of Action Alerts: Action Alerts will be noticed in accord with the procedures set forth in Section 7.5 and will be issued as soon as Transporter deems feasible under the circumstances, prior to the required action by the Shipper/ Point Operator.
- (b) Required Actions: Action Alerts can be issued to effect any of the following:
- (1) curtailment of interruptible services;
  - (2) restrictions of receipts or deliveries at specific Receipt or Delivery Point(s) covered by an Operational Balancing Agreement to the aggregate MDQ under the firm Agreements whose Primary Receipt Points and/or Primary Delivery Points are at the affected locations;
  - (3) forced balancing such that Point Operators will be required to assure that nominations equal flows or that receipts and deliveries fall within the tolerance level designated in the Action Alert; and/or
  - (4) any action required to maintain the integrity of Transporter's System.

- 7.7 Operational Flow Orders. In the event that (1) Shipper/ Point Operator does not respond to an Action Alert, or (2) the actions taken thereunder are insufficient to correct the system problem for which the Action Alert was issued, or (3) there is insufficient time to carry out the procedures with respect to Action Alerts, Transporter may issue an Operational Flow Order and take unilateral action, including the curtailment of firm Transportation Service, to maintain the operational integrity of Transporter's system (or any portion thereof). For purposes of this Section 7.7, the operational integrity of Transporter's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system (or any portion thereof), and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of Gas delivered. Notice of an Operational Flow Order will be provided pursuant to and in accordance with Section 7.5 above.
- 7.8 Penalties. If a Shipper/ Point Operator fails to comply with an Action Alert or Operational Flow Order, the Shipper shall be subject to a penalty as follows:
- (a) Action Alert Penalty: for each Dekatherm of Gas by which Shipper/ Point Operator deviated from the requirements of the Action Alert the penalty shall be equal to two times the Daily Cashout Price for the applicable delivery area, for each Day that said Action Alert is in effect.
  - (b) Operational Flow Order Penalty: for each Dekatherm of Gas by which Shipper/ Point Operator deviated from the requirements of the Operational Flow Order the penalty shall be equal to five times the Daily Cashout Price for the applicable delivery area, for each Day that said Operational Flow Order is in effect.
  - (c) Any penalty revenues received by Transporter as a result of the operation of Section 7.8 above will be credited pursuant to Section 9.6 of the General Terms and Conditions.
- 7.9 Liability of Transporter. Transporter shall not be liable for any costs or damages incurred by any Shipper/ Point Operator in complying with an Action Alert or Operational Flow Order. Transporter shall not be liable for any costs or damages that result from any interruption in Shipper's/point operator's service that is a result of a Shipper's/ Point Operator's failure to comply promptly and fully with an Action Alert or Operational Flow Order. Shipper/ Point Operator shall indemnify Transporter against any claims of liability, provided, however, that Transporter shall use reasonable efforts to minimize any such costs or damages.

## GENERAL TERMS AND CONDITIONS

### 8. FORCE MAJEURE

- 8.1 If either Transporter or Shipper fails to perform any obligations under an Agreement due to an event of Force Majeure, such failure shall be deemed not to be a breach of such obligations and neither party shall be liable in damages or otherwise as a result of an event of Force Majeure. A party that fails to perform any obligations under an Agreement where such failure is caused by an event of Force Majeure shall promptly remedy the cause of the Force Majeure insofar as it is reasonably able to do so.
- 8.2 “Force Majeure” as used herein shall mean acts of God, strikes, lockouts, or other industrial disturbances; acts of the public enemy, terrorist attacks, vandalism, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms (including but not limited to hurricanes or hurricane warnings), crevasses, floods, washouts, arrests and restraints of the government, either Federal or State, civil or military, civil disturbances. Force Majeure shall also mean shutdowns due to power outages and/or for purposes of unexpected and uncontrollable necessary repairs, relocation, or construction of facilities; failure of electronic data capability; breakage of or accident to machinery or lines of pipe; the necessity for testing excluding that associated with normal and planned maintenance (as required by governmental authority or as deemed necessary by Transporter for the safe operation thereof), the necessity of making repairs or alterations to machinery or lines of pipe; failure of surface equipment or pipe lines; accidents, breakdowns, inability to obtain necessary materials, supplies or permits, or labor to perform or comply with any obligation or condition of service, rights of way; and any other causes, whether of the kind herein enumerated or otherwise which are reasonably unexpected and not reasonably in Transporter’s control. It is understood and agreed that the settlement of strikes or lockouts or controversies with landowners involving rights of way shall be entirely within Transporter’s discretion and that the requirement in Section 8.1 of the General Terms and Conditions that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts or controversies with landowners involving rights of way by acceding to the demands of the opposing party when such course is inadvisable in the discretion of Transporter.
- 8.3 Notwithstanding the above provisions, no event of Force Majeure shall:
- (a) relieve any party from any obligation or obligations pursuant to an Agreement unless such party gives notice with reasonable promptness of such event to the other party;
  - (b) relieve any party from any obligation or obligations pursuant to an Agreement after the expiration of a reasonable period of time within which, by the use of its due diligence, such party could have remedied or overcome the consequences of such event of Force Majeure; or

- (c) relieve either party from its obligations to make payments of amounts as provided in the applicable Rate Schedule, subject to any credit provided for in the applicable Rate Schedule.

## GENERAL TERMS AND CONDITIONS

### 9. PENALTIES AND PENALTY CREDITING MECHANISM

#### 9.1 Rate Schedule PALS penalties.

- (a) Penalty for PALS Non-compliance. In the event that a Shipper incurs a penalty pursuant to Section 4.2(a) of Rate Schedule PALS, which section is applicable if a Shipper does not comply with Transporter's notice given pursuant to Sections 2.4(a) and 2.5(a) of Rate Schedule PALS to either remove Park service quantities or to return Loan service quantities, Transporter shall credit the penalty revenue, net of costs, pursuant to Section 9.6.
- (b) Balances Remaining Upon PALS Contract Termination. In the event that Transporter receives penalty revenue from a PALS Shipper as the result of the application of Section 4.2 of Rate Schedule PALS to such PALS Shipper's unresolved balance, Transporter shall credit the penalty revenue received, net of costs, pursuant to Section 9.6.

9.2 Unauthorized Gas. In the event that Transporter receives penalty revenue from a Shipper as the result of the application of Section 14 (Unauthorized Gas) of the General Terms and Conditions, Transporter shall credit the penalty revenue received, net of costs, pursuant to Section 9.6.

9.3 Action Alert/Operational Flow Order Penalties. Any penalty revenue collected by Transporter pursuant to Section 7.8 of the General Terms and Conditions will be credited, net of costs, pursuant to Section 9.6.

#### 9.4 Scheduling Variance Penalty.

- (a) If actual delivered quantities for a Day are less than 95% of the scheduled delivery quantities for that Day, a penalty charge equal to the ITS Rate will be imposed for all deficiencies below 100% of the scheduled delivery quantities. If actual delivered quantities for a Day exceed 105% of the scheduled delivery quantities for that Day, a penalty charge equal to the ITS Rate will be imposed for all quantities in excess of 100% of the scheduled delivery quantities. Penalty charges shall be in addition to any other applicable charges or fees associated with such volumes, provided that no volume of Gas shall be subjected to more than one penalty and that, if a volume of Gas is eligible for the application of more than one penalty, Transporter shall choose which one to apply, recognizing, however, that application of the Cashout mechanism set forth in Section 6 herein is not a penalty. A penalty charge shall not affect a Shipper's rights to reduce delivery quantities or provide receipts in excess of deliveries pursuant to the Rate Schedules. Scheduled receipts or deliveries in excess of actual deliveries will be handled in accordance with Section 6 of the

General Terms and Conditions. Any penalty revenues received by Transporter will be credited pursuant to Section 9.6.

- (b) If actual delivered quantities for any hour during a Day are less than the lesser of (i) one thousand (1,000) Dth or (ii) 90% of Shipper's ratable flow quantities on Transporter's system (1/24 of scheduled delivery quantities), a penalty charge equal to the ITS Rate will be imposed for all deficiencies below 100% of the ratable flow quantities for such hour. If actual delivered quantities for any hour during a Day exceeds the lesser of (i) one thousand (1,000) Dth or (ii) 110% of Shipper's ratable flow quantities on Transporter's system (1/24 of scheduled delivery quantities), a penalty charge equal to the ITS Rate will be imposed for all quantities in excess of 100% of the scheduled delivery quantities. Scheduled receipts or deliveries in excess of actual deliveries will be handled in accordance with Section 6 of the General Terms and Conditions. Any penalty revenues received by Transporter as a result of the operation of this Section 9.4(b) will be credited pursuant to Section 9.6.

9.5 Unauthorized Overrun Service.

- (a) In the event that Transporter receives penalty revenue from a Shipper as the result of the application of Section 3.2 of Rate Schedule FTS or Section 3.3 of Rate Schedule PS, Transporter shall credit the penalty revenue received, net of one times the ITS Rate, pursuant to Section 9.6.
- (b) Shippers shall have a duty to refrain from taking delivery of quantities in excess of their MDQ. In the event a Shipper takes delivery of quantities in excess of its MDQ such Shipper may be held accountable either through a direct cause of action by other Shippers, or as an impleaded or third-party defendant in a suit by other Shippers. In no event shall the payment of overrun charges be considered as giving Shipper the right to take overrun quantities, nor shall such payment be considered as a substitute for all other rights and remedies (including but not limited to consequential damages) available to any other Shipper.

- 9.6 Penalty Revenue Crediting. Any penalty revenue received by Transporter pursuant to Sections 9.1, 9.2, 9.3, 9.4, or 9.5 will be credited, net of costs, to each firm Shipper that did not incur penalties under Sections 9.1, 9.2, 9.3, 9.4, or 9.5 in the Month for which penalty revenues were received ("Non-Offending Shipper"), based on the ratio of the actual volumes taken by the Non-Offending Shipper to the actual volumes taken by all Non-Offending Shippers. If there are no Non-Offending Shippers in a month in which there are penalty revenues, those penalty revenues will be carried forward to the next succeeding month and will be allocated on a per Dekatherm basis based on total demand dollars to current firm shippers at the time of record/refund. Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year plus the applicable the interest at a rate determined in accordance with Section 154.501(d) of FERC's regulations, and will be included on the Non-Offending Shipper invoice for the Month of October if the aggregate amount to be credited exceeds \$250,000. If the aggregate amount to be

credited is less than or equal to \$250,000, it shall be carried over to the calculation made under this Section 9.6 during the next twelve (12) Month period. To the extent a Shipper incurs a penalty for a transportation transaction, notwithstanding these crediting obligations, Transporter shall retain an amount equal to Transporter's maximum Rate Schedule ITS rate multiplied by the total quantity received and/or delivered for such transaction. Transporter will file a report, as it deems necessary, on or before November 1 of each year showing the total penalty received for the period ending July 31, any costs netted against the penalty revenues, and the resulting penalty revenue credits for each month of the annual period.

- 9.7 Penalty charges under this Section 9 shall be in addition to any other applicable charges or fees associated with such volumes, provided that no volume of Gas shall be subjected to more than one penalty and that, if a volume of Gas is eligible for the application of more than one penalty, Transporter shall choose which one to apply, recognizing, however, that application of the Cashout mechanism set forth in Section 6 herein is not a penalty. A penalty charge under this Section 9 shall not affect a Shipper's rights to reduce delivery quantities or provide receipts in excess of deliveries pursuant to the Rate Schedules.

## GENERAL TERMS AND CONDITIONS

### 10. RESERVATION CHARGE ADJUSTMENT

#### 10.1 Reservation Charge Adjustment for Non-Force Majeure Events.

- (a) Except as provided in Section 10.3 of these General Terms and Conditions, with respect to each Day on which there is an outage or other event that is not due to a Force Majeure event that results in Transporter failing to deliver on such Day the Quantity of Gas that Shipper has nominated under Rate Schedule FTS, Shipper shall receive a credit on its next monthly invoice in an amount equal to the monthly Reservation Charge, as adjusted pursuant to Section 10.1(b), if applicable, divided by the number of Days in the month, multiplied by, as applicable:
  - (1) If Transporter has not given advance notice of the unavailability of service prior to the Timely Nomination Cycle for the Day, the lesser of: (a) the applicable Quantity of Gas that Transporter has failed to deliver, not to exceed Shipper's MDQ, or (b) the applicable firm contractual entitlement under Shipper's Service Agreement minus the Quantity of Gas delivered by Transporter for Shipper under such Service Agreement on such Day, in either case; or
  - (2) If Transporter gives seven (7) days or less advance notice of the unavailability of service prior to the Timely Nomination Cycle for the applicable Day, the lesser of:
    - (A) the average daily quantity that was scheduled and confirmed for Shipper's account at the applicable point(s) of restriction for the seven (7)-Day period immediately preceding the Day on which the outage or other event that results in Transporter failing to deliver a Quantity of Gas to the Shipper first occurred, not to exceed Shipper's MDQ, minus the Quantity of Gas delivered by Transporter for Shipper's account on such Day, provided, however, if the applicable firm contractual entitlements under Shipper's Service Agreement at such points of restriction were zero during any of the Days in the preceding seven (7)-Day period, such Days with zero firm contractual entitlements will be excluded for the purposes of calculating this average daily quantity, or
    - (B) the applicable firm contractual entitlement under Shipper's Service Agreement minus the Quantity of Gas delivered by Transporter for Shipper under such Service Agreement on such Day; or

- (3) If Transporter gives more than seven (7) Days' advance notice of the unavailability of service, the lesser of:
    - (A) the average daily quantity that was scheduled and confirmed for Shipper's account at the applicable point(s) of restriction in the previous calendar year for the same calendar days as the outage or other event that results in Transporter failing to deliver a Quantity of Gas to Shipper, provided that such average daily quantity: (1) shall not exceed Shipper's MDQ, and (2) shall be adjusted up or down pro rata based on any increase or decrease in Shipper's firm contractual entitlements at such point(s) of restriction during the twelve month-period ending on the last day of such outage or other event, minus the Quantity of Gas delivered by Transporter for Shipper's account on such Day, or
    - (B) the applicable firm contractual entitlement under Shipper's Service Agreement minus the Quantity of Gas delivered by Transporter for Shipper under such Service Agreement on such Day. In the event that the applicable firm contractual entitlements under Shipper's Service Agreement at such point(s) of restriction were zero during the relevant days of the previous calendar year, this Section 10.1(a)(3) shall not apply and the calculation described in Section 10.1(a)(2) above shall be utilized for such Service Agreement.
  - (4) To calculate such an adjustment for a Shipper who is a Replacement Shipper pursuant to Section 17 of these General Terms and Conditions, Transporter shall multiply the volumes determined in accordance with this Section 10.1 by the lesser of the daily Reservation Charge applicable to the Replacement Shipper or the daily Reservation Charge applicable to the original Releasing Shipper.
- (b) Notwithstanding the foregoing, with respect to a particular outage or event, this Section 10.1 does not apply on Days when Section 10.2 of these General Terms and Conditions applies.

10.2 Reservation Charge Adjustment for Force Majeure Events. Except as provided in Section 10.3 of these General Terms and Conditions, with respect to each Day on which there is an outage or other event due to a Force Majeure event that results in Transporter failing to deliver on such Day the Quantity of Gas that Shipper has nominated under Rate Schedule FTS, Transporter shall not be obligated to reduce Shipper's monthly invoice for the first ten (10) Days of such outage or other event, and following such ten (10)-Day period, Shipper's invoice shall be decreased pursuant to the mechanism described in Section 10.1 of these General Terms and Conditions, but only for the quantities not shipped after such ten (10)-Day period.

10.3 Reservation Charge Adjustment for Other Events. Notwithstanding any other provision in this Tariff, in no event shall Shipper be entitled to a decrease in its invoice for Transporter's failure to deliver any Quantity of Gas as contemplated under this Section 10:

- (a) due to the conduct of Shipper, including, without limitation, the refusal to accept delivery of any Quantity of Gas that Transporter has made available for delivery or the violation by Shipper of an Action Alert or OFO that is in effect during the outage or other event that results in Transporter failing to deliver any Quantity of Gas to Shipper; provided, however, if Shipper's refusal to accept delivery is pursuant to Section 15.4 of these General Terms and Conditions, then Shipper may be entitled to a decrease to its invoice notwithstanding this Section 10.3 if Shipper refused to accept delivery at the applicable Delivery Point(s) on a Day that Shipper had the right to refuse to accept delivery of gas at such point pursuant to Section 15.4 of these General Terms and Conditions during the outage or other event that results in Transporter failing to deliver any Quantity of Gas to Shipper;
- (b) due to the conduct of the upstream operator of the facilities at the applicable Receipt Point(s), including, without limitation, the refusal to deliver any Quantity of Gas to Transporter that Transporter was available to receive, as long as such conduct was outside the control of Transporter;
- (c) due to the conduct of the downstream operator of the facilities at the applicable Delivery Point(s), including, without limitation, the refusal to receive any Quantity of Gas from Transporter that Transporter has made available for delivery, as long as such conduct was outside the control of Transporter;
- (d) due to the installation of new facilities that are designed, in whole or in part, to provide service to Shipper;
- (e) due to scheduled work on Transporter's facilities if Transporter and Shipper have mutually coordinated the timing of the scheduled work and the work is performed in accordance with that schedule;
- (f) that occurs at a time when Shipper was unable to take the scheduled quantities for any reason including, without limitation, a Shipper outage, whether planned or unplanned;
- (g) that was allocated or scheduled during any subsequent nomination cycle to or from a secondary location after the Timely Cycle restrictions;
- (h) if Shipper subsequently schedules and accepts at an alternative point of delivery the quantity of gas that Transporter was unable to deliver;
- (i) due to the violation by Shipper of an Action Alert or OFO and such violation causes a Force Majeure event resulting in the outage;

- (j) if Shipper is provided service pursuant to a Negotiated Rate agreement or a discounted rate agreement, and such agreement does not explicitly require adjustments pursuant to this Section 10; or
- (k) due to the discontinuation of service by Transporter as permitted under this Tariff.

## GENERAL TERMS AND CONDITIONS

### 11. OPERATIONAL BALANCING AGREEMENTS (“OBAS”)

#### 11.1 General.

- (a) For the purposes of minimizing operational conflicts between various natural Gas facilities with respect to the delivery of Gas to and from Transporter’s facilities, Transporter may negotiate and execute on a not-unduly discriminatory basis mutually agreeable OBAs with appropriate parties that operate natural Gas facilities interconnecting with Transporter’s system (any such party will be referred to herein as the “OBA Party”). Transporter must enter into OBAs at all points of interconnection between its system and the system of another interstate or intrastate pipeline. Such OBAs shall specify the Gas custody transfer procedures to be followed by Transporter and the OBA Party for the confirmation of scheduled quantities to be received by Transporter at Receipt Point(s) and delivered by Transporter at Delivery Point(s). Such OBA will provide that any variance between actual quantities and scheduled quantities at the point where the OBA is in place for any Day shall be resolved pursuant to the terms of the OBA.
- (b) To facilitate such determination of variances on a timely basis, Transporter and the OBA Party will agree in the OBA on necessary measurement and accounting procedures. Transporter shall post on its Interactive Website a list of those Receipt Point(s) and Delivery Point(s) at which an OBA is in effect.

#### 11.2 Transporter shall have no obligation to negotiate and execute OBAs with any OBA Party that:

- (a) is not creditworthy as determined pursuant to Section 18 of the General Terms and Conditions; for purposes of such provision, references to Shipper shall refer to the OBA Party;
- (b) does not maintain dispatching operations which are staffed on a continuous around-the-clock basis every day of the year;
- (c) would cause the level of regulation which Transporter is subject to prior to the execution of the applicable OBA to increase;
- (d) does not commit to timely determination of variances based on reasonable available measurement technology; or
- (e) has not demonstrated operational consistency commensurate with the OBA relationship over a minimum period of three years.

- 11.3 If Receipt Point Operators or Delivery Point Operators have an OBA in effect with Transporter as described in Section 11.1, then any variance between actual quantities and scheduled quantities for any Day for that Receipt or Delivery Point shall be cumulated for the Month for the Shipper(s) responsible for the imbalance, and such Monthly Imbalances will be subject to the Cashout of Monthly Imbalances as set forth in Section 6 herein.
- 11.4 Resolution of OBA Imbalance. Transporter and the OBA Party shall resolve any imbalances in accordance with the procedures set forth in the OBA
- 11.5 Nothing in this Section 11 nor any executed OBA shall limit Transporter's rights to take action as may be required to adjust receipts and deliveries under any Agreement to reflect actual experience or to alleviate conditions which threaten the integrity of Transporter's system, including maintenance of service to higher priority Shippers and/or services.

## GENERAL TERMS AND CONDITIONS

### 12. MEASUREMENT AND MEASUREMENT EQUIPMENT

#### 12.1 Measurement Generally.

- (a) The volume of Gas delivered at the Receipt Point(s) and at the Delivery Point(s) shall be measured by one of the following devices installed by Transporter at its election, or such device as agreed to by Transporter and the operator of the interconnecting facilities:
  - (1) An orifice meter, designed and installed in accordance with the current edition of American National Standard ANSI/API 2530 (American Gas Association Report No. 3), entitled "Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids" (hereinafter referred to as "AGA Report No. 3");
  - (2) An ultrasonic meter, designed and installed in accordance with the current edition of American Gas Association Transmission Measurement Committee Report No. 9, entitled "Measurement of Gas by Multipath Ultrasonic Meters" (hereinafter referred to as "AGA Report No. 9"); or
  - (3) A Coriolis meter designed and installed in accordance with the current edition of the American Gas Association Transmission Measurement Committee Report No. 11, entitled "Measurement of Natural Gas by Coriolis Meter" (hereinafter referred to as "AGA Report No. 11").
- (b) Meters shall be maintained and operated, and auxiliary measuring equipment shall be installed, maintained and operated, in accordance with generally accepted industry practices.

#### 12.2 Calculations.

- (a) The volume of Gas delivered at each Receipt Point and Delivery Point shall be calculated by means of an electronic flow computer located at each Receipt Point or each Delivery Point, in the following manner:
  - (1) The volume of Gas delivered through an orifice meter shall be computed in accordance with AGA Report No. 3, properly using all factors set forth therein.
  - (2) The volume of Gas delivered through an ultrasonic meter shall be computed in accordance with AGA Report No. 9, properly using all factors set forth therein.

- (3) The volumes of Gas through a Coriolis meter shall be computed in accordance with AGA Report No. 11, using all factors set forth therein. The meter will calculate the delivered volume by dividing the mass of the gas, measured by the Coriolis meter, by the based density of the gas.
- (b) The volume of Gas delivered shall be computed using the standards and factors determined as follows:
  - (1) The unit of volume for the purpose of measurement shall be one thousand cubic feet of Gas at a temperature of sixty (60) degrees Fahrenheit and a pressure of 14.73 pounds per square inch absolute. For the purpose of pricing hereunder, the Dekatherm equivalent of such unit of volume shall be determined by multiplying each such unit of volume by the total heating value per cubic foot of the Gas Delivered Hereunder (adjusted to a common temperature and pressure base) and by dividing the result by one thousand (1,000).
  - (2) For the purposes of measurement and meter calibration, the average absolute atmospheric pressure for each Receipt Point and Delivery Point shall be based on the actual elevation or location of the meter at the Receipt Point or Delivery Point above sea level.
  - (3) The static pressure and temperature of the Gas at flowing conditions through a meter shall be determined by means of instruments of standard manufacture accepted in the industry for these purposes.
  - (4) The supercompressibility factor used in computing the volume of Gas delivered through a meter shall be determined using the procedures presented in American Gas Association Transmission Measurement Committee Report No. 8, entitled "Compressibility Factors of Natural Gas and Other Related Hydrocarbon Gases."
  - (5) The specific gravity of the Gas used in computing the volume of Gas delivered through a meter shall be determined at each Receipt Point and at strategic locations determined by Transporter to be representative for each Delivery Point by standard methods accepted in the industry for this purpose.
  - (6) The compressibility ratio factor "s" used in computing the volume of Gas delivered through an ultrasonic meter or a Coriolis meter shall be determined by the equation  $s = (Fpv)^2$ , in which "Fpv" is the supercompressibility factor determined as described in subparagraph (4) of this subsection (b).
  - (7) The Gross Heating Value shall be determined by using a suitably located and reasonable acceptable calculation from fractional analysis and an

acceptable chromatograph, according to the methods outline in the AGA Measurement Committee Report No. 5 or GPA 2172, as amended from time to time, unless otherwise agreed.

### 12.3 Equipment.

- (a) All flow measuring, testing and related equipment shall be of standard manufacture and type approved by Transporter. If applicable, Transporter or Shipper may install check measuring equipment and telemetering equipment, provided that such equipment shall be so installed as not to interfere with the operations of the operator. Transporter, or Shipper, in the presence of the other party, shall have access to measuring equipment at all reasonable times, but the reading, calibrating, and adjusting thereof shall be done by the operator of the facilities. Transporter or Shipper shall have the right to be present at the time of the installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating or adjusting done by the operator of the measuring equipment. The records from such measuring equipment shall remain the property of the operator, but upon request the other party may request records together with calculations therefrom for inspection, subject to return within thirty (30) days after receipt thereof. Reasonable care shall be exercised in the installation, maintenance and operation of the measuring equipment so as to avoid any inaccuracy in the determination of the volume of Gas received and delivered.
- (b) The accuracy of all measuring equipment shall be verified by operator at least once each year and if requested, in the presence of representatives of the other party, but neither Transporter nor Shipper shall be required to verify the accuracy of such equipment more frequently than once in any thirty (30) Day period. If the operator agrees to verification and test of measuring equipment and fails to perform such verification and testing, then the other party shall have the right to cease or temporarily discontinue service relative to such measuring equipment. If either party at any time desires a special test of any measuring equipment, it will promptly notify the other party and the parties shall then cooperate to secure a prompt verification of the accuracy of such equipment. Transportation and related expenses involved in the testing of meters shall be borne by Transporter, for each annual test, and the party requesting such test in all other cases, provided, however, that Shipper shall not be responsible for such transportation and related expenses if the special testing reveals that the meter(s) is (are) not operating within the required tolerance level of two percent (2%).
- (c) The operator, for purposes of this section, shall be the owner of the equipment referenced herein, or the agent of such owner, or such other person as the parties may agree in writing.
- (d) If, upon any test, any measuring equipment is found to be in error, such errors shall be taken into account in a practical manner in computing the deliveries. If the resultant aggregate error in the computed receipts or deliveries is not more than

two percent (2%), on a Dekatherm basis, then previous receipts or deliveries shall be considered accurate. All equipment shall, in any case, be adjusted at the time of test to record correctly. If, however, the resultant aggregate error in computing receipts or deliveries exceeds two percent (2%), on a Dekatherm basis, the previous recordings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of the last test.

- 12.4 In the event any measuring equipment is out of service, or is found registering inaccurately and the error is not determinable by test, previous recordings of receipts or deliveries through such equipment shall be determined as follows; provided, however, that measurement data corrections shall be processed within six (6) Months of the production Month, with a three (3) Month rebuttal period and provided, further, that such standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard:
- (a) by using the registration of any check meter or meters if installed and accurately registering, or in the absence of (a);
  - (b) by correcting the error if the percentage of error is ascertainable by calibration, special test or mathematical calculation, or in the absence of both (a) and (b) then;
  - (c) by estimating the quantity of receipt or delivery based on receipts or deliveries during preceding periods under similar conditions when the meter was registering accurately.
  - (d) Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods.
- 12.5 If at any time during the term hereof, a new method or technique is developed with respect to Gas measurement or the determination of the factors used in such Gas measurement, such new method or technique may be substituted upon mutual agreement thereto by both parties.
- 12.6 The parties agree to preserve for a period of at least two (2) years or such longer period as may be required by public authority, all test data, if any, and other similar records.
- 12.7 Shipper or Transporter may install, maintain, and operate odorizing (at a Delivery Point only), regulating, telemetering, heating and fogging equipment at its own expense as it shall desire at each Receipt Point or Delivery Point, and the operator of such equipment at its own expense shall provide the other party a suitable site therefore and allow the other party free access to and use of the site; provided that such equipment shall be so installed, maintained and operated as not to interfere with the operation or maintenance of the

operating party's measuring equipment at each Receipt Point or Delivery Point. All such equipment as Shipper or Transporter shall desire to install shall be constructed, installed and operated to conform to the other party's requirements.

## GENERAL TERMS AND CONDITIONS

### 13. RECEIPT AND DELIVERY POINT PRESSURE

- 13.1 All Gas tendered by or on behalf of Shipper to Transporter will be delivered at Receipt Points at a pressure sufficient to enter Transporter's system up to Transporter's Maximum Allowable Operating Pressure. If Transporter and Shipper otherwise agree on the Minimum Receipt Pressure at a Receipt Point(s), it will be set forth in Shipper's Agreement or an exhibit thereto.
- 13.2 Unless otherwise agreed to, Transporter will redeliver Gas at the Delivery Points nominated by Shipper at Transporter's prevailing line pressure from time to time, ("Minimum Delivery Pressure"). Transporter shall not be obligated to deliver Gas at any time at a pressure in excess of the Maximum Allowable Operating Pressure for Transporter's facilities or downstream receiving facility's maximum allowable operating pressure at such Delivery Point(s). If Transporter and Shipper otherwise agree on the Minimum Delivery Pressure at a Delivery Point(s), it will be set forth in Shipper's Agreement or an exhibit thereto.

## GENERAL TERMS AND CONDITIONS

### 14. UNAUTHORIZED GAS

Transporter shall have the right to dispose of Unauthorized Gas as follows:

#### 14.1 Unauthorized Receipts

When Unauthorized Gas is delivered to Transporter, Transporter shall purchase the Unauthorized Gas from the operator of the Receipt Points at which the Unauthorized Gas is received at fifty percent (50%) of the Daily Cashout Price, as defined in Section 6.8, for the Day and the Zone on which the Unauthorized Gas is delivered to Transporter.

#### 14.2 Unauthorized Gas Deliveries

When Unauthorized Gas is taken from Transporter, it shall be assigned to the Transportation Agreements between Transporter and the operator of the Delivery Points at which the Unauthorized Gas is taken and shall be treated as an overrun and, if applicable, included in the contract imbalance under such agreements. If there are no Transportation Agreements between Transporter and the operator of the Delivery Points at which the Unauthorized Gas is taken, Transporter shall sell the Unauthorized Gas to the operator at one hundred-fifty percent (150%) of the Daily Cashout Price, as defined in Section 6.8 for the Day and the Zone on which the Unauthorized Gas is taken.

## GENERAL TERMS AND CONDITIONS

### 15. QUALITY OF GAS

15.1 Except as expressly set forth herein to the contrary, the Gas received or delivered by Transporter shall be a combustible Gas consisting of methane and such other hydrocarbon constituents or a mixture of two or more of them which, in any case, meets the following qualify specifications:

- (a) The Gas shall have a total heating value not less than nine hundred and seventy-five (975) BTU per cubic foot of Gas nor greater than one thousand, one hundred (1,100) BTU per cubic foot of Gas;
- (b) Transporter may not refuse to accept delivery of Gas with a hydrocarbon dew point equal to or less than 20 degrees Fahrenheit, provided that such Gas satisfies all other applicable provisions of Transporter's Tariff.
- (c) The Gas shall be commercially free, under continuous Gas flow conditions, from objectionable odors, solid matter, dust, gums, gum-forming constituents, water or any other solid or liquid matter which might cause damage to or interference with proper operations of the pipeline, compressor stations, meters, regulators or other appliances through which the Gas flows;
- (d) The Gas shall not have uncombined oxygen content in excess of two-tenths (0.2) of one percent (1%) by volume;
- (e) The Gas shall not contain more than three percent (3.0%) by volume, of a combined total of carbon dioxide and nitrogen; provided, however, that the total carbon dioxide content shall not exceed two percent (2%) by volume;
- (f) The Gas shall not contain more than one-quarter (0.25) grain of hydrogen sulfide per one hundred (100) cubic feet;
- (g) The Gas shall not contain more than five (5) grains of total sulphur per one hundred (100) cubic feet;
- (h) The flowing Gas shall not have a temperature of more than one-hundred twenty degrees (120) Fahrenheit or less than forty (40) degrees Fahrenheit;
- (i) The Gas shall have been dehydrated, if necessary, for removal of water present therein in a vapor state, and shall in no event contain more than seven (7) pounds of entrained water per MMcf of Gas as determined by standard methods of testing;

- (j) The Gas shall not contain, either in the Gas or in any liquids with the Gas, any microbiological organism, active bacteria or bacterial agent capable of contributing to or causing corrosion and/or operational and/or other problems. Microbiological organisms, bacteria or bacterial agents include, but are not limited to, sulfate reducing bacteria (SRB) and acid producing bacteria (APB). Tests for bacteria or bacterial agents shall be conducted on samples taken from the meter run or the appurtenant piping using American Petroleum Institute (API) test method API-RP38 or any other test method acceptable to Transporter and Shipper which is currently available or may become available at any time.
- 15.2 The test equipment and methodology utilized by Transporter to determine whether Gas meets the quality specifications set forth in Section 15.1 shall be posted on its Interactive Website.
- 15.3 At Transporter's request, Shipper shall use all reasonable efforts to obtain and provide to Transporter all records regarding Gas quality kept by upstream pipelines transporting the Gas received by Transporter for Shipper's account. Shipper shall use all reasonable efforts to ensure and verify for Transporter that such upstream pipelines are using appropriate equipment to monitor compliance with the Gas quality specifications applicable on Transporter's system as stated in this Section 15.
- 15.4 If the Gas tendered for Shipper's account to Transporter shall fail at any time to conform to any of the specifications set forth in this Section 15 or in Transporter's reasonable judgment, may cause harm to its facilities or diminish the quality of Gas in the system, then Transporter shall have the right, after either written, oral or telephonic notice to Shipper, to refuse to accept all or any portion of such quality deficient Gas. In the event Transporter refuses to accept Gas tendered by Shipper because such Gas does not conform to the specifications set forth herein, Shipper shall not be relieved of its obligation to pay any Reservation Charge provided for in Shipper's Agreement. If the Gas tendered by Transporter for Shipper's account shall fail at any time to conform to any of the specifications set forth in this Section 15 then Shipper shall notify Transporter of such deficiency and may, at its option, refuse to accept delivery pending correction by Transporter.
- 15.5 Transporter may waive the requirements set forth in Section 15.1 in order to allow Shipper to tender or cause to be tendered Gas which does not when injected into Transporter's pipeline meet the quality specifications set forth in Section 15.1; provided that Transporter's acceptance of such Gas shall not adversely impact Transporter's system facilities or operations, and further provided that once such Gas has been blended, to the extent blending occurs, the commingled Gas stream at any Delivery Point on Transporter's system shall be compliant with the quality specifications set forth in Section 15.1. Transporter shall implement this Section 15.5 on a non-discriminatory basis and may cancel any waiver at any time if necessary to assure that the commingled Gas stream is compliant with the quality specifications set forth in Section 15.1 at any Delivery Point on Transporter's system.

- 15.6 Odorization. Transporter shall have no obligation to odorize the Gas tendered by Shipper other than to conform to the regulations of appropriate governmental authorities having jurisdiction. However, if Transporter odorizes the Gas, such odorization shall be by use of a malodorant agent of such character as to indicate by a distinctive odor the presence of Gas. Whenever odorized Gas is delivered, the quality and specifications, as set forth in this Section 15, of such Gas shall be determined prior to the addition of malodorant or with proper allowance for changes or additions due to such malodorant. Such odorization of the Gas by Transporter shall be for the purpose of detection of the Gas only during the time when the Gas is in the possession of Transporter, prior to delivery to the Shipper.

## GENERAL TERMS AND CONDITIONS

### 16. PROCEDURES FOR CONTRACTING FOR SERVICE

#### 16.1 Specific requests for information concerning service(s) should be directed to:

Gulf Run Transmission, LLC at the address provided on Transporter's Interactive Website.

Transporter shall provide the requested information orally, in writing or electronically, as appropriate.

#### 16.2 Requests for Service.

- (a) Persons desiring a new service or an amendment to existing service under one of Transporter's Rate Schedules set forth in this Tariff must submit a request for service electronically.
- (b) A request for a new service or an amendment to an existing service shall contain the information identified on the Request for Service Information List posted on Transporter's public Interactive Website, as such list may be amended from time to time. A Shipper requesting a new service or an amendment to existing service shall also provide the following to Transporter:
  - (1) Either at the time of the request for new service or an amendment to existing service is submitted to Transporter or at the time of execution of the Agreement, such other information (if any), in writing, as may be required to comply with regulatory reporting or filing requirements; and
  - (2) For any request for new service or a request for an amendment that would result in a change to Shipper's financial obligations under an Agreement, Shipper shall provide any credit information required to be provided pursuant to Section 18 of the General Terms and Conditions by the earlier of (i) ten (10) Business Days of the submittal of such request and (ii) one (1) Business Day before the effective date of such request.
- (c) If Shipper does not submit the information required in Section 16.2(b) above within the required timeframes, the request for service may be rejected.
- (d) Neither a request for new service nor a request that would result in a financial change to Shipper's existing contract shall be deemed to have been received by Transporter until Shipper has submitted a valid request pursuant to Section 16.2 and Section 18 of the General Terms and Conditions. A request that would not result in a change to Shipper's financial obligations under an Agreement shall be deemed to have been received on the date such request is submitted. If

Transporter requests additional information or assurance in accordance with Sections 15.2 and 17 herein, and such additional information or assurance is received within ten (10) Business Days of Transporter's request, Shipper's request for service shall be deemed to have been received on the date on which Shipper's additional financial information is received by Transporter; otherwise, Shipper's request for service may be rejected by Transporter.

16.3 All firm Transportation requests for service shall be subject to the following conditions:

- (a) No request for Transportation from a Primary Receipt Point or to a Primary Delivery Point shall be considered valid or be granted if to do so would impair Transporter's ability to render existing services pursuant to Transporter's firm service rate schedule(s).
- (b) The date of request for such Shipper's new Receipt Point(s) and/or Delivery Point(s) shall be the date on which Shipper submits the fully completed request for such new Receipt Point(s) and/or Delivery Point(s). However, requests for amendments to any Agreement to increase a daily quantity or change or add a new Receipt Point(s) and/or Delivery Point(s) will be considered a new request for purposes of complying with Section 16.2(d) herein, if such request would result in a change to Shipper's financial obligations under an Agreement.
- (c) In certain situations, Transporter may use an accounting meter number to represent a physical location on its pipeline system. A Delivery Point identified on Shipper's executed Agreement(s) may be designated by the Transporter's Interactive Website by means of an accounting meter number and description that differs from the physical meter number and description specified on the Agreement. The same rights and obligations exist for both Transporter and Shipper regardless of whether a location is identified in Shipper's executed Agreement by means of a physical meter number or an accounting meter number.

16.4 Execution of Agreement and Amendments.

- (a) An Agreement and/or an amendment to an existing Agreement shall be executed, as specified in this Section 16.4, by Shipper and Transporter following the completion of the approval process.
- (b) All Agreements shall be executed in writing or electronically, as appropriate. "An Agreement shall be executed and, if executed in writing, returned to Transporter, within fifteen (15) days of the tender of an Agreement by Transporter, unless otherwise agreed to by Transporter.
- (c) Each Service Agreement and Exhibit(s) to the Service Agreement shall be executed in writing or electronically by Shipper and Transporter. The Service Agreement, the applicable rate schedule, the General Terms and Conditions of this Tariff, and any

applicable Negotiated Rate or discount agreement will comprise the entire agreement between Shipper and Transporter.

- 16.5 Extension of Agreements. Prior to the expiration of the term of a Part 284 Agreement and prior to Transporter's posting the availability of capacity under Transporter's Right of First Refusal provisions, if applicable, Transporter and Shipper may mutually agree to an extension of the term of the Agreement (the exact length of which is to be negotiated on a case-by-case basis, in a not unduly discriminatory manner).
- 16.6 Allocation of Available Firm Capacity. This Section 16.6 governs the order in which requests for firm capacity shall be accommodated when unsubscribed firm capacity, other than released capacity, becomes available. It does not govern scheduling, which is governed by Section 3 herein. Requests for firm capacity will be accommodated in the following manner and subject to the following conditions and limitations:
- (a) In order to be eligible for firm capacity, a party requesting service (requestor) must submit a valid request in accordance with the provisions of Section 16.2 herein.
  - (b) Transporter will post on its Interactive Website available capacity. Subject to Section 16.6(e), a requestor that submits a valid request may submit a bid for the available capacity at any time and such bid will be awarded on a first-come, first-served basis. Notwithstanding the above, Transporter can hold an open season for the available capacity. In the event of multiple bids, Transporter will evaluate the bids and determine the bid having the greatest economic value as determined in Section 16.6(c).
  - (c) When Transporter holds an open season pursuant to Section 16.6(b), at the close of such open season, Transporter shall tender a Service Agreement for execution to the requestor submitting the bid having the greatest economic value for the capacity available, subject to the provisions of Section 16.6(d). The criteria for determining which requestor has submitted the bid with the greatest economic value shall be the net present value of the reservation charge that requestor would pay at the rates requestor has bid, which shall not be less than the Minimum Rate nor greater than the Maximum Rate, as stated on the Currently Effective Rates for the applicable Rate Schedule, over the term of service specified in the request, utilizing a ten percent (10%) annual discount factor. Only revenues generated from the reservation charge component will be used to calculate the net present value. Shippers requesting service at a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of determining the bid with the greatest economic value. If the economic values of separate service requests are equal, then service shall be offered in sequence starting with the request with the earliest date. If separate service requests have equal economic values and the same date of request, service shall be offered to such requestors on a pro rata basis.

- (d) If Transporter accepts the winning bid, it shall tender a Service Agreement for execution.
- (e) Transporter shall not be obligated to tender or execute a Service Agreement for service at any rate less than the Maximum Rate set forth in the Currently Effective Rates for the applicable Rate Schedule. It shall be in Transporter's sole discretion to tender or execute a Service Agreement at any rate less than the applicable Maximum Rate for the service requested. Transporter and requestor both shall agree to any rate requested at less than the applicable Maximum Rate before Transporter becomes obligated to tender or execute a Service Agreement for firm service at any rate less than the applicable Maximum Rate.
- (f) Once a Service Agreement for firm Transportation is executed, the economic value of the Service Agreement shall be determined in accordance with Section 16.6(c). During the term of the Service Agreement, any change Shipper may make in the terms of the Service Agreement shall not reduce such economic value of the Service Agreement to Transporter, or Shipper's Reservation Charge, without Transporter's consent to such reduction.
- (g) To the extent Transporter has (i) available capacity or (ii) capacity under expiring or terminating Agreements where such capacity is not subject to a right of first refusal or Shipper does not exercise its right of first refusal, Transporter reserves the right, but shall not be obligated, to reserve such capacity for a future expansion project. Transporter may reserve capacity for a future expansion project for which an open season has been held or will be held within twelve months of the date that Transporter posts such capacity as being reserved. Any capacity reserved pursuant to this Section 16.6(g) must first be posted as available capacity on Transporter's Interactive Website for at least five (5) Business Days. Such posting will indicate that Transporter plans to reserve the posted capacity for a future expansion project to the extent that the posted capacity is not acquired by Shippers during the open season for capacity to be reserved. Transporter at any time may enter into a precedent agreement or Service Agreement which provides to a prospective sale of unsubscribed firm capacity currently available or anticipated to become available. If such precedent agreement or Service Agreement provides for a service commencement date one (1) year or more in the future with respect to currently available capacity or one year or more beyond the date of the availability of anticipated capacity ("Prearranged Service"), then Transporter, at the time it enters into such an agreement, shall post a notice on its Interactive Website indicating that the capacity subject to the Prearranged Service will be available for open bidding for a period of no less than three (3) Business Days during which a prospective Shipper may submit a bid for such capacity, including specifying an immediate or prospective service commencement date, as applicable.

Any minimum terms and conditions imposed in an open season for capacity to be reserved must not materially differ so as to be more restrictive than the terms and conditions imposed in the expansion project open season. In the event that a

subsequent expansion project open season imposes minimum terms and conditions that are materially different from the minimum terms and conditions imposed for the reserved capacity open season, Transporter shall hold another open season for the reserved capacity that uses the same minimum terms and conditions as were imposed for the expansion project open season.

Any capacity reserved under this Section 16.6(g) may be reserved for up to twelve (12) months prior to the time Transporter files for certificate approval for proposed construction of a related project and thereafter until all expansion facilities are placed into service. Any capacity reserved under this Section 16.6(g) shall be made available, pursuant to the provisions of Section 16.6(b) of these General Terms and Conditions, for Transportation Service on an interim basis up to, but not including, the in-service date of the related expansion project(s). For such interim service, Transporter reserves the right to limit any Shipper's renewal rights that might otherwise apply to such service, including Shipper's right of first refusal, if applicable. Any capacity reserved for a future expansion project that does not go forward for any reason shall be reposted as generally available within thirty (30) days of the date the capacity becomes available.

- (h) Transporter at any time may enter into a precedent agreement or Service Agreement which provides for a prospective sale of unsubscribed firm capacity currently available or anticipated to become available. If such precedent agreement or Service Agreement provides for a service commencement date one (1) year or more in the future with respect to currently available capacity or one year or more beyond the date of the availability of Prearranged Service, then Transporter, at the time it enters into such an agreement, shall post a notice on its Interactive Website indicating that the capacity subject to the Prearranged Service will be available for open bidding for a period of no less than three (3) Business Days during which a prospective Shipper may submit a bid for such capacity, including specifying an immediate or prospective service commencement date, as applicable. All bids received during the bid periods specified above remain binding unless withdrawn prior to the close of bidding. If a bid is submitted with a higher incremental economic value (based on the criteria described in Section 16.6(c) above), then the original Shipper will have a one-time right to match the higher bid to retain capacity. If the original Shipper elects not to match the higher competing bid, the capacity will be awarded to the highest bidder(s) satisfying the applicable creditworthiness or security requirements. The agreement for Prearranged Service Agreement will specify that the capacity commitment is subject to the outcome of the bidding process and, if necessary, the original Shipper's election to exercise its matching rights.

Capacity that is under contract for a future period pursuant to Section 16.6(g) or this Section 16.6(h) will be made available on an interim basis up to the service commencement date of such contract for a future period ("Interim Capacity") and will be sold subject to the provisions of this Section 16.6. The availability of Interim

Capacity, including any limitations on the renewal rights for such capacity, will be posted on Transporter's Interactive Website. Any party desiring to submit a bid for such Interim Capacity must submit its bid via Electronic Communications. Transporter shall award the Interim Capacity and post a notice of the winning bid(s) via Electronic Communication in accordance with this Section 16.

## GENERAL TERMS AND CONDITIONS

### 17. CAPACITY RELEASE PROVISIONS

This section sets forth the terms and conditions that are applicable to the release of firm entitlements under service provided pursuant to this Tariff.

#### 17.1 Procedure. Capacity released shall be subject to the terms and conditions of this Section 17.1.

- (a) Eligibility. Any Shipper (“Releasing Shipper”) under Rate Schedule FTS of this Tariff shall be entitled, subject to the terms and conditions of this Section 17.1, to release any or all of its firm Transportation entitlements held under an Agreement, with the exception of Enhanced MDRO at the locations described in Section 4.1(b) of Rate Schedule FTS, but only to the extent that the capacity so released is acquired by another Shipper (“Replacement Shipper”) pursuant to the provisions of this Section 17.1. Any such release shall result in a temporary suspension of the Releasing Shipper’s right to use the released firm entitlements, including a partial suspension of Receipt Area Entitlements to the extent Receipt Point rights within the relevant Receipt Area were released.
- (b) The sum of the firm entitlements for a given point or segment across a releasing Agreement and its replacement Agreement(s) shall not exceed the corresponding firm entitlement of the releasing Agreement.
- (c) Released Capacity shall be made available on a basis that is not unduly discriminatory, and any Replacement Shipper shall be entitled to acquire Releasing Shipper’s capacity subject to the terms and conditions under this Section 17.1, provided the Replacement Shipper meets all provisions governing eligibility under this Tariff in a timely manner and has executed a Capacity Release Service Agreement with Transporter in the form as set forth in this Tariff (Capacity Release Service Agreement). A Replacement Shipper shall be entitled to release acquired capacity to another Replacement Shipper, subject to the requirement that the original Replacement Shipper satisfies all of the provisions of this Section 17.1 as if such Replacement Shipper were a Releasing Shipper, and the new Replacement Shipper meets all provisions governing eligibility under this Tariff in a timely manner, provided, however, that a Replacement Shipper that acquired released capacity through a volumetric bid shall not be entitled to re-release that capacity.
- (d) Term. Any release under this Section 17 shall not extend beyond the expiration of the term then in effect of the Agreement that is released.
- (e) Recall / Reput Rights.

- (1) Recall Provisions. Releasing Shipper's rights to recall capacity on a full Day or partial Day basis shall be stated clearly in Releasing Shipper's offer to release capacity ("Releasing Shipper's Notice"). Purchase of Gas by a Releasing Shipper from a Replacement Shipper at the Releasing Shipper's Primary Delivery Point(s) shall not be deemed to be the exercise of a recall by the Releasing Shipper.

The Releasing Shipper shall provide capacity recall notification to Transporter via Electronic Communication. The recall notification shall specify the recall notification period for the specified effective Gas Day, as well as any other information needed to uniquely identify the capacity being recalled.

Transporter shall support the following recall notification periods for all released capacity subject to recall rights:

Timely Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due;

Early Evening Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due;

Evening Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;
- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due;

Intraday 1 Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due; and

Intraday 2 Recall Notification:

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

Intraday 3 Recall Notification:

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

For recall notification provided to Transporter prior to the recall notification deadline specified above and received between 7:00 a.m. and 5:00 p.m., Transporter shall provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification. For recall notification provided to Transporter after 5:00 p.m. and prior to 7:00 a.m., Transporter shall provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification.

Transporter's notices of recalled capacity to all affected Replacement Shippers shall be provided via Electronic Communication, along with written notice via e-mail communication to the individual the Replacement Shipper identified in the Replacement Shipper's bid submitted pursuant to Section 17.1(i) of these General Terms and Conditions. Such notices shall contain the information required to uniquely identify the capacity being

recalled and shall indicate whether penalties will apply for the Gas Day for which quantities are reduced due to a capacity recall. Upon receipt of notification of the recall from Transporter, each affected Replacement Shipper shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Shipper will be solely responsible for adjusting its supply and Transportation arrangements, which may be necessary as a result of such recall. Replacement Shippers involved in re-release transactions may receive notice slightly after the first Replacement Shipper receives notice. The recalling Releasing Shipper may nominate the recalled capacity consistent with the applicable nomination cycle, pursuant to Section 2 of these General Terms and Conditions.

If, on the Day of a partial Day recall, the quantity of Gas delivered to the Replacement Shipper is in excess of the MDQ remaining on the Replacement Capacity Agreement after the partial Day recall and/or the quantity of Gas delivered to the Releasing Shipper that recalled the capacity is in excess of the MDQ recalled by the Releasing Shipper, then the Shipper(s) to whom such excess Gas is delivered will be charged the applicable Authorized Overrun Rate pursuant to Section 3.1(b) of Rate Schedule FTS, as applicable on such excess quantities of Gas in addition to all other applicable charges.

- (2) Partial Day Recall Quantity. The daily contractual entitlement that can be recalled by a Releasing Shipper for a partial Day recall is a quantity equal to the lesser of:
- (A) The quantity specified in the Releasing Shipper's notice to recall capacity; or
  - (B) The difference between the quantity released by the Releasing Shipper and the Elapsed Prorata Capacity.

In the recall notification provided to Transporter by the Releasing Shipper, the quantity to be recalled shall be expressed in terms of the adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. In the event of a partial Day capacity recall, Transporter shall determine the allocation of capacity between the Releasing Shipper and the Replacement Shipper(s) based upon the Elapsed Prorata Capacity only in the case of (ii) above.

The amount of capacity allocated to the Replacement Shipper(s) shall equal the original released quantity less the recalled capacity. This allocated daily contractual quantity shall be used for purposes of nominations, billing, and if applicable, for overrun calculations. As a result of the allocation of capacity described in this section, Transporter shall not be obligated to

deliver a combined quantity to the Releasing Shipper and the Replacement Shipper(s) that is in excess of the total daily contract quantity of Releasing Shipper's original contract.

- (3) Reput Provisions. Transporter shall support the function of Reputting by the Releasing Shipper. The Releasing Shipper may Reput previously recalled capacity to the Replacement Shipper pursuant to the Reput rights and methods identified in Releasing Shipper's Notice, as required by Section 17.1(h)(10) below. When capacity is recalled, such capacity may not be Reput for the same Gas Day. The deadline for the Releasing Shipper to notify Transporter of a Reput of capacity is 8:00 a.m. to allow the Replacement Shipper to submit timely nominations for Gas to flow on the next Gas Day.
- (f) Bidding Period. Releasing Shipper may specify the date and time that the Bidding Period starts and the date that the Bidding Period ends, provided, however, that the Bidding Period shall not commence or end any later than the times set forth in Section 17.1(g) below. Releasing Shipper's Notice shall be posted for the Bidding Period; provided, however, that the Releasing Shipper will have the right to withdraw its Releasing Shipper's Notice any time prior to the close of the Bid Period associated with such Releasing Shipper's Notice where unanticipated circumstances justify the withdrawal and no bids meeting the minimum conditions of Releasing Shipper's Notice have been made.

Offers shall be legally binding until notice of withdrawal is received by Transporter via Electronic Communication. Transporter shall post offers and bids, including prearranged deals, upon receipt. A Releasing Shipper may request a later posting time for posting of such offer, and Transporter shall support such request insofar as it comports with the standard capacity release timeline specified in Section 17.1(g) below. Releasing Shipper shall not be allowed to specify an extension of the original bid period or the prearranged deal match period without posting a new release.

- (g) The capacity release timeline applies to all parties involved in the capacity release process provided that (1) all information provided by the parties to the transaction is valid and the Replacement Shipper has been determined to be creditworthy before the capacity release bid is tendered, (2) for index-based capacity release transactions, the Releasing Shipper has provided Transporter with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (3) there are no special terms or conditions of the release. Transporter may complete the capacity release process on a different timeline if Releasing Shipper's Notice includes unfamiliar or unclear terms and conditions (e.g., designation of an index not supported by Transporter).
- (1) For biddable releases (one (1) year or less):

- Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season ends at 10:00 a.m. on the same or a subsequent Business Day.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of Best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 p.m. (noon).
- The notice of award of capacity as supplemented by the terms of the Form of Service Agreement for the applicable Rate Schedule, both posted on Transporter's Interactive Website, shall constitute the Replacement Capacity Agreement. Once the award is posted completing the Replacement Capacity Agreement, the winning bidder becomes the Replacement Shipper.
- Nomination is possible beginning at the next available nomination cycle for the effective date of the Replacement Capacity Agreement.

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

- Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of Best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 p.m. (noon).

- The notice of award of capacity as supplemented by the terms of the Form of Service Agreement for the applicable rate schedule, both posted on Transporter's Interactive Website, shall constitute the Replacement Capacity Agreement. Once the award is posted completing the Replacement Capacity Agreement, the winning bidder becomes the Replacement Shipper.
  - Nomination is possible beginning at the next available nomination cycle for the effective date of the Replacement Capacity Agreement.
- (3) For non-biddable releases:
- The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:
    - Timely Cycle 12:00 p.m. (noon)
    - Evening Cycle 5:00 p.m.
    - Intraday 1 Cycle 9:00 a.m.
    - Intraday 2 Cycle 1:30 p.m.
    - Intraday 3 Cycle 6:00 p.m.
  - The notice of award of capacity as supplemented by the terms of the Form of Service Agreement for the applicable rate schedule, both posted on Transporter's Interactive Website, shall constitute the Replacement Capacity Agreement. Once the award is posted completing the Replacement Capacity Agreement, the winning bidder becomes the Replacement Shipper.
  - Nomination is possible beginning at the next available nomination cycle for the effective date of the Replacement Capacity Agreement.
- (4) Notwithstanding the standard timelines specified in Section 17.1(g)(3) above, Transporter shall support a process to allow the Releasing Shipper and the Prearranged Shipper to create and finalize prearranged non-biddable capacity release transactions to be effective for a given Gas Day at any time prior to 7:00 a.m. on the calendar day on which that Gas Day ends.

- (h) Required Information for the Release of Capacity. The Releasing Shipper shall submit the following information, objectively stated and applicable to all potential Shippers on a non-discriminatory basis, to Transporter via Electronic Communication:
- (1) The Releasing Shipper's legal name, contract number, and the name, e-mail address and phone number of the individual who will authorize the release of capacity for the Releasing Shipper.
  - (2) Whether the capacity is biddable.
  - (3) The level of daily firm entitlements that the Releasing Shipper elects to release, expressed as a numeric quantity per Day for Transportation, which will be displayed in the Transporter's Interactive Website, for prospective Replacement Shippers as the available MDQ.
  - (4) The Transportation Path(s) or segment within such Transportation Path(s), and quantity to be released.
  - (5) The requested effective date and the term of the release.
  - (6) The minimum acceptable period of release and minimum acceptable quantities (if any).
  - (7) The Releasing Shipper's maximum Reservation Charges for the applicable Zone (including any demand type surcharges, direct bills, or similar mechanisms), any minimum rate requirement, and whether bids are to be submitted on a reservation or volumetric basis. The Releasing Shipper shall specify which one of the following methods is acceptable for bidding on a given Releasing Shipper's Notice:
    - Non-Index-based release – dollars and cents,
    - Non-Index-based release percentage of Maximum Recourse Rate, or
    - Index-based formula as detailed in Releasing Shipper's Notice.

The bids for the given Releasing Shipper's Notice shall adhere to the method specified by the Releasing Shipper. The maximum and minimum rates may separately identify surcharges and direct bills, or such amounts can be included in the total rate. For purposes of this Section 17, the maximum Reservation Charge(s) for Shipper paying a Negotiated Rate will be deemed to be the Maximum Recourse Rate(s) for the applicable Zone as set forth on the Statement of Rates. Any maximum and/or minimum rate specified by the Releasing Shipper can exceed the Maximum Recourse Rate

for the applicable service if (i) the term of the proposed release is one (1) year or less, and (ii) the effective date of the proposed release is on or before one (1) year from the date on which Transporter is notified of the release.

- (8) Whether the Releasing Shipper is requesting that Transporter actively market the capacity to be released.
- (9) The legal name of the Replacement Shipper that is designated in any pre-arranged release ("Prearranged Shipper").
- (10) Whether the capacity is to be released on a recallable basis, and, if so, (i) the terms and conditions of such recall, including whether it is recallable on a full Day or a partial Day basis, (ii) whether the Releasing Shipper's recall notification must be provided exclusively on a Business Day, (iii) which recall notification period(s), as identified in Section 17.1(e) above, will be available for use by the parties, and (iv) any Reput methods and rights associated with returning the previously recalled capacity to the Replacement Shipper.
- (11) Whether the capacity to be released is contingent on the release of other capacity, or on certain terms and conditions, and if so, the capacity, terms and/or conditions upon which the release is contingent.
- (12) The terms and conditions under which Releasing Shipper will accept contingent bids, including bids that are contingent upon the Replacement Shipper acquiring Transportation on a pipeline interconnected to Transporter, the method for evaluating contingent bids, what level of proof is required by the contingent bidder to demonstrate that the contingency did not occur, and for what time period the next highest bidder will be obligated to acquire the capacity if the next winning contingent bidder declines the release.
- (13) For the capacity release business timing model, only the following methodologies are required to be supported by Transporter and provided to Releasing Shippers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are: (1) highest rate, (2) net revenue and (3) present value. For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. Transporter may also support an alternative Releasing Shipper defined bid evaluation method pursuant to Section 17.1(h)(14) below; provided, however, that Transporter shall not be required to process the capacity release transaction using the standard process timeline should the Releasing Shipper elect an alternative method of bid evaluation.

- (14) At the Releasing Shipper's option and in lieu of Transporter implementing the Best Bid determination stated in Section 17.1(l), the Releasing Shipper may state the bid evaluation method. Such bid evaluation method shall be objectively stated, applicable to all Replacement or Prearranged Shippers and not unduly discriminatory and shall enable Transporter to rank the bids received by utilizing the weight assigned by the Releasing Shipper to each element of the Releasing Shipper's Notice.
- (15) Any restriction on the use of higher rate Secondary Delivery Points, or any requirement that the Replacement Shipper reimburse the Releasing Shipper for any incremental charges assessed by Transporter for use of Secondary Delivery Points by the Replacement Shipper.
- (16) The priorities that Transporter is authorized to utilize in the event that overlapping nominations submitted by the Releasing Shipper and any Replacement Shipper are in excess of the Releasing Shipper's original MDQ.
- (17) Whether the proposed release is to an asset manager as part of an asset management arrangement as defined in Section 284.8(h)(3) of the Commission's regulations or to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's regulations, and, if the proposed release is part of an asset management arrangement, the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect.
- (18) Any other additional information that Transporter deems necessary, from time to time, to effectuate releases hereunder.

Transporter shall not be liable for information provided by Releasing Shipper to Transporter, including any such information that is posted on the Transporter's Interactive Website.

- (i) Open Bidding Process. Prospective Shippers wishing to acquire capacity available for release ("Bidding Shipper"), shall place a bid on the Transporter's Interactive Website, for the available capacity during the Posting Period. If such bid is not expressly labeled as a contingent bid, such bid shall be binding. The bid shall contain the following information.
  - (1) The Bidding Shipper's legal name and the name, phone number and e-mail address of the individual who will authorize the acquisition of the available capacity.
  - (2) The level of daily firm entitlements that the Bidding Shipper requests and the minimum quantity it will accept.
  - (3) The requested effective date and the term of the acquisition.

- (4) The Bidding Shipper's bid, addressing all criteria required by the Releasing Shipper. The Bidding Shipper shall be entitled to withdraw its bid via the Transporter's Interactive Website, prior to the end of the bidding period. Bidding Shipper cannot withdraw its bid after the Bidding Period ends. If Bidding Shipper withdraws its bid, it may not resubmit a lower bid. If Bidding Shipper submits a higher bid, lower bids previously submitted by Bidding Shipper will be automatically eliminated. A Bidding Shipper may have only one valid bid posted. Transporter shall post all information provided by Bidding Shippers, except the information provided in Section 17.1(h)(1), above.

No bid shall exceed the applicable Maximum Recourse Rates, in addition to any and all applicable fees and surcharges, as specified in this Tariff; provided, however, that the rate specified by the Bidding Shipper may exceed the Maximum Recourse Rate for the applicable service if (i) the term of the proposed release is one (1) year or less, and (ii) the effective date of the proposed release is on or before one (1) year from the date on which Transporter is notified of the release. The quantity or the requested term of the release of such bid shall not exceed the maximum quantity or primary term specified in the executed Agreement.

- (j) Pre-Arranged Release. Releasing Shipper shall have the right to elect not to post a release for bidding (1) if the proposed capacity release has a duration of thirty-one (31) Days or less and Releasing Shipper has obtained a Prearranged Shipper, (2) for proposed capacity releases with a term of more than one (1) year for which Releasing Shipper has obtained a Prearranged Shipper and the Prearranged Shipper is paying the Maximum Recourse Rate and all other terms and conditions of the release are met, (3) for any release of capacity to an asset manager (as defined in Section 284.8(h)(3) of the Commission's regulations), or (4) for any release of capacity to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's regulations. Transporter will support the creation of prearranged deals on the Transporter's Interactive Website. If Releasing Shipper exercises such right, Releasing Shipper must notify Transporter pursuant to Section 17.1 above and the Prearranged Shipper must initiate confirmation of the prearranged deal electronically via the Transporter's Interactive Website. Replacement Shipper shall adhere to the requirements set forth in Section 17.2. Any release, with the exception of releases to an asset manager or to a marketer participating in a state-regulated retail access program, with a term that is greater than thirty-one (31) Days and less than or equal to one (1) year must be posted for bidding pursuant to Section 17.1(g) above, regardless of the proposed rate. Subject to the Replacement Shipper meeting the creditworthiness requirements set forth in Section 17.1(1), the posting of the prearranged deal that is not subject to bidding shall be binding. The notice of the prearranged release as supplemented by the terms of the Form of Service Agreement for the applicable rate schedule, both posted on Transporter's Interactive Website, shall constitute

the Replacement Capacity Agreement. Once the prearranged deal is posted, completing the Replacement Capacity Agreement, the Prearranged Shipper becomes the Replacement Shipper.

- (k) **Matching Rights.** A Prearranged Shipper shall have matching rights for the time period set forth in Section 17.1(g) above following the time the Prearranged Shipper has been notified of the winning bid ("Matching Period"). In the event a higher bid is received, Transporter shall notify the Prearranged Shipper via Electronic Communication of the terms and conditions of the higher bid by the deadline specified in Section 17.1(g). Prearranged Shipper will have an opportunity during the Matching Period to match such higher bid by responding via Electronic Communication prior to the end of the Matching Period. Absent a response from the Prearranged Shipper prior to the end of the Matching Period, the capacity shall be awarded to the higher Bidding Shipper in accordance with Section 17.1(l) below.
- (l) **Awarding of Capacity Available for Release.** Capacity will be awarded in accordance with the timelines set forth in Section 17.1(g) above. The capacity available for release shall be awarded to the Bidding Shipper with the highest bid ("Best Bid") matching all terms and conditions provided by the Releasing Shipper. If multiple bids meet the minimum conditions stated in the Releasing Shipper's Notice, Transporter shall award the capacity, Best Bid first, until all offered capacity has been awarded. If bids are received that do not match all the terms and conditions provided by the Releasing Shipper, bids will be evaluated by the criteria provided by the Releasing Shipper. If no criteria are provided by the Releasing Shipper, the Bidding Shipper bidding the highest net present value shall be awarded the capacity. Net present value shall be determined based on a ten percent (10%) discount rate. If the two or more bids would qualify as the Best Bid, then service shall be awarded in sequence starting with the bid with the earliest date. If two or more bids that would qualify as the Best Bid have the same time of request, capacity shall be awarded to such Bidding Shippers on a pro rata basis.

Transporter shall not award capacity release offers to the Replacement Shipper until and unless the Replacement Shipper meets Transporter's creditworthiness requirements applicable to all services that it receives from Transporter, including the service represented by the capacity release.

- (m) **Remaining Capacity.** In the event that a Releasing Shipper does not release all of its firm entitlements, the Releasing Shipper shall remain responsible for the remaining entitlements and is entitled to utilize the remaining entitlements with the MDQ reduced accordingly by the released capacity quantities.
- (n) **No Rollover.** When a release of capacity for a period of thirty-one (31) Days or less is not subject to the bidding requirements under this Section 17.1, a Releasing Shipper may not rollover, extend, or in any way continue the capacity release to the same Replacement Shipper which utilizes the same capacity or overlaps such capacity using the thirty-one (31) Days or less bidding exemption described in

Section 17.1(j)(1) above until twenty-eight (28) Days after the first release period has ended. The twenty-eight (28) Day hiatus does not apply to any re-release to the same Replacement Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding described in Section 17.1(j) above.

- (o) **Obligations of Replacement or Prearranged Shippers.** The Replacement or Prearranged Shipper must satisfy all other provisions of this Tariff governing Shipper eligibility and must execute all required agreements and acknowledgements before it may contract with Transporter for the released capacity. In addition, as a pre-requisite to becoming a Replacement or Prearranged Shipper, a party must have been placed by Transporter on Transporter's pre-approved bidder list. To be placed on such list, a party must have been accepted by Transporter as satisfying the credit standards of Section 18 of these General Terms and Conditions and have executed a Capacity Release Service Agreement with Transporter in the form as set forth in this Tariff (Capacity Release Service Agreement) and must continue to satisfy the credit standards of Section 18 when its bid is made and accepted or it is offered as a Prearranged Shipper, as applicable. Transporter shall process requests for credit approval with diligence. Any previously listed party that fails to continue to satisfy the standards of Section 18 shall be deleted from the list. Transporter will waive the credit requirements of Section 18 on a non-discriminatory basis for Replacement or Prearranged Shipper and permit such Replacement or Prearranged Shipper to submit bids, if the Releasing Shipper provides Transporter with a guarantee or other form of credit assurance in form and substance satisfactory to Transporter of all financial obligations of the Replacement or Prearranged Shipper with respect to the capacity being released by Releasing Shipper prior to the commencement of service to the Replacement or Prearranged Shipper if the release is pre-arranged and not subject to bidding or prior to the close of the bid period if the release is subject to bidding requirements of this Section 17. Any bid submitted will legally bind the Replacement or Prearranged Shipper to the terms of the bid if Transporter chooses such bid as the Best Bid until notice of withdrawal is received by Transporter via Electronic Communication. Bids cannot be withdrawn after the bid period ends. Once the Replacement or Prearranged Shipper is awarded capacity, the Replacement or Prearranged Shipper becomes an existing Shipper like any other Shipper and is subject to the applicable provisions of Transporter's Tariff, including, but not limited to, Transporter's billing and payment and operational provisions.

In addition, the Replacement or Prearranged Shipper as an existing Shipper may also release its capacity pursuant to this Section 17. Nominations may be submitted upon the award of capacity, and such nominations will be processed in accordance with the nomination and scheduling requirements of Sections 2 and 3 of these General Terms and Conditions; provided, however, in no circumstances will Gas flow prior to the effective date of the release as specified in the Releasing Shipper's Notice.

- (p) Replacement Capacity Agreement. All nominations, scheduling and billing will be done under the contract number provided in the release.

17.2 Obligations of the Parties. The following provisions apply to all temporary releases of capacity.

- (a) Contractual Obligations. All Replacement Shippers shall be required to comply with the provisions of Rate Schedule FTS and these General Terms and Conditions and to accept by a release all Transportation rights and obligations of the Releasing Shipper with respect to the capacity released, including, but not limited to, nominations and Transportation Paths. Furthermore, the Releasing Shipper shall remain fully liable to Transporter for all Reservation Charges, including reservation type surcharges and direct bills that were due under the Releasing Shipper's Agreement. In the event that the Replacement Shipper invoiced amounts for Reservation Charges are in arrears by sixty (60) days or more, the Releasing Shipper shall be responsible for paying all such amounts with the next invoice rendered to the Releasing Shipper by Transporter.
- (b) Billing. Pursuant to Sections 24 and 25, Replacement Shipper shall be billed for all reservation type charges contained within its bid and all usage charges according to Section 3 of Rate Schedule FTS.
- (c) Credits. Except as otherwise agreed to between Transporter and Releasing Shipper, Releasing Shipper shall receive a credit against its monthly Reservation Charges equal to the amount of Reservation Charges contained within the Replacement Shipper's bid subject to the obligations of Releasing Shipper under Section 17.2(a).
- (d) Refunds. Releasing Shipper and any Replacement Shipper must track any changes in Transporter's rates approved by the Commission. In the event the Commission orders refunds of any such rates charged by Transporter and previously approved, Transporter and/or Releasing Shipper, as the case may be, must make corresponding refunds to such Releasing Shipper or any Replacement Shipper, to the extent that Releasing Shipper or Replacement Shipper(s) has paid a rate in excess of Transporter's just and reasonable, applicable Maximum Recourse Rates. Transporter shall assume no liability or responsibility whatsoever for the failure of the Releasing Shipper to comply with its obligations under this Section 17.2(d). The rate paid by a Replacement Shipper in any capacity release transaction with a term of one (1) year or less which is not subject to the maximum rate cap will be deemed to be a final rate and is not subject to refund if the effective date of the release was on or before one (1) year from the date on which Transporter was notified of the release.

17.3 Posting of Purchase Offers. Transporter shall allow a potential Replacement Shipper to post for at least thirty (30) days its offers to acquire released firm entitlements. The offer must contain the following information:

- (a) The potential Replacement Shipper's legal name and the name, title, address, phone number and e-mail address of the individual who will authorize the acquisition of the available capacity.
  - (b) The daily quantities of capacity which the potential Replacement Shipper requests.
  - (c) The Receipt Points and/or Delivery Points where capacity is requested, as applicable.
  - (d) The requested effective date and the term of the acquisition.
  - (e) The maximum rate(s) that the potential Replacement Shipper will pay for the service.
- 17.4 Marketing Fee. Transporter shall be entitled, upon Releasing Shipper's request, to actively market the capacity available for release on Releasing Shipper's behalf. Transporter and Releasing Shipper will negotiate the terms and conditions upon which Transporter will market the Releasing Shipper's capacity.
- 17.5 Permanent Releases. A Shipper which has a currently effective executed Agreement with Transporter under Transporter's Rate Schedule FTS may release, pursuant to the procedures specified in this Section 17, all or any part of its firm capacity to a Replacement Shipper for the remaining primary term of the contract and be relieved of all liability under its Agreement prospectively from the effective date of such release, provided that the following conditions are satisfied:
- (a) The Replacement Shipper executes a new Agreement under the applicable Rate Schedule;
  - (b) The Replacement Shipper agrees that the minimum bid acceptable to Transporter shall be a bid for the remainder of the term of Releasing Shipper's Agreement at the rate(s) Releasing Shipper is obligated to pay Transporter for the capacity to be permanently released and accepts all obligations of the Releasing Shipper;
  - (c) The Replacement Shipper meets all of the credit-worthiness requirements contained in Section 18 of the General Terms and Conditions of Transporter's Tariff.
  - (d) Transporter may refuse to allow a permanent capacity release if it has a reasonable basis to conclude that it will not be financially indifferent to the release. If Shipper's request to permanently release capacity is denied by Transporter, Transporter shall notify Shipper via e-mail and shall include in the notification the reasons for such denial.
- 17.6 Transporter's Rights to Suspend and/or Terminate Temporary Capacity Release Transactions.

- (a) In the event of a temporary release for which: (i) the Releasing Shipper no longer maintains creditworthiness as outlined in Section 18 of Transporter's General Terms and Conditions and Transporter has terminated Releasing Shipper's Agreement; and (ii) the Reservation Charge specified in the applicable release is less than the level of the Reservation Charge which the Releasing Shipper was obligated to pay Transporter (or, if the Releasing Shipper is paying a Negotiated Rate, the sum of all reservation-type and commodity-type charges), then Transporter shall be entitled to terminate the service described in the release, upon 30 days' written notice to the Replacement Shipper, unless the Replacement Shipper agrees, at its sole election, prior to the end of said 30-day notice period to pay for the remainder of the term specified in the release one of the following: (i) the Reservation Charges and commodity charges at levels which the Releasing Shipper was obligated to pay Transporter, (ii) the applicable Maximum Recourse Rate, or (iii) such rate as mutually agreed to by Transporter and Replacement Shipper.
- (b) In the event of a temporary release for which the Replacement Shipper no longer satisfies Transporter's credit requirements as set forth in Section 18 of the General Terms and Conditions: (i) Transporter may notify the Releasing Shipper, without any liability or prior notice to Replacement Shipper, that the Replacement Shipper no longer meets the credit requirements of Transporter's Tariff; and (ii) subject to Transporter exercising its rights under Section 18 of the General Terms and Conditions to suspend and/or terminate such capacity release transaction, the firm capacity subject to the release transaction shall revert to Releasing Shipper immediately upon the effectiveness, and for the duration, of such suspension or permanently if the release transaction is terminated.

17.7 Notices to Releasing Shippers. Transporter shall provide the original Releasing Shipper with e-mail notification reasonably proximate in time with any of the following formal notices given by Transporter to the Releasing Shipper's Replacement Shipper(s), of the following:

- (a) Notice to the Replacement Shipper regarding the Replacement Shipper's past due, deficiency, or default status pursuant to Transporter's Tariff;
- (b) Notice to the Replacement Shipper regarding the Replacement Shipper's suspension of service notice;
- (c) Notice to the Replacement Shipper regarding the Replacement Shipper's contract termination notice due to default or credit-related issues; and
- (d) Notice to the Replacement Shipper that the Replacement Shipper(s) is no longer creditworthy and has not provided credit alternative(s) pursuant to Transporter's Tariff.

17.8 Index-based Capacity Release Transactions.

- (a) For index-based capacity release transactions, Releasing Shipper must specify which one of the following methods is acceptable for bidding on a given index-based Releasing Shipper's Notice:
  - (1) a percentage of the formula,
  - (2) a dollars and cents differential from the formula,
  - (3) a dollars and cents differential from the Rate Floor, or
  - (4) an approved methodology in Transporter's Tariff, if any.

When bidding is based upon a dollars and cents differential from the Rate Floor, the invoiced rate for the award shall be calculated as the greater of (i) the result of the formula or (ii) the Rate Floor plus the high bid's differential, both not to exceed Transporter's Maximum Recourse Rate, if applicable.

Releasing Shipper may specify another method in the special terms and conditions; however, the Releasing Shipper's Notice may not be processed within the capacity release timeline specified in Section 17.1(g) above.

- (b) For index-based capacity release transactions, Transporter shall support a Rate Floor to be specified by Releasing Shipper in the Releasing Shipper's Notice.
- (c) Unless otherwise specified in Transporter's Tariff, for index-based capacity release transactions where the result of the award is to be applied on a monthly basis, and the formula detailed in the capacity release award requires calculations on a daily basis, the results of such daily calculations may exceed the applicable maximum daily Reservation Charge or be less than the applicable minimum daily Reservation Charge. However, any resulting monthly Reservation Charge may not exceed Transporter's maximum monthly Reservation Charge, as applicable, or be less than the Rate Floor specified in the capacity release award.

If the resulting monthly Reservation Charge exceeds Transporter's maximum Reservation Charge, as applicable, Transporter's maximum Reservation Charge shall be used for invoicing. If the resulting monthly Reservation Charge is less than the Rate Floor, the Rate Floor shall be used for invoicing.

- (d) For invoicing of volumetric index-based capacity release transactions, where the result of the formula detailed in the capacity release award is to be applied on a daily basis, if the calculated daily rate exceeds Transporter's applicable maximum Reservation Charge or is less than the Rate Floor specified in the capacity release award, Transporter's maximum Reservation Charge or the Rate Floor, respectively, shall apply.

- (e) Transporter shall support two non-public price index references that are representative of Receipt Points and Delivery Points on its system for fixed-price transactions with next-day or next-month delivery obligations. In any event, Transporter shall support all price indices it references in its Tariff. In addition, Transporter shall evaluate those publicly available price index references requested by its Shippers that do not require any license(s)/subscription(s) for their use and support those that are representative of the applicable Receipt Points and Delivery Points. Further:
- (1) The identity of all supported price index references shall be posted on Transporter's Interactive Website, including the duration of the license(s)/subscription(s) for posted price index reference(s).
  - (2) Upon request of a Shipper holding capacity that can be released on Transporter's system, Transporter, in consultation with its Shippers, shall review the price index references (including publicly available price index references), and update the price index references to reflect the agreed upon results of that consultation. All parties shall act reasonably and in good faith in the review process. Transporter shall not unreasonably withhold agreement to such proposed changes. Such review shall occur no more frequently than annually.
  - (3) Releasing Shippers requesting the use of price index references not supported by Transporter will be responsible for providing/maintaining adequate license(s)/subscription(s) for Transporter for such additional price index reference(s) such that Transporter is able to reasonably determine that it is adequately licensed to fulfill its business responsibilities associated with index-based capacity release transactions. Such license(s)/subscription(s) shall, at a minimum be for the term of the initial release(s) that use such index references or until such index reference becomes generally supported by Transporter as referenced above. These price index reference(s) will then be supported by Transporter and available for index-based capacity release transactions for the duration of the license(s)/subscription(s) and their identity(ies) posted on Transporter's Interactive Website.
  - (4) Regarding paragraphs (2) and (3) above, Transporter reserves the right, in its own discretion, to review any license(s)/subscription(s) that would legally bind Transporter and to evaluate the legal propriety of same as it pertains to Transporter. Transporter may, with reasonable cause, require modification of the license(s)/subscription(s) to resolve its concerns relative to any license(s)/subscription(s) that would legally bind Transporter.
  - (5) Each party involved in an index-based release activity assumes no liability for the use of price index information by other parties to the release.

Transporter's support of any price index reference does not make it responsible for ensuring that Releasing Shipper(s) or Replacement Shipper(s) possesses any license(s)/subscription(s) that may be required to use such price index reference.

- (f) For index-based capacity release transactions, upon mutual agreement between Releasing Shipper and Transporter, Releasing Shipper shall provide Transporter and Replacement Shipper with the detailed calculation of the Reservation Charge(s). Except as provided below, this rate(s) will be stated on the invoice provided by Transporter to Replacement Shipper pursuant to the capacity release award. The results of Releasing Shipper's calculations shall conform to the capacity release award and/or to Transporter's minimum and maximum Reservation Charges, as applicable.
  - (1) For reservation and monthly volumetric index-based capacity release transactions, the detailed calculation shall be provided in a mutually agreed upon format no later than the second Business Day of the Month following the Transportation under the release.
  - (2) For volumetric index-based capacity release transactions requiring a daily rate calculation, the detailed calculation shall be provided in a report accompanying the invoice.

If the report is not provided by the applicable deadline or is deficient, Transporter will notify Releasing Shipper to provide Transporter with a correct report within one Business Day. Thereafter, in the absence of a conforming report, Transporter will invoice Replacement Shipper the greater of the Rate Default specified in Releasing Shipper's Notice or the Rate Floor plus any differential specified in the capacity release award.

Upon notification to Transporter by both Releasing Shipper and Replacement Shipper that prior period adjustments to the calculated Reservation Charges used in the invoice are appropriate, invoiced amounts can be revised subsequently, upward or downward, to conform to the capacity release award, subject to the standards governing prior period adjustments within the NAESB WGQ Invoicing Related Standards and the provisions of Section 25 of these General Terms and Conditions.

- (g) For index-based capacity release transactions, the rate to be used in the invoice shall be the greater of:
  - (1) the results of the calculation of the formula from the capacity release award (if the formula cannot be calculated, the Rate Default specified in Releasing Shipper's Notice), and

- (2) the Rate Floor plus any differential as specified in the capacity release award.

The rate used in the invoice shall not be greater than Transporter's maximum Reservation Charge, as applicable.

- (h) For index-based capacity release transactions, Transporter shall support the ability of Releasing Shipper to specify in Releasing Shipper's Notice a non-biddable Rate Default. The Rate Default cannot be less than the Rate Floor, if any.
- (i) For volumetric index-based capacity release transactions, where Releasing Shipper performs invoicing calculations pursuant to Section 17.8(g) above, Transporter shall provide allocated quantities to Releasing Shipper according to a mutually agreed upon timetable. Releasing Shipper shall have at least one Business Day to process the quantities prior to returning such invoicing information to Transporter in a tabular format.

Transporter shall provide the allocated quantities to Releasing Shipper in a tabular file to be described by Transporter. The first row of the file shall contain the column headers and data shall begin on the second row of the file. In addition, the first column shall contain the applicable Gas Day(s).

## GENERAL TERMS AND CONDITIONS

### 18. CREDITWORTHINESS

#### 18.1 General Credit Procedures.

- (a) Shipper must designate up to two (2) representatives who are authorized to receive notices regarding Shipper's creditworthiness, including requests for additional information, and provide to Transporter the e-mail addresses of such representatives prior to the initiation of service. Written requests and responses should be provided via e-mail, unless otherwise agreed to by Transporter and Shipper. The obligation of Transporter to provide creditworthiness notifications provided for in this section is waived until Shipper has designated such representative(s) and provided the e-mail addresses to Transporter.
- (b) Transporter will designate on its Interactive Website or in written notices to Shipper, the e-mail addresses of up to two representatives or a group e-mail address for representatives who are authorized to receive notices regarding Shipper's creditworthiness.
- (c) Shipper and Transporter may mutually agree to provide creditworthiness related notifications via forms of communication other than e-mail.

#### 18.2

- (a) In order to evaluate Shipper's creditworthiness, Transporter may request such information as is reasonably necessary to undertake such evaluation. Upon receipt of a request from Transporter for information to be used for creditworthiness evaluation, Shipper should acknowledge receipt of Transporter's request. Transporter and Shipper may mutually agree to waive the requirements of this Section 18.2(a).
- (b) Shipper should respond to Transporter's request for credit information, as allowed by this Tariff, on or before the due date specified in the request. Shipper's response will provide all the credit information requested by Transporter or provide the reason(s) why any of the requested information was not provided. Shipper's obligation to provide confirmation of receipt of Transporter's request is met by sending such confirmation to the representatives identified by Transporter pursuant to the requirements of Section 18.1(b) above.
- (c) Shipper's failure to acknowledge receipt of, or respond to, Transporter's request for credit information as provided in Sections 17.2(a) and (b) above, shall be grounds for Transporter to refuse to commence service. Additionally, such failure shall be grounds for Transporter to suspend Shipper's service, upon ten (10) Days written notice, or terminate Shipper's service upon thirty (30) Days written notice.

- 18.3 Upon receipt from Shipper of all credit information provided pursuant to this Tariff, Transporter will notify Shipper that it has received such information. Transporter and Shipper may mutually agree to waive the requirements of this Section 18.3.
- 18.4 If Transporter requests additional information to be used for credit evaluation after the initiation of service, contemporaneous with the request, it will provide its reason(s) for requesting the additional information to Shipper and designate to whom Shipper's response should be sent. Transporter and Shipper may mutually agree to waive the requirements of this Section 18.4.
- 18.5
- (a) At any time after Shipper is determined to be non-creditworthy by Transporter, Shipper may initiate a creditworthiness re-evaluation by Transporter. As part of Shipper's re-evaluation request, Shipper must update or confirm in writing the prior information provided to Transporter related to Shipper's creditworthiness. Such update should include any event(s) that Shipper believes could lead to a material change in Shipper's creditworthiness.
  - (b) After Transporter's receipt of Shipper's request for re-evaluation, including all requested information pursuant to this section, within five (5) Business Days, Transporter should provide a written response to Shipper's request. Such written response should include either a determination of creditworthiness status, clearly stating the reason(s) for Transporter's decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event should such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of Shipper's request unless specified in this Tariff, or if Transporter and Shipper mutually agree to some later date.
- 18.6 Credit Requirements. Shipper shall at all times comply with one of the following creditworthiness requirements:
- (a) Shipper (or an affiliate which guarantees Shipper's obligations under the Agreement) has an investment grade credit rating for its long term senior unsecured debt (i) if rated only by Moody's Investor Service of Baa3 or better, (ii) if rated only by Standard & Poor's of BBB- or better, and (iii) if rated by both Moody's and Standard & Poor's, of Baa3 by Moody's and BBB- by Standard & Poor's. A Shipper (or its affiliate which guarantees Shipper's obligations under the Agreement) who qualifies under this category initially but is later (i) downgraded below such investment grade by either rating agency or (ii) determined by Transporter to have had a material change in Shipper's (or an affiliate which guarantees Shipper's obligations under the Agreement) creditworthiness causing Transporter to have reasonable grounds for insecurity will be required to qualify pursuant to Section 18.6(a)(1)(B)-(C) below.

- (1) A Shipper whose long term senior unsecured debt does not have an acceptable rating as set forth in Section 18.6(a) above will be accepted as creditworthy if (A) Transporter determines that, notwithstanding the absence of an acceptable rating, the financial position of Shipper (or an affiliate who guarantees Shipper's obligations under the Agreement) is acceptable to Transporter; or (B) the Shipper provides an irrevocable letter of credit (i) issued by a bank with long-term senior unsecured debt ratings from Moody's Investor Service of A2 or better and from Standard & Poor's of A or better and (ii) in a form acceptable to Transporter, cash collateral or prepayment in an amount equal to three (3) Months of estimated charges plus an amount equal to the highest imbalance payment accrued in one (1) Month during the previous twelve (12) consecutive Months under the Agreement; provided that such amount shall be adjusted as needed to reflect any change in the estimated Reservation Charges under the Agreement for the succeeding three (3) Months or (C) Shipper provides other security acceptable to Transporter, each acting reasonably.
  - (2) Transporter shall provide such Shipper with a written statement supporting Transporter's request for the security amount requested at the time such security is requested. If Transporter rejects the security provided by Shipper in accordance with Section 18.6(a)(1)(A)-(C) above, Transporter shall re-issue its request for the security and include a written explanation for the rejection of the security previously provided by Transporter.
- (b) Nothing herein shall be read to preclude Transporter from requiring, and enforcing for the term of the contracts, a greater amount of security in agreements supporting an application for a certificate to construct new or expanded facilities, including any Replacement Capacity Agreement entered into upon a permanent release of capacity under such contract, any assignment of such contract or any resale of capacity subject to such contract in the event of a default.

## GENERAL TERMS AND CONDITIONS

### 19. DEFAULT AND TERMINATION

- 19.1 Except where different procedures for termination of an Agreement are expressly provided in the General Terms and Conditions, if Transporter or Shipper shall fail to perform any of the covenants or obligations imposed upon it under any Agreement into which these General Terms and Conditions are incorporated, then in such event the other party may, at its option, terminate such Agreement by proceeding as follows: The party not in default shall cause a written notice to be served on the party in default stating specifically the default under the Agreement and declaring it to be the intention of the party giving the notice to terminate such Agreement; thereupon the party in default shall have twenty (20) days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the default notice and if within ten (10) days after the end of the twenty-(20) day period the party in default does so remove and remedy said cause or causes and fully indemnifies the party not in default for any and all consequences of such default, then such default notice shall be withdrawn and the Agreement shall continue in full force and effect.
- 19.2 In the event the party in default does not so remedy and remove the cause or causes, or does not indemnify the party giving the default notice for any and all consequences of such default within the said period of ten (10) days, then, after any necessary authorization by regulatory bodies having jurisdiction, at the option of the party giving such default notice, the Agreement shall terminate.
- 19.3 Any termination of the Agreement pursuant to the provisions of this Section 19 shall be without prejudice to the right of Transporter to collect any amounts then due to it for Gas delivered or service provided prior to the date of termination, and shall be without prejudice to the right of Shipper to receive any Gas which it has not received but the Transportation of which has been paid prior to the date of termination, and without waiver of any other remedy to which the party not in default may be entitled for breaches of the Agreement.

## GENERAL TERMS AND CONDITIONS

### 20. NEGOTIATED RATES

20.1 Availability. Notwithstanding anything to the contrary contained in this Tariff, Transporter and Shipper may mutually agree to a Negotiated Rate and contract term for all or any portion of the capacity under any Part 284 Agreement. If Transporter and Shipper fail to agree to a Negotiated Rate, Shipper may receive service at the applicable Maximum Recourse Rate, including surcharges, for service under the Rate Schedule applicable to the service.

#### 20.2 Capacity Release.

(a) To the extent that Transporter agrees to a Negotiated Rate applicable to usage and/or fuel charges, Transporter will consider, if requested by the Negotiated Rate Shipper, and may agree with the Negotiated Rate Shipper, on a not unduly discriminatory basis, to the terms and conditions pursuant to which Transporter will offer such Negotiated Rate(s) to Replacement Shipper(s).

(b) Any potential Replacement Shipper that desires to acquire capacity on a temporary basis pursuant to Section 17 of the General Terms and Conditions may request via the Transporter's Interactive Website or other approved Electronic Communication to pay the usage and/or fuel charges pursuant to Transporter's Recourse Rates or pursuant to Shipper's Negotiated Rate. Transporter shall grant the request to pay Shipper's Negotiated Rate ("Request") if Transporter determines, in a not unduly discriminatory manner, that Replacement Shipper is similarly situated to Shipper; provided however, any Replacement Shipper acquiring capacity on a temporary basis under an Agreement for which Transporter and Shipper have agreed to the automatic pass-through of the Negotiated Rate pursuant to Section 20.2(a) above will be deemed to be similarly situated to Shipper and Transporter will be deemed to have granted the Request. In the event that Transporter grants such Request and the potential Replacement Shipper's bid is the winning bid, the potential Replacement Shipper's Request will serve as its execution of the Negotiated Rate Agreement and Transporter's award of the bid via Electronic Communication will serve as Transporter's execution of the Negotiated Rate Agreement for such Negotiated Rates. If Transporter denies such Request or if the potential Replacement Shipper does not request such negotiated rates, Transporter's recourse rates shall be applicable to any capacity awarded to such potential Replacement Shipper. If Transporter denies such Request, Transporter shall notify the potential Replacement Shipper via email of the reason(s) for the denial of the Request.

20.3 Filing Requirement. No later than the Business Day on which Transporter commences service at a negotiated rate (or if the day on which Transporter commences such service is

not a Business Day, then the next Business Day after Transporter commences such service), Transporter shall file , a tariff section advising FERC of such Negotiated Rate, stating the name of the Shipper, the type of service, the Receipt Point(s) and Delivery Point(s) applicable to the service, the quantity of Gas to be transported, any other charges, and specifying the specific Negotiated Rate included in such Agreement with sufficient specificity such that the rate in effect from time to time can be readily calculated. The tariff section must also incorporate a statement that the Agreement does not deviate from the form of service agreement in any material respect or the Agreement must be reflected on a separate tariff section identifying non-conforming Agreements of Transporter. As an alternative to filing the tariff section, Transporter may file the contract setting out the Negotiated Rate.

- 20.4 Limitations. This Section 20 does not authorize Transporter to negotiate terms and conditions of service.
- 20.5 Right of First Refusal. For purposes of exercising rights to continue service pursuant to Section 24 of these General Terms and Conditions, the highest rate that a Shipper must match if it desires to retain all or a portion of its capacity, and continue to receive firm service under the same rate schedule beyond the expiration date of such long-term firm Agreement, is the Maximum Recourse Rate for such service.
- 20.6 Discount Type Adjustments. Transporter shall have the right to seek in future general rate proceedings a discount-type adjustment to recourse rates for Negotiated Rate Agreements which shall only be allowed to the extent that Transporter can meet the standards required of an affiliate discount-type adjustment including requiring that Transporter shall have the burden of proving that any discount granted is required to meet competition. Transporter shall be required to demonstrate that any discount-type adjustment for Negotiated Rate Agreements does not have an adverse impact on recourse rate Shippers by:
- (a) Demonstrating that, in the absence of Transporter's entering into such Negotiated Rate Agreement providing for such discount, Transporter would not have been able to contract for such capacity at any higher rate, and that recourse rates would otherwise be as high or higher than recourse rates which result after applying the discount adjustment; or
  - (b) Making another comparable showing that the Negotiated Rate discount contributes more fixed costs to the system than could have been achieved without the discount.

## GENERAL TERMS AND CONDITIONS

### 21. DISCOUNT POLICY

- 21.1 Any Shipper desiring a discount of the Maximum Recourse Rates for service under Transporter's open-access rate schedules must submit a valid request for such discount pursuant to the procedures of this Section 21. To be considered a valid request, Shipper must complete and submit a request for discount via Transporter's Interactive Website or other Electronic Communication, specifically including the information for all mandatory fields.
- 21.2 If and when Transporter discounts the rates applicable for service under any Agreement under Rate Schedules included in Transporter's Tariff, the amount of any such discount shall be accounted for as a reduction of Maximum Recourse Rates in the following sequence to the extent any of the following components are included in the Maximum Recourse Rates; the first item discounted shall be surcharges (if any), to the extent not otherwise agreed to in approved settlements, followed by the base rate.
- 21.3 In the event that Transporter agrees to discount its Maximum Recourse Rates under any of its open-access rate schedules, Transporter and Shipper may agree to the types of discounts specified herein without such discounts constituting a material deviation from Transporter's pro forma service agreement. Transporter and Shipper may agree that a specified discounted rate will apply:
- (a) only to specified quantities under the Agreement;
  - (b) only if specified quantities are achieved or only with respect to quantities above or below a specified level;
  - (c) only during specified periods of the year or for a specifically defined period;
  - (d) only to specified points, combination of points, markets, Transportation Paths or other defined geographic area(s);
  - (e) only to reserves committed by Shipper;
  - (f) only in a specified relationship to the quantities actually delivered (i.e., that the Reservation Charge will be adjusted in a specified relationship to quantities actually delivered);
  - (g) so that the applicable rate may be adjusted in the following manner: when one rate component, which was equal to or within the applicable Maximum Recourse Rates and Minimum Recourse Rates at the time Shipper and Transporter agreed to the discount, subsequently exceeds the applicable Maximum Recourse Rate or is below

the applicable Minimum Recourse Rate, so that such rate component must be adjusted downward or upward to equal the new applicable Maximum Recourse Rate or Minimum Recourse Rate, then other rate components may be adjusted upward or downward to achieve the agreed-upon overall rate, so long as none of the resulting rate components exceed the Maximum Recourse Rate or are below the Minimum Recourse Rate applicable to the rate component (such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised Statement of Rates; however, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable); and/or

- (h) based upon published index prices for specific Receipt Points and/or Delivery Points or other agreed-upon published pricing reference points for price determination (such discounted rate may be based upon a single published index price or the differential between published index prices or arrived at by formula);

Provided that the discounted rate shall not change the underlying rate design, shall not include any minimum bill or minimum take obligation, and shall define the rate component to be discounted. Notwithstanding the foregoing, no discounted rate shall be less than the applicable Minimum Recourse Rate.

- 21.4 If Transporter's recourse rates are subject to refund at any time during the effectiveness of a discount agreement, with respect to the applicable discounted rate, Shipper shall be entitled to refunds of payments made by Shipper only in the event that the final, non-appealable Maximum Recourse Rate, whether usage-based or reservation-based, as determined by the Commission for a given time period is lower than the rate actually paid by Shipper during such time period. Subject to the condition precedent set forth in the immediately preceding sentence, Shipper's principal refund amount shall be equal to (i) with respect to usage-based rates, the product of (A) the positive difference between the final, non-appealable Maximum Recourse Rate and the discounted rate, and (B) the quantities of Gas delivered to Shipper, or for Shipper's account, during the refund period; and (ii) with respect to reservation-based rates, the product of (C) the positive difference between the final, non-appealable Maximum Recourse Rate and the discounted rate, (D) the MDQ covered by the discounted rate, and (E) the number of Months in the refund period (partial Months shall be prorated for the number of Days in the Month that fall within the refund period and a discounted rate that is not a Monthly rate shall be adjusted for purposes of this calculation to reflect the Monthly equivalent of the rate).

## 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 [20\_\_], each Transporter’s Use (%) will be redetermined as set forth in Section 22.2(a)(i). 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 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 calculate the total unrecovered compressor fuel usage, other company use, and lost and unaccounted-for Gas by: (A) determining the company-use, lost, and unaccounted-for quantities for the calendar year preceding the effective date of such filing; (B) subtracting 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.
- (3) In each Annual or Interim Transporter's Use Filing, Transporter shall add (A) the Transporter's Use (%) established in that filing, as calculated in accordance with Section 22.2(a)(i), and (B) the percentage calculated under Section 22.2(a)(ii). The resulting total 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.

## GENERAL TERMS AND CONDITIONS

### 23. MODIFICATION

No modification of the terms and provisions of an Agreement shall be made except by the execution of written contracts or amendments.

## GENERAL TERMS AND CONDITIONS

### 24. RIGHT OF FIRST REFUSAL

- 24.1 Purpose. The purpose of this Section 24 is to provide the necessary information pertaining to the right of long-term firm Shippers to continue firm Transportation Service at the expiration of their Agreements by exercising a right of first refusal for all or a volumetric portion of the capacity under the Agreement.
- 24.2 Eligibility. The following Shippers shall be entitled to a right of first refusal pursuant to the terms of their Agreements and this Section 24: (i) any Shipper with a firm Agreement under a Part 284 Rate Schedule with a primary term of at least twelve (12) Months of consecutive Transportation Service at the Maximum Recourse Rate, and (ii) any Shipper with a firm Agreement that provides Shipper with a right to continue firm Transportation Service at the end of its Agreement by exercising a right of first refusal, regardless of the rate paid by Shipper under such Agreement. Shipper also must agree that it will match (A) the longest term, up to the maximum term allowed by the Commission, and (B) the highest rate for such Service, up to the Maximum Recourse Rate, that is offered by any other person desiring such capacity; provided, however, that Transporter shall not be obligated to provide service at less than the Maximum Recourse Rate(s).
- 24.3 Procedure.
- (a) Any Shipper with a firm Agreement under a Part 284 Rate Schedule with an initial term of greater than two (2) years must give notice to the Transporter that Shipper desires to continue its Agreement at least 18 months in advance of the end of the primary term of the Agreement, and any Shipper with a firm Agreement under a Part 284 Rate Schedule with a primary term of (i) at least twelve (12) Months of consecutive Transportation Service, or (ii) firm Transportation Agreements with a primary term of more than one (1) year for service which is not available for twelve (12) consecutive months must give notice to Transporter that Shipper desires to continue its Agreement at least six (6) months in advance of the end of the primary term of the Agreement. Failure of the Shipper to give the notice specified will constitute a waiver of the Shipper's right of first refusal.
  - (b) Transporter shall notify Shipper no later than three (3) Months prior to the expiration of the Agreement whether any outstanding bona fide offers exist for Transporter's capacity at a higher net present value which could be satisfied by the relinquishment of Shipper's capacity. Offers will be deemed bona fide if made in compliance with Section 16 of these General Terms and Conditions. Any party that has an outstanding request for firm service under Section 16 of these General Terms and Conditions shall be notified and given the opportunity to specify the rate and term it is willing to offer for Shipper's capacity. If Transporter has received any such offers, Transporter shall inform Shipper of the rate, up to the Maximum

Recourse Rate, and the term, up to a maximum time allowable by the Commission, that has been offered for Shipper's capacity. Shipper shall notify Transporter within ten (10) Business Days after notification whether it desires to match the rate and term offered, and, if so, to provide a binding commitment in writing to Transporter to execute a contract containing said terms within the next thirty (30) Business Days.

- (c) If Transporter does not notify Shipper of the existence of any offers for Shipper's capacity under Section 24.3(a), Transporter and Shipper may negotiate the terms and conditions of a new Agreement; provided, however, that in no event shall Shipper have any automatic right to renew service at a Negotiated Rate or discounted rate; provided further, however, Shipper may select the term of the Agreement after agreeing to pay the Maximum Recourse Rates, and all applicable surcharges.

## GENERAL TERMS AND CONDITIONS

### 25. BILLING

- 25.1 Transporter shall make available, via Transporter's Interactive Website or Electronic Communication, an invoice(s) to Shipper for each Month for (i) all Transportation Services provided pursuant to this Tariff during the preceding Month; and (ii) any other charges for which Shipper is liable under the Tariff or Shipper's other obligations. Shipper may designate an agent to receive invoices and may designate such agent to receive, via Electronic Communication, notifications of the availability of Shipper's final invoice on the Transporter's Interactive Website.
- 25.2 The Imbalance Statement shall be posted on Transporter's Interactive Website prior to or with the invoice(s), and the Transportation invoice(s) shall be posted on or before the 9th Business Day after the end of the production month in accordance with NAESB Standard 3.3.14.
- 25.3 With respect to Cashout invoices, an Imbalance Statement and associated invoice shall be made available with the Monthly Transportation invoice in the second Month after the Monthly Transportation Imbalance occurs, which shall reflect the amount Due Transporter or a credit for the amount Due Cashout Party, as determined in Section 6 herein will be made available.
- 25.4 Both Transporter and Shipper shall have the right to examine at any reasonable time the applicable records of the other to the extent necessary to verify the accuracy of any statement made under or pursuant to the provisions of the Agreement. Upon receipt of a request, the recipient will allow the requester to review such information.

## GENERAL TERMS AND CONDITIONS

### 26. PAYMENTS

- 26.1 All payments for invoices due to Transporter by Shipper shall be made by Shipper to a depository designated by Transporter via electronic funds transfers within ten (10) days of the day the invoice is rendered, (the "Payment Due Date"). Shipper shall submit any necessary supporting documentation with its payment except as provided below; Transporter shall apply payment per supporting documentation provided by Shipper, and if payment differs from the invoiced amount, remittance detail shall be provided with the payment except when payment is made by electronic funds transfer, in which case, the remittance detail is due within two Business Days of the payment date. Invoice number(s) shall be identified on all payments. If presentation of an invoice to Shipper is delayed after the tenth (10th) calendar day after the end of the Service Month, the Payment Due Date shall be extended by an equal number of days, unless Shipper is responsible for such delay.
- 26.2 Should Shipper fail to pay all of the amount of any invoice as herein provided, on or before the Payment Due Date, Transporter may assess a charge for late payment which shall be included by Transporter on the next regular monthly bill rendered to Shipper under this Section 26. Such charge for late payment shall be determined by multiplying (a) the unpaid portion of the invoice, by (b) the ratio of the number of days from the Payment Due Date to the date of actual payment to three hundred and sixty five (365) (three hundred and sixty-six (366) in a leap year), by (c) the interest rate determined in accordance with Section 154.501(d) of FERC's regulations. If such failure to pay continues for thirty (30) days after the Payment Due Date, Transporter, in addition to any other remedy it may have under the relevant Agreement, may terminate such Agreement and suspend further delivery of Gas, provided Transporter provides Shipper and the Commission with thirty (30) days prior written notice of such termination and provided further such termination shall not be effective if, prior to the date of termination Shipper complies with the billing dispute procedure in Section 26.4 of the General Terms and Conditions of Transporter's Tariff.
- 26.3 In the event an error is discovered in the amount billed, such error shall be corrected as soon as practicable. Shipper must provide Transporter with notice of the claimed error within six (6) Months from the date of the statement claimed to be in error or be deemed final subject to Section 5.3.
- 26.4 If an invoice is in dispute, Shipper shall pay the portion not in dispute and provide documentation identifying the basis for the dispute. If Shipper in good faith:
- (a) disputes the amount of any such bill or part thereof;
  - (b) pays to Transporter such amounts as it concedes to be correct;

- (c) provides Transporter with a written notice including a full description of the reasons for the dispute, together with copies of supporting documents; and
  - (d) at any time thereafter within thirty (30) days of a demand made by Transporter furnishes good and sufficient security in the form of an irrevocable letter of credit (i) issued by a bank with long-term senior unsecured debt ratings from Moody's Investor Service of A2 or better and from Standard & Poor's of A or better and (ii) in a form acceptable to Transporter, cash collateral or surety bond, guaranteeing payment to Transporter of the amount ultimately found due upon such bill after a final determination which may be reached either by agreement or judgment of the courts, as may be the case, then Transporter shall not be entitled to suspend further services because of such non-payment pursuant to Section 26.2 unless and until default is made in the conditions of such bond.
- 26.5 In the event that Shipper does not pay the full amount due Transporter in accordance with this Section 26, Transporter, without prejudice to any other rights or remedies it may have, shall have the right to withhold and set off payment of any amounts of monies due or owing by Transporter to Shipper, against any and all amounts or monies due or owing by Shipper to Transporter for Transportation Services provided.
- 26.6 Any payments received under this Section 26 shall first be applied to accrued interest, then to additional charges due, then to the previously outstanding principle, and lastly, to the most current principal due.

## GENERAL TERMS AND CONDITIONS

### 27. WARRANTY OF TITLE

- 27.1 This section shall apply to all service unless otherwise provided in the applicable Rate Schedule or Agreement.
- 27.2 Shipper warrants for itself, its successors and assigns, that it will have, at the time of delivery of Gas hereunder, good title to the Gas it delivers, that the Gas it delivers hereunder shall be free and clear of all liens, encumbrances and claims whatsoever, that it will indemnify the Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of any adverse claims of any and all persons to said Gas and/or to royalties, taxes, license fees, or charges thereon which are applicable for such delivery of Gas and that it will indemnify the Transporter and save it harmless from all taxes or assessments which may be levied and assessed upon such delivery and which are by law payable by and the obligation of the party making such delivery.
- 27.3 If Shipper's title or right to deliver Gas to be transported is questioned or involved in any action, Shipper shall not qualify for or shall be ineligible to continue to receive service until such time as Shipper's title or right to deliver is free from question; provided, however, Transporter shall allow Shipper to qualify for or continue receiving service under this Tariff if Shipper furnishes a bond satisfactory to Transporter.
- 27.4 Title to the Gas received by Transporter at the Receipt Point(s) shall not pass to Transporter, except that title to Gas delivered for Transporter's Use shall pass to Transporter upon delivery at the Receipt Point(s).

## GENERAL TERMS AND CONDITIONS

### 28. POSSESSION OF GAS

Unless otherwise provided in the Agreement or applicable Rate Schedule, as between Transporter and Shipper, Shipper shall be deemed to be in exclusive control and possession of the Gas (i) prior to receipt by Transporter at the Receipt Point(s) and (ii) after delivery by Transporter at the Delivery Point(s); otherwise, Transporter shall be in exclusive control and possession of the Gas. The party which shall be in exclusive control and possession of the Gas shall be responsible for all injury or damage caused thereby to any third party except any injury or damage caused by Gas provided by Shipper that fails to conform with the specifications set forth in Section 15 of these General Terms and Conditions. In the absence of bad faith or willful misconduct on the part of Transporter, Shipper waives any and all claims and demands against Transporter, its officers, employees or agents, arising out of or in any way connected with (A) the quality, use or condition of the Gas after delivery from Transporter for the account of such Shipper, (B) any losses or shrinkage of Gas during or resulting from Transportation hereunder, and (C) all other claims and demands arising out of Transporter's performance of its duties hereunder.

## GENERAL TERMS AND CONDITIONS

### 29. WAIVER

- 29.1 Transporter may waive any of its rights or any obligations of Shipper hereunder as to any specific right or obligation that has already arisen or in advance as to any specific, temporary issue on a case-by-case basis that is not unduly discriminatory.
- 29.2 No waiver by either Transporter or Shipper of any one or more defaults by the other in the performance of any provisions of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

## GENERAL TERMS AND CONDITIONS

### 30. ELECTRONIC COMMUNICATION

This Section describes the information and procedures Transporter will make available pursuant to FERC regulations.

- 30.1 System and Service Information. Any person desiring information on the availability, pricing, or other terms of the Transportation Services may access Transporter's Interactive Website for contact information.
- 30.2 Access to Website. A Shipper may gain use of Transporter's Interactive Website system by executing a Website Access Agreement, available on Transporter's Interactive Website, with Transporter.

## GENERAL TERMS AND CONDITIONS

### 31. NOTICES

Except when the terms of this Tariff require or allow for communication via Electronic Communication or the Transporter's Interactive Website, any communication, notice, request, demand, statement, or bill provided for in the Tariff or in an Agreement or OBA, or any notice which either Transporter or Shipper may desire to give to the other, shall be in writing and shall be considered as duly presented, rendered, or delivered when mailed by either post-paid registered or ordinary mail or when sent by express mail service, or such other method mutually agreed upon between the parties. The material so sent shall be addressed to the pertinent party at its last known post office address, or at such other address as either party may designate.

## GENERAL TERMS AND CONDITIONS

### 32. NEW FACILITIES POLICY

- 32.1 Unless otherwise mutually agreed to by the parties, Transporter shall not be required to own, construct and install any facilities to perform any service requested by a Shipper under this Tariff. In the event Transporter agrees to own, construct and install facilities to perform services requested including, but not limited to, hot tap, side valve, measurement, Gas supply lateral lines, looping and/or compression facilities, Transporter shall do so on a not unduly discriminatory basis. Unless otherwise mutually agreed to by the parties, Shipper shall reimburse Transporter (a) for the costs of such facilities installed by Transporter to receive, measure, transport or deliver natural Gas for Shipper's account and (b) for any and all filings and approval fees required in connection with such construction that Transporter is obligated to pay to the Commission or any other governmental authority having jurisdiction. Nothing in this Section 32 shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act. Nothing in this Section 32, further, shall prevent Transporter from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act.
- 32.2 For purposes of determining whether a project is economic, Transporter will evaluate projects on the basis of various economic criteria, which may include, without limitation, the estimated Transportation throughput, cost of the facilities, operating, maintenance, administrative and general expenses attributable to the facilities, the system net revenues Transporter estimates will be generated subsequent to such construction, and the availability of capital funds on terms and conditions acceptable to Transporter. In estimating the system net revenues to be generated, Transporter will evaluate the existence of capacity limitations of the existing facilities, the marketability of the capacity, the location of the markets, the nature of the Transportation service, and other factors which impact the utilization of Transporter's system.
- 32.3 Any monetary reimbursement due Transporter by Shipper pursuant to this Section 32 shall be due and payable to Transporter prior to Transporter's commencement of construction of facilities unless otherwise agreed by Transporter and within ten (10) days of receipt by Shipper of Transporter's invoice(s) for same; provided, however, subject to Transporter's written consent, such monetary reimbursement, plus carrying charges thereon, may be amortized over a mutually agreeable period not to exceed the primary contract term of any Agreement for service between Transporter and Shipper. Carrying charges shall be computed utilizing interest factors acceptable to both Transporter and Shipper. Unless Transporter and Shipper otherwise agree on interest factors for computing the carrying charges for new facilities, the interest rates determined by the Commission under Section 154.501(d) of the Commission's regulations shall apply.

## GENERAL TERMS AND CONDITIONS

### 33. OFF-SYSTEM PIPELINE CAPACITY

- 33.1 From time to time, Transporter may enter into Transportation and/or storage agreements with other interstate or intrastate pipeline companies (individually, an “off-system pipeline”). In the event that Transporter acquires capacity on an off-system pipeline, Transporter will use such capacity for operational reasons and will only render Transportation Service to Shippers on the acquired capacity pursuant to Transporter’s Tariff and subject to Transporter’s approved rates, as such Tariff and rates may change from time to time. For purposes of Transportation Service on an off-system pipeline, the “shipper must have title” requirement is waived, permitting a Shipper utilizing such service to have title to the Gas on such off-system pipeline.
- 33.2 Upon mutual agreement, and on a not unduly discriminatory basis, for any Shipper receiving service under any of Transporter's Rate Schedules, Transporter may arrange for transportation by any third party transporter, including, but not limited to, local distribution companies and interstate, intrastate or Hinshaw pipelines, for the account of Shipper, or as Shipper's agent, to effect requested receipts and/or deliveries. In such case, unless otherwise agreed, Shipper shall pay Transporter such amounts or provide such allowances as Transporter is obligated to pay or provide to such third party transporter for transportation or other services attributable to performance of service on behalf of Shipper.

The recourse rate for a Shipper that mutually agrees with Transporter under this Section 33.2 that Transporter should seek to arrange for transportation on a third party transporter for the account of Shipper shall be the maximum rates and charges under Transporter's Tariff for the service provided by Transporter plus the amounts and allowances that Transporter is obligated to pay or provide to the third party transporter from time to time for transportation or other services attributable to the third party transporter's performance of service on behalf of the Shipper.

## GENERAL TERMS AND CONDITIONS

### 34. INCORPORATION IN RATE SCHEDULES AND AGREEMENTS

These General Terms and Conditions are incorporated in and are a part of Transporter's Rate Schedules and Agreements. To the extent there is any inconsistency between terms in Transporter's Rate Schedules or Service Agreements and terms in these General Terms and Conditions, the Rate Schedule or Service Agreement shall govern.

## GENERAL TERMS AND CONDITIONS

### 35. SCHEDULES AND CONTRACTS SUBJECT TO REGULATION

- 35.1 This Tariff, including these General Terms and Conditions and the respective obligations of the parties under an Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction and are subject to change from time to time by addition, amendment, or substitution as provided by law.
- 35.2 The respective obligations of Transporter and Shipper under these General Terms and Conditions and any Agreement are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Transporter to provide the service contemplated hereby and to construct and operate the facilities necessary to provide such service and for any connected pipeline to transport Gas to/from the Receipt/Delivery Point(s) necessary to effect the service provided for herein.
- 35.3 Transporter shall have the right to propose to FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and any Agreement in effect at the time of such a change shall be deemed to include any change which is made effective pursuant to order or regulation or provisions of law, without prejudice to Shipper's right to protest the same; provided, however, that any market-based rates negotiated between Transporter and its Shipper(s) shall remain in effect during the term of the Agreement(s) specifying such rates.

## GENERAL TERMS AND CONDITIONS

### 36. NORTH AMERICAN ENERGY STANDARDS BOARD STANDARDS

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

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

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

Transporter has elected to reproduce only the following Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.2, that are protected by NAESB's copyright. With respect to each reproduced standard, Transporter incorporates the following: © 1996 - 2020 NAESB, all rights reserved.

<u>NAESB WGQ Standard</u>	<u>Tariff Record</u>
0.2.5	General Terms and Conditions, Section 1, Definition of "Quick Response", 0.0.0
0.3.3	General Terms and Conditions, Section 18.4, 0.0.0
0.3.4	General Terms and Conditions, Section 18.2(a), 0.0.0
0.3.5	General Terms and Conditions, Section 18.2(b), 0.0.0
0.3.6	General Terms and Conditions, Section 18.3, 0.0.0
0.3.7	General Terms and Conditions, Section 18.1(a) and 17.1(b), 0.0.0
0.3.8	General Terms and Conditions, Section 18.5(a), 0.0.0
0.3.9	General Terms and Conditions, Section 18.5(b), 0.0.0
0.3.10	General Terms and Conditions, Section 18.1(c), 0.0.0
1.2.4	General Terms and Conditions, Section 1, Definition of "Intraday", 0.0.0
1.2.6	General Terms and Conditions, Section 1, Definition of "Operational Flow Order", 0.0.0
1.2.14	General Terms and Conditions, Section 1, Definition of "Title Transfer", 0.0.0
1.2.15	General Terms and Conditions, Section 1, Definition of "Title

	Transfer Tracking”, 0.0.0
1.2.16	General Terms and Conditions, Section 1, Definition of “Title Transfer Tracking Service Provider”, 0.0.0
1.3.1	General Terms and Conditions, Section 1, Definition of “Day”, 0.0.0
1.3.2(i)	General Terms and Conditions, Section 2.1(a)(1), 0.0.0
1.3.2(ii)	General Terms and Conditions, Section 2.1(a)(2), 0.0.0
1.3.2(iii)	General Terms and Conditions, Section 2.2(g)(1), 0.0.0
1.3.2(iv)	General Terms and Conditions, Section 2.2(g)(2), 0.0.0
1.3.2(v)	General Terms and Conditions, Section 2.2(g)(3), 0.0.0
1.3.2(vi)	General Terms and Conditions, Section 2.2(g), 0.0.0
1.3.3	General Terms and Conditions, Section 2.1, 0.0.0
1.3.4	General Terms and Conditions, Section 2.1, 0.0.0
1.3.5	General Terms and Conditions, Section 2.1, 0.0.0
1.3.7	General Terms and Conditions, Section 2.1(a), 0.0.0
1.3.8	General Terms and Conditions, Section 2.2(g)(1)-(3), 0.0.0
1.3.9	General Terms and Conditions, Section 2.1 and 2.2(b), 0.0.0
1.3.11	General Terms and Conditions, Section 2.2(c), 0.0.0
1.3.17	Rate Schedules, Rate Schedule PS, Section 2, 0.0.0
1.3.18	Rate Schedules, Rate Schedule PS, Section 2, 0.0.0
1.3.20	General Terms and Conditions, Section 2.1(b), 0.0.0
1.3.32	General Terms and Conditions, Section 2.2(a), 0.0.0
1.3.51	General Terms and Conditions, Section 2.2(h), 0.0.0
2.2.1	General Terms and Conditions, Section 1, Definition of “Operational Balancing Agreement”, 0.0.0
2.2.2	General Terms and Conditions, Section 1, Definition of “Operational Impact Area”, 0.0.0
2.2.3	General Terms and Conditions, Section 1, Definition of “Netting”, 0.0.0
2.3.5	General Terms and Conditions, Section 5.1(b), 0.0.0
2.3.7	General Terms and Conditions, Section 5.3, 0.0.0
2.3.9	General Terms and Conditions, Section 1, Definition of “Btu”, 0.0.0
2.3.14	General Terms and Conditions, Section 12.4, 0.0.0
2.3.16	General Terms and Conditions, Section 5.1(a), 0.0.0
2.3.26	General Terms and Conditions, Section 5.3(a), 0.0.0
2.3.28	General Terms and Conditions, Section 25.2, 0.0.0
2.3.29	General Terms and Conditions, Section 11.1, 0.0.0
2.3.30	General Terms and Conditions, Section 6.3, 6.4(a), 0.0.0
2.3.41	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.42	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.43	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.44	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.45	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.46	General Terms and Conditions, Section 6.5(b), 0.0.0
2.3.47	General Terms and Conditions, Section 6.5(c), 0.0.0

3.2.1	General Terms and Conditions, Section 1, Definition of “Business Day”, 0.0.0
3.3.14	General Terms and Conditions, Section 25.2, 0.0.0
3.3.15	General Terms and Conditions, Section 5.3(a) and 25.3, 0.0.0
3.3.17	General Terms and Conditions, Section 26.1, 0.0.0
3.3.19	General Terms and Conditions, Section 26.4, 0.0.0
5.2.3	General Terms and Conditions, Section 1, Definition of “Elapsed Prorata Capacity”, 0.0.0
5.2.4	General Terms and Conditions, Section 1, Definition of “Rate Floor”, 0.0.0
5.2.5	General Terms and Conditions, Section 1, Definition of “Rate Default”, 0.0.0
5.3.1	General Terms and Conditions, Section 17.1(g), 0.0.0
5.3.2	General Terms and Conditions, Section 17.1(g), 0.0.0
5.3.3	General Terms and Conditions, Section 17.1(h)(13), 0.0.0
5.3.4	General Terms and Conditions, Section 17.1(l), 0.0.0
5.3.7	General Terms and Conditions, Section 17.1(e)(3), 0.0.0
5.3.10	General Terms and Conditions, Section 17.1(j), 0.0.0
5.3.11	General Terms and Conditions, Section 17.1(j), 0.0.0
5.3.14	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.15	General Terms and Conditions, Section 17.1(i) and (o), 0.0.0
5.3.16	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.24	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.25	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.26	General Terms and Conditions, Section 17.1(h)(7), 0.0.0
5.3.28	General Terms and Conditions, Section 17.1(h)(3), 0.0.0
5.3.44	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.45	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.48	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.49	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.51	General Terms and Conditions, Section 17.1(h)(10), 0.0.0
5.3.53	General Terms and Conditions, Section 17.1(e)(3), 0.0.0
5.3.54	General Terms and Conditions, Section 17.1(e)(3), 0.0.0
5.3.55	General Terms and Conditions, Section 17.1(e)(2), 0.0.0
5.3.56	General Terms and Conditions, Section 17.1(e)(2), 0.0.0
5.3.58	General Terms and Conditions, Section 17.1(e)(2), 0.0.0
5.3.59	General Terms and Conditions, Section 17.1(l), 0.0.0
5.3.60	General Terms and Conditions, Section 17.7, 0.0.0
5.3.62	General Terms and Conditions, Section 17.8(a), 0.0.0
5.3.62a	General Terms and Conditions, Section 17.8(b), 0.0.0
5.3.63	General Terms and Conditions, Section 17.8(c), 0.0.0
5.3.64	General Terms and Conditions, Section 17.8(d), 0.0.0
5.3.65	General Terms and Conditions, Section 17.8(e), 0.0.0
5.3.66	General Terms and Conditions, Section 17.8(f), 0.0.0
5.3.67	General Terms and Conditions, Section 17.1(g)

5.3.68	General Terms and Conditions, Section 17.1(h), 0.0.0
5.3.69	General Terms and Conditions, Section 17.1(i), 0.0.0

Standards Incorporated by Reference:

**Additional Standards:**

**General:**

Standards:  
0.3.1, 0.3.2, 0.3.16, 0.3.17

**Gas/Electric Operational Communications:**

Definitions:  
0.2.1, 0.2.2, 0.2.3, 0.2.4  
Standards:  
0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

**Operating Capacity and Unsubscribed:**

Standards:  
0.3.18, 0.3.20, 0.3.21, 0.3.22  
Data Sets:  
0.4.2, 0.4.3

**Location Data Download:**

Standards:  
0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, 0.3.29  
  
Data Set:  
0.4.4

**Storage Information:**

Data Set:  
0.4.1

**Nominations Related Standards:**

Definitions:  
1.2.1, 1.2.2, 1.2.3, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.17, 1.2.18, 1.2.19  
  
Standards:  
1.3.6, 1.3.13, 1.3.14, 1.3.15, 1.3.16, 1.3.19, 1.3.21, 1.3.22, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28,  
1.3.29, 1.3.30, 1.3.31, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42,  
1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.64, 1.3.65, 1.3.66,

1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.3.80,  
1.3.81, 1.3.82

Data Sets:

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

**Flowing Gas Related Standards:**

Definitions:

2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.6, 2.3.8, 2.3.10, 2.3.11, 2.3.12, 2.3.13, 2.3.15, 2.3.17, 2.3.18, 2.3.19,  
2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.27, 2.3.31, 2.3.32, 2.3.40, 2.3.48, 2.3.50, 2.3.51, 2.3.52,  
2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65,  
2.3.66

Data Sets:

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

**Invoicing Related Standards:**

Standards:

3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.18, 3.3.21,  
3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27

Data Sets:

3.4.1, 3.4.2, 3.4.3, 3.4.4

**Quadrant Electronic Delivery Mechanism Related Standards:**

Definitions:

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

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28,  
4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44,  
4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60,  
4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.83, 4.3.84,  
4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98,  
4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.109,  
4.3.110

**Capacity Release Related Standards:**

Definitions:

5.2.1, 5.2.2

Standards:

5.3.5, 5.3.8, 5.3.9, 5.3.12, 5.3.13, 5.3.18, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.34, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.50, 5.3.52, 5.3.57, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Data Sets:

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

**Internet Electronic Transport Related Standards:**

Definitions:

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

Standards:

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

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

<u>NAESB Standard</u>	<u>Waiver or Extension of Time</u>
None	None

## GENERAL TERMS AND CONDITIONS

### 37. STANDARDS OF CONDUCT COMPLIANCE PROCEDURES

- 37.1 Complaints. Customers are encouraged to resolve any disputes informally with their designated customer representatives. In the event that a Shipper or potential Shipper has a complaint relative to service under this Tariff or Transporter's Standards of Conduct compliance procedures, the Shipper shall provide a description of the complaint, including the identification of the Transportation request (if applicable) and a clear and complete statement of the nature and basis of the complaint, together with supporting documentation, if any, to the appropriate contact personnel whose name(s) shall be posted on Transporter's Interactive Website. Nothing in Transporter's Tariff will prejudice the rights of Shippers to file a complaint under Section 385.206 of the FERC's regulations.

Transporter shall respond to a complaint within forty-eight (48) hours, and in writing within thirty (30) days advising Shipper or potential Shipper of the disposition of the complaint. In the event the required date of Transporter's response falls on a Saturday, Sunday, or a holiday that affects Transporter, Transporter shall respond by the next Business Day.

- 37.2 Informational Postings. All information required to be posted pursuant to the Commission's currently effective Standards of Conduct regulations will be provided on Transporter's Interactive Website under Informational Postings. Such information will be updated as required by applicable regulation(s) issued by the Commission.

## GENERAL TERMS AND CONDITIONS

### 38. LIMITATION OF LIABILITY OF MEMBERS AND OPERATOR

Shipper acknowledges and agrees that (a) Transporter is a Delaware limited liability company; (b) Shipper shall have no recourse against any member of Transporter with respect to Transporter's obligations under any Agreement and its sole recourse shall be against the assets of Transporter, irrespective of any failure to comply with applicable law or any provision of any Agreement; (c) no claim shall be made against the company operating the business and physical operations of Transporter or its members or the officers, employees, and agents of operator or its members (collectively "Operator"), under or in connection with any Agreement and the performance by Operator of its duties as Operator (provided that this provision shall not bar claims resulting from the gross negligence or willful misconduct of the Operator) and Shipper shall provide the Operator with a waiver of subrogation of Shipper's insurance company for all such claims; and (d) this representation is made expressly for the benefit of the members in Transporter and the Operator.

## GENERAL TERMS AND CONDITIONS

### 39. PERMITTED SHARING OF NON-PUBLIC INFORMATION

Pursuant to FERC Order No. 787 and subject to the requirements of FERC Order No. 787, Transporter shall have the right to share, from time to time on a voluntary basis, non-public operational information with an Independent System Operator, Regional Transmission Organization or public utility that owns, operates, or controls facilities used for transmission of electric energy in interstate commerce (collectively “Electric Transmission Operator”) for the purpose of promoting reliable service or operational planning on either the Transporter’s or Electric Transmission Operator’s system. Transporter’s primary point of contact and the protocols for the sharing of such non- public information will be provided to each Electric Transmission Operator in Transporter’s service territory. All such sharing of non-public operational or planning information will be in accordance with those protocols.

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## GENERAL TERMS AND CONDITIONS

### 40. NON-CONFORMING AGREEMENTS

The following Agreements are being listed in accordance with Section 154.112(b) of the Commission's regulations. This list of Agreements will be updated to reflect new Agreements containing material, non-conforming provisions, with the exception of an extension in the term of one of the Agreements identified below.

Shipper Name	Contract Number	Rate Schedule	Primary Term Begin Date
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**Part VII**  
**Forms of Service Agreement**

Rate Schedule FTS	Form of Service Agreement
Rate Schedule ITS	Form of Service Agreement
Rate Schedule PALS	Form of Service Agreement
Rate Schedule PS	Form of Service Agreement
Capacity Release	Form of Service Agreement

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE FTS)

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

Contract No. \_\_\_\_\_

SERVICE AGREEMENT

THIS TRANSPORTATION SERVICE AGREEMENT ("Agreement"), between Gulf Run Transmission, LLC, a Delaware limited liability company ("Transporter"), and Shipper (defined below), covering the transportation of natural gas by Transporter on behalf of Shipper as more particularly described herein, is entered into in accordance with the following terms and conditions:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/contact information for Shipper, e-mail address, type of entity, description of either party prior entity name (and how changed) and state of establishment. Shipper contact information may be initially provided to Transporter in service request or other written notice and may be subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's Interactive Website.

2. REGULATORY AUTHORITY:

Part 284: [Subpart G] [Subpart B]

3. TERM, MDQ, AND POINTS:

The term (including term extensions), MDQ, Maximum Daily Receipt Obligation, Maximum Daily Delivery Obligation, Transportation Path, and Receipt and Delivery Points for this Agreement shall be shown below or on any designated Attachment, as applicable. Absent designation of MDRO for any specific physical Receipt Point, Transporter shall have no obligation to permit Shipper to utilize any such Receipt Point or to receive any specific quantities on Shipper's behalf at such point.

Term: [Effective Date:][Service Commencement Date:] \_\_\_\_\_

Primary Term End Date: \_\_\_\_\_

Evergreen/Term Extension? [Yes] [No] [INSTRUCTIONS: If Yes, describe.]

MDQ (Dth/D):

Transportation Path:

Receipt entitlement(s) (Dth/D):

[INSTRUCTIONS: Insert Primary Receipt Point(s) (Dth/D), Receipt Quantity (Dth/D), Maximum Receipt Obligation (Dth/D), Pressures, Displacement, backhaul, and other provisions allowed by Tariff, as applicable.]

\*The aggregate of all the MDROs [may/may not] exceed MDQ.

[Receipt Area Entitlement(s):

Carthage Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Haynesville West Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Haynesville East Receipt Area Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Perryville Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Starks Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]] [INSTRUCTIONS: Include applicable Receipt Area Entitlements.]

[Receipt Point Pressure: \_\_\_\_\_] [INSTRUCTIONS: Include any applicable receipt points and pressures.]

[INSTRUCTIONS: Insert Primary Delivery Point(s), Maximum Daily Delivery Obligation (Dth/D), Pressures, Displacement, backhaul, and other provisions allowed by Tariff, as applicable.]

[Delivery Point Pressure: \_\_\_\_\_] [INSTRUCTIONS: Include any applicable delivery points and pressures.]

\*The aggregate of all the MDDOs may not exceed MDQ.

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show

changes during term or to document other Tariff- permitted information or provisions. If any of items in Sections 1 through 5 are to be included on an Attachment insert: "See Attachment hereto." For capacity release transactions and electronic contracts, see the capacity release award or applicable Attachment for the items in Section 1 through 5. Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

4. RATE:

Unless provided otherwise in an Attachment to this Agreement in effect during the term of this Agreement, in a capacity release award, or below, Shipper shall pay, or cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate, and any other charges, fees, direct bill amounts, taxes, assessments, or surcharges provided for in Transporter's Tariff, as on file and in effect from time to time, for each service rendered hereunder.

[If any applicable Attachment or this Agreement provides for a rate other than the maximum applicable rate, the following shall apply:

Shipper agrees to pay the rates specified below or on any designated Attachment for performance of certain gas transportation service under the Agreement. These rates are applicable only in accordance with the following:

(a) Term, Points and/or Rates:

The term of the rates, and the Receipt Point(s) and the Delivery Point(s) eligible for such rates, are specified [on Attachment .] [below.]

[Negotiated Rate]

[Discounted Rate]

[INSTRUCTIONS: Describe terms of Negotiated or Discounted Rate as permitted by the Tariff and applicable Commission policy and precedent.]

[INSTRUCTIONS: The following may be included for Negotiated Rate transactions if selected by the Shipper, and will permit such Shipper to use the designated alternative points on a non-primary basis at the specified rate(s):

If scheduled maintenance or other operational circumstances adversely affect the availability of primary firm capacity under the Agreement and Transporter notifies Shipper of the availability of non-primary capacity to receive and/or deliver other than at the points specified above, then such optional non-primary points as designated by Transporter shall be deemed eligible for the rates, quantities, and the period specified in the notice. Transporter may make such notification via e-mail, in writing or via

Interactive Website posting and the document in which such notice appears shall be deemed to amend this Agreement for the purposes hereof.]

(b) Authorized Overrun:

[INSTRUCTIONS: Insert for discounted rate transactions:

Any authorized overrun quantities shall be: \_\_\_\_\_.]

[INSTRUCTIONS: Insert for Negotiated Rate transactions:

Unless Transporter agrees otherwise, the rate for any authorized overrun quantities shall be the greater of the maximum Tariff rate or the rate(s) described above or on any designated Attachment.]

[Describe if other]

(c) General:

In consideration for Shipper's continuing compliance with the provisions of the Agreement, the transportation rates and charges as defined above or on any applicable Attachment for the specified services provided under the Agreement only apply to receipts from, and subsequent deliveries to, the Receipt Points and Delivery Points, quantities and/or time periods described above or on any applicable Attachment and to reserved capacity necessary to effect such service. In addition to any rate or amount referred to herein (including discounted rates, Negotiated Rates, overrun rates and maximum Tariff rates), except as specifically provided otherwise herein or on any applicable Attachment, Shipper shall provide or pay and Transporter shall retain or charge Transporter's Use allowances or charges in such quantities or amounts as authorized from time to time by the Tariff and shall pay any applicable charges, penalties, surcharges, fees, taxes, assessments and/or direct billed amounts provided for in the Tariff. [INSTRUCTIONS: The following should be included for Discounted Rate transactions: In any event, the rate in any Month shall never be below Transporter's applicable minimum Tariff rate for a discount rate transaction.] [INSTRUCTIONS: The following should be included for Negotiated Rate transactions: The rate in any month shall never be below Transporter's applicable minimum Tariff rate, unless Transporter otherwise agrees.] Transporter shall not be responsible for the payment and satisfaction of any taxes assessed or levied on the receipt, transmission (and any activities in connection therewith), delivery, use and/or consumption with respect to Gas delivered or received by Shipper, unless Transporter agrees otherwise.

(d) Rate-Related Provisions:

- (i) Consideration for Rate Granted: Transporter agrees to the rates specified herein or on any applicable Attachment in exchange for Shipper's agreement to forego credits or other benefits to which Shipper would otherwise be entitled, but only

to the extent such credits or benefits would result in a greater economic benefit over the applicable term than that represented by the agreed-upon rate. Accordingly, unless Transporter otherwise agrees, Shipper will not receive credits (with the exception of (1) penalty revenue credits provided pursuant to Section 9.6 of the General Terms and Conditions of Transporter's Tariff, and (2) capacity release credits) from rates, refunds or other revenues collected by Transporter or Shipper if to do so would effectively result in a lower rate or greater economic benefit to Shipper; provided, however, that [INSTRUCTIONS: The following should be included for Discounted Rate transactions: the rate in any Day shall never be above Transporter's applicable maximum Tariff rate.] [INSTRUCTIONS: The following should be included for Negotiated Rate transactions: Transporter and Shipper can agree that Transporter will retain some or all of the capacity release credits to the extent those credits exceed the amount of the Shipper's invoiced demand component.] If the parties' agreement to the foregoing is determined invalid or if Shipper seeks to obtain credits or benefits inconsistent therewith, unless Transporter otherwise agrees, it will have the right to immediately terminate or modify any provisions herein or on any applicable Attachment that would allow Shipper to pay amounts less than the maximum applicable Tariff rate.

- (ii) Limitation on Agreed Upon Rate: Unless Transporter agrees otherwise, if at any time receipts and/or deliveries are initially sourced into the system, nominated, scheduled and/or made, by any means, including by temporary Replacement Shipper, or by operation of any Tariff mechanisms, with respect to the capacity obtained by, through or under the Agreement at points, or under conditions, other than those specified herein or on any applicable Attachment, then as of such date, and for the remainder of the Service Month in which such non-compliance occurred, or the remainder of the term of the Agreement, whichever is shorter, Shipper shall be obligated to pay no less than the maximum applicable Tariff rates for service under the Agreement. [INSTRUCTIONS: The following should be included for Discounted Rate transactions: This limitation shall not apply to the extent that Transporter has notified Shipper to receive and/or deliver other than as specified herein or on any applicable Attachment. Such request may be made via e-mail, in writing, or via Interactive Website posting, and the document in which such request is made shall be deemed to amend this Agreement to the extent applicable.]
- (iii) Regulatory Authority: Transporter and Shipper hereby acknowledge that this Agreement is subject to all valid and applicable federal and local laws and to the orders, rules and regulations of any duly constituted federal or local regulatory body or governmental authority having jurisdiction. Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction to be invalid or unenforceable will be ineffective to the extent of such determination only, without invalidating, or otherwise affecting the validity of, the remaining provisions. Unless the parties agree otherwise, if Transporter

has made a good faith determination that a federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction (1) requires performance by Transporter that is inconsistent with the terms specified herein or on any applicable Attachment, or (2) conditions or prohibits the granting of selective discounts or other rates specified herein or on any applicable Attachment, then Transporter may provide notice that it intends to renegotiate the rates under the Agreement. If the parties fail to reach agreement within forty-five (45) days of any renegotiation notice given pursuant to the terms of this paragraph, then: (1) the rate provisions herein or on any applicable Attachment shall be terminated, and the rate for service herein or under any applicable Attachment shall be Transporter's applicable maximum Tariff rate, or (2) if Transporter's applicable maximum Tariff rate is greater than the rate for service herein or on any applicable Attachment, at the Shipper's option, the Agreement and any applicable Attachment shall terminate. The effective date of this renegotiation or termination shall be the first day of the month following the end of the 45-day renegotiation period; provided, however, that the effective date will comply with the requirements of the applicable federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction.

- (iv) Entire Agreement: Any applicable Attachment shall supplement the Agreement with respect to the matters agreed to, and together shall constitute the entire understanding of the parties relating to said matters as of the effective date stated therein. Unless otherwise specified, all prior agreements, correspondence, understandings and representations are hereby superseded and replaced by any applicable Attachment and the Agreement. Except as otherwise provided herein, all terms used herein with initial capital letters are so used with the respective meanings ascribed to them in Transporter's Tariff.
- (v) Failure to Exercise Rights: Failure to exercise any right under any Attachment, if applicable, or the Agreement shall not be considered a waiver of such right in the future. No waiver of any default in the performance of any applicable Attachment or the Agreement shall be construed as a waiver of any other existing or future default, whether of a like or different character.

[(e) [INSTRUCTIONS: Insert the following if Negotiated Rate agreement:

Inability to Collect Negotiated Rates: If Transporter is unable to collect Negotiated Rates due to a change in Commission policy or rejection of the transaction by the Commission prior to or during the term of such transaction, then, unless the parties agree otherwise, Shipper shall pay the maximum Tariff rate for the services. In such event, Transporter shall notify Shipper in writing of the requirement to pay maximum Tariff rates and, if the maximum Tariff rates are greater than the Negotiated Rates under such transaction, Shipper shall have no more than thirty (30) days from the date of such notification to give notice in writing of termination of the applicable Agreement, with such termination

to be effective no earlier than the end of the Month following the Month in which such termination notice is received.]]

5. OTHER PROVISIONS:

(a) Payments shall be received by Transporter within the time prescribed by Section 26 of the General Terms and Conditions of Transporter's Tariff. Amounts past due hereunder shall bear interest as provided in Section 26 of the General Terms and Conditions of the Tariff. Shipper shall pay all costs associated with the collection of such past due amounts including, but not limited to, attorneys' fees and court costs. Shipper hereby represents and warrants that the party executing this Agreement on its behalf is duly authorized and possesses all necessary corporate or other authority required to legally bind Shipper.

(b) Does this Agreement supersede, cancel, amend, restate, substitute or correct pre-existing Transportation Service Agreement(s) between the parties? [Yes] [No]

[INSTRUCTIONS: If Yes, describe how and the Transportation Service Agreement(s) affected below or on designated Attachment]

(c) If this Agreement is entered into pursuant to and subject to CAPACITY RELEASE, Section 17 of the General Terms and Conditions of Transporter's Tariff? [Yes] [No]

[INSTRUCTIONS: If Yes, insert the following and, if applicable, describe below or on designated Attachment any other applicable provisions: The rights of Shipper hereunder are predicated upon the release of capacity at the rates and terms and conditions described in the award of such capacity[.],[,] as subsequently amended herein or on designated Attachment.]

(d) Does this Agreement include any other terms/provisions permitted by the Tariff? [Yes] [No] [INSTRUCTIONS: If Yes, describe the provisions (including a specific reference to the Tariff authority for each such provision below or on Attachment]

[INSTRUCTIONS: Insert the following if capacity committed under the Agreement was created by construction of new or expanded facilities and special collateral or credit provisions, which were negotiated prior to construction in this Agreement or a precedent or other agreement, are to continue during term]

(e) This Agreement is subject to the collateral or credit provisions as follows or set forth [below] [on Attachment hereto].]

6. All modifications, amendments or supplements to the terms and provisions hereof shall be effected only by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.

[INSTRUCTIONS: Include the following for written agreements:

[7. SIGNATURE: This Agreement constitutes a contract with Transporter for the transportation of natural gas, subject to the terms and conditions hereof, the General Terms and Conditions attached hereto, and any applicable attachment(s), all of which are incorporated herein by reference and made part of this Agreement.

GULF RUN  
TRANSMISSION, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[INSTRUCTIONS: Include one of the following for electronic agreements:

[7. EXECUTION: [Upon Shipper's submission of the electronic document specifying the terms of its transaction, the terms of this Agreement (including any applicable Attachment) shall become effective.]  
[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]]

#### GENERAL TERMS AND CONDITIONS

1. This Agreement shall be subject to the provisions of Rate Schedule FTS as well as the General Terms and Conditions ("GT&C") set forth in Transporter's Tariff, as on file and in effect from time to time, all of which by this reference are made a part hereof.
2. In accordance with Section 35.3 of the GT&C of Transporter's Tariff, Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said GT&C of Transporter's Tariff, in accordance with the Natural Gas Act or other applicable law. Nothing contained in the foregoing provision shall preclude or prevent Shipper from protesting any such changes or modifications; however, Shipper agrees to pay all rates and charges, and to comply with all terms and conditions, in effect under the Tariff.
3. Upon Shipper's failure to pay when due all or any part of amounts billed in connection with services rendered or to comply with the terms of this Agreement, Transporter may terminate this Agreement and/or suspend service, as appropriate, in accordance with the provisions of Section 26 of the GT&C of Transporter's Tariff.
4. In accordance with Section 19 of the GT&C of Transporter's Tariff, upon termination hereof for whatever reason, Shipper agrees to stop delivering gas to Transporter for service and, unless otherwise agreed by Transporter, to seek no further service from Transporter hereunder. Shipper agrees to cooperate with and assist Transporter in obtaining such regulatory approvals and authorizations, if any, as are necessary or appropriate in view of such termination and abandonment of service hereunder.
5. In accordance with Section 6.6 of the GT&C of Transporter's Tariff, termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cashout or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder to Transporter and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive for the time and to the extent required.
6. In accordance with Sections 2(b) and 2(c) of Rate Schedule FTS of Transporter's Tariff, subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Shipper for the purposes contemplated herein, on a firm basis a quantity of Gas up to the quantity or quantities specified in the Agreement.
7. In accordance with Sections 2(b) of Rate Schedule FTS of Transporter's Tariff, Gas shall be (i) tendered to Transporter for transportation hereunder at the Point(s) of Receipt and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Point(s) of Delivery on the terms and at the points shown in this Agreement. Subject to the provisions of the Tariff, Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Shipper, less Transporter's Use retained.

8. Except as otherwise permitted in the Tariff, and in accordance with Section 17 of the GT&C of Transporter's Tariff, this Agreement shall not be assigned by Shipper in whole or in part, nor shall Shipper agree to provide services to others by use of any capacity contracted for under the Agreement, without Transporter's prior written consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Shipper or if Shipper subcontracts the capacity to others contrary to the provisions hereof, whether the assignment or contract be voluntary, or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives. Shipper may request that Transporter consent to Shipper's assignment of this Agreement to an entity with which Shipper is affiliated subject to the assignee's satisfaction of the criteria in Section 26 of the GT&C of Transporter's Tariff, in the situation in which, after Shipper obtains the Agreement, a corporate reorganization results in a transfer to an affiliate of the function for which the capacity was obtained. Any person which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of either party hereto, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement; and either party may assign or pledge this Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, assignment or similar instrument which it has executed or may execute hereafter.
9. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified herein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.
10. [THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]

ATTACHMENT \_\_\_\_\_

[INSTRUCTIONS: This Attachment can be omitted in its entirety from a base Agreement if not applicable. Insert terms from Sections 1 through 5 of the base Agreement, as applicable. Agreement No., Service Request No. and/or page number(s) may be added. Placement on page, paragraph numbering, number of pages, underlining, format and capitalization may vary. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. Terms describing the manner in which Agreement or Attachment only is being changed, such as superseded, supplemented, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

Transporter:

Shipper:

[INSTRUCTIONS: For Written Agreements insert the following:

Executed by a duly authorized representative of each party hereto, in the space provided below:

GULF RUN  
TRANSMISSION, LLC

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]

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

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

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

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

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

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

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

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE ITS)

Date: \_\_\_\_\_, Contract No. \_\_\_\_\_

SERVICE AGREEMENT

THIS TRANSPORTATION SERVICE AGREEMENT ("Agreement"), between Gulf Run Transmission, LLC, a Delaware limited liability company ("Transporter"), and Shipper (defined below), covering the transportation of natural gas by Transporter on behalf of Shipper as more particularly described herein, is entered into in accordance with the following terms and conditions:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Shipper, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Shipper's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's Interactive Website.

2. REGULATORY AUTHORITY: Part 284 [Subpart G] [Subpart B]

3. TERM, QUANTITIES, RECEIPT AND DELIVERY POINTS:

The term, quantities, and Receipt and Delivery Points for this Agreement shall be [as follows:] [shown on Attachment .]

Term: [Effective Date:] [Service Commencement Date:]

Primary Term End Date:

Evergreen/Term Extension? [Yes] [No] [Describe as applicable]

Maximum Contract Quantity Dth/D

Receipt Point(s): [Quantity (Dth/D)] Delivery Point(s): [Quantity (Dth/D)]

4. RATE:

Unless provided otherwise herein, in a designated Attachment and/or Transaction Confirmation(s), which may be in writing or electronically via the Internet, Shipper shall pay, or

cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate, and any other charges, fees, direct bill amounts, taxes, assessments, or surcharges provided for in Transporter's Tariff, as on file and in effect from time to time, for each service rendered hereunder.

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff- permitted information or provisions. If any of items in Sections 1 through 4 are to be included on an Attachment insert: "See Attachment hereto." Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

5. OTHER PROVISIONS:

[This Agreement supersedes and cancels the following Transportation Service Agreement(s) between the parties hereto:.]

Payments shall be received by Transporter within the time prescribed by Section 26 of the General Terms and Conditions of Transporter's Tariff. Amounts past due hereunder shall bear interest as provided in Section 26 of the General Terms and Conditions of the Tariff. Shipper shall pay all costs associated with the collection of such past due amounts including, but not limited to attorneys' fees and court costs. Shipper hereby represents and warrants that the party executing this Agreement on its behalf is duly authorized and possesses all necessary corporate or other authority required to legally bind Shipper.

[Other Tariff-permitted provisions]

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. If any of items in Sections 1 through 5 are to be included on an Attachment insert: "See Attachment hereto." For electronic contracts, see the applicable Attachment for the items in Section 1 through 5 including rates, as applicable. Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

[FOR WRITTEN AGREEMENTS: Insert the following:

6. SIGNATURE:

This Agreement constitutes a contract with Transporter for the transportation of natural gas, subject to the terms and conditions hereof, the General Terms and Conditions attached hereto, and any applicable attachment(s), all of which are incorporated herein by reference and made part of this Agreement.

GULF RUN  
TRANSMISSION, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[FOR ELECTRONIC AGREEMENTS: Insert one of the following:

7. EXECUTION:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document) the terms of this Agreement shall become effective.] [Upon Shipper's submission of the electronic document specifying the terms of its transaction, the terms of this Agreement [including any designated Attachment], shall become effective.]

GENERAL TERMS AND CONDITIONS  
To  
[INTERRUPTIBLE (RATE SCHEDULE ITS)]  
TRANSPORTATION SERVICE AGREEMENT [AGREEMENT No.: \_\_\_\_\_]

1. Upon Shipper's failure to pay when due all or any part of amounts billed in connection with services rendered or to comply with the terms of this Agreement, Transporter may terminate this Agreement and/or suspend service, as appropriate, in accordance with the provisions of Section 15 of the General Terms and Conditions of the Tariff.
2. Upon termination hereof for whatever reason, Shipper agrees to stop delivering gas to Transporter for service and, unless otherwise agreed by Transporter, to seek no further service from Transporter hereunder. Shipper agrees to cooperate with and assist Transporter in obtaining such regulatory approvals and authorizations, if any, as are necessary or appropriate in view of such termination and abandonment of service hereunder.
3. Termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cash- out or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder to Transporter and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive for the time and to the extent required.
4. This Agreement shall be subject to the provisions of Rate Schedule ITS as well as the General Terms and Conditions set forth in Transporter's Tariff, as on file and in effect from time to time, all of which by this reference are made a part hereof.
5. Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said General Terms and Conditions, in accordance with the Natural Gas Act or other applicable law.
6. Subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Shipper for the purposes contemplated herein, on an interruptible basis a quantity of Gas up to the quantity or quantities specified in the Agreement.
7. Gas shall be (i) tendered to Transporter for transportation hereunder at the Point(s) of Receipt and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Point(s) of Delivery on the terms and at the points shown in this Agreement. Subject to the provisions of the Tariff, Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Shipper, less Transporter's Use and loss and unaccounted-for Gas.
8. Except as otherwise permitted in the Tariff, this Agreement shall not be assigned by Shipper in whole or in part, nor shall Shipper agree to provide services to others by use of any capacity contracted for under the Agreement, without Transporter's prior written consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Shipper or if Shipper subcontracts the capacity to others contrary to the provisions hereof, whether the assignment

or contract be voluntary, or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives. Any person which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of either party hereto, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement; and either party may assign or pledge this Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, assignment or similar instrument which it has executed or may execute hereafter.

9. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified therein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.

10. All modifications, amendments or supplements to the terms and provisions hereof shall be effected by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.

[11. THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]

INTERRUPTIBLE (RATE SCHEDULE ITS)  
TRANSPORTATION SERVICE AGREEMENT BETWEEN TRANSPORTER AND  
[DATED][EFFECTIVE]  
AGREEMENT No. \_\_\_\_\_  
ATTACHMENT \_\_\_\_

Shipper agrees to pay the rates specified on this Attachment for performance of certain gas transportation service under the Transportation Service Agreement(s) specified above. These rates are applicable only in accordance with the following:

RATES AND APPLICABILITY:

- (a) Description of Rates, Points, Quantities and Term:  
  
[Described below] [See Transaction Confirmation]  
  
[Other tariff-permitted provisions]  
  
Negotiated Rate \_\_\_\_\_ Discounted Rate \_\_\_\_\_ [Designate One]
- (b) General: In consideration for Shipper's continuing compliance with the provisions of the Transportation Service Agreement(s) ("Agreement") specified above, the transportation rates and charges as defined above for the specified services provided under the Agreement, only apply to receipts from, and subsequent deliveries to, the Receipt Points and Delivery Points, quantities and/or time periods described herein. In addition to any rate or amount referred to herein (including discounted rates, Negotiated Rates, overrun rates and maximum Tariff rates), Shipper shall provide or pay and Transporter shall retain or charge Transporter's Use allowances or charges (including the EPC surcharge) in such quantities or amounts as authorized from time to time by the Tariff. Except as specifically provided otherwise herein, Shipper shall pay any applicable charges, penalties, surcharges, fees, taxes, assessments and/or direct billed amounts provided for in the Tariff. [INSTRUCTIONS: Insert the following for a discounted transaction: The rate in any Month shall never be below Transporter's applicable minimum Tariff rate.] [INSTRUCTIONS: Insert the following for a Negotiated Rate transaction: The rate in any month shall never be below Transporter's applicable minimum Tariff rate, unless Transporter otherwise agrees.] Transporter shall not be responsible for the payment and satisfaction of any taxes assessed or levied on the receipt, transmission (and any activities in connection therewith), delivery, use and/or consumption with respect to Gas delivered or received by Shipper, unless Transporter agrees otherwise.
- (c) Rate-Related Provisions:  
  
(i) Consideration for Rate Granted: Transporter agrees to the rates defined by this Attachment in exchange for Shipper's agreement to forego credits or other

benefits to which Shipper would otherwise be entitled, but only to the extent such credits or benefits would result in a greater economic benefit over the term of this Attachment than that represented by the agreed-upon rate. Accordingly, unless Transporter otherwise agrees, Shipper will not receive credits from rates, refunds or other revenues collected by Transporter or Shipper if to do so would effectively result in a lower rate or greater economic benefit to Shipper [; provided, however, that for a Shipper taking service under a discount or recourse rate agreement, the rate in any month shall never be above Transporter's applicable maximum Tariff rate].

- (ii) Entire Agreement: This Attachment and any applicable Transaction Confirmation(s) shall supplement the Agreement with respect to the matters agreed to, and together shall constitute the entire understanding of the parties relating to said matters as of the effective date stated herein. All prior agreements, correspondence, understandings and representations are hereby superseded and replaced by this Attachment and for any applicable Transaction Confirmation(s) and the Agreement unless otherwise specified. Except as otherwise provided herein, all terms used herein with initial capital letters are so used with the respective meanings ascribed to them in Transporter's Tariff.
- (iii) Failure to Exercise Rights: Failure to exercise any right under this Attachment and/or any applicable Transaction Confirmation(s) or the Agreement shall not be considered a waiver of such right in the future. No waiver of any default in the performance of this Attachment and/or any applicable Transaction Confirmation(s) or the Agreement shall be construed as a waiver of any other existing or future default, whether of a like or different character.
- (iv) Regulatory Authority: Transporter and Shipper hereby acknowledge that this Attachment and any applicable Transaction Confirmation(s) are subject to all valid and applicable federal and local laws and to the orders, rules and regulations of any duly constituted federal or local regulatory body or governmental authority having jurisdiction. Any provision of this Attachment and any applicable Transaction Confirmation(s) which is determined by any court or regulatory body having jurisdiction to be invalid or unenforceable will be ineffective to the extent of such determination only, without invalidating, or otherwise affecting the validity of, the remaining provisions. Unless the parties agree otherwise, if Transporter has made a good faith determination that a federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction (1) requires performance by Transporter that is inconsistent with the terms of this Attachment and for any applicable Transaction Confirmation(s), or (2) conditions or prohibits the granting of selective discounts or other rates specified, in paragraph (b) of this Attachment and for any applicable Transaction Confirmation(s), then Transporter may provide notice that it intends to renegotiate this Attachment and for any applicable Transaction Confirmation(s). If the parties fail to reach agreement

within forty-five (45) days of any renegotiation notice given pursuant to the terms of this paragraph, then: (1) the rate provisions of paragraph (b) of this Attachment and for any applicable Transaction Confirmation(s) shall be terminated, and the rate for service under this Attachment and for any applicable Transaction Confirmation(s) shall be Transporter's applicable maximum Tariff rate, or (2) if Transporter's applicable maximum Tariff rate is greater than the rate for service under this Attachment and for any applicable Transaction Confirmation(s), at the Shipper's option, the Agreement, this Attachment and any applicable Transaction Confirmation(s) shall terminate. The effective date of this renegotiation or termination shall be first day of the month following the end of the 45-day renegotiation period; provided, however, that the effective date will comply with the requirements of the applicable federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction.

- (v) Limitation on Agreed Upon Rate: Unless Transporter agrees otherwise, if at any time receipts and/or deliveries are initially sourced into the system, nominated, scheduled and/or made, by any means or by operation of any Tariff mechanisms, with respect to the capacity obtained by, through or under the Agreement at points, or under conditions, other than those specified herein, on this Attachment, or any applicable Transaction Confirmation, then as of such date, and for the remainder of the Service Month in which such non-compliance occurred, or the remainder of the term of the Agreement, whichever is shorter, Shipper shall be obligated to pay no less than the maximum applicable Tariff rates for service under the Agreement. This limitation shall not apply to the extent that Transporter has requested Shipper to receive and/or deliver other than as specified herein, on this Attachment or any applicable Transaction Confirmation. Such request may be made via e-mail, in writing, or via Interactive Website posting, and the document in which such request is made shall be deemed to amend this Agreement to the extent applicable.

- [(d) Inability to Collect Negotiated Rates: [INSTRUCTIONS: insert following if this Attachment or any applicable Transaction Confirmation(s) covers a Negotiated Rate transaction:] If Transporter is unable to collect Negotiated Rates due to a change in Commission policy or rejection of the transaction by the Commission prior to or during the term of such transaction, then, unless the parties agree otherwise, Shipper shall pay the maximum Tariff rate for the services. In such event, Transporter shall notify Shipper in writing of the requirement to pay maximum Tariff rates and, if the maximum Tariff rates are greater than the Negotiated Rates under such transaction, Shipper shall have no more than thirty (30) days from the date of such notification to give notice in writing of termination of the applicable Agreement, with such termination to be effective no earlier than the end of the Month following the Month in which such termination notice is received.]

[INSTRUCTIONS: For Written Agreements insert the following:

Executed by a duly authorized representative of each party hereto, in the space provided below:

GULF RUN  
TRANSMISSION, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this document shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]

FORM OF SERVICE AGREEMENT FOR  
PARK AND LOAN SERVICES AGREEMENT  
UNDER RATE SCHEDULE PALS

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

Contract No. \_\_\_\_\_

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Gulf Run Transmission, LLC, ("Transporter") and \_\_\_\_\_ ("Shipper").

[WHEREAS, \_\_\_\_\_] [Instructions: This and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Transporter and Shipper related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Shipper, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Shipper's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's Interactive Website.

2. REGULATORY AUTHORITY: Part 284 [Subpart G] [Subpart B]

3. Transporter agrees to provide and Shipper agrees to take and pay for service under this Agreement pursuant to Transporter's Rate Schedule PALS and the General Terms and Conditions of Transporter's Tariff, which are incorporated herein by reference and made a part hereof.

4. In accordance with the terms of Transporter's Rate Schedule PALS, as applicable, and of this Agreement, Transporter shall provide interruptible service for Shipper, as set forth herein and on any Exhibit A hereto. Shipper and Transporter may execute more than one Exhibit A during the term of this Agreement, covering multiple transactions for Park and Loan Services.

5. The point(s) at which the Gas is to be tendered by Shipper to Transporter under this Agreement shall be any physical receipt points or Pools on Transporter's system or, with respect to any transaction for which Shipper and Transporter have executed an Exhibit A hereto, the point(s) designated on such Exhibit A as Shipper's Receipt Point(s). The point(s) at which the Gas is to be tendered by Transporter to Shipper under this Agreement shall be any physical receipt points or Pools on Transporter's system or, with respect to any transaction for which Shipper and Transporter have executed an Exhibit A hereto, the point(s) designated on Exhibit A hereto as Shipper's Delivery Point(s).
6. Nomination Balancing Service option elected: \_\_\_\_ Yes \_\_\_\_ No
7. This Agreement shall be effective as of \_\_\_\_\_ [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission, or a commencement date as defined in a precedent agreement between Shipper and Transporter] and shall remain in force and effect until \_\_\_\_\_ [or, when applicable, "shall continue for a term of \_\_\_\_ years"]; (the "Primary Term"); provided that this Agreement may be terminated by Transporter or Shipper upon at least thirty (30) days prior written notice. Notwithstanding the end of the Primary Term or any early termination pursuant to this provision, this Agreement shall remain in effect until the expiration of any transaction(s) executed by the Parties pursuant to this Agreement. The Maximum Aggregate Quantity (MAQ) under this Agreement shall be \_\_\_\_\_ Dth.
8. Notices under this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand-delivered or, if received, when mailed by U.S. Mail, postage prepaid, to Transporter at the addresses [above] [provided on Transporter's Interactive Website], and to Shipper at the address provided [above] [to Transporter], until changed by written notice.
- [9. THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]
10. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff- permitted information or provisions. If any of items in Sections 4 through 7 are to be included on an Attachment insert: "See Attachment hereto." Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

Executed by a duly authorized representative of each party hereto, in the space provided below:

GULF RUN  
TRANSMISSION, LLC

[SHIPPER'S NAME]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

PARK AND LOAN SERVICES AGREEMENT

Contract No. \_\_\_\_\_

Exhibit A Effective Date: \_\_\_\_\_

	From	To	Maximum Park/Loan Quantity	Specific Points	Removal/Return Quantity
[Park Service]					
[Loan Service]					

The Maximum Aggregate Transaction Quantity (MATQ) is \_\_\_\_\_.

[Supersedes Exhibit A Dated: \_\_\_\_\_]

[MATQ Park \_\_\_\_\_]

[MATQ Loan \_\_\_\_\_]

Rate: Unless Transporter agrees otherwise in an Attachment or below, Shipper shall pay, or cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate and any applicable Tariff penalties, charges, fees or assessments. Shipper shall not at any time pay less than the minimum applicable Tariff rate.

Rate (\$/Dth): Activity \_\_\_\_\_ Inventory \_\_\_\_\_

Rates and Clarifications: \_\_\_\_\_

The rates herein apply only to the services described above, including without limitation, the quantities, points and dates stated above. [Negotiated Rates apply per Section 20.1, GT&C of Transporter's Tariff.]

[Other provisions]

[None or describe]

Signed for Identification

Transporter: \_\_\_\_\_

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE PS)

THIS POOLING AGREEMENT ("Agreement"), effective as of the date below, by and between Gulf Run Transmission, LLC ("Transporter") and Pool Manager.

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Pool Manager:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Pool Manager, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Pool Manager's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Pool Manager in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's Interactive Website.

Effective Date:

Regulatory Authority: Part 284 [Subpart G] [Subpart B]

Term: This Agreement shall be effective as of the date above and shall continue until the end of such Month, and Month-to-Month thereafter, unless and until terminated by either party upon ten (10) Days written notice (or electronically via the Internet as permitted or required by Transporter) to the other party. Termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cashout or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder, and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive to the extent required.

Notices: Notices under this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand-delivered or, if received, when mailed by U.S. Mail, postage prepaid, to Transporter at the addresses [below] [provided on Transporter's Interactive Website], and to Pool Manager at the address provided [above] [to Transporter], until changed by written notice.

[Notices to Transporter:

Payments:

Notices:

Rate Schedule: Service hereunder shall be provided on a fully interruptible basis pursuant to Rate Schedule PS and this Agreement and shall be subject to the provisions of such Rate Schedule as well as the General Terms and Conditions set forth in Transporter's Tariff (as on file and in effect from time to time), all of which by this reference are made a part hereof. All terms used in this Agreement with capital letters shall have the meanings ascribed to them in Transporter's Tariff.

Rate: Unless provided otherwise on an Attachment A to this Agreement and/or a Transaction Confirmation or as otherwise posted on Transporter's Interactive Website, Pool Manager shall pay to Transporter the maximum applicable rate as well as any and all charges, fees, taxes, assessments or surcharges provided for in Rate Schedule PS or otherwise in Transporter's Tariff.

Credit: Pool Manager agrees that any representations and agreements contained in any credit application submitted in connection with this service shall be incorporated herein by reference and made a part hereof.

Consent of Parties: All modifications, amendments or supplements to the terms and provisions hereof shall be made by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.

Assignments: This Agreement shall not be assigned by Pool Manager in whole or in part, without Transporter's prior written (or electronic) consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Pool Manager to others contrary to the provisions hereof, whether the assignment be voluntary or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives.

1. [THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]

[Other Provisions]

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff- permitted information or provisions. If any of items in the paragraphs above are to be included on an Attachment insert: "See Attachment hereto." Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

Executed by a duly authorized representative of each party hereto, in the space provided below:

GULF RUN  
TRANSMISSION, LLC

[POOL MANAGER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]

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

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

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

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

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

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

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

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

CAPACITY RELEASE  
FORM OF SERVICE AGREEMENT

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

Contract No. \_\_\_\_\_

This AGREEMENT is entered into by and between Gulf Run Transmission, LLC, ("Transporter") and \_\_\_\_\_ ("Replacement Shipper").

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Shipper, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Shipper's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's Interactive Website.

2. For each occasion that Replacement Shipper obtains a release of capacity from a Releasing Shipper pursuant to Section 17 of the General Terms and Conditions of the Tariff, an addendum in the form of Exhibit A, attached hereto will be made a part hereof. The specific terms and conditions of each release shall be reflected in each Exhibit A, which shall be incorporated and made a part of this Agreement, and which together shall constitute the terms and conditions of Transporter's service for each release. A Replacement Shipper may have more than one Exhibit A if it has obtained multiple releases of capacity.
3. This Agreement shall be effective from the date first stated above until \_\_\_\_\_, when this Agreement shall expire, provided that this Agreement may be terminated by Transporter or Shipper upon at least thirty (30) days prior written notice. Service shall commence and, notwithstanding the end of the term or any early termination pursuant to this provision, remain effective for a term coincidental for the term of each release of service rights identified in each Exhibit A hereto.
4. This Agreement shall be subject to the provisions of Rate Schedule FTS as well as the General Terms and Conditions set forth in Transporter's Tariff, as on file and in effect from time to time, all of which by this reference are made a part hereof. In accordance with Sections 2(b) and 2(c) of Rate Schedule FTS of Transporter's Tariff, subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Replacement

Shipper for the purposes contemplated herein, on a firm basis a quantity of Gas up to the quantity or quantities specified in each Exhibit A hereto.

5. In accordance with Sections 2(b) of Rate Schedule FTS of Transporter's Tariff, Gas shall be (i) tendered to Transporter for transportation hereunder at the Receipt Point(s) and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Delivery Point(s) on the terms and at the points shown in any Exhibit A hereto. Subject to the provisions of the Tariff, Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Replacement Shipper, less Transporter's Use retained.
6. This Agreement shall be subject to the provisions of Rate Schedule FTS and the General Terms and Conditions set forth in Transporter's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said General Terms and Conditions, in accordance with the Natural Gas Act or other applicable law. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.
7. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified herein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.
8. [THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]
9. IN WITNESS WHEREOF, both Transporter and Replacement Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

Executed by a duly authorized representative of each party hereto, in the space provided below:

GULF RUN  
TRANSMISSION, LLC

[REPLACEMENT SHIPPER'S NAME]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

EXHIBIT A

Capacity Release Agreement No. \_\_\_\_\_

Addendum No. \_\_\_\_\_

Capacity Release  
Service Agreement  
Between  
Gulf Run Transmission, LLC  
and

---

[Releasing Shipper Contract No.

Releasing Shipper Rate Schedule

Original Releasing Shipper Contract No.

Regulation

Transportation Path:

Replacement Shipper's Maximum Daily Quantity (Dt)

Primary Receipt Point(s) (if applicable): [Quantity (Dth/D)]

Primary Delivery Point(s) (if applicable): [Quantity (Dth/D)]

Permanent or Temporary Release

Conditions of Recall \_\_\_\_\_

Term of Release

Begin \_\_\_\_\_ End \_\_\_\_\_

Reservation Charge (including applicable surcharges)] [INSTRUCTIONS: Include such items as applicable to reflect the provisions of the capacity release award to Shipper.]

Other Conditions: [INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

**Part VIII**  
**Miscellaneous Forms**

1. Transaction Confirmation Form (ITS and PS)

GULF RUN TRANSMISSION, LLC ("TRANSPORTER")  
TRANSACTION CONFIRMATION  
[INTERRUPTIBLE (RATE SCHEDULE ITS)]  
[INTERRUPTIBLE POOL TRANSFER (RATE SCHEDULE PS)]

Agreement No.: \_\_\_\_\_  
[Transaction Confirmation No.: \_\_\_\_\_]

[Shipper:][Pool Manager:]\_\_\_\_\_

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

Description of Rates, Points, Quantity and Term:

[Other tariff-permitted provisions]

[For Written Agreements:

Executed by a duly authorized representative of each party hereto, in the space provided below:

TRANSPORTER:  
GULF RUN TRANSMISSION, LLC

[SHIPPER] [POOL MANAGER]:  
[SHIPPER] [POOL MANAGER]  
[NAME OF SHIPPER OR POOL MANAGER]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[For electronic confirmations, the terms of Attachment [ ] and, if applicable, the Transportation Service Agreement for the above specified Rate Schedule [as posted on Transporter's Interactive Website] shall be incorporated by reference herein.]

[For electronic confirmations, upon [Shipper's] [Pool Manager's] receipt of confirmation and unless [Shipper] [Pool Manager] notifies Transporter within [ ], the terms of this confirmation shall become effective.]

**APPENDIX B**  
**MARKED TARIFF RECORDS**

FERC NGA GAS TARIFF

ORIGINAL VOLUME NO. 1

~~OF~~

~~ENABLE~~

~~of~~

GULF RUN TRANSMISSION, LLC

~~FILED WITH~~

Filed With The

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning ~~the~~this Tariff  
Should ~~Be~~be Addressed To:

Michael T. Langston

Vice President

Chief Regulatory Officer

~~Enable Gulf Run Transmission, LLC~~

~~1300 Main Street~~

~~Houston, TX 77002~~

Telephone ~~Number:;~~ (713) 989-7610

Facsimile ~~Number:;~~ (713) 989-1205

~~Email:~~ michael.langston@energytransfer.com

GULF RUN TRANSMISSION, LLC

1300 Main Street

Houston, Texas 77002

**PART I**  
**TABLE OF CONTENTS**

**DESCRIPTION/TITLE**

**Part II** Preliminary Statement

**Part III** Tariff Map

1. 1. System- Map
2. 2. Zone 1 Map
3. 3. Zone 2 Map

**Part IV** Currently Effective Rates ~~(Index)~~

1. Statement of Rate Schedule FTS Currently Effective Rates
2. Statement of Additional Charges and Rate Schedule ITS  
Currently Effective Rates
- Rate Schedule PALS Currently Effective Rates
- Rate Schedule PS Currently Effective Rates
- Addl Chrgs & Surcharges Currently Effective Rates

**Part V** Rate Schedules ~~(Index)~~

1. Rate Schedule FTS Firm Transportation Service
2. Rate Schedule ITS Interruptible Transportation Service
3. Rate Schedule PALS Park and Loan Service
4. Rate Schedule PS Pooling Service

**Part VI** General Terms and Conditions ~~(Index)~~

1. GT&C Section 1. Definitions
2. GT&C Section 2. Nominations
3. GT&C Section 3. Scheduling and Curtailment
4. GT&C Section 4. Priority of Service
5. GT&C Section 5. Determination of Daily Allocated Receipts and Deliveries
6. GT&C Section 6. Imbalance Resolution Procedures
- GT&C Section 7. Operational Flow Orders
- GT&C Section 8. Force Majeure
9. GT&C Section 9. Penalties and Penalty Crediting Mechanism
- GT&C Section 10. Reservation Charge Adjustment
- GT&C Section 11. Operational Balancing Agreements ("OBAs")
- GT&C Section 12. Measurement and Measurement Equipment
- GT&C Section 13. Receipt and Delivery Point Pressure
- GT&C Section 14. Unauthorized Gas
- GT&C Section 15. Quality of Gas
- GT&C Section 16. Procedures for Contracting for Service

<u>GT&amp;C Section</u> 17.	Capacity Release Provisions
<u>GT&amp;C Section</u> 18.	Creditworthiness
<u>GT&amp;C Section</u> 19.	Default and Termination
<u>GT&amp;C Section</u> 20.	Negotiated Rates
<u>GT&amp;C Section</u> 21.	Discount Policy
<u>GT&amp;C Section</u> 22.	Periodic Rate Adjustments
<u>GT&amp;C Section</u> 23.	Modification
<u>GT&amp;C Section</u> 24.	Right of First Refusal
<u>GT&amp;C Section</u> 25.	Billing
<u>GT&amp;C Section</u> 26.	Payments
<u>GT&amp;C Section</u> 27.	Warranty of Title
<u>GT&amp;C Section</u> 28.	Possession of Gas
<u>GT&amp;C Section</u> 29.	Waiver
<u>GT&amp;C Section</u> 30.	Electronic Communication
<u>GT&amp;C Section</u> 31.	Notices
<u>GT&amp;C Section</u> 32.	New Facilities Policy
<u>GT&amp;C Section</u> 33.	Off-system Pipeline Capacity
<u>GT&amp;C Section</u> 34.	Incorporation in Rate Schedules and Agreements
<u>GT&amp;C Section</u> 35.	Schedules and Contracts Subject to Regulation
<u>GT&amp;C Section</u> 36.	North American Energy Standards Board Standards
<u>GT&amp;C Section</u> 37.	Standards of Conduct Compliance Procedures
<u>GT&amp;C Section</u> 38.	Limitation of Liability of Members and Operator
<u>GT&amp;C Section</u> 39.	Permitted Sharing of Non- <del>public</del> <u>Public</u> Information
<u>GT&amp;C Section</u> 40.	Non-Conforming Agreements

**Part VII Forms of Service Agreement**

<u>Rate Schedule</u> FTS	<u>Form of Service Agreements (Index)</u>
1. <del>FTS Service Agreement</del>	
2. <u>Rate Schedule</u> ITS	<u>Form of</u> Service Agreement
3. <u>Rate Schedule</u> PALS	<u>Form of</u> Service Agreement
4. <u>Rate Schedule</u> PS	<u>Form of</u> Service Agreement
5. Capacity Release	<u>Form of</u> Service Agreement
6. <del>Form of</del>	

**Part VIII Miscellaneous Forms**

1. _____	Transaction Confirmation <u>Form</u>
	(ITS, <u>and</u> PS)



**PART II**  
**PRELIMINARY STATEMENT**

Transporter owns and operates a Gas pipeline company engaged in the business of transporting Gas in interstate commerce under authorization granted by, and subject to the jurisdiction of, the Federal Energy Regulatory Commission. Its pipeline system extends bi-directionally between Carthage, Texas and Perryville, Louisiana and includes a segment that extends southward from the Westdale Station to terminate at an interconnection with Golden Pass Pipeline LLC near Starks, Louisiana.

The location of Transporter's system is shown on the map included herein.

Services will be provided under specific Service Agreements and rate schedules and Transporter reserves the right to limit its Service Agreements for Transportation of Gas to Shippers acceptable to it after consideration of its existing commitments, delivery capacity, Delivery Point, creditworthiness of Shippers, and other factors deemed pertinent by Transporter, consistent with the terms and conditions of this Tariff.

~~MAPS~~

~~INDEX~~

DESCRIPTION/TITLE

**PART III**  
**TARIFF MAP**

1. System Map
2. Zone 1 Map
3. Zone 2 Map

**1. ~~SYSTEM MAP~~**

### 1. System Map

The System Map may be displayed and downloaded at the Interactive Website below.

<https://pipelines.energytransfer.com/ipost/GR/maps/system-map>

**ZONE**

~~2.~~ 2. Zone 1 Map

The Zone 1 ~~map~~Map may be displayed and downloaded at the Interactive Website below.

<https://pipelines.energytransfer.com/ipost/GR/maps/zone1>

**ZONE**

~~3.~~ 3. Zone 2 Map

The Zone 2 ~~map~~Map may be displayed and downloaded at the Interactive Website below.

<https://pipelines.energytransfer.com/ipost/GR/maps/zone2>



PART IV  
CURRENTLY EFFECTIVE RATES  
~~INDEX~~

~~DESCRIPTION/TITLE~~

1. ~~Statement of~~

<del>Rate Schedule FTS</del>	<u>Currently Effective Rates</u>
2. <del>Statement of</del> <del>Rate Schedule ITS</del>	<u>Currently Effective Rates</u>
<del>Rate Schedule PALS</del>	<u>Currently Effective Rates</u>
<del>Rate Schedule PS</del>	<u>Currently Effective Rates</u>
<del>Additional Charges</del>	
<del>and Surcharges</del>	<u>Currently Effective Rates</u>

~~CURRENTLY EFFECTIVE RATES~~  
~~RATE SCHEDULE FTS~~

Currently Effective Rates  
Rate Schedule FTS

<u>RATE SCHEDULE FTS</u>	Maximum Rate Per Dth -----	Minimum Rate Per Dth -----	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	0.40%	0.10%
Zone 1 – Zone 2	\$0.0042	\$0.0042	0.80%	0.10%
Zone 2 – Zone 1	\$0.0042	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.0022	\$0.0022	0.40%	0.10%
Authorized Overrun				
Zone 1 – Zone 1	\$0.1061	\$0.0020	0.40%	0.10%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.40%	0.10%

~~CURRENTLY EFFECTIVE RATES~~  
~~RATE SCHEDULE ITS~~

Currently Effective Rates  
Rate Schedule ITS

<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	0.40%	0.10%
Zone 1 – Zone 2	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.1712	\$0.0022	0.40%	0.10%

CURRENTLY EFFECTIVE RATES  
~~RATE SCHEDULE PALS~~

Currently Effective Rates  
Rate Schedule PALS

<u>RATE SCHEDULE PALS</u>	Maximum Rate Per Dth	Minimum Rate Per Dth	Fuel Retainage	Lost & Unaccounted for Gas
	-----	-----	-----	-----
Activity Rate	\$0.2773	\$0.0042	-	-
Inventory Rate	\$0.2773	\$0.0042	-	-

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~~CURRENTLY EFFECTIVE RATES  
FOR POOLING SERVICE UNDER RATE SCHEDULE PS~~

Currently Effective Rates  
Rate Schedule PS

<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	0.80%	0.10%
Zone 2 – Zone 1	\$0.2773	\$0.0042	0.80%	0.10%
Zone 2 – Zone 2	\$0.1712	\$0.0022	-	-

STATEMENT OF ADDITIONAL CHARGES AND SURCHARGES

Currently Effective Rates  
Additional Charges and Surcharges

ADDITIONAL CHARGES AND SURCHARGES APPLICABLE TO ALL RATE SCHEDULES	Maximum Rate Per Dth -----	Minimum Rate Per Dth -----
Annual Charge Adj. (ACA)	1/	1/
Gas for Transporter's Use	2/	2/

- 1/ ACA Commodity Surcharge to applicable customers, pursuant to Section 22.1 of the General Terms and Conditions.
- 2/ For scheduled Transportation Service where the Receipt Point(s) and Delivery Point(s) are all in the Perryville Area, as defined in a posting on Transporter's Interactive Website, the Gas for Transporter's Use shall be only the lost and unaccounted for gas percentage.



**PART V**  
**RATE SCHEDULES**  
**INDEX**

**DESCRIPTION/TITLE**

**1.**

<u>      </u>	Rate Schedule FTS—	<u>      </u>	Firm Transportation Service
<b><u>2.</u></b>	Rate Schedule ITS—	<u>      </u>	Interruptible Transportation Service
<b><u>3.</u></b>	Rate Schedule PALS—	<u>      </u>	Park and Loan Service
<b><u>4.</u></b>	Rate Schedule PS—	<u>      </u>	Pooling Service

**RATE SCHEDULE**

Rate Schedule FTS

Firm Transportation Service

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any Shipper for the Transportation of Gas by Transporter, subject to the following limitations:
- (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform service requested by Shipper;
  - (b) Transporter has received a complete request for transportation service under this Rate Schedule containing the items required by this Tariff. Complete requests received in writing or via Electronic Communication shall be sufficient;
  - (c) Transporter has reviewed and approved the request; and
  - (d) Shipper and Transporter have executed an FTS Agreement under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to all Transportation Service rendered by Transporter for Shipper pursuant to the executed FTS Agreement under this Rate Schedule.
- 2.2 Transportation Service under this Rate Schedule shall consist of: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account up to Shipper's MDQ.
- 2.3 Transportation Service rendered under this Rate Schedule shall be firm, up to the Transportation Path Capacity specified in the executed FTS Agreement.
- 2.4 Shipper may nominate Authorized Overrun Gas in accordance with Section 2 of the General Terms and Conditions. Transporter may render the requested service on an interruptible basis, subject to the terms of Rate Schedule ITS, if Transporter determines that it can do so without adverse effect on its operations or its ability to meet all its other obligations, and such quantities shall be considered Authorized Overrun Gas under this Rate Schedule. Notification that Authorized Overrun Gas quantities will not be scheduled or will be reduced may be communicated via Transporter's Interactive Website or otherwise during the scheduling process.

### 3. RATES

#### 3.1 Each Month, Shipper shall pay to Transporter the following:

- (a) Reservation Charge. Shipper shall pay the product of the Reservation Charge for each Zone, as stated in the Statement of Rates, multiplied by the number of days in the Month multiplied by Shipper's MDQ. The Reservation Charge shall be adjusted for the first and last contract Months to reflect the number of Days during those Months service was available.
- (b) Contract Quantities. Shipper shall pay the Usage-1 Rate for each Zone, as stated in the Statement of Rates, multiplied by that portion of the total quantity of Gas deliveries on any Day pursuant to the Shipper's FTS Agreement which is not in excess of the lower of (i) 105% (or 100% when a Scheduling Variance Penalty applies pursuant to Section 9.4 of the General Terms and Conditions) of the scheduled quantities of Gas under the FTS Agreement for such Day or (ii) the MDQ in effect under the FTS Agreement for such Day.
- (c) Authorized Overrun Gas. For shipments of Authorized Overrun Gas, Shipper shall pay the Authorized Overrun Rate for each Zone, as stated in the Statement of Rates, multiplied by the quantity of Authorized Overrun Gas.
- (d) Other Applicable Charges or Surcharges. Shipper shall pay all applicable surcharges or charges, including, but not limited to those contained in Sections 6 and 21 of the General Terms and Conditions, and as stated in the Statement of Additional Charges and Surcharges for each Zone of initial receipt and ultimate delivery.
- (e) Transporter's Use. Each Shipper will furnish Transporter fuel at the nominated Receipt Point(s). The amount of fuel furnished to Transporter will be the applicable percentage for Transporter's Use, as stated in the Statement of Additional Charges and Surcharges for each Zone of initial receipt and ultimate delivery, multiplied by the quantity of Gas tendered by Shipper to Transporter.
- (f) Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 20 of the General Terms and Conditions, to a Negotiated Rate, which rate shall be less than, equal to, or greater than Transporter's Maximum Recourse Rate. Any such rates may be based upon a rate design other than straight fixed variable (SFV).
- (g) Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the Transportation Paths for which a Maximum Recourse Rate and Minimum

Recourse Rate are stated in the Statement of Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Recourse Rate(s), nor shall they be less than the Minimum Recourse Rate(s), set forth on such Currently Effective Rates. Transporter shall have the right to charge the Maximum Recourse Rate at any time as a condition for new service, or for continuation of service under an existing FTS Agreement.

3.2 Unauthorized Overrun Service.

- (a) Each Dekatherm of Gas Delivered Hereunder to Shipper on any Day which is in excess of Shipper's MDQ and which has not been authorized under Section 2.4 of this Rate Schedule shall be considered as "Unauthorized Overrun Gas" and shall be subject to a penalty rate equal to two times the applicable ITS Rate and Transporter's Use, pursuant to Section 3.1(e) of this Rate Schedule shall apply.
- (b) Each Dekatherm of Gas Delivered Hereunder as Unauthorized Overrun Gas at any time after Transporter has issued an Action Alert or OFO directing Shipper to cease and desist shall be subject to the Action Alert Penalty or Operational Flow Order Penalty, as applicable, as described in Section 7.8 of the General Terms and Conditions.

4. RECEIPT AND DELIVERY POINTS

4.1 Receipt Point Availability.

- (a) Shipper's Primary Receipt Point(s) will be listed in Shipper's FTS Agreement. Shipper shall have the right to utilize all other Receipt Point(s) within a Zone for which Shipper has segment entitlements as Secondary Receipt Point(s), subject to available capacity and the provisions of the General Terms and Conditions.
- (b) Those Shipper's FTS Agreements under this Rate Schedule that were executed by Transporter and Shipper pursuant to a service agreement entered into on or before the in-service date of the pipeline system, may, if mutually agreed, be eligible for Enhanced MDRO. The Enhanced MDRO, which shall be set forth in such Shipper's FTS Agreement, is applicable for Receipt Points in the following Receipt Areas: (i) Carthage Receipt Area; (ii) Haynesville West Receipt Area; (iii) Haynesville East Receipt Area; (iv) Perryville Receipt Area; and (v) Starks Receipt Area.

- 4.2 Shipper's Primary Delivery Point(s) and Shipper's Transportation Path will be listed in Shipper's FTS Agreement. Shipper shall have the right to utilize all other Delivery Point(s) within a Zone for which Shipper has segment entitlements as Secondary Delivery Point(s), subject to available capacity and the provisions of the General Terms and Conditions.

- 4.3 Shipper shall have the right to re-designate any points, as Primary Receipt Point(s) or Primary Delivery Point(s), subject to available capacity and the provisions of the General Terms and Conditions; provided, however, if Shipper is paying a Negotiated Rate or Discounted Rate for service under the FTS Agreement and requests to change its Primary Receipt Point or Delivery Point, as applicable, under the FTS Agreement, then unless otherwise agreed to in writing by Shipper and Transporter the rate applicable for service to such new Primary Receipt Point or Primary Delivery Point, as applicable, shall be the Maximum Recourse Rate.
5. COMMISSION AND OTHER REGULATORY FEES
  - 5.1 Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.
6. GENERAL TERMS AND CONDITIONS
  - 6.1 All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

RATE SCHEDULE

Rate Schedule ITS

Interruptible Transportation Service

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any Shipper for the Transportation of Gas by Transporter, subject to the following limitations.
- (a) Transporter has received a complete request for transportation service under this Rate Schedule containing the items required by this Tariff. Complete requests received in writing or via Electronic Communication shall be sufficient;
  - (b) Transporter has reviewed and approved the request; and
  - (c) Shipper and Transporter have executed an ITS Agreement under this Rate Schedule

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to all Transportation Service rendered by Transporter for Shipper pursuant to the executed ITS Agreement under this Rate Schedule.
- 2.2 Transportation Service under this Rate Schedule shall consist of: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- 2.3 Transportation Service rendered under this Rate Schedule shall be interruptible. Interruptible service shall be available only to the extent of available capacity as it may be from Day to Day and from time to time within the Gas Day, under current conditions and shall be offered in accordance with the priorities established in Section 4 of the General Terms and Conditions of Transporter's Tariff.

3. RATES

- 3.1 Each Month, Shipper will pay Transporter the following:
- (a) The applicable ITS Rate, as stated in the Statement of Rates, multiplied by the total quantity of Gas deliveries on any Day pursuant to the Shipper's ITS Agreement.
  - (b) Other Applicable Charges or Surcharges. All applicable surcharges or charges, including, but not limited to, those contained in Sections 6 and 21 of the General Terms and Conditions and as stated in the Statement of Additional Charges and

Surcharges for each Zone of initial receipt and ultimate delivery multiplied by each Dekatherm of Gas delivered.

(c) Transporter's Use. Each Shipper will furnish Transporter fuel at the nominated Receipt Point(s). The amount of fuel furnished to Transporter will be the applicable percentage for Transporter's Use, as stated in the Statement of Additional Charges and Surcharges for each Zone of initial receipt and ultimate delivery, multiplied by the quantity of Gas tendered by Shipper to Transporter.

3.2 Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 20 of the General Terms and Conditions, to a Negotiated Rate, which rate shall be less than, equal to, or greater than Transporter's applicable Maximum Recourse Rate.

3.3 Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the Transportation Paths for which a Maximum Recourse Rate and Minimum Recourse Rate are stated in the Statement of Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Recourse Rate(s), nor shall they be less than the Minimum Recourse Rate(s), set forth on such Currently Effective Rates. Transporter shall have the right to charge the Maximum Recourse Rate at any time as a condition for new service, or for continuation of service under an existing ITS Agreement.

#### 4. COMMISSION AND OTHER REGULATORY FEES

4.1 Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

#### 5. GENERAL TERMS AND CONDITIONS

5.1 All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

RATE SCHEDULE

Rate Schedule PALS

## Park and Loan Service

## 1. AVAILABILITY

- 1.1 This Rate Schedule is available to any Shipper that requests parking and/or loaning service on an interruptible basis from Transporter when:
- (a) Transporter determines that service under this Rate Schedule may be rendered pursuant to either Subparts B or G of Part 284 of the Commission's Regulations;
  - (b) Transporter has received a complete request for transportation service under this Rate Schedule containing the items required by this Tariff. Complete requests received in writing or via Electronic Communication shall be sufficient;
  - (c) Transporter has reviewed and approved the request; and
  - (d) Shipper and Transporter have executed a PALS Agreement for service under this Rate Schedule.

## 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to the parking and loaning and subsequent removal and return, respectively, of Gas for Shipper's account under a PALS Agreement for parking and/or loaning, as applicable, up to Maximum Aggregate Quantity ("MAQ") set forth in Shipper's PALS Agreement or the Maximum Aggregate Transaction Quantity ("MATQ") authorized by Transporter from time to time and agreed between Shipper and Transporter in an Exhibit to Shipper's PALS Agreement. All service provided under this Rate Schedule shall be subject to the provisions of the applicable PALS Agreement(s) and the General Terms and Conditions of this Tariff.
- (a) Service hereunder shall consist of:
    - (i) Park and loan service, which shall mean:
      - (1) Parking:
        - i. the receipt of gas by Transporter delivered (or deemed transferred from an imbalance under Shipper's Service

Agreement(s)), at one or more physical receipt points or Pools agreed to on Transporter's system, up to Shipper's MAQ or MATQ;

ii. the retention of such Gas by Transporter; and

iii. the subsequent removal of such Gas for Shipper's account at the agreed upon time and at the same point(s) or other mutually agreed upon point(s); or

(2) Loaning:

i. the advance of Gas by Transporter for Shipper's account (or deemed transferred to an imbalance under Shipper's PALS Agreement(s)) at one or more physical Delivery Points or Pools agreed to on Transporter's system, up to the quantity authorized by Transporter; and

ii. the subsequent delivery or return of such quantity of Gas to Transporter by Shipper at the agreed upon time and at the same point(s) or other mutually agreed point(s) on Transporter's system.

All services described in this Section 2.1 shall be in accordance with a PALS Agreement.

2.2 Additional Terms

- (a) All services under this Rate Schedule shall be subject to interruption (decrease, suspension or discontinuation), in whole or in part, at any time. For such interruptible services, Transporter shall have no obligation to provide services hereunder for or during any given period if it determines that to do so may interfere with its ability to provide services with a higher priority or to meet its other obligations or that to do so may have an adverse effect on Transporter's operations.
- (b) Except as expressly provided for in this Rate Schedule, Shipper must nominate any services requested hereunder (including the removal of parked Gas and the return of loaned Gas) and service shall not be available or authorized until scheduled by Transporter. All activity will be subject to scheduling on a basis at least as frequently as daily. Transporter may, at its sole discretion, reasonably exercised and in a manner not unduly discriminatory, consider and accept

nominations for service under this Rate Schedule submitted at times other than generally provided for in Sections 2 and 3 of the General Terms and Conditions.

- 2.3 Any parking or loaning under this Rate Schedule shall occur at a physical Receipt Point or Delivery Point, as applicable pursuant to Section 2.1(a), or Pool, unless Transporter agrees otherwise. Shipper must make any necessary arrangements with Transporter and/or third parties to deliver Gas to the designated parking point(s) or return point(s) for loaned Gas and/or to receive and transport loaned Gas or parked Gas upon removal from the point(s) at which the Gas is loaned or received for parking. Transportation service is not provided under the parking and loaning option of this Rate Schedule. If Transporter loans Gas to a Shipper, or Shipper removes parked Gas, which is nominated and scheduled to make up an imbalance consisting of quantities Due Transporter under a Service Agreement, then Shipper may be required to nominate under a separate FTS or ITS Agreement with Transporter and pay rate(s) applicable to such service to effectuate transportation of such Gas from the points at which such Gas was loaned and/or parked under this Rate Schedule to the point of imbalance.

2.4 Removal of Parked Quantity

- (a) With respect to the parking option under this Rate Schedule, Shipper shall be obligated to remove its parked quantities in accordance with the PALS Agreement between Transporter and Shipper. Additionally, Transporter may require Shipper to remove all or any portion of its parked gas quantities upon forty-eight (48) hours (or such longer period as may be specified) notice to Shipper. If Shipper fails to remove such quantities in accordance with Transporter's notice, Transporter shall take title to the gas quantities Shipper was instructed to remove, free and clear of any adverse claims; provided, however, that Transporter shall not take title to such quantities if, and for so long as, Shipper nominated to remove such quantities in accordance with its PALS Agreement with Transporter or Transporter's notice, and Transporter was unable to schedule and deliver such quantities in accordance with such nomination.
- (b) When Shipper schedules removal of its parked quantities, all such quantities shall be deemed received at the point at which such quantities were originally received into Transporter's system, unless Transporter agrees otherwise. If such removal occurs at a point other than such agreed to point, Shipper may be required to nominate under a separate Service Agreement with Transporter and pay rate(s) applicable to such service to effectuate removal of such Gas from the other points.

2.5 Return of Loaned Quantities

- (a) Shippers utilizing the loan option under this Rate Schedule shall be obligated to return the quantity of gas advanced by Transporter in accordance with the PALS Agreement between Transporter and Shipper. Additionally, Shipper must return all or any portion of the loaned quantity if required by Transporter upon forty-eight (48) hours (or such longer period as may be specified) notice. Failure to do so will result in the assessment of the charges described in Section 4.2 of this Rate Schedule; provided, however, that Transporter shall not assess such charges if, and for so long as, Shipper nominated to return such quantities in accordance with its PALS Agreement with Transporter or Transporter's notice, and Transporter was unable to schedule and receive such quantities in accordance with such nomination.
  - (b) When Shipper returns loaned quantities to Transporter, such return shall occur at the points agreed to by Transporter, and Transporter shall have the right to adjust subsequent transportation invoices (under other Rate Schedules) of Shipper's to reflect any additional amounts owed by Transporter if such return occurs at a point different than the point agreed upon.
- 2.6 Shipper's PALS Agreement under this Rate Schedule PALS may designate the MAQ or MATQ to be parked and/or loaned at any one time under the transaction, and any other information or limitations applicable to the transaction, e.g., daily or monthly quantities, term of transaction (including schedules for contemplated activity), point(s) and rate(s) applicable, etc. Each borrowing and parking transaction shall be accounted for and tracked separately, even if occurring contemporaneously unless otherwise agreed in the PALS Agreement. Shipper's nomination for parking and loaning activities must designate the applicable point(s), quantities applicable thereto, and a Service Agreement, if applicable. When Shipper schedules removal of Gas in its parked account, if nominated to be transported or received into Pools on Transporter's system, Transporter may deem all such quantities as having been received at the point(s) at which the parked Gas entered Transporter's system and Shipper shall also specify the applicable points(s) at which the prior parking occurred. When Shipper desires to eliminate an imbalance consisting of quantities Due Cashout Party under a Service Agreement, if Transporter accepts and schedules any such nomination under this Rate Schedule, then such Gas may be deemed parked at the point(s) at which it initially entered Transporter's system.
- 2.7 If the receipt, return or removal of Gas in Shipper's parked or loaned account, as applicable, is scheduled and adequate quantities are not tendered or taken at the applicable point(s), Transporter will not debit or credit such deficient quantities to the account(s).

- 2.8 A Shipper may request the Nomination Balancing Service (“NBS”) option under which that Shipper will nominate parking or loaning transactions for purposes of eliminating discrepancies between its receipt and delivery nominations under its PALS Agreement(s). Election of this option shall require a separate Rate Schedule PALS Agreement for each Shipper. No MAQ, MATQ, maximum or minimum daily quantities will be specified in such PALS Agreement, and daily park and loan quantities and points will be determined in the nomination, confirmation and scheduling process. The provision of service under the NBS option shall be subject to the priority described in Section 4 of the General Terms and Conditions and subject to suspension or other limitations as required during actions taken pursuant to Section 7 of the General Terms and Conditions.

### 3. RATES

- 3.1 The rate charged for service hereunder shall consist of the currently effective Park and Loan Rates shown on Transporter’s Statement of Rates contained in this Tariff.
- 3.2 Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 20 of the General Terms and Conditions, to a Negotiated Rate, which rate shall be less than, equal to, or greater than Transporter’s Maximum Recourse Rate. Any such rates may be based upon a rate design other than straight fixed variable (SFV).
- 3.3 Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for service under this Rate Schedule for which a Maximum Recourse Rate and Minimum Recourse Rate are stated in the Statement of Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Recourse Rate(s), nor shall they be less than the Minimum Recourse Rate(s), set forth on such Currently Effective Rates. Transporter shall have the right to charge the Maximum Recourse Rate at any time as a condition for new service, or for continuation of service under an existing PALS Agreement.

### 4. MONTHLY BILL

- 4.1 Calculation: The bill for a Service Month shall be the sum of:
- (a) for each account, the product of the Activity Rate and the total Dth of Gas initially loaned or parked, and/or returned or taken delivery of, on each Day, plus
  - (b) the product of the Inventory Rate and the total Dth of parked or loaned Gas in each account at the end of each Day excluding the quantities subject to the Activity Rate on such Day, on a first-in, first-out basis (for parking) and a first-out, first-in basis (for loaning).

#### 4.2 Adjustments.

- (a) Failure to Return Loaned Quantities: In accordance with the provisions of Section 2.5(a) above, if Shipper fails to return loaned quantities when required to do so under this Rate Schedule, Shipper shall be billed an amount determined by multiplying the quantities which Shipper failed to return by the higher of the Return Deficiency Charge for the Month of the loan, or the Month in which return was required.

- 4.3 Other Charges. A bill for a Service Month may also include amounts attributable to filing and other fees, penalties and charges provided by this Tariff.

#### 5. COMMISSION AND OTHER REGULATORY FEES

- 5.1 Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

#### 6. GENERAL TERMS AND CONDITIONS

- 6.1 All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

RATE SCHEDULE PS  
POOLING SERVICERate Schedule PS  
Pooling Service

## 1. AVAILABILITY:

- 1.1 This Rate Schedule is available to any party (hereinafter referred to as Pool Manager) that requests pooling service from Transporter when:
- (a) Transporter has received, reviewed and accepted a complete request for service containing the items identified in the Information Required in Request for Transportation as set forth in this Tariff. Complete requests received in writing or via electronic means using the Internet shall be sufficient;
  - (b) Pool Manager and Transporter have executed a PS Agreement in the form provided in this Tariff; and
  - (c) Pool Manager complies with the provisions of this Rate Schedule, its PS Agreement and all other applicable provisions of this Tariff.
- 1.2 Service under this Rate Schedule shall be subject to interruption, in whole or in part, at any time and available subject to capacity constraints and operational conditions. Transporter shall have no obligation to provide service hereunder on any Day if it determines that to do so may interfere with its ability to meet its other obligations or that it may have an adverse effect on Transporter's operations.
- 1.3 Transporter may suspend pooling service if necessary for efficient operation of its system or to comply with Firm Transportation Services.

## 2. APPLICABILITY AND CHARACTER OF SERVICE:

- 2.1 General.
- (a) Pooling shall consist of the aggregation of supplies from Receipt Point(s) into one or more Pools under Pool Manager's PS Agreement at the initial point of entry into Transporter's pipeline system. Shippers transporting Gas may utilize Pools as Receipt Points or Delivery Points under their PS Agreements in accordance with the applicable provisions of this Tariff.
  - (b) This Rate Schedule shall apply to the pooling and aggregation of Gas by Transporter pursuant to a PS Agreement providing for such pooling service on an interruptible basis. Additionally, this Rate Schedule shall apply to Pool Transfers on an interruptible basis. Service provided under this Rate Schedule shall be rendered pursuant to the provisions of the PS Agreement and the General Terms

and Conditions of this Tariff and either Subpart B or G of Part 284 of the Commission's Regulations.

- (c) A single PS Agreement under this Rate Schedule shall govern multiple Pools and Pooling Areas, with one Pool for each Pooling Area, unless otherwise agreed or required by Transporter.

## 2.2 Pool Manager's Responsibilities.

- (a) For Shippers transporting Gas under Service Agreements pursuant to Rate Schedules FTS, ITS, or for other Pool Managers for Pool Transfer purposes, nominating the Pool Manager's Pool as a Receipt Point, Pool Manager shall act as such Shippers' designee for purposes of submitting certain receipt nomination and allocation information. A Shipper's submission of a receipt nomination naming a Pool shall be deemed to authorize the applicable Pool Manager to act as Shipper's designee.
- (b) Pool Manager shall also assume responsibility for matching the Gas received by Transporter at entry into its system with quantities scheduled for delivery for the account of the Shipper nominating the Pool as a Receipt Point.
- (c) Pool Manager shall submit its nominations and allocation information to Transporter via its pooling nominations as provided in Section 2 of Transporter's General Terms and Conditions.

## 2.3 Pool Receipts and Deliveries.

- (a) Each Pool shall have access to all physical Receipt Point(s) available to the Pool within the applicable Pooling Area. Transporter shall provide a master list of generally available Receipt Points for each Pooling Area, via electronic means using Transporter's Interactive Website, upon request.
- (b) Subject to capacity constraints and operational conditions from time to time, a Pool Manager may receive under its PS Agreement Gas from Receipt Points available to the Pool within a Pooling Area, and aggregate and deliver said supplies into the appropriate Pool for such Pooling Area at the initial point of entry into Transporter's transmission system.
- (c) A Pool Manager may nominate deliveries under its PS Agreement as transfers to other Pools, subject to applicable limitations, and as receipts for other Shippers under downstream FTS or ITS Agreements for physical deliveries from Transporter's system. Subject to the availability of capacity and prevailing operating conditions on Transporter's system, Transporter will (i) confirm properly nominated receipts into Pools and properly nominated deliveries from Pools to PS Agreements under Rate Schedules FTS, ITS and PALS; and (ii) confirm and schedule properly nominated Pool Transfer quantities using the "lesser of"

rule described in NAESB WGQ Standard 1.3.22. For Pool Transfers, allocated quantities will equal scheduled quantities.

- 2.4 Imbalances. Imbalances in a Pool are calculated by determining the difference between total aggregated receipts into the Pool and the total deliveries allocated out of such Pool. In the event of quantities Due Cashout Party or Due Transporter in a given Pool, the PS Agreement under which the Pooling service is rendered will have an Imbalance for each individual Pooling Area, as applicable. Monthly imbalances for different Pooling Areas under Pool Manager's PS Agreement may be offset against one another if Pool Manager pays a fee or charge as described in Section 6 of Transporter's General Terms and Conditions, and otherwise complies with the requirements of such sub-section. Pool Managers can resolve imbalances during the Month by revising nominations, subject to the availability of capacity and operational conditions. Any imbalance remaining at the end of a Month shall be cashed-out in accordance with the provisions of Section 6 of Transporter's General Terms and Conditions. Receipts into the Pool must equal deliveries out of the Pool on a daily basis, unless Transporter otherwise agrees.
- 2.5 Performance. Transporter shall not have any liability to a Pool Manager or any other Shipper as a result of Transporter's reliance on the performance by a Pool Manager of its obligations hereunder, and each Pool Manager shall indemnify Transporter from and against any and all losses, damages, expenses, claims, actions or proceedings threatened, incurred or initiated as a result of Transporter's reliance on such performance.
- 2.6 Creditworthiness. Pool Managers or potential Pool Managers shall be required to comply with the provisions of Section 18 of the General Terms and Conditions of this Tariff.
3. RATES AND OTHER CHARGES:
- 3.1 Pool Manager is subject to and will be invoiced for balancing and other fees, penalties and charges (including for other services provided under other Rate Schedules) in accordance with the Statement of Rates and the General Terms and Conditions of this Tariff. If, with respect to all or particular pooling activities, Transporter has declared curtailment or invoked the provisions of Section 7 of the General Terms and Conditions, and during one or more Days in the Service Month, Pool Manager's pooling activities constitute pooling activities that may result in penalties as described in the notice issued by Transporter under Section 9 the General Terms and Conditions, then Pool Manager shall be subject to and pay a charge in an amount equivalent to the sum of the products of:
- (i) the quantities by which Pool Manager's pooling activities are greater or less than the quantities authorized and scheduled by Transporter,
  - multiplied by
  - (ii) the applicable rate per Dth as specified in Transporter's Statement of Rates contained in this Tariff.

3.2 For Pool Transfers between Pooling Areas, Pool Manager shall pay, or cause to be paid, the maximum applicable charge for such transfers across Pooling Areas as shown in the Statement of Rates for Pool Transfers, unless Transporter agrees otherwise. Transporter may post generally available rates for Pool Transfers on its ~~internet web site~~Interactive Website or may enter into individual agreements with Pool Managers for Pool Transfer rates. If Transporter posts generally available Pool Transfer rates, the Pool Manager's Pool Transfer nomination shall constitute its agreement to pay the applicable posted Pool Transfer rates and Transporter shall not be required to make individual transactional postings regarding such transactions. Transporter shall not charge for Pool Transfers within the same Pooling Area. Transporter will not retain or charge Transporter's Use for Pool Transfers unless such transfers are across zones, in which case the amount of fuel furnished to Transporter will be the applicable percentage for Transporter's Use, as stated in the Statement of Rates, multiplied by the quantity of Gas nominated by Pool Manager.

3.3 Unauthorized Overrun Service.

- (a) If a Pool Manager's pooling activities on any Day are in excess of are greater than the quantities authorized and scheduled by Transporter, such pooling activities shall be considered as "Unauthorized Overrun Gas" and shall be subject to a penalty rate equal to two times the applicable ITS Rate and Transporter's Use shall apply.
- (b) If, with respect to all or particular pooling activities, Transporter has declared curtailment or invoked the provisions of Section 7 of the General Terms and Conditions, and during one or more Days in the Month Pool Manager's pooling activities constitute pooling activities that may result in penalties as described in the notice issued by Transporter under Section 7.8 of the General Terms and Conditions, then Pool Manager shall be subject to the Action Alert Penalty or Operational Flow Order Penalty, as applicable, as described in Section 7.8 of the General Terms and Conditions.

3.4 Transporter may waive all or part of any such charges. Transporter may communicate information about curtailments, capacity allocation, and authorized and scheduled quantities to Pool Manager via Transporter's Interactive Website-or otherwise during the scheduling process.

4. COMMISSION AND OTHER REGULATORY FEES

Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

**PART VI**

**5. GENERAL TERMS AND CONDITIONS**

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GT&C Section ~~GENERAL TERMS AND CONDITIONS~~  
**INDEX**

**DESCRIPTION/TITLE**

1. GT&C Section \_\_\_\_\_ Definitions
- GT&C Section 2. \_\_\_\_\_ Nominations
- GT&C Section 3. \_\_\_\_\_ Scheduling and Curtailment
- GT&C Section 4. \_\_\_\_\_ Priority of Service
- GT&C Section 5. \_\_\_\_\_ Determination of Daily Allocated Receipts and Deliveries
- GT&C Section 6. \_\_\_\_\_ Imbalance Resolution Procedures
- GT&C Section 7. \_\_\_\_\_ Operational Flow Orders
- GT&C Section 8. \_\_\_\_\_ Force Majeure
- GT&C Section 9. \_\_\_\_\_ Penalties and Penalty Crediting Mechanism
- GT&C Section 10. \_\_\_\_\_ Reservation Charge Adjustment
- GT&C Section 11. \_\_\_\_\_ Operational Balancing Agreements (“OBAs”)
- GT&C Section 12. \_\_\_\_\_ Measurement and Measurement Equipment
- GT&C Section 13. \_\_\_\_\_ Receipt and Delivery Point Pressure
- GT&C Section 14. \_\_\_\_\_ Unauthorized Gas
- GT&C Section 15. \_\_\_\_\_ Quality of Gas
- GT&C Section 16. \_\_\_\_\_ Procedures for Contracting for Service
- GT&C Section 17. \_\_\_\_\_ Capacity Release Provisions
- GT&C Section 18. \_\_\_\_\_ Creditworthiness
- GT&C Section 19. \_\_\_\_\_ Default and Termination
- GT&C Section 20. \_\_\_\_\_ Negotiated Rates
- GT&C Section 21. \_\_\_\_\_ Discount Policy
- GT&C Section 22. \_\_\_\_\_ Periodic Rate Adjustments
- GT&C Section 23. \_\_\_\_\_ Modification
- GT&C Section 24. \_\_\_\_\_ Right of First Refusal
- GT&C Section 25. \_\_\_\_\_ Billing
- GT&C Section 26. \_\_\_\_\_ Payments
- GT&C Section 27. \_\_\_\_\_ Warranty of Title
- GT&C Section 28. \_\_\_\_\_ Possession of Gas
- GT&C Section 29. \_\_\_\_\_ Waiver

<u>GT&amp;C Section</u> 30.	Electronic Communication
<u>GT&amp;C Section</u> 31.	Notices
<u>GT&amp;C Section</u> 32.	New Facilities Policy
<u>GT&amp;C Section</u> 33.	Off-system Pipeline Capacity
<u>GT&amp;C Section</u> 34.	Incorporation in Rate Schedules and Agreements
<u>GT&amp;C Section</u> 35.	Schedules and Contracts Subject to Regulation
<u>GT&amp;C Section</u> 36.	North American Energy Standards Board Standards
<u>GT&amp;C Section</u> 37.	Standards of Conduct Compliance Procedures
<u>GT&amp;C Section</u> 38.	Limitation of Liability of Members and Operator
<u>GT&amp;C Section</u> 39.	Permitted Sharing of Non- <del>public</del> <u>Public</u> Information
<u>GT&amp;C Section</u> 40.	Non-Conforming Agreements



## 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.

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

**“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 ~~Internet web site~~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 ~~Internet web site~~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 ~~Enable~~ 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 is shown in the Statement of Additional Charges and Surcharges 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

### 2. NOMINATIONS

2.1 All nominations must contain the mandatory data elements included in the NAESB standards and any additional business-conditional or mutually agreeable data elements applicable to Transporter's services. All nominations shall include Shipper defined begin dates and end dates. All nominations, excluding intraday nominations, should have roll-over options. Specifically, Shippers have the ability to nominate for several Days or Months, provided the nomination begin and end dates are within the term of the Shipper's Agreement. Nominations must specify the daily scheduled quantity, and all quantities must be stated in Dekatherms. At the end of each Gas Day, Transporter shall provide the final scheduled quantities for the just completed Gas Day. With respect to the implementation of this process via the Transporter's Interactive Website, Transporter shall make available an end of Gas Day Scheduled Quantity (NAESB WGQ Standard No. 1.4.5) and Scheduled Quantity for Operator (NAESB WGQ Standard No. 1.4.6). A receiver of either of these documents can waive Transporter's requirement to send such documents.

- (a) All nominations for Gas to flow at the beginning of a Gas Day must be submitted to Transporter via the Transporter's Interactive Website unless another method of communication is mutually agreed upon by Transporter and Shipper, and must be submitted in accordance with the standard nomination timelines for the Timely and Evening Nomination Cycles set forth in this Section 2.1(a). All nominations are considered original nominations and should be replaced to be changed. When a nomination for a date range is received, each Day within that range is considered an original nomination. When a subsequent nomination is received for one or more Days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the Day(s) specified. The Days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only.

Transporter shall support the following standard nomination cycles (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17):

- (1) The Timely Nomination Cycle on the day prior to Gas flow:

1:00 p.m.

Nominations leave control of the Shipper;

1:15 p.m.

Nominations are received by Transporter (including from Title Transfer Tracking Service Providers (TTTSPs));

1:30 p.m.	Transporter sends the Quick Response to the Shipper;
4:30 p.m.	Transporter receives completed confirmations from confirming parties;
5:00 p.m.	Shipper and Point Operator receive scheduled quantities from Transporter.

Scheduled quantities resulting from Timely Nominations shall be effective at the start of the next Gas Day.

(2) The Evening Nomination Cycle on the day prior to Gas flow:

6:00 p.m.	Nominations leave control of the Shipper;
6:15 p.m.	Nominations are received by Transporter (including from TTTSPs);
6:30 p.m.	Transporter sends the Quick Response to the Shipper;
8:30 p.m.	Transporter receives completed confirmations from confirming parties;
9:00 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Evening Nominations shall be effective at the start of the next Gas Day.

For purposes of Section 2.1(a)(2), “provides” shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

- (b) Shipper shall include in its nominations the desired order of priority of receipts and deliveries under each Agreement which Transporter will use when taking action to change receipts and/or deliveries according to Sections 4.2, 4.3, 4.4 and 4.5. The order of priority shall indicate that a priority of one (1) shall be the last to be affected by changes. Nominations with the same priority will be adjusted pro rata.
- (c) If Shipper completes and resubmits an incomplete nomination, then Transporter will process the nomination in the first nomination cycle that occurs where the Shipper’s complete nomination meets the deadline for nominations.

- (d) Under no circumstances shall Transporter be obligated to deliver to any Shipper, on any Day, a quantity of Gas under any Agreement greater than Transporter received at the Receipt Point(s) on behalf of such Shipper under such Agreement.

## 2.2 Implementation of Intraday Nominations.

- (a) For services that provide for Intraday Nominations and scheduling, there will be no limitation as to the number of Intraday Nominations (line items as per NAESB Standard 1.2.1) which a Shipper may submit at any one standard nomination cycle or in total across all standard nomination cycles. Intraday Nominations submitted by Shipper shall comply with the requirements of (b) below. Transporter may, at its sole discretion, reasonably exercised and in a manner not unduly discriminatory, receive, recognize, and schedule an Intraday Nomination submitted later than the deadlines provided above, provided that Transporter, Shipper and the upstream/downstream connected parties must mutually agree in advance to the adjusted Gas flow.
- (b) Intraday Nominations shall include an effective date and time. The interconnected parties shall agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in Transporter's Agreement or Tariff. Intraday Nominations do not roll over (i.e., Intraday Nominations span one Gas Day only). Intraday Nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if an Intraday Nomination modifies an existing nomination.
- (c) Subject to upstream and downstream operators' confirmations and Transporter's operating conditions, an Intraday Nomination submitted pursuant to this Section 2.2 can be used to request increases or decreases in total flow, changes to Receipt Points, or changes to Delivery Points of scheduled Gas.
- (d) With respect to Intraday Nominations for reductions in previously scheduled quantities, Transporter will accept, subject to the limitations set forth in Section 2.1(a), any explicitly confirmed quantity, down to and including the elapsed prorated scheduled quantity or zero, at Transporter's discretion, for such Intraday Nomination; provided, however, if such Intraday Nomination requires confirmation from an upstream and/or downstream interconnected pipeline then any Intraday Nomination to reduce previously scheduled quantities will be subject to, and limited to, the reduced quantity confirmed by such upstream and/or downstream interconnected pipeline.
- (e) Transporter shall allow Shipper to alter the order of priority of receipts and deliveries upon which Transporter shall rely in taking actions to adjust receipts and/or deliveries under Section 2.1 above, provided that such changes are submitted via the Transporter's Interactive Website, or, in the event Transporter's Interactive Website is unavailable, by another method of

communication mutually agreed upon by Transporter and Shipper, in accordance with the nomination deadlines set forth in Section 2.1(a), above.

(f) Notice. For purposes of providing notice of any nomination changes (including where an interruptible Shipper's nomination is bumped by a firm Shipper's Intraday Nomination) to a Shipper and/or Shipper's agent, Transporter shall use Electronic Communication.

(g) Transporter shall support the following standard nomination cycles (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17):

(1) The Intraday 1 Nomination Cycle on the current Gas Day:

10:00 a.m.	Nominations leave control of the Shipper;
10:15 a.m.	Nominations are received by Transporter (including from TTTSPs);
10:30 a.m.	Transporter sends the Quick Response to the Shipper;
12:30 p.m.	Transporter receives completed confirmations from confirming parties;
1:00 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 1 Nominations shall be effective at 2:00 p.m. on the current Gas Day.

(2) The Intraday 2 Nomination Cycle on the current Gas Day:

2:30 p.m.	Nominations leave control of the Shipper;
2:45 p.m.	Nominations are received by Transporter (including from TTTSPs);
3:00 p.m.	Transporter sends the Quick Response to the Shipper;
5:00 p.m.	Transporter receives completed confirmations from confirming parties;
5:30 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 2 Nominations shall be effective at 6:00 p.m. on the current Gas Day.

(3) The Intraday 3 Nomination Cycle on the current Gas Day:

7:00 p.m.	Nominations leave control of the Shipper;
7:15 p.m.	Nominations are received by Transporter (including from TTTSPs);
7:30 p.m.	Transporter sends the Quick Response to the Shipper;
9:30 p.m.	Transporter receives completed confirmations from confirming parties;
10:00 p.m.	Transporter provides scheduled quantities to the affected Shippers and Point Operators.

Scheduled quantities resulting from Intraday 3 Nominations shall be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

For purposes of Section 2.2(g) “provides” shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

- (h) Bump Protection: Transporter shall not schedule an intraday or hourly nomination change, if the result of scheduling such nomination would be to bump flowing and/or scheduled service under any firm primary or secondary service (Priority Class One through Priority Class Six). Transporter shall give an Intraday Nomination submitted by a firm Shipper priority over nominated and scheduled volumes for Shippers flowing volumes with a priority below secondary firm service (Priority Class Seven or lower), provided that Transporter will not permit bumping of any services, including interruptible services, for Intraday Nominations submitted after the Intraday 2 Nomination Cycle deadline. Once all or a portion of a Shipper’s nomination is accepted and scheduled during any nomination period, such scheduled service shall not be interrupted unless: (1) such capacity is required to provide a higher priority service prior to the end of the Intraday 2 Nomination Cycle as described in Section 2.2(g)(2) above; or (2) curtailment is necessary pursuant to the provisions of Section 3.3 of the General Terms and Conditions. Transporter shall provide bump notice to bumped Shippers by 9:00 p.m. as to Nominations submitted by the Evening Nomination Cycle, by 1:00 p.m. as to Intraday Nominations submitted by the Intraday 1 Nomination Cycle, and by 5:30 p.m. as to Intraday Nominations submitted by the Intraday 2 Nomination Cycle. Transporter shall provide bump notice to the bumped Shippers by the notice procedures set forth in Section 31 of the General Terms and Conditions. Transporter will notify the interruptible Shipper being bumped if penalties will apply on the Day its service is to be bumped.



### GENERAL TERMS AND CONDITIONS

#### 3. SCHEDULING AND CURTAILMENT

##### 3.1 Scheduling Capacity during a start of day Nomination Cycle.

(a) Transporter shall allocate its pipeline capacity as well as each Receipt Point and each Delivery Point capacity on the basis of the priority classes listed in Section 4 below as follows:

- (1) prorata for Priority Class One nominations; then
- (2) prorata for Priority Class Two; then
- (3) prorata for Priority Class Three; then
- (4) prorata for Priority Class Four; then
- (5) prorata for Priority Class Five; then
- (6) prorata for Priority Class Six; then
- (7) on the basis of Confirmed Price for Priority Class Seven; then
- (8) make-up Gas for FTS Agreements, then make-up Gas for ITS Agreements.

(b) Ties within any Priority Class shall be allocated pro rata based on nominations.

3.2 Scheduling Available Capacity during an Intraday Nomination Cycle. Transporter shall schedule available capacity during each of the Intraday Nomination Cycles in accordance with Section 3.1 above.

3.3 Curtailment of Scheduled Volumes during a Day. If, at any time, Transporter determines that the capacity of its system, or portion(s) thereof, is insufficient to serve all scheduled service, or to accept the quantities of Gas tendered, the capacity which requires curtailment shall be curtailed so as to provide the service which is feasible in the order prescribed for Scheduling in Section 3.1 above; however, once scheduled by Transporter pursuant to this Section 3, Priority Class Two, Priority Class Three, Priority Class Four, Priority Class Five, and Priority Class Six will have the same curtailment priority as Priority Class One; and provided, further, if a capacity constraint occurs on the upstream or downstream system which results in a curtailment, the upstream or downstream operator shall determine the change in scheduled nominations on its system, which Transporter may take into account during curtailment. Such change in scheduled nominations shall be confirmed via Transporter's Interactive Website. To enable prompt action in an emergency situation where capacity is insufficient, Transporter shall have the

authority to take all necessary and appropriate actions, as then may appear necessary, to preserve the operational integrity of its system. Transporter shall notify Shippers of the existence of any such emergency situation by use of Electronic Communication, as soon as it is reasonably practicable.

- 3.4 Segmentation of Capacity by Nomination. Any Shipper receiving Transportation Service under Rate Schedule FTS shall have the right to segment its firm capacity by utilizing multiple Receipt Points and Delivery Points within the Zone or Zones in which it reserves capacity. The right to segment is subject to the requirement that a Shipper's firm capacity utilization pursuant to its Rate Schedule FTS Agreement and, if such Agreement is the result of capacity release, the firm capacity utilization of all other Shippers of capacity rights derived from the initial Rate Schedule FTS Agreement, does not exceed, in the aggregate (based on all relevant Shipper firm capacity utilization), the contract entitlements of the initial Rate Schedule FTS Agreement in any segment (including, without limitation, the relevant MDQ) where the nominated segments overlap. For the purpose of determining whether there is an overlap of MDQ, a forward haul and a backhaul nominated to the same Delivery Point or from the same Receipt Point at the same time shall not be deemed to be an overlap at that point. Subject to the foregoing, for the purpose of determining whether there is an overlap of MDQ on a segment, a forward haul and a backhaul nominated on the same segment at the same time shall be deemed to be an overlap on the segment. As a general matter, Shipper will have the right to segment its capacity so long as it is utilizing its Primary Receipt Point(s) and Primary Delivery Point(s), as well as all Secondary Receipt Points and Secondary Delivery Points, as long as such use does not impair Transporter's ability to render firm Transportation Service, does not adversely affect Shippers' firm Transportation Service rights, and/or does not adversely affect the safe and reliable operation of Transporter's pipeline system.
- 3.5 Segmentation of Capacity by Capacity Release. Releasing Shippers can also segment capacity through capacity release in accordance with Section 17 of the General Terms and Conditions of Transporter's Tariff, subject to the requirement that the release (or multiple releases) does not increase the total contract entitlements in any segment (including, without limitation, the relevant MDQ) above the contract entitlement of the initial Rate Schedule FTS Agreement. For the purpose of determining whether there is an overlap of MDQ, a forward haul and a backhaul nominated to the same Delivery Point or from the same Receipt Point at the same time shall not be deemed to be an overlap at that point. Subject to the foregoing, for the purpose of determining whether there is an overlap of MDQ on a segment, a forward haul and a backhaul nominated on the same segment at the same time shall be deemed to be an overlap on the segment. As a general matter, Shipper will have the right to segment its capacity so long as it is utilizing its Primary Receipt Point(s) and Primary Delivery Point(s), as well as all Secondary Receipt Points and Secondary Delivery Points, as long as such use does not impair Transporter's ability to render firm Transportation Service, does not adversely affect Shippers' firm Transportation Service rights, and/or does not adversely affect the safe and reliable operation of Transporter's pipeline system and/or does not result in quantities being nominated in any manner that is inconsistent with Section 17.1(a) of these General Terms and Conditions. If the Service Agreement designates a Delivery Point at which deliveries

can only be accomplished by displacement, the phrase “Deliveries By Displacement Only” shall be inserted to clarify that Transporter’s ability to effectuate the displacement will be dependent on sufficient receipt quantities being scheduled and flowing at the point.

- 3.6 General. It is recognized that Transporter may not have capacity either systemwide, in a Zone, Receipt Area, Pooling Area, or on a particular segment to provide all transportation services requested or that Transporter has scheduled. Therefore, the assignment and allocation procedures and priorities set forth in this section may be applied on a systemwide or segment-by-segment basis. Notwithstanding anything to the contrary in this tariff, Transporter may reject any request for firm or interruptible service or nomination for interruptible service, or limit the term of the Service Agreement requested by Shipper, if Transporter, in its reasonable judgment, determines that the service requested or nominated would utilize a portion of Transporter’s system such that a capacity constraint would be created that would likely prevent Transporter from utilizing other portions of its system.



## GENERAL TERMS AND CONDITIONS

### 4. PRIORITY OF SERVICE

- 4.1 Transporter shall have the right to curtail or discontinue services, in whole or in part, on all or a portion of its system at any time for reasons of Force Majeure or when capacity or operating conditions so require, or it is necessary to make modifications, repairs or operating changes to its system. Transporter shall provide Shipper notice of such curtailment as is reasonable under the circumstances. Notwithstanding anything to the contrary contained in this Section 4.1, Transporter will schedule routine repairs and maintenance in a manner that to the greatest extent possible will not disrupt the flow of quantities scheduled and confirmed in accordance with Section 2 of the General Terms and Conditions.
- 4.2 In situations where Transporter cannot schedule all nominations submitted, either system wide, at a receipt or delivery point, or on a particular segment of its system, due to capacity or operational constraints, Transporter will schedule nominations first at the receipt or delivery point level, then at the segment level in a manner that will, in Transporter's reasonable judgment, alleviate the operational or capacity constraints. At all times, Transporter will schedule in a manner that, in Transporter's reasonable judgment, will best alleviate the operational or capacity constraint and maximize total throughput on Transporter's system, utilizing the priorities set below, subject to other terms and conditions of this Tariff.
- 4.3 Throughput Scheduling Priority. For each nomination cycle, Transporter shall allocate throughput capacity pursuant to Sections 3.1 and 3.2 of these General Terms and Conditions utilizing the priorities of service described below:
- (a) Priority Class One. Among Rate Schedule FTS nominations where such nomination (or portion thereof) meets all of the following criteria:
- (1) utilizes a Primary Receipt Point at which the nominated quantity is within the Enhanced MDRO and/or the MDRO, as applicable;
  - (2) utilizes a Primary Delivery Point at which the nominated quantity is within the Agreement's Maximum Daily Delivery Obligation; and
  - (3) is within the Agreement's MDQ; and
  - (4) is within the Agreement's Segment Path Right for each segment traversed by the nomination.

- (b) Priority Class Two. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Primary Receipt Point in excess of the Enhanced MDRO or MDRO, as applicable, or
  - (2) utilizes a Primary Delivery Point in excess of the MDDO; and
  - (3) is within the Agreement's MDQ; and
  - (4) is within the Agreement's Segment Path Right for each segment traversed by the nomination.
- (c) Priority Class Three. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
  - (2) is within the Agreement's MDQ; and
  - (3) such Secondary Receipt Point and/or Secondary Delivery Point are within the Agreement's Segment Path Rights.
- (d) Priority Class Four. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Primary Receipt Point within the MDRO, and
  - (2) utilizes a Primary Delivery Point within the MDDO; and
  - (3) is within the Agreement's MDQ; and
  - (4) is above the Agreement's Segment Path Right for at least one segment traversed by the nomination.
- (e) Priority Class Five. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
  - (2) is within the Agreement's MDQ; and

- (3) such Secondary Receipt Point and/or Secondary Delivery Point are outside of the Agreement's Segment Path Rights.
  - (f) Priority Class Six. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
    - (1) includes a nomination that has a direction of flow that is opposite of the Transportation Path in the applicable Agreement.
  - (g) Priority Class Seven. Among Rate Schedule ITS, Rate Schedule PALS, Rate Schedule PS and Authorized Overrun Gas.
  - (h) Priority Class Eight. Make-up Gas scheduled at Transporter's discretion.
- 4.4 Receipt/Delivery Point Scheduling Priority. For each nomination cycle, Transporter shall schedule Receipt Point capacity or Delivery Point capacity pursuant to Sections 3.1 and 3.2 of these General Terms and Conditions utilizing the priorities of service described below:
- (a) Priority Class One. Among Rate Schedule FTS nominations:
    - (1) For Receipt Point restrictions, for nominations (or portion thereof) that are within the Agreement's Enhanced MDRO or MDRO, as applicable, at the point of the restriction.
    - (2) For Delivery Point restrictions, nominations (or portion thereof) that are within the Agreement's MDDO at the point of the restriction.
  - (b) Priority Class Two. Among Rate Schedule FTS nominations where the nominations meet both of the requirements below:
    - (1) the nomination (or portion thereof) exceeds the Enhanced MDRO, MDRO, or MDDO, as applicable, at the point, and
    - (2) the nomination (or portion thereof) is within the Agreement's Segment Path Right at the point.
  - (c) Priority Class Three. Among Rate Schedule FTS nominations where the nominations meets both the requirements below:
    - (1) Utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
    - (2) is within the Agreement's Segment Path Right.

- (d) Priority Class Four. Among Rate Schedule FTS nominations where each nomination (or portion thereof):
  - (1) utilizes a Primary Receipt Point within the Enhanced MDRO or MDRO, as applicable, for the applicable point, and
  - (2) utilizes a Primary Delivery Point within the MDDO for the applicable point; and
  - (3) is within the Agreement's MDQ; and
  - (4) is above the Agreement's Segment Path Right for at least one segment traversed by the nomination.
- (e) Priority Class Five. Among Rate Schedule FTS nominations where the nominations meet both of the requirements below:
  - (1) Utilizes a Secondary Receipt Point and/or a Secondary Delivery Point, and
  - (2) is outside of the Agreement's Segment Path Right.
- (f) Priority Class Six. [Reserved].
- (g) Priority Class Seven. Among Rate Schedule ITS, Rate Schedule PALS, Rate Schedule PS and Authorized Overrun Gas.
- (h) Priority Class Eight. Make-up Gas scheduled at Transporter's discretion.

4.5 Overlapping Nominations. For the purposes of Sections 4.2 and 4.3 above, in the event that a Releasing Shipper and/or its Replacement Shipper(s) submit overlapping nominations which in sum exceed in any segment the level of entitlement for which the Releasing Shipper originally contracted, the relative priority of each nomination shall be determined first according to the scheduling procedures in Sections 4.2 and 4.3 of the General Terms and Conditions, as applicable, and then by applying priority to the Releasing Shipper's nominations.

## GENERAL TERMS AND CONDITIONS

### 5. DETERMINATION OF DAILY ALLOCATED RECEIPTS AND DELIVERIES

#### 5.1

- (a) Allocation of Receipts/Deliveries. Unless Transporter and Delivery Point Operator or Receipt Point Operator, as applicable, (a "Point Operator") mutually agree to allocate receipts and deliveries each Day using ranked, pro rata, percentage, swing or operator provided value methodologies, such deliveries will be allocated through the meter pro rata, to the extent applicable, based on confirmed nominations.
- (b) The Point Operator shall notify Transporter via Electronic Communication after or during confirmation and before start of the Day, that it desires to establish allocation priorities at Receipt and/or Delivery Points using any of the following methodologies: ranked, pro rata, percentage, swing or Point Operator provided value, provided, however, Transporter will not be required to agree to any of such allocation methodologies if they are operationally or administratively infeasible.
- (c) Transporter shall advise such Point Operator of or make available via the Transporter's Interactive Website the confirmed nominations at such Receipt/Delivery Point.
- (d) The Point Operator shall establish separate allocation priorities for Over- and Under-production at the level of detail that the confirmed nominations are provided, and advise Transporter of such priorities via Transporter's Interactive Website before the beginning of the Day. Any confirmed nominations that do not have established allocation priorities shall be prorated based upon confirmed nominations and shall be allocated after all confirmed nominations that have established allocation priorities.
- (e) In the case of Under-production, such allocation priorities shall be used by Transporter to allocate Gas, such that Transporter shall allocate Gas to each Shipper, in order of priority designated by the Point Operator, up to the full nomination of that Shipper, until the entire gross measured volume at such Receipt/Delivery Point is allocated.
- (f) In the case of Over-production, such allocation priorities shall be used by Transporter to allocate Gas, such that Transporter shall allocate Gas to each Shipper, in order of priority designated by the Point Operator, equal to the full nomination of that

Shipper, with any Over-produced quantities being allocated to the Shipper(s) with the lowest priority, until the entire gross measured volume at such Receipt/Delivery Point is allocated, unless otherwise agreed by Transporter and Point Operator.

(g) Simultaneous Receipts and Deliveries. To the extent that both receipts and deliveries have been nominated at the same meter for any Day:

- (1) If the actual flow through the meter represents a delivery by Transporter, then the nominated receipts shall be allocated as confirmed and scheduled and the sum of such receipts shall be added to the metered quantity before any allocation is made in accordance with Section 5.1; or
- (2) If the actual flow through the meter represents a receipt by Transporter, then the nominated deliveries shall be allocated as confirmed and scheduled and the sum of such deliveries shall be added to the metered quantity before any allocation is made in accordance with Section 5.1.

5.2 Variations by Shipper of actual receipts and deliveries from the nominated receipts and deliveries shall be kept to a minimum. Receipts and deliveries shall be made at uniform hourly rates unless provisions to deliver the Gas at a non-uniform rate are otherwise agreed upon by Transporter

5.3 Prior Period Adjustments.

In accordance with the provisions of Sections 5, 6, and 12 of these General Terms and Conditions, Transporter shall use the best information available to close its allocation of quantities for a Service Month within five (5) Business Days after the end of such Service Month. To the extent that adjustments are made after the date of such close, such adjustments ("Prior Period Adjustments" or "PPA") shall be subject to this Section 5.3. If the PPA is due to the correction of measurement data or allocations, such adjustments shall be processed within six (6) Months of the applicable Service Month. The time limitation for disputes of allocations shall be six (6) months from the date of the initial month-end allocation with a three (3) month rebuttal period. Notwithstanding the above-specified deadlines for processing/rebutting PPAs, such deadlines shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not be diminished by this standard. In addition, for a period of up to six (6) months after the end of the applicable Service Month, Transporter will accept an adjustment for a scheduled nomination and/or allocation methodology provided that the requested change (i) is agreed upon in writing, including email, by all affected upstream and/or downstream parties and Transporter and (ii) does not impact Transporter in a detrimental manner. Mutual

agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods.

## GENERAL TERMS AND CONDITIONS

### 6. IMBALANCE RESOLUTION PROCEDURES

- 6.1 For the purposes of this Section 6, “Receipt” or “Receipts” shall mean quantities of Gas allocated pursuant to Section 5 of these General Terms and Conditions, net of Transporter’s Use, and “Delivery” or “Deliveries” shall mean quantities of Gas allocated pursuant to Section 5. After the end of each Service Month, Transporter shall render to each Cashout Party a statement detailing any imbalance between Monthly Receipts, adjusted for Transporter’s Use, and Monthly Deliveries under all of Cashout Party’s Transportation Agreements (“Imbalance Statement”). Such Imbalance Statement shall be available on the Transporter’s Interactive Website pursuant to Section 25 of these General Terms and Conditions.
- 6.2 Cumulative Daily Transportation Imbalances shall be subject to the following imbalance resolution procedures.
- (a) Definition of Transportation Imbalance: “Transportation Imbalance” shall mean the difference between a Shipper’s allocated Receipts, adjusted for Transporter’s Use, and allocated Deliveries under any firm or interruptible Agreement. All imbalances will be calculated on a daily basis and designated to be at the applicable Delivery Point.
  - (b) Definition of an Imbalance Due Cashout Party: “Due Cashout Party” shall mean that Deliveries under an Agreement at the Delivery Point are less than Receipts at the Receipt Point, adjusted for Transporter’s Use; such difference in quantity is “Due To” a Cashout Party.
  - (c) Definition of an Imbalance Due Transporter: “Due Transporter” shall mean that Deliveries under an Agreement at the Delivery Point exceed Receipts at the Receipt Point, adjusted for Transporter’s Use; such difference in quantity is “Due From” a Cashout Party.
- 6.3 Balancing.
- (a) General: Shipper shall be obligated under practical operating conditions to avoid any imbalance, to correct any such imbalances as soon as possible and in accordance with this Section 6, and to conform receipts to scheduled nominations and deliveries to scheduled nominations. Shippers with deliveries in Pooling Area(s) different than that of receipts shall be deemed for purposes of cashout of Monthly Imbalances to hold any imbalance(s) in the Pooling Area(s) of delivery; provided, however, that Pool Managers shall be subject to the provisions of Rate Schedule PS.

- (b) Limitations: Transporter shall not be obligated under any circumstances (i) to deliver more Gas to a Shipper during any given Day or Month than it shall have received for the account of Shipper during said period, (ii) to receive or deliver during any given Day a total quantity of Gas in excess of the Maximum Daily Quantity, MDDO, and MDRO, or, if service is being limited by Transporter, the maximum quantity of available capacity allocated to Shipper. In the event that Shipper fails to comply with its obligations under this section, Transporter may, in addition to charging the applicable rate for such volumes, impose excess charges or penalties that might otherwise be assessed and/or avail itself of any other remedies available to Transporter in accordance with its Tariff and under applicable law.

6.4 Netting. For each Month, all cumulative Transportation Imbalances within each Operational Impact Area will be netted among each of Cashout Party's firm and interruptible Agreements. Any netting that crosses a zone boundary shall be assessed the applicable ITS Rate and Transporter's Use.

6.5 Imbalance Trading.

- (a) Trading: Posting and trading of the previous Month's netted Transportation Imbalances will be allowed within each Operational Impact Area by the Cashout Party until the end of the 17th Business Day of the current Month. An imbalance that is previously authorized for posting shall be posted on or before the 9th Business Day of the Month. Any trades that cross zone boundaries shall be assessed the applicable ITS Rate and Transporter's Use. Imbalances to be posted for trading shall be authorized by the Cashout Party. Transporter shall provide the ability to view and, upon request, download posted imbalances. Transporter shall not be required to post zero imbalances. When trading imbalances, a quantity shall be specified. Trading will be allowed only when (i) imbalances are within the same Operational Impact Area and (ii) the resulting trade will reduce the imbalances for each Cashout Party. Transporter shall allow Cashout Parties to trade imbalances with other Cashout Parties within the same Operational Impact Area if the two Cashout Parties' imbalances are offsetting balances such that the net imbalance for each Cashout Party after the completion of the trade would be reduced to a quantity closer to zero.
- (b) Transporter shall enable the imbalance trading process by providing the ability for (i) the Shipper to authorize the posting of imbalances (pursuant to NAESB WGQ Standard No. 2.4.9) on Transporter's Interactive Website; (ii) a party to view the posted imbalances (pursuant to NAESB WGQ Standard No. 2.4.10) on Transporter's Interactive Website; (iii) the initiating trader to submit a request to Transporter for an imbalance trade (pursuant to NAESB WGQ Standard No. 2.4.11) on Transporter's Interactive Website; (iv) Transporter, in response to the request for an imbalance trade, to provide any error/warning message(s), as necessary, which includes the name of the relevant data element, if appropriate, along with the corresponding message; (v) the initiating trader to withdraw its

request for an imbalance trade via the Transporter's Interactive Website; (vi) Transporter to, optionally, request the confirming trader to confirm the request for an imbalance trade; (vii) the confirming trader to confirm the request for an imbalance trade via the Transporter's Interactive Website; (viii) Transporter to provide the initiating trader and the confirming trader with the status of the requested imbalance trade no later than 12:00 p.m. (noon) on the next Business Day, including, if applicable, an explanation when the trade quantity is not equal to the trade quantity requested; (ix) Transporter to effectuate the confirmed trade; and (x) Transporter to reflect the trade prior to or on the next monthly Shipper imbalance or cashout statement.

- (c) An imbalance trade can only be withdrawn by the initiating trader and only prior to the confirming trader's confirmation of the trade. An imbalance trade is considered final when confirmed by the confirming trader and effectuated by Transporter.

6.6 Final Resolution of Transportation Imbalances. If Cashout Party has a Transportation Imbalance remaining after the close of the trading period, such Transportation Imbalance will be cashed out in accordance with the Cashout provisions set forth in Section 6.8 below.

6.7 All balancing shall be based on the applicable Delivery Point within an Operational Impact Area. Cashout Party may nominate transactions (in accordance with Section 2 of the General Terms and Conditions) during the Month to correct Transportation Imbalances within an Operational Impact Area. Transporter's ability to receive or deliver imbalance quantities shall be dependent upon Transporter's physical operations, and Transporter is under no obligation to allow receipt or delivery of such quantities for resolution of Transportation Imbalances if it determines such activity would jeopardize pipeline operations.

6.8 Cashout Provision. At the time Transporter makes available an invoice(s) to Cashout Party for Transportation Service during the previous Month, Transporter shall invoice Cashout Party, or credit Cashout Party's invoice, as appropriate, to resolve in cash any net Monthly Imbalance remaining between actual Receipts, adjusted for Transporter's Use, and actual Deliveries after the period during which the relevant Transportation Imbalance quantities have been subjected to the imbalance resolution mechanisms set forth in this Section 6. Transporter will make available with each invoice an Imbalance Statement detailing the unresolved imbalance amount and detailing the amount due in accordance with the following calculations.

- (a) Due Cashout Party. The amount due from Transporter to a Due Cashout Party for a month shall be calculated as follows: beginning with the Day having the lowest Daily Cashout Price of the Days on which, after aggregating all of Shipper's Monthly Imbalance under its Service Agreements, the amount of Shipper's aggregate Receipts at Receipt Points are in excess of aggregate Deliveries at Delivery Points for such Day (to the extent such amount does not exceed the

amount of Shipper's Monthly Imbalance) shall be multiplied by the relevant Daily Cashout Price and the discount factor applicable pursuant to Section 6.8(e)(i). To the extent that any unresolved Monthly Imbalance remains thereafter, the same process will be repeated, using the Day with aggregate Receipts at Receipt Points in excess of aggregate Deliveries at Delivery Points and the next lowest Daily Cashout Price for such Month and the relevant discount factor, and so forth, until the entire Monthly Imbalance has been resolved.

- (b) Due Transporter Party. The amount due from a Due Transporter Party to Transporter for a month shall be calculated as follows: beginning with the Day having the highest Daily Cashout Price of the Days on which, after aggregating all of Shipper's Monthly Imbalance under its Service Agreements, the amount of Shipper's aggregate Receipts at Receipt Points are less than the aggregate Deliveries at Delivery Points for such Day (to the extent such amount does not exceed the amount of Shipper's Monthly Imbalance) shall be multiplied by the relevant Daily Cashout Price and the discount factor applicable pursuant to Section 6.8(d)(i). To the extent that any unresolved Monthly Imbalance remains thereafter, the same process will be repeated, using the Day with aggregate Receipts at Receipt Points less than aggregate Deliveries at Delivery Points and the next highest Daily Cashout Price for such Month and the relevant discount factor, and so forth, until the entire Monthly Imbalance has been resolved. In addition to the foregoing, Transporter shall charge Cashout Party an allowance for fuel calculated by multiplying Shipper's Monthly Imbalance by the applicable Transporter's Use %
- (c) Cashout Price. "Daily Cashout Price" for any Day shall be determined by use of the "Midpoint" price for the delivery areas listed below as published in Platts Gas Daily for the applicable delivery area.

<u>Pipeline Delivery Area</u>	<u>"Daily Price Survey" Price</u>
West of the Panola Compressor Station	NGPL, Texok zone
Panola Compressor Station to Vernon Compressor Station	NGPL, Texok zone
East of the Vernon Compressor Station	Tx. Gas, zone 1
South of the Westdale Compressor Station	Tx. Eastern, WLA

Cessation of Publications. If on any day, the reported prices referenced above are not published, Transporter shall use the last published price before the relevant day. In the event that the price(s) described in this Section 6.8(a) are no longer published, Transporter will file to change its Tariff.

(d) Imbalance Due Transporter

- (1) Imbalance Due Transporter Factor. If a Cashout Party's Monthly Imbalance is less than or equal to 5% of the allocated quantities delivered to a Cashout Party for the Month, as determined in accordance with Section 5, the monthly Cashout bill will be based on the Daily Cashout Price determined pursuant to Section 6.8(b). If an Imbalance Due Transporter is greater than 5%, the monthly Cashout bill will be based on the accumulated sum of the results of the formulas listed below such that, and until, the total Monthly Imbalance is fully accounted for:

Imbalance Level	Factor	Applicable Cashout Price
0% - ≤5%	1.00	Daily Cashout Price
> 5% - ≤10%	1.10	(Daily Cashout Price x quantity > 5%) + level above
>10% - ≤15%	1.20	(Daily Cashout Price x quantity >10%) + levels above
>15% - ≤20%	1.30	(Daily Cashout Price x quantity >15%) + levels above
>20% - ≤25%	1.40	(Daily Cashout Price x quantity >20%) + levels above
>25%	1.50	(Daily Cashout Price x quantity >25%) + levels above

In each case, the Daily Cashout Price shall be determined pursuant to Section 6.8(b).

- (2) For purposes of determining the appropriate Imbalance Due Transporter Factor, Cashout Party's imbalance level shall be determined by taking the imbalance computed by comparing (x) the Deliveries at the Delivery Point and (y) the Receipts at the Receipt Point and by dividing the amount of the excess Deliveries by the Receipts less the Transporter's Use. For OBA imbalances that are resolved pursuant to this Section 6, the calculation of Cashout charges relating to excess Deliveries shall also include a Transportation imbalance charge, which shall be calculated by multiplying the excess Delivery quantity by the actual weighted average of all applicable usage rates owed on all quantities of Gas delivered during the Month to that OBA Party.

(e) Imbalance Due Cashout Party

- (1) If an Imbalance Due Cashout Party is less than or equal to 5% allocated quantities delivered to a Cashout Party for the Month, as determined in accordance with Section 5, the monthly Cashout bill will be based Daily Cashout Price determined pursuant to Section 6.8(a). If a Cashout Party's Monthly Imbalance is greater than 5%, the monthly Cashout bill will be based on the accumulated sum of the results of the formulas listed below such that, and until, the total Monthly Imbalance is fully accounted for:

Imbalance Level	Factor	Applicable Cashout Price
0% - ≤5%	1.00	Daily Cashout Price
>5% - ≤10%	.90	(Daily Cashout Price x quantity > 5%) + level above
>10% - ≤15%	.80	(Daily Cashout Price x quantity >10%) + levels above
>15% - ≤20%	.70	(Daily Cashout Price x quantity >15%) + levels above
>20% - ≤25%	.60	(Daily Cashout Price x quantity >20%) + levels above
>25%	.50	(Daily Cashout Price x quantity >25%) + levels above

In each case, the Daily Cashout Price shall be determined pursuant to Section 6.8(a).

- (2) For purposes of determining the appropriate Imbalance Due Cashout Party factor, Cashout Party's imbalance level shall be determined by taking the imbalance computed by comparing (x) the Deliveries at the Delivery Point and (y) the Receipts at the Receipt Point and by dividing the excess Receipts by the total Receipts less Transporter's Use. For OBA imbalances that are resolved pursuant to this Section 6, the calculation of the amount due the Cashout Party relating to excess Receipts shall also include a Transportation imbalance credit, which shall be calculated by multiplying the excess Receipt quantity by the actual weighted average of all applicable usage rates owed on all quantities of Gas delivered during the Month to that OBA Party. Transporter shall have no responsibility for the distribution of funds beyond the initial distribution, in accordance with this resolution procedure, to the Cashout Party.
- (f) A Cashout of Transportation Imbalances at prices above or below the Daily Cashout Price shall not occur if Transporter determines that such Transportation Imbalances are due to Transporter's negligence or otherwise waives application

of the Cashout factors described in Section 6.8(d)(i) or Section 6.8(e)(ii). Additionally, the Cashout factors described in Section 6.8(d)(i) or 6.8(e)(i) shall not apply if such imbalances occurred during circumstances of Force Majeure that directly affect the Transporter's or upstream or downstream facilities over which Gas is transported under the applicable Agreement, or during circumstances of Force Majeure that directly affect Shipper's facilities for the period until Shipper has an opportunity to adjust its nominations (Shipper shall give written notice within forty-eight (48) hours of such Force Majeure event), or were the direct result of an Action Alert or OFO issued to the Shipper or its supplier.

- 6.9 Cashout of Transportation Imbalances at Agreement Expiration. At the time of expiration of an Agreement, all Transportation Imbalances shall be resolved pursuant to the provisions of Section 6.8 above.
- 6.10 Annual System Cashout Mechanism. Transporter shall establish an annual mechanism to determine the costs of implementing this Cashout provision. Such mechanism shall calculate, on a system-wide basis, the annual gross balance (positive or negative) derived from the Cashout program, which will be accounted for and disposed of in accordance with Section 22.3 of the General Terms and Conditions.
- 6.11 Operational Purchases and Sales of Gas.
  - (a) Applicability.
    - (1) Transporter may purchase and/or sell gas to the extent necessary to: (A) balance compressor fuel usage, other company use, and lost and unaccounted-for Gas; (B) maintain system pressure and line pack; (C) manage imbalance quantities; (D) perform other operational functions of Transporter in connection with transportation and other similar services; and (E) otherwise protect the operational integrity of Transporter's pipeline system. Any such purchases or sales shall be made on an unbundled basis. Operational purchases or sales for these purposes shall have a lower priority than Priority One Service.
    - (2) The sale or purchase of natural gas shall occur at any Receipt Point or Delivery Point on Transporter's pipeline system or at points located within any off-system capacity held by Transporter on other systems. Such purchases or sales shall be authorized pursuant to Transporter's blanket certificate and will be made on a non-discriminatory basis.
  - (b) Solicitation of Bids. Transporter will make operational sales by posting notice on the Transporter's Interactive Website.
  - (c) Reporting Requirements. Transporter will file an annual report on or before May 1 of each year reflecting the operational purchases and sales for the 12-month period ending the preceding December 31. The report will state the source of the

gas purchased/sold, the date of the purchases/sales, volumes, the purchase/sales price, the cost and revenues for such purchase/sales, the disposition of the associated costs and revenues for all operational purchases and sales, and an explanation of the purpose of any operational purchases and sales transaction, including whether the purchase or sale was conducted without following the procedures set forth in Section 6.11(b) above due to an emergency, and explaining the nature of the emergency.



## GENERAL TERMS AND CONDITIONS

### 7. OPERATIONAL FLOW ORDERS

- 7.1 Notification of Conditions that May Require the Issuance of an OFO or Action Alert. Transporter shall provide prior notice, via posting on its Interactive Website, of upcoming events that may affect Transporter's pipeline system such as those listed in Section 7.2 below that may necessitate the issuance of an Action Alert or OFO pursuant to this Section 7.
- 7.2 Circumstances Warranting Issuance of an Operational Flow Order or Action Alert. Transporter shall have the right to issue Operational Flow Orders or Action Alerts as specified in this Section 7 that require actions by Shippers/Point Operators in order (1) to alleviate conditions that threaten to impair Transporter's ability to provide reliable service, (2) to maintain pipeline operations at the pressures required to provide efficient and reliable service, (3) to have adequate Gas supplies in Transporter's system to receive and deliver Gas consistent with its firm Transportation Service obligations, (4) to maintain Transportation Service to all firm Shippers and for all firm Transportation Services, and (5) to maintain Transporter's system in balance for the foregoing purposes. Transporter shall lift any effective Operational Flow Order or Action Alert promptly upon the cessation of operating conditions that caused the relevant system problem(s).
- 7.3 Voluntary Actions to be Taken to Avoid Issuance of an Operational Flow Order. Transporter shall, to the extent practicable, take all reasonable actions necessary to avoid issuing an Operational Flow Order. Such actions may include (1) working with Point Operators to temporarily adjust, by mutual agreement, receipts and/or deliveries at relevant Receipt Point(s) or Delivery Point(s), (2) working with Shippers/Point Operators to adjust, by mutual agreement, scheduled flows on Transporter's system, (3) issuing an Action Alert designed to mitigate the conditions which, if continued, would require the issuance of an Operational Flow Order, or (4) taking any other reasonable action designed to mitigate the system problem. After taking all such reasonable actions to avoid issuing an Operational Flow Order, Transporter will have the right to issue Operational Flow Orders, if necessary, in the circumstances described in Sections 7.2 and 7.7.
- 7.4 Applicability of Operational Flow Orders or Action Alerts. Transporter shall issue an Operational Flow Order or Action Alert as localized as is reasonably practicable based on Transporter's good faith judgment concerning the situations requiring remediation such that an Operational Flow Order or Action Alert will be directed (1) to Shippers/Point Operators causing the problem necessitating the Operational Flow Order or Action Alert or transporting Gas in the area of Transporter's system in which there is an operational problem, and (2) to those Shippers/Point Operators transporting Gas in the area of Transporter's system where action is required to correct the problem necessitating the Operational Flow Order or Action Alert. Transporter will tailor the Operational Flow Order or Action Alert to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in subsections 7.6 and 7.7.

- 7.5 Notice. All Operational Flow Orders and Action Alerts will be issued via posting on Transporter's Interactive Website, to be followed by a notification to the specific affected Shippers and Point Operators (if any) affected by such postings. The Operational Flow Order/Action Alert will set forth (1) the time and date of issuance and effectiveness, (2) the actions a Shipper/point operator is required to take, (3) the time by which a Shipper/ Point Operators must be in compliance with the Operational Flow Order/Action Alert, (4) the anticipated duration of the Operational Flow Order/Action Alert, (5) if the penalties contemplated by this Section 7.5 are in effect or not, and any (6) other terms that Transporter may reasonably require to ensure the effectiveness of the Operational Flow Order or Action Alert. Each Shipper and Point Operator must designate one or more persons for Transporter to contact on operating matters at any time, on a twenty-four (24)-hour a day, three hundred sixty-five (365)-day a year basis. Such contact persons must have adequate authority and expertise to deal with such operating matters. If Transporter cannot contact any Shipper/ Point Operator because that Shipper/ Point Operator has failed to designate a contact person or Shipper's/ Point Operator's contact person is unavailable, Transporter shall not be responsible for any consequences that result from its subsequent actions taken to alleviate the system problem. Transporter, however, will make reasonable continuing efforts to notify the affected Shipper/ Point Operator, promptly upon occurrence of any material change in the information. Transporter will post a notice on its Interactive Website informing the Shipper/ Point Operator when any Operational Flow Order or Action Alert in effect will be cancelled and specifying the factors that caused the Operational Flow Order or Action Alert to be issued and then lifted, to the extent such factors are known.
- 7.6 Action Alerts. In the event that, in Transporter's judgment, action is required to avoid a system integrity issue, Transporter may issue Action Alerts.
- (a) Issuance of Action Alerts: Action Alerts will be noticed in accord with the procedures set forth in Section 7.5 and will be issued as soon as Transporter deems feasible under the circumstances, prior to the required action by the Shipper/ Point Operator.
- (b) Required Actions: Action Alerts can be issued to effect any of the following:
- (1) curtailment of interruptible services;
  - (2) restrictions of receipts or deliveries at specific Receipt or Delivery Point(s) covered by an Operational Balancing Agreement to the aggregate MDQ under the firm Agreements whose Primary Receipt Points and/or Primary Delivery Points are at the affected locations;
  - (3) forced balancing such that Point Operators will be required to assure that nominations equal flows or that receipts and deliveries fall within the tolerance level designated in the Action Alert; and/or
  - (4) any action required to maintain the integrity of Transporter's System.

- 7.7 Operational Flow Orders. In the event that (1) Shipper/ Point Operator does not respond to an Action Alert, or (2) the actions taken thereunder are insufficient to correct the system problem for which the Action Alert was issued, or (3) there is insufficient time to carry out the procedures with respect to Action Alerts, Transporter may issue an Operational Flow Order and take unilateral action, including the curtailment of firm Transportation Service, to maintain the operational integrity of Transporter's system (or any portion thereof). For purposes of this Section 7.7, the operational integrity of Transporter's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system (or any portion thereof), and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of Gas delivered. Notice of an Operational Flow Order will be provided pursuant to and in accordance with Section 7.5 above.
- 7.8 Penalties. If a Shipper/ Point Operator fails to comply with an Action Alert or Operational Flow Order, the Shipper shall be subject to a penalty as follows:
- (a) Action Alert Penalty: for each Dekatherm of Gas by which Shipper/ Point Operator deviated from the requirements of the Action Alert the penalty shall be equal to two times the Daily Cashout Price for the applicable delivery area, for each Day that said Action Alert is in effect.
  - (b) Operational Flow Order Penalty: for each Dekatherm of Gas by which Shipper/ Point Operator deviated from the requirements of the Operational Flow Order the penalty shall be equal to five times the Daily Cashout Price for the applicable delivery area, for each Day that said Operational Flow Order is in effect.
  - (c) Any penalty revenues received by Transporter as a result of the operation of Section 7.8 above will be credited pursuant to Section 9.6 of the General Terms and Conditions.
- 7.9 Liability of Transporter. Transporter shall not be liable for any costs or damages incurred by any Shipper/ Point Operator in complying with an Action Alert or Operational Flow Order. Transporter shall not be liable for any costs or damages that result from any interruption in Shipper's/point operator's service that is a result of a Shipper's/ Point Operator's failure to comply promptly and fully with an Action Alert or Operational Flow Order. Shipper/ Point Operator shall indemnify Transporter against any claims of liability, provided, however, that Transporter shall use reasonable efforts to minimize any such costs or damages.



## GENERAL TERMS AND CONDITIONS

### 8. FORCE MAJEURE

- 8.1 If either Transporter or Shipper fails to perform any obligations under an Agreement due to an event of Force Majeure, such failure shall be deemed not to be a breach of such obligations and neither party shall be liable in damages or otherwise as a result of an event of Force Majeure. A party that fails to perform any obligations under an Agreement where such failure is caused by an event of Force Majeure shall promptly remedy the cause of the Force Majeure insofar as it is reasonably able to do so.
- 8.2 “Force Majeure” as used herein shall mean acts of God, strikes, lockouts, or other industrial disturbances; acts of the public enemy, terrorist attacks, vandalism, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms (including but not limited to hurricanes or hurricane warnings), crevasses, floods, washouts, arrests and restraints of the government, either Federal or State, civil or military, civil disturbances. Force Majeure shall also mean shutdowns due to power outages and/or for purposes of unexpected and uncontrollable necessary repairs, relocation, or construction of facilities; failure of electronic data capability; breakage of or accident to machinery or lines of pipe; the necessity for testing excluding that associated with normal and planned maintenance (as required by governmental authority or as deemed necessary by Transporter for the safe operation thereof), the necessity of making repairs or alterations to machinery or lines of pipe; failure of surface equipment or pipe lines; accidents, breakdowns, inability to obtain necessary materials, supplies or permits, or labor to perform or comply with any obligation or condition of service, rights of way; and any other causes, whether of the kind herein enumerated or otherwise which are reasonably unexpected and not reasonably in Transporter’s control. It is understood and agreed that the settlement of strikes or lockouts or controversies with landowners involving rights of way shall be entirely within Transporter’s discretion and that the requirement in Section 8.1 of the General Terms and Conditions that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts or controversies with landowners involving rights of way by acceding to the demands of the opposing party when such course is inadvisable in the discretion of Transporter.
- 8.3 Notwithstanding the above provisions, no event of Force Majeure shall:
- (a) relieve any party from any obligation or obligations pursuant to an Agreement unless such party gives notice with reasonable promptness of such event to the other party;
  - (b) relieve any party from any obligation or obligations pursuant to an Agreement after the expiration of a reasonable period of time within which, by the use of its

due diligence, such party could have remedied or overcome the consequences of such event of Force Majeure; or

- (c) relieve either party from its obligations to make payments of amounts as provided in the applicable Rate Schedule, subject to any credit provided for in the applicable Rate Schedule.



## GENERAL TERMS AND CONDITIONS

### 9. PENALTIES AND PENALTY CREDITING MECHANISM

#### 9.1 Rate Schedule PALS penalties.

- (a) Penalty for PALS Non-compliance. In the event that a Shipper incurs a penalty pursuant to Section 4.2(a) of Rate Schedule PALS, which section is applicable if a Shipper does not comply with Transporter's notice given pursuant to Sections 2.4(a) and 2.5(a) of Rate Schedule PALS to either remove Park service quantities or to return Loan service quantities, Transporter shall credit the penalty revenue, net of costs, pursuant to Section 9.6.
- (b) Balances Remaining Upon PALS Contract Termination. In the event that Transporter receives penalty revenue from a PALS Shipper as the result of the application of Section 4.2 of Rate Schedule PALS to such PALS Shipper's unresolved balance, Transporter shall credit the penalty revenue received, net of costs, pursuant to Section 9.6.

#### 9.2 Unauthorized Gas. In the event that Transporter receives penalty revenue from a Shipper as the result of the application of Section 14 (Unauthorized Gas) of the General Terms and Conditions, Transporter shall credit the penalty revenue received, net of costs, pursuant to Section 9.6.

#### 9.3 Action Alert/Operational Flow Order Penalties. Any penalty revenue collected by Transporter pursuant to Section 7.8 of the General Terms and Conditions will be credited, net of costs, pursuant to Section 9.6.

#### 9.4 Scheduling Variance Penalty.

- (a) If actual delivered quantities for a Day are less than 95% of the scheduled delivery quantities for that Day, a penalty charge equal to the ITS Rate will be imposed for all deficiencies below 100% of the scheduled delivery quantities. If actual delivered quantities for a Day exceed 105% of the scheduled delivery quantities for that Day, a penalty charge equal to the ITS Rate will be imposed for all quantities in excess of 100% of the scheduled delivery quantities. Penalty charges shall be in addition to any other applicable charges or fees associated with such volumes, provided that no volume of Gas shall be subjected to more than one penalty and that, if a volume of Gas is eligible for the application of more than one penalty, Transporter shall choose which one to apply, recognizing, however, that application of the Cashout

mechanism set forth in Section 6 herein is not a penalty. A penalty charge shall not affect a Shipper's rights to reduce delivery quantities or provide receipts in excess of deliveries pursuant to the Rate Schedules. Scheduled receipts or deliveries in excess of actual deliveries will be handled in accordance with Section 6 of the General Terms and Conditions. Any penalty revenues received by Transporter will be credited pursuant to Section 9.6.

- (b) If actual delivered quantities for any hour during a Day are less than the lesser of (i) one thousand (1,000) Dth or (ii) 90% of Shipper's ratable flow quantities on Transporter's system (1/24 of scheduled delivery quantities), a penalty charge equal to the ITS Rate will be imposed for all deficiencies below 100% of the ratable flow quantities for such hour. If actual delivered quantities for any hour during a Day exceeds the lesser of (i) one thousand (1,000) Dth or (ii) 110% of Shipper's ratable flow quantities on Transporter's system (1/24 of scheduled delivery quantities), a penalty charge equal to the ITS Rate will be imposed for all quantities in excess of 100% of the scheduled delivery quantities. Scheduled receipts or deliveries in excess of actual deliveries will be handled in accordance with Section 6 of the General Terms and Conditions. Any penalty revenues received by Transporter as a result of the operation of this Section 9.4(b) will be credited pursuant to Section 9.6.

#### 9.5 Unauthorized Overrun Service.

- (a) In the event that Transporter receives penalty revenue from a Shipper as the result of the application of Section 3.2 of Rate Schedule FTS or Section 3.3 of Rate Schedule PS, Transporter shall credit the penalty revenue received, net of one times the ITS Rate, pursuant to Section 9.6.
- (b) Shippers shall have a duty to refrain from taking delivery of quantities in excess of their MDQ. In the event a Shipper takes delivery of quantities in excess of its MDQ such Shipper may be held accountable either through a direct cause of action by other Shippers, or as an impleaded or third-party defendant in a suit by other Shippers. In no event shall the payment of overrun charges be considered as giving Shipper the right to take overrun quantities, nor shall such payment be considered as a substitute for all other rights and remedies (including but not limited to consequential damages) available to any other Shipper.

#### 9.6 Penalty Revenue Crediting. Any penalty revenue received by Transporter pursuant to Sections 9.1, 9.2, 9.3, 9.4, or 9.5 will be credited, net of costs, to each firm Shipper that did not incur penalties under Sections 9.1, 9.2, 9.3, 9.4, or 9.5 in the Month for which penalty revenues were received ("Non-Offending Shipper"), based on the ratio of the actual volumes taken by the Non-Offending Shipper to the actual volumes taken by all Non-Offending Shippers. If there are no Non-Offending Shippers in a month in which there are penalty

revenues, those penalty revenues will be carried forward to the next succeeding month and will be allocated on a per Dekatherm basis based on total demand dollars to current firm shippers at the time of record/refund. Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year plus the applicable the interest at a rate determined in accordance with Section 154.501(d) of FERC's regulations, and will be included on the Non-Offending Shipper invoice for the Month of October if the aggregate amount to be credited exceeds \$250,000. If the aggregate amount to be credited is less than or equal to \$250,000, it shall be carried over to the calculation made under this Section 9.6 during the next twelve (12) Month period. To the extent a Shipper incurs a penalty for a transportation transaction, notwithstanding these crediting obligations, Transporter shall retain an amount equal to Transporter's maximum Rate Schedule ITS rate multiplied by the total quantity received and/or delivered for such transaction. Transporter will file a report, as it deems necessary, on or before November 1 of each year showing the total penalty received for the period ending July 31, any costs netted against the penalty revenues, and the resulting penalty revenue credits for each month of the annual period.

- 9.7 Penalty charges under this Section 9 shall be in addition to any other applicable charges or fees associated with such volumes, provided that no volume of Gas shall be subjected to more than one penalty and that, if a volume of Gas is eligible for the application of more than one penalty, Transporter shall choose which one to apply, recognizing, however, that application of the Cashout mechanism set forth in Section 6 herein is not a penalty. A penalty charge under this Section 9 shall not affect a Shipper's rights to reduce delivery quantities or provide receipts in excess of deliveries pursuant to the Rate Schedules.

## GENERAL TERMS AND CONDITIONS

### 10. RESERVATION CHARGE ADJUSTMENT

#### 10.1 Reservation Charge Adjustment for Non-Force Majeure Events.

- (a) Except as provided in Section 10.3 of these General Terms and Conditions, with respect to each Day on which there is an outage or other event that is not due to a Force Majeure event that results in Transporter failing to deliver on such Day the Quantity of Gas that Shipper has nominated under Rate Schedule FTS, Shipper shall receive a credit on its next monthly invoice in an amount equal to the monthly Reservation Charge, as adjusted pursuant to Section 10.1(b), if applicable, divided by the number of Days in the month, multiplied by, as applicable:
  - (1) If Transporter has not given advance notice of the unavailability of service prior to the Timely Nomination Cycle for the Day, the lesser of: (a) the applicable Quantity of Gas that Transporter has failed to deliver, not to exceed Shipper's MDQ, or (b) the applicable firm contractual entitlement under Shipper's Service Agreement minus the Quantity of Gas delivered by Transporter for Shipper under such Service Agreement on such Day, in either case; or
  - (2) If Transporter gives seven (7) days or less advance notice of the unavailability of service prior to the Timely Nomination Cycle for the applicable Day, the lesser of:
    - (A) the average daily quantity that was scheduled and confirmed for Shipper's account at the applicable point(s) of restriction for the seven (7)- Day period immediately preceding the Day on which the outage or other event that results in Transporter failing to deliver a Quantity of Gas to the Shipper first occurred, not to exceed Shipper's MDQ, minus the Quantity of Gas delivered by Transporter for Shipper's account on such Day, provided, however, if the applicable firm contractual entitlements under Shipper's Service Agreement at such points of restriction were zero during any of the Days in the preceding seven (7)-Day period, such Days with zero firm contractual entitlements will be excluded for the purposes of calculating this average daily quantity, or

- (B) the applicable firm contractual entitlement under Shipper's Service Agreement minus the Quantity of Gas delivered by Transporter for Shipper under such Service Agreement on such Day; or
  - (3) If Transporter gives more than seven (7) Days' advance notice of the unavailability of service, the lesser of:
    - (A) the average daily quantity that was scheduled and confirmed for Shipper's account at the applicable point(s) of restriction in the previous calendar year for the same calendar days as the outage or other event that results in Transporter failing to deliver a Quantity of Gas to Shipper, provided that such average daily quantity: (1) shall not exceed Shipper's MDQ, and (2) shall be adjusted up or down pro rata based on any increase or decrease in Shipper's firm contractual entitlements at such point(s) of restriction during the twelve month-period ending on the last day of such outage or other event, minus the Quantity of Gas delivered by Transporter for Shipper's account on such Day, or
    - (B) the applicable firm contractual entitlement under Shipper's Service Agreement minus the Quantity of Gas delivered by Transporter for Shipper under such Service Agreement on such Day. In the event that the applicable firm contractual entitlements under Shipper's Service Agreement at such point(s) of restriction were zero during the relevant days of the previous calendar year, this Section 10.1(a)(3) shall not apply and the calculation described in Section 10.1(a)(2) above shall be utilized for such Service Agreement.
  - (4) To calculate such an adjustment for a Shipper who is a Replacement Shipper pursuant to Section 17 of these General Terms and Conditions, Transporter shall multiply the volumes determined in accordance with this Section 10.1 by the lesser of the daily Reservation Charge applicable to the Replacement Shipper or the daily Reservation Charge applicable to the original Releasing Shipper.
- (b) Notwithstanding the foregoing, with respect to a particular outage or event, this Section 10.1 does not apply on Days when Section 10.2 of these General Terms and Conditions applies.

10.2 Reservation Charge Adjustment for Force Majeure Events. Except as provided in Section 10.3 of these General Terms and Conditions, with respect to each Day on which there is an outage or other event due to a Force Majeure event that results in Transporter failing to deliver on

such Day the Quantity of Gas that Shipper has nominated under Rate Schedule FTS, Transporter shall not be obligated to reduce Shipper's monthly invoice for the first ten (10) Days of such outage or other event, and following such ten (10)-Day period, Shipper's invoice shall be decreased pursuant to the mechanism described in Section 10.1 of these General Terms and Conditions, but only for the quantities not shipped after such ten (10)-Day period.

10.3 Reservation Charge Adjustment for Other Events. Notwithstanding any other provision in this Tariff, in no event shall Shipper be entitled to a decrease in its invoice for Transporter's failure to deliver any Quantity of Gas as contemplated under this Section 10:

- (a) due to the conduct of Shipper, including, without limitation, the refusal to accept delivery of any Quantity of Gas that Transporter has made available for delivery or the violation by Shipper of an Action Alert or OFO that is in effect during the outage or other event that results in Transporter failing to deliver any Quantity of Gas to Shipper; provided, however, if Shipper's refusal to accept delivery is pursuant to Section 15.4 of these General Terms and Conditions, then Shipper may be entitled to a decrease to its invoice notwithstanding this Section 10.3 if Shipper refused to accept delivery at the applicable Delivery Point(s) on a Day that Shipper had the right to refuse to accept delivery of gas at such point pursuant to Section 15.4 of these General Terms and Conditions during the outage or other event that results in Transporter failing to deliver any Quantity of Gas to Shipper;
- (b) due to the conduct of the upstream operator of the facilities at the applicable Receipt Point(s), including, without limitation, the refusal to deliver any Quantity of Gas to Transporter that Transporter was available to receive, as long as such conduct was outside the control of Transporter;
- (c) due to the conduct of the downstream operator of the facilities at the applicable Delivery Point(s), including, without limitation, the refusal to receive any Quantity of Gas from Transporter that Transporter has made available for delivery, as long as such conduct was outside the control of Transporter;
- (d) due to the installation of new facilities that are designed, in whole or in part, to provide service to Shipper;
- (e) due to scheduled work on Transporter's facilities if Transporter and Shipper have mutually coordinated the timing of the scheduled work and the work is performed in accordance with that schedule;

- (f) that occurs at a time when Shipper was unable to take the scheduled quantities for any reason including, without limitation, a Shipper outage, whether planned or unplanned;
- (g) that was allocated or scheduled during any subsequent nomination cycle to or from a secondary location after the Timely Cycle restrictions;
- (h) if Shipper subsequently schedules and accepts at an alternative point of delivery the quantity of gas that Transporter was unable to deliver;
- (i) due to the violation by Shipper of an Action Alert or OFO and such violation causes a Force Majeure event resulting in the outage;
- (j) if Shipper is provided service pursuant to a Negotiated Rate agreement or a discounted rate agreement, and such agreement does not explicitly require adjustments pursuant to this Section 10; or
- (k) due to the discontinuation of service by Transporter as permitted under this Tariff.

## GENERAL TERMS AND CONDITIONS

### 11. OPERATIONAL BALANCING AGREEMENTS (“OBAS”)

#### 11.1 General.

- (a) For the purposes of minimizing operational conflicts between various natural Gas facilities with respect to the delivery of Gas to and from Transporter’s facilities, Transporter may negotiate and execute on a not-unduly discriminatory basis mutually agreeable OBAs with appropriate parties that operate natural Gas facilities interconnecting with Transporter’s system (any such party will be referred to herein as the “OBA Party”). Transporter must enter into OBAs at all points of interconnection between its system and the system of another interstate or intrastate pipeline. Such OBAs shall specify the Gas custody transfer procedures to be followed by Transporter and the OBA Party for the confirmation of scheduled quantities to be received by Transporter at Receipt Point(s) and delivered by Transporter at Delivery Point(s). Such OBA will provide that any variance between actual quantities and scheduled quantities at the point where the OBA is in place for any Day shall be resolved pursuant to the terms of the OBA.
- (b) To facilitate such determination of variances on a timely basis, Transporter and the OBA Party will agree in the OBA on necessary measurement and accounting procedures. Transporter shall post on its Interactive Website a list of those Receipt Point(s) and Delivery Point(s) at which an OBA is in effect.

#### 11.2 Transporter shall have no obligation to negotiate and execute OBAs with any OBA Party that:

- (a) is not creditworthy as determined pursuant to Section 18 of the General Terms and Conditions; for purposes of such provision, references to Shipper shall refer to the OBA Party;
- (b) does not maintain dispatching operations which are staffed on a continuous around-the-clock basis every day of the year;
- (c) would cause the level of regulation which Transporter is subject to prior to the execution of the applicable OBA to increase;
- (d) does not commit to timely determination of variances based on reasonable available measurement technology; or
- (e) has not demonstrated operational consistency commensurate with the OBA relationship over a minimum period of three years.

- 11.3 If Receipt Point Operators or Delivery Point Operators have an OBA in effect with Transporter as described in Section 11.1, then any variance between actual quantities and scheduled quantities for any Day for that Receipt or Delivery Point shall be cumulated for the Month for the Shipper(s) responsible for the imbalance, and such Monthly Imbalances will be subject to the Cashout of Monthly Imbalances as set forth in Section 6 herein.
- 11.4 Resolution of OBA Imbalance. Transporter and the OBA Party shall resolve any imbalances in accordance with the procedures set forth in the OBA
- 11.5 Nothing in this Section 11 nor any executed OBA shall limit Transporter’s rights to take action as may be required to adjust receipts and deliveries under any Agreement to reflect actual experience or to alleviate conditions which threaten the integrity of Transporter’s system, including maintenance of service to higher priority Shippers and/or services.



## GENERAL TERMS AND CONDITIONS

### 12. MEASUREMENT AND MEASUREMENT EQUIPMENT

#### 12.1 Measurement Generally.

- (a) The volume of Gas delivered at the Receipt Point(s) and at the Delivery Point(s) shall be measured by one of the following devices installed by Transporter at its election, or such device as agreed to by Transporter and the operator of the interconnecting facilities:
  - (1) An orifice meter, designed and installed in accordance with the current edition of American National Standard ANSI/API 2530 (American Gas Association Report No. 3), entitled "Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids" (hereinafter referred to as "AGA Report No. 3");
  - (2) An ultrasonic meter, designed and installed in accordance with the current edition of American Gas Association Transmission Measurement Committee Report No. 9, entitled "Measurement of Gas by Multipath Ultrasonic Meters" (hereinafter referred to as "AGA Report No. 9"); or
  - (3) A Coriolis meter designed and installed in accordance with the current edition of the American Gas Association Transmission Measurement Committee Report No. 11, entitled "Measurement of Natural Gas by Coriolis Meter" (hereinafter referred to as "AGA Report No. 11").
- (b) Meters shall be maintained and operated, and auxiliary measuring equipment shall be installed, maintained and operated, in accordance with generally accepted industry practices.

#### 12.2 Calculations.

- (a) The volume of Gas delivered at each Receipt Point and Delivery Point shall be calculated by means of an electronic flow computer located at each Receipt Point or each Delivery Point, in the following manner:
  - (1) The volume of Gas delivered through an orifice meter shall be computed in accordance with AGA Report No. 3, properly using all factors set forth therein.

- (2) The volume of Gas delivered through an ultrasonic meter shall be computed in accordance with AGA Report No. 9, properly using all factors set forth therein.
  - (3) The volumes of Gas through a Coriolis meter shall be computed in accordance with AGA Report No. 11, using all factors set forth therein. The meter will calculate the delivered volume by dividing the mass of the gas, measured by the Coriolis meter, by the based density of the gas.
- (b) The volume of Gas delivered shall be computed using the standards and factors determined as follows:
  - (1) The unit of volume for the purpose of measurement shall be one thousand cubic feet of Gas at a temperature of sixty (60) degrees Fahrenheit and a pressure of 14.73 pounds per square inch absolute. For the purpose of pricing hereunder, the Dekatherm equivalent of such unit of volume shall be determined by multiplying each such unit of volume by the total heating value per cubic foot of the Gas Delivered Hereunder (adjusted to a common temperature and pressure base) and by dividing the result by one thousand (1,000).
  - (2) For the purposes of measurement and meter calibration, the average absolute atmospheric pressure for each Receipt Point and Delivery Point shall be based on the actual elevation or location of the meter at the Receipt Point or Delivery Point above sea level.
  - (3) The static pressure and temperature of the Gas at flowing conditions through a meter shall be determined by means of instruments of standard manufacture accepted in the industry for these purposes.
  - (4) The supercompressibility factor used in computing the volume of Gas delivered through a meter shall be determined using the procedures presented in American Gas Association Transmission Measurement Committee Report No. 8, entitled "Compressibility Factors of Natural Gas and Other Related Hydrocarbon Gases."
  - (5) The specific gravity of the Gas used in computing the volume of Gas delivered through a meter shall be determined at each Receipt Point and at strategic locations determined by Transporter to be representative for each Delivery Point by standard methods accepted in the industry for this purpose.

- (6) The compressibility ratio factor “s” used in computing the volume of Gas delivered through an ultrasonic meter or a Coriolis meter shall be determined by the equation  $s = (Fpv)^2$ , in which “Fpv” is the supercompressibility factor determined as described in subparagraph (4) of this subsection (b).
- (7) The Gross Heating Value shall be determined by using a suitably located and reasonable acceptable calculation from fractional analysis and an acceptable chromatograph, according to the methods outline in the AGA Measurement Committee Report No. 5 or GPA 2172, as amended from time to time, unless otherwise agreed.

### 12.3 Equipment.

- (a) All flow measuring, testing and related equipment shall be of standard manufacture and type approved by Transporter. If applicable, Transporter or Shipper may install check measuring equipment and telemetering equipment, provided that such equipment shall be so installed as not to interfere with the operations of the operator. Transporter, or Shipper, in the presence of the other party, shall have access to measuring equipment at all reasonable times, but the reading, calibrating, and adjusting thereof shall be done by the operator of the facilities. Transporter or Shipper shall have the right to be present at the time of the installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating or adjusting done by the operator of the measuring equipment. The records from such measuring equipment shall remain the property of the operator, but upon request the other party may request records together with calculations therefrom for inspection, subject to return within thirty (30) days after receipt thereof. Reasonable care shall be exercised in the installation, maintenance and operation of the measuring equipment so as to avoid any inaccuracy in the determination of the volume of Gas received and delivered.
- (b) The accuracy of all measuring equipment shall be verified by operator at least once each year and if requested, in the presence of representatives of the other party, but neither Transporter nor Shipper shall be required to verify the accuracy of such equipment more frequently than once in any thirty (30) Day period. If the operator agrees to verification and test of measuring equipment and fails to perform such verification and testing, then the other party shall have the right to cease or temporarily discontinue service relative to such measuring equipment. If either party at any time desires a special test of any measuring equipment, it will promptly notify the other party and the parties shall then cooperate to secure a prompt verification of the accuracy of such equipment. Transportation and related expenses involved in the testing of meters shall be borne by Transporter, for each annual test, and the

party requesting such test in all other cases, provided, however, that Shipper shall not be responsible for such transportation and related expenses if the special testing reveals that the meter(s) is (are) not operating within the required tolerance level of two percent (2%).

- (c) The operator, for purposes of this section, shall be the owner of the equipment referenced herein, or the agent of such owner, or such other person as the parties may agree in writing.
- (d) If, upon any test, any measuring equipment is found to be in error, such errors shall be taken into account in a practical manner in computing the deliveries. If the resultant aggregate error in the computed receipts or deliveries is not more than two percent (2%), on a Dekatherm basis, then previous receipts or deliveries shall be considered accurate. All equipment shall, in any case, be adjusted at the time of test to record correctly. If, however, the resultant aggregate error in computing receipts or deliveries exceeds two percent (2%), on a Dekatherm basis, the previous recordings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of the last test.

12.4 In the event any measuring equipment is out of service, or is found registering inaccurately and the error is not determinable by test, previous recordings of receipts or deliveries through such equipment shall be determined as follows; provided, however, that measurement data corrections shall be processed within six (6) Months of the production Month, with a three (3) Month rebuttal period and provided, further, that such standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard:

- (a) by using the registration of any check meter or meters if installed and accurately registering, or in the absence of (a);
- (b) by correcting the error if the percentage of error is ascertainable by calibration, special test or mathematical calculation, or in the absence of both (a) and (b) then;
- (c) by estimating the quantity of receipt or delivery based on receipts or deliveries during preceding periods under similar conditions when the meter was registering accurately.

(d) Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods.

- 12.5 If at any time during the term hereof, a new method or technique is developed with respect to Gas measurement or the determination of the factors used in such Gas measurement, such new method or technique may be substituted upon mutual agreement thereto by both parties.
- 12.6 The parties agree to preserve for a period of at least two (2) years or such longer period as may be required by public authority, all test data, if any, and other similar records.
- 12.7 Shipper or Transporter may install, maintain, and operate odorizing (at a Delivery Point only), regulating, telemetering, heating and fogging equipment at its own expense as it shall desire at each Receipt Point or Delivery Point, and the operator of such equipment at its own expense shall provide the other party a suitable site therefore and allow the other party free access to and use of the site; provided that such equipment shall be so installed, maintained and operated as not to interfere with the operation or maintenance of the operating party's measuring equipment at each Receipt Point or Delivery Point. All such equipment as Shipper or Transporter shall desire to install shall be constructed, installed and operated to conform to the other party's requirements.

GENERAL TERMS AND CONDITIONS

## 13. RECEIPT AND DELIVERY POINT PRESSURE

- 13.1 All Gas tendered by or on behalf of Shipper to Transporter will be delivered at Receipt Points at a pressure sufficient to enter Transporter's system up to Transporter's Maximum Allowable Operating Pressure. If Transporter and Shipper otherwise agree on the Minimum Receipt Pressure at a Receipt Point(s), it will be set forth in Shipper's Agreement or an exhibit thereto.
- 13.2 Unless otherwise agreed to, Transporter will redeliver Gas at the Delivery Points nominated by Shipper at Transporter's prevailing line pressure from time to time, ("Minimum Delivery Pressure"). Transporter shall not be obligated to deliver Gas at any time at a pressure in excess of the Maximum Allowable Operating Pressure for Transporter's facilities or downstream receiving facility's maximum allowable operating pressure at such Delivery Point(s). If Transporter and Shipper otherwise agree on the Minimum Delivery Pressure at a Delivery Point(s), it will be set forth in Shipper's Agreement or an exhibit thereto.

GENERAL TERMS AND CONDITIONS

14. UNAUTHORIZED GAS

Transporter shall have the right to dispose of Unauthorized Gas as follows:

14.1 Unauthorized Receipts

When Unauthorized Gas is delivered to Transporter, Transporter shall purchase the Unauthorized Gas from the operator of the Receipt Points at which the Unauthorized Gas is received at fifty percent (50%) of the Daily Cashout Price, as defined in Section 6.8, for the Day and the Zone on which the Unauthorized Gas is delivered to Transporter.

14.2 Unauthorized Gas Deliveries

When Unauthorized Gas is taken from Transporter, it shall be assigned to the Transportation Agreements between Transporter and the operator of the Delivery Points at which the Unauthorized Gas is taken and shall be treated as an overrun and, if applicable, included in the contract imbalance under such agreements. If there are no Transportation Agreements between Transporter and the operator of the Delivery Points at which the Unauthorized Gas is taken, Transporter shall sell the Unauthorized Gas to the operator at one hundred-fifty percent (150%) of the Daily Cashout Price, as defined in Section 6.8 for the Day and the Zone on which the Unauthorized Gas is taken.



GENERAL TERMS AND CONDITIONS

## 15. QUALITY OF GAS

15.1 Except as expressly set forth herein to the contrary, the Gas received or delivered by Transporter shall be a combustible Gas consisting of methane and such other hydrocarbon constituents or a mixture of two or more of them which, in any case, meets the following qualify specifications:

- (a) The Gas shall have a total heating value not less than nine hundred and seventy-five (975) BTU per cubic foot of Gas nor greater than one thousand, one hundred (1,100) BTU per cubic foot of Gas;
- (b) Transporter may not refuse to accept delivery of Gas with a hydrocarbon dew point equal to or less than 20 degrees Fahrenheit, provided that such Gas satisfies all other applicable provisions of Transporter's Tariff.
- (c) The Gas shall be commercially free, under continuous Gas flow conditions, from objectionable odors, solid matter, dust, gums, gum-forming constituents, water or any other solid or liquid matter which might cause damage to or interference with proper operations of the pipeline, compressor stations, meters, regulators or other appliances through which the Gas flows;
- (d) The Gas shall not have uncombined oxygen content in excess of two-tenths (0.2) of one percent (1%) by volume;
- (e) The Gas shall not contain more than three percent (3.0%) by volume, of a combined total of carbon dioxide and nitrogen; provided, however, that the total carbon dioxide content shall not exceed two percent (2%) by volume;
- (f) The Gas shall not contain more than one-quarter (0.25) grain of hydrogen sulfide per one hundred (100) cubic feet;
- (g) The Gas shall not contain more than five (5) grains of total sulphur per one hundred (100) cubic feet;
- (h) The flowing Gas shall not have a temperature of more than one-hundred twenty degrees (120) Fahrenheit or less than forty (40) degrees Fahrenheit;

- (i) The Gas shall have been dehydrated, if necessary, for removal of water present therein in a vapor state, and shall in no event contain more than seven (7) pounds of entrained water per MMcf of Gas as determined by standard methods of testing;
  - (j) The Gas shall not contain, either in the Gas or in any liquids with the Gas, any microbiological organism, active bacteria or bacterial agent capable of contributing to or causing corrosion and/or operational and/or other problems. Microbiological organisms, bacteria or bacterial agents include, but are not limited to, sulfate reducing bacteria (SRB) and acid producing bacteria (APB). Tests for bacteria or bacterial agents shall be conducted on samples taken from the meter run or the appurtenant piping using American Petroleum Institute (API) test method API-RP38 or any other test method acceptable to Transporter and Shipper which is currently available or may become available at any time.
- 15.2 The test equipment and methodology utilized by Transporter to determine whether Gas meets the quality specifications set forth in Section 15.1 shall be posted on its Interactive Website.
- 15.3 At Transporter's request, Shipper shall use all reasonable efforts to obtain and provide to Transporter all records regarding Gas quality kept by upstream pipelines transporting the Gas received by Transporter for Shipper's account. Shipper shall use all reasonable efforts to ensure and verify for Transporter that such upstream pipelines are using appropriate equipment to monitor compliance with the Gas quality specifications applicable on Transporter's system as stated in this Section 15.
- 15.4 If the Gas tendered for Shipper's account to Transporter shall fail at any time to conform to any of the specifications set forth in this Section 15 or in Transporter's reasonable judgment, may cause harm to its facilities or diminish the quality of Gas in the system, then Transporter shall have the right, after either written, oral or telephonic notice to Shipper, to refuse to accept all or any portion of such quality deficient Gas. In the event Transporter refuses to accept Gas tendered by Shipper because such Gas does not conform to the specifications set forth herein, Shipper shall not be relieved of its obligation to pay any Reservation Charge provided for in Shipper's Agreement. If the Gas tendered by Transporter for Shipper's account shall fail at any time to conform to any of the specifications set forth in this Section 15 then Shipper shall notify Transporter of such deficiency and may, at its option, refuse to accept delivery pending correction by Transporter.
- 15.5 Transporter may waive the requirements set forth in Section 15.1 in order to allow Shipper to tender or cause to be tendered Gas which does not when injected into Transporter's pipeline meet the quality specifications set forth in Section 15.1; provided that Transporter's acceptance of such Gas shall not adversely impact Transporter's system facilities or operations, and further provided that once such Gas has been blended, to the extent

blending occurs, the commingled Gas stream at any Delivery Point on Transporter's system shall be compliant with the quality specifications set forth in Section 15.1. Transporter shall implement this Section 15.5 on a non-discriminatory basis and may cancel any waiver at any time if necessary to assure that the commingled Gas stream is compliant with the quality specifications set forth in Section 15.1 at any Delivery Point on Transporter's system.

- 15.6 Odorization. Transporter shall have no obligation to odorize the Gas tendered by Shipper other than to conform to the regulations of appropriate governmental authorities having jurisdiction. However, if Transporter odorizes the Gas, such odorization shall be by use of a malodorant agent of such character as to indicate by a distinctive odor the presence of Gas. Whenever odorized Gas is delivered, the quality and specifications, as set forth in this Section 15, of such Gas shall be determined prior to the addition of malodorant or with proper allowance for changes or additions due to such malodorant. Such odorization of the Gas by Transporter shall be for the purpose of detection of the Gas only during the time when the Gas is in the possession of Transporter, prior to delivery to the Shipper.

GENERAL TERMS AND CONDITIONS

16. PROCEDURES FOR CONTRACTING FOR SERVICE

16.1 Specific requests for information concerning service(s) should be directed to:

~~Enable~~ Gulf Run Transmission, LLC at the address provided on Transporter's ~~Internet web site~~ Interactive Website.

Transporter shall provide the requested information orally, in writing or electronically, as appropriate.

16.2 Requests for Service.

- (a) Persons desiring a new service or an amendment to existing service under one of Transporter's Rate Schedules set forth in this Tariff must submit a request for service electronically.
- (b) A request for a new service or an amendment to an existing service shall contain the information identified on the Request for Service Information List posted on Transporter's public Interactive Website, as such list may be amended from time to time. A Shipper requesting a new service or an amendment to existing service shall also provide the following to Transporter:
  - (1) Either at the time of the request for new service or an amendment to existing service is submitted to Transporter or at the time of execution of the Agreement, such other information (if any), in writing, as may be required to comply with regulatory reporting or filing requirements; and
  - (2) For any request for new service or a request for an amendment that would result in a change to Shipper's financial obligations under an Agreement, Shipper shall provide any credit information required to be provided pursuant to Section 18 of the General Terms and Conditions by the earlier of (i) ten (10) Business Days of the submittal of such request and (ii) one (1) Business Day before the effective date of such request.
- (c) If Shipper does not submit the information required in Section 16.2(b) above within the required timeframes, the request for service may be rejected.
- (d) Neither a request for new service nor a request that would result in a financial change to Shipper's existing contract shall be deemed to have been received by Transporter until Shipper has submitted a valid request pursuant to Section 16.2 and Section 18 of the General Terms and Conditions. A request that would not result in a change to Shipper's financial obligations under an Agreement shall be

deemed to have been received on the date such request is submitted. If Transporter requests additional information or assurance in accordance with Sections 15.2 and 17 herein, and such additional information or assurance is received within ten (10) Business Days of Transporter's request, Shipper's request for service shall be deemed to have been received on the date on which Shipper's additional financial information is received by Transporter; otherwise, Shipper's request for service may be rejected by Transporter.

16.3 All firm Transportation requests for service shall be subject to the following conditions:

- (a) No request for Transportation from a Primary Receipt Point or to a Primary Delivery Point shall be considered valid or be granted if to do so would impair Transporter's ability to render existing services pursuant to Transporter's firm service rate schedule(s).
- (b) The date of request for such Shipper's new Receipt Point(s) and/or Delivery Point(s) shall be the date on which Shipper submits the fully completed request for such new Receipt Point(s) and/or Delivery Point(s). However, requests for amendments to any Agreement to increase a daily quantity or change or add a new Receipt Point(s) and/or Delivery Point(s) will be considered a new request for purposes of complying with Section 16.2(d) herein, if such request would result in a change to Shipper's financial obligations under an Agreement.
- (c) In certain situations, Transporter may use an accounting meter number to represent a physical location on its pipeline system. A Delivery Point identified on Shipper's executed Agreement(s) may be designated by the Transporter's Interactive Website by means of an accounting meter number and description that differs from the physical meter number and description specified on the Agreement. The same rights and obligations exist for both Transporter and Shipper regardless of whether a location is identified in Shipper's executed Agreement by means of a physical meter number or an accounting meter number.

16.4 Execution of Agreement and Amendments.

- (a) An Agreement and/or an amendment to an existing Agreement shall be executed, as specified in this Section 16.4, by Shipper and Transporter following the completion of the approval process.
- (b) All Agreements shall be executed in writing or electronically, as appropriate. "An Agreement shall be executed and, if executed in writing, returned to Transporter, within fifteen (15) days of the tender of an Agreement by Transporter, unless otherwise agreed to by Transporter.

- (c) Each Service Agreement and Exhibit(s) to the Service Agreement shall be executed in writing or electronically by Shipper and Transporter. The Service Agreement, the applicable rate schedule, the General Terms and Conditions of this Tariff, and any applicable Negotiated Rate or discount agreement will comprise the entire agreement between Shipper and Transporter.
- 16.5 Extension of Agreements. Prior to the expiration of the term of a Part 284 Agreement and prior to Transporter's posting the availability of capacity under Transporter's Right of First Refusal provisions, if applicable, Transporter and Shipper may mutually agree to an extension of the term of the Agreement (the exact length of which is to be negotiated on a case-by- case basis, in a not unduly discriminatory manner).
- 16.6 Allocation of Available Firm Capacity. This Section 16.6 governs the order in which requests for firm capacity shall be accommodated when unsubscribed firm capacity, other than released capacity, becomes available. It does not govern scheduling, which is governed by Section 3 herein. Requests for firm capacity will be accommodated in the following manner and subject to the following conditions and limitations:
  - (a) In order to be eligible for firm capacity, a party requesting service (requestor) must submit a valid request in accordance with the provisions of Section 16.2 herein.
  - (b) Transporter will post on its Interactive Website available capacity. Subject to Section 16.6(e), a requestor that submits a valid request may submit a bid for the available capacity at any time and such bid will be awarded on a first-come, first-served basis. Notwithstanding the above, Transporter can hold an open season for the available capacity. In the event of multiple bids, Transporter will evaluate the bids and determine the bid having the greatest economic value as determined in Section 16.6(c).
  - (c) When Transporter holds an open season pursuant to Section 16.6(b), at the close of such open season, Transporter shall tender a Service Agreement for execution to the requestor submitting the bid having the greatest economic value for the capacity available, subject to the provisions of Section 16.6(d). The criteria for determining which requestor has submitted the bid with the greatest economic value shall be the net present value of the reservation charge that requestor would pay at the rates requestor has bid, which shall not be less than the Minimum Rate nor greater than the Maximum Rate, as stated on the Currently Effective Rates for the applicable Rate Schedule, over the term of service specified in the request, utilizing a ten percent (10%) annual discount factor. Only revenues generated from the reservation charge component will be used to calculate the net present value. Shippers requesting service at a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of determining the bid with the greatest economic value. If the economic values of separate service requests are equal, then service shall be

offered in sequence starting with the request with the earliest date. If separate service requests have equal economic values and the same date of request, service shall be offered to such requestors on a pro rata basis.

- (d) If Transporter accepts the winning bid, it shall tender a Service Agreement for execution.
- (e) Transporter shall not be obligated to tender or execute a Service Agreement for service at any rate less than the Maximum Rate set forth in the Currently Effective Rates for the applicable Rate Schedule. It shall be in Transporter's sole discretion to tender or execute a Service Agreement at any rate less than the applicable Maximum Rate for the service requested. Transporter and requestor both shall agree to any rate requested at less than the applicable Maximum Rate before Transporter becomes obligated to tender or execute a Service Agreement for firm service at any rate less than the applicable Maximum Rate.
- (f) Once a Service Agreement for firm Transportation is executed, the economic value of the Service Agreement shall be determined in accordance with Section 16.6(c). During the term of the Service Agreement, any change Shipper may make in the terms of the Service Agreement shall not reduce such economic value of the Service Agreement to Transporter, or Shipper's Reservation Charge, without Transporter's consent to such reduction.
- (g) To the extent Transporter has (i) available capacity or (ii) capacity under expiring or terminating Agreements where such capacity is not subject to a right of first refusal or Shipper does not exercise its right of first refusal, Transporter reserves the right, but shall not be obligated, to reserve such capacity for a future expansion project. Transporter may reserve capacity for a future expansion project for which an open season has been held or will be held within twelve months of the date that Transporter posts such capacity as being reserved. Any capacity reserved pursuant to this Section 16.6(g) must first be posted as available capacity on Transporter's Interactive Website for at least five (5) Business Days. Such posting will indicate that Transporter plans to reserve the posted capacity for a future expansion project to the extent that the posted capacity is not acquired by Shippers during the open season for capacity to be reserved. Transporter at any time may enter into a precedent agreement or Service Agreement which provides to a prospective sale of unsubscribed firm capacity currently available or anticipated to become available. If such precedent agreement or Service Agreement provides for a service commencement date one (1) year or more in the future with respect to currently available capacity or one year or more beyond the date of the availability of anticipated capacity ("Prearranged Service"), then Transporter, at the time it enters into such an agreement, shall post a notice on its Interactive Website indicating that the capacity subject to the Prearranged Service will be available for open bidding for a period or no less than three (3) Business Days during which a prospective

Shipper may submit a bid for such capacity, including specifying an immediate or prospective service commencement date, as applicable.

Any minimum terms and conditions imposed in an open season for capacity to be reserved must not materially differ so as to be more restrictive than the terms and conditions imposed in the expansion project open season. In the event that a subsequent expansion project open season imposes minimum terms and conditions that are materially different from the minimum terms and conditions imposed for the reserved capacity open season, Transporter shall hold another open season for the reserved capacity that uses the same minimum terms and conditions as were imposed for the expansion project open season.

Any capacity reserved under this Section 16.6(g) may be reserved for up to twelve (12) months prior to the time Transporter files for certificate approval for proposed construction of a related project and thereafter until all expansion facilities are placed into service. Any capacity reserved under this Section 16.6(g) shall be made available, pursuant to the provisions of Section 16.6(b) of these General Terms and Conditions, for Transportation Service on an interim basis up to, but not including, the in-service date of the related expansion project(s). For such interim service, Transporter reserves the right to limit any Shipper's renewal rights that might otherwise apply to such service, including Shipper's right of first refusal, if applicable. Any capacity reserved for a future expansion project that does not go forward for any reason shall be reposted as generally available within thirty (30) days of the date the capacity becomes available.

- (h) Transporter at any time may enter into a precedent agreement or Service Agreement which provides for a prospective sale of unsubscribed firm capacity currently available or anticipated to become available. If such precedent agreement or Service Agreement provides for a service commencement date one (1) year or more in the future with respect to currently available capacity or one year or more beyond the date of the availability of Prearranged Service, then Transporter, at the time it enters into such an agreement, shall post a notice on its Interactive Website indicating that the capacity subject to the Prearranged Service will be available for open bidding for a period or no less than three (3) Business Days during which a prospective Shipper may submit a bid for such capacity, including specifying an immediate or prospective service commencement date, as applicable. All bids received during the bid periods specified above remain binding unless withdrawn prior to the close of bidding. If a bid is submitted with a higher incremental economic value (based on the criteria described in Section 16.6(c) above), then the original Shipper will have a one-time right to match the higher bid to retain capacity. If the original Shipper elects not to match the higher competing bid, the capacity will be awarded to the highest bidder(s) satisfying the applicable creditworthiness or security requirements. The agreement for Prearranged Service Agreement will specify that the capacity

commitment is subject to the outcome of the bidding process and, if necessary, the original Shipper's election to exercise its matching rights.

Capacity that is under contract for a future period pursuant to Section 16.6(g) or this Section 16.6(h) will be made available on an interim basis up to the service commencement date of such contract for a future period ("Interim Capacity") and will be sold subject to the provisions of this Section 16.6. The availability of Interim Capacity, including any limitations on the renewal rights for such capacity, will be posted on Transporter's Interactive Website. Any party desiring to submit a bid for such Interim Capacity must submit its bid via Electronic Communications. Transporter shall award the Interim Capacity and post a notice of the winning bid(s) via Electronic Communication in accordance with this Section 16.



## GENERAL TERMS AND CONDITIONS

### 17. CAPACITY RELEASE PROVISIONS

This section sets forth the terms and conditions that are applicable to the release of firm entitlements under service provided pursuant to this Tariff.

#### 17.1 Procedure. Capacity released shall be subject to the terms and conditions of this Section 17.1.

- (a) **Eligibility.** Any Shipper ("Releasing Shipper") under Rate Schedule FTS of this Tariff shall be entitled, subject to the terms and conditions of this Section 17.1, to release any or all of its firm Transportation entitlements held under an Agreement, with the exception of Enhanced MDRO at the locations described in Section 4.1(b) of Rate Schedule FTS, but only to the extent that the capacity so released is acquired by another Shipper ("Replacement Shipper") pursuant to the provisions of this Section 17.1. Any such release shall result in a temporary suspension of the Releasing Shipper's right to use the released firm entitlements, including a partial suspension of Receipt Area Entitlements to the extent Receipt Point rights within the relevant Receipt Area were released.
- (b) The sum of the firm entitlements for a given point or segment across a releasing Agreement and its replacement Agreement(s) shall not exceed the corresponding firm entitlement of the releasing Agreement.
- (c) Released Capacity shall be made available on a basis that is not unduly discriminatory, and any Replacement Shipper shall be entitled to acquire Releasing Shipper's capacity subject to the terms and conditions under this Section 17.1, provided the Replacement Shipper meets all provisions governing eligibility under this Tariff in a timely manner and has executed a Capacity Release Service Agreement with Transporter in the form as set forth in this Tariff (Capacity Release Service Agreement). A Replacement Shipper shall be entitled to release acquired capacity to another Replacement Shipper, subject to the requirement that the original Replacement Shipper satisfies all of the provisions of this Section 17.1 as if such Replacement Shipper were a Releasing Shipper, and the new Replacement Shipper meets all provisions governing eligibility under this Tariff in a timely manner, provided, however, that a Replacement Shipper that acquired released capacity through a volumetric bid shall not be entitled to re-release that capacity.
- (d) **Term.** Any release under this Section 17 shall not extend beyond the expiration of the term then in effect of the Agreement that is released.

(e) Recall / Reput Rights.

- (1) Recall Provisions. Releasing Shipper's rights to recall capacity on a full Day or partial Day basis shall be stated clearly in Releasing Shipper's offer to release capacity ("Releasing Shipper's Notice"). Purchase of Gas by a Releasing Shipper from a Replacement Shipper at the Releasing Shipper's Primary Delivery Point(s) shall not be deemed to be the exercise of a recall by the Releasing Shipper.

The Releasing Shipper shall provide capacity recall notification to Transporter via Electronic Communication. The recall notification shall specify the recall notification period for the specified effective Gas Day, as well as any other information needed to uniquely identify the capacity being recalled.

Transporter shall support the following recall notification periods for all released capacity subject to recall rights:

Timely Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due;

Early Evening Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due;

Evening Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;

- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due;

Intraday 1 Recall Notification:

- A Releasing Shipper recalling capacity shall provide notice of such recall to Transporter and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
- Transporter shall provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due; and

Intraday 2 Recall Notification:

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

Intraday 3 Recall Notification:

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

For recall notification provided to Transporter prior to the recall notification deadline specified above and received between 7:00 a.m. and 5:00 p.m., Transporter shall provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification. For recall notification provided to Transporter after 5:00 p.m. and prior to 7:00 a.m., Transporter shall provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification.

Transporter's notices of recalled capacity to all affected Replacement Shippers shall be provided via Electronic Communication, along with written notice via e-mail communication to the individual the Replacement Shipper identified in the Replacement Shipper's bid submitted pursuant to Section 17.1(i) of these General Terms and Conditions. Such notices shall contain the information required to uniquely identify the capacity being recalled and shall indicate whether penalties will apply for the Gas Day for which quantities are reduced due to a capacity recall. Upon receipt of notification of the recall from Transporter, each affected Replacement Shipper shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Shipper will be solely responsible for adjusting its supply and Transportation arrangements, which may be necessary as a result of such recall. Replacement Shippers involved in re-release transactions may receive notice slightly after the first Replacement Shipper receives notice. The recalling Releasing Shipper may nominate the recalled capacity consistent with the applicable nomination cycle, pursuant to Section 2 of these General Terms and Conditions.

If, on the Day of a partial Day recall, the quantity of Gas delivered to the Replacement Shipper is in excess of the MDQ remaining on the Replacement Capacity Agreement after the partial Day recall and/or the quantity of Gas delivered to the Releasing Shipper that recalled the capacity is in excess of the MDQ recalled by the Releasing Shipper, then the Shipper(s) to whom such excess Gas is delivered will be charged the applicable Authorized Overrun Rate pursuant to Section 3.1(b) of Rate Schedule FTS, as applicable on such excess quantities of Gas in addition to all other applicable charges.

- (2) Partial Day Recall Quantity. The daily contractual entitlement that can be recalled by a Releasing Shipper for a partial Day recall is a quantity equal to the lesser of:
- (A) The quantity specified in the Releasing Shipper's notice to recall capacity; or
  - (B) The difference between the quantity released by the Releasing Shipper and the Elapsed Prorata Capacity.

In the recall notification provided to Transporter by the Releasing Shipper, the quantity to be recalled shall be expressed in terms of the adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. In the event of a partial Day capacity recall, Transporter shall determine the allocation of capacity between the Releasing Shipper and the Replacement

Shipper(s) based upon the Elapsed Prorata Capacity only in the case of (ii) above.

The amount of capacity allocated to the Replacement Shipper(s) shall equal the original released quantity less the recalled capacity. This allocated daily contractual quantity shall be used for purposes of nominations, billing, and if applicable, for overrun calculations. As a result of the allocation of capacity described in this section, Transporter shall not be obligated to deliver a combined quantity to the Releasing Shipper and the Replacement Shipper(s) that is in excess of the total daily contract quantity of Releasing Shipper's original contract.

- (3) Reput Provisions. Transporter shall support the function of Reputting by the Releasing Shipper. The Releasing Shipper may Reput previously recalled capacity to the Replacement Shipper pursuant to the Reput rights and methods identified in Releasing Shipper's Notice, as required by Section 17.1(h)(10) below. When capacity is recalled, such capacity may not be Reput for the same Gas Day. The deadline for the Releasing Shipper to notify Transporter of a Reput of capacity is 8:00 a.m. to allow the Replacement Shipper to submit timely nominations for Gas to flow on the next Gas Day.
- (f) Bidding Period. Releasing Shipper may specify the date and time that the Bidding Period starts and the date that the Bidding Period ends, provided, however, that the Bidding Period shall not commence or end any later than the times set forth in Section 17.1(g) below. Releasing Shipper's Notice shall be posted for the Bidding Period; provided, however, that the Releasing Shipper will have the right to withdraw its Releasing Shipper's Notice any time prior to the close of the Bid Period associated with such Releasing Shipper's Notice where unanticipated circumstances justify the withdrawal and no bids meeting the minimum conditions of Releasing Shipper's Notice have been made.

Offers shall be legally binding until notice of withdrawal is received by Transporter via Electronic Communication. Transporter shall post offers and bids, including prearranged deals, upon receipt. A Releasing Shipper may request a later posting time for posting of such offer, and Transporter shall support such request insofar as it comports with the standard capacity release timeline specified in Section 17.1(g) below. Releasing Shipper shall not be allowed to specify an extension of the original bid period or the prearranged deal match period without posting a new release.

- (g) The capacity release timeline applies to all parties involved in the capacity release process provided that (1) all information provided by the parties to the transaction is valid and the Replacement Shipper has been determined to be creditworthy before

the capacity release bid is tendered, (2) for index-based capacity release transactions, the Releasing Shipper has provided Transporter with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (3) there are no special terms or conditions of the release. Transporter may complete the capacity release process on a different timeline if Releasing Shipper's Notice includes unfamiliar or unclear terms and conditions (e.g., designation of an index not supported by Transporter).

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

- Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season ends at 10:00 a.m. on the same or a subsequent Business Day.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of Best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 p.m. (noon).
- The notice of award of capacity as supplemented by the terms of the Form of Service Agreement for the applicable Rate Schedule, both posted on Transporter's ~~Internet web site~~ [Interactive Website](#), shall constitute the Replacement Capacity Agreement. Once the award is posted completing the Replacement Capacity Agreement, the winning bidder becomes the Replacement Shipper.
- Nomination is possible beginning at the next available nomination cycle for the effective date of the Replacement Capacity Agreement.

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

- Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.

- Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of Best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 p.m. (noon).
- The notice of award of capacity as supplemented by the terms of the Form of Service Agreement for the applicable rate schedule, both posted on Transporter's ~~Internet web site~~Interactive Website, shall constitute the Replacement Capacity Agreement. Once the award is posted completing the Replacement Capacity Agreement, the winning bidder becomes the Replacement Shipper.
- Nomination is possible beginning at the next available nomination cycle for the effective date of the Replacement Capacity Agreement.

(3) For non-biddable releases:

- The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:
  - Timely Cycle 12:00 p.m. (noon)
  - Evening Cycle 5:00 p.m.
  - Intraday 1 Cycle 9:00 a.m.
  - Intraday 2 Cycle 1:30 p.m.
  - Intraday 3 Cycle 6:00 p.m.
- The notice of award of capacity as supplemented by the terms of the Form of Service Agreement for the applicable rate schedule, both

posted on Transporter's ~~Internet web site~~Interactive Website, shall constitute the Replacement Capacity Agreement. Once the award is posted completing the Replacement Capacity Agreement, the winning bidder becomes the Replacement Shipper.

- Nomination is possible beginning at the next available nomination cycle for the effective date of the Replacement Capacity Agreement.
- (4) Notwithstanding the standard timelines specified in Section 17.1(g)(3) above, Transporter shall support a process to allow the Releasing Shipper and the Prearranged Shipper to create and finalize prearranged non-biddable capacity release transactions to be effective for a given Gas Day at any time prior to 7:00 a.m. on the calendar day on which that Gas Day ends.
- (h) Required Information for the Release of Capacity. The Releasing Shipper shall submit the following information, objectively stated and applicable to all potential Shippers on a non-discriminatory basis, to Transporter via Electronic Communication:
  - (1) The Releasing Shipper's legal name, contract number, and the name, e-mail address and phone number of the individual who will authorize the release of capacity for the Releasing Shipper.
  - (2) Whether the capacity is biddable.
  - (3) The level of daily firm entitlements that the Releasing Shipper elects to release, expressed as a numeric quantity per Day for Transportation, which will be displayed in the Transporter's Interactive Website, for prospective Replacement Shippers as the available MDQ.
  - (4) The Transportation Path(s) or segment within such Transportation Path(s), and quantity to be released.
  - (5) The requested effective date and the term of the release.
  - (6) The minimum acceptable period of release and minimum acceptable quantities (if any).
  - (7) The Releasing Shipper's maximum Reservation Charges for the applicable Zone (including any demand type surcharges, direct bills, or similar mechanisms), any minimum rate requirement, and whether bids are to be submitted on a reservation or volumetric basis. The Releasing Shipper shall specify which one of the following methods is acceptable for bidding on a given Releasing Shipper's Notice:

- Non-Index-based release – dollars and cents,
- Non-Index-based release percentage of Maximum Recourse Rate, or
- Index-based formula as detailed in Releasing Shipper's Notice.

The bids for the given Releasing Shipper's Notice shall adhere to the method specified by the Releasing Shipper. The maximum and minimum rates may separately identify surcharges and direct bills, or such amounts can be included in the total rate. For purposes of this Section 17, the maximum Reservation Charge(s) for Shipper paying a Negotiated Rate will be deemed to be the Maximum Recourse Rate(s) for the applicable Zone as set forth on the Statement of Rates. Any maximum and/or minimum rate specified by the Releasing Shipper can exceed the Maximum Recourse Rate for the applicable service if (i) the term of the proposed release is one (1) year or less, and (ii) the effective date of the proposed release is on or before one (1) year from the date on which Transporter is notified of the release.

- (8) Whether the Releasing Shipper is requesting that Transporter actively market the capacity to be released.
- (9) The legal name of the Replacement Shipper that is designated in any pre-arranged release ("Prearranged Shipper").
- (10) Whether the capacity is to be released on a recallable basis, and, if so, (i) the terms and conditions of such recall, including whether it is recallable on a full Day or a partial Day basis, (ii) whether the Releasing Shipper's recall notification must be provided exclusively on a Business Day, (iii) which recall notification period(s), as identified in Section 17.1(e) above, will be available for use by the parties, and (iv) any Reput methods and rights associated with returning the previously recalled capacity to the Replacement Shipper.
- (11) Whether the capacity to be released is contingent on the release of other capacity, or on certain terms and conditions, and if so, the capacity, terms and/or conditions upon which the release is contingent.
- (12) The terms and conditions under which Releasing Shipper will accept contingent bids, including bids that are contingent upon the Replacement Shipper acquiring Transportation on a pipeline interconnected to Transporter, the method for evaluating contingent bids, what level of proof is required by the contingent bidder to demonstrate that the contingency did not occur, and for what time period the next highest bidder will be

obligated to acquire the capacity if the next winning contingent bidder declines the release.

- (13) For the capacity release business timing model, only the following methodologies are required to be supported by Transporter and provided to Releasing Shippers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are: (1) highest rate, (2) net revenue and (3) present value. For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. Transporter may also support an alternative Releasing Shipper defined bid evaluation method pursuant to Section 17.1(h)(14) below; provided, however, that Transporter shall not be required to process the capacity release transaction using the standard process timeline should the Releasing Shipper elect an alternative method of bid evaluation.
- (14) At the Releasing Shipper's option and in lieu of Transporter implementing the Best Bid determination stated in Section 17.1(l), the Releasing Shipper may state the bid evaluation method. Such bid evaluation method shall be objectively stated, applicable to all Replacement or Prearranged Shippers and not unduly discriminatory and shall enable Transporter to rank the bids received by utilizing the weight assigned by the Releasing Shipper to each element of the Releasing Shipper's Notice.
- (15) Any restriction on the use of higher rate Secondary Delivery Points, or any requirement that the Replacement Shipper reimburse the Releasing Shipper for any incremental charges assessed by Transporter for use of Secondary Delivery Points by the Replacement Shipper.
- (16) The priorities that Transporter is authorized to utilize in the event that overlapping nominations submitted by the Releasing Shipper and any Replacement Shipper are in excess of the Releasing Shipper's original MDQ.
- (17) Whether the proposed release is to an asset manager as part of an asset management arrangement as defined in Section 284.8(h)(3) of the Commission's regulations or to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's regulations, and, if the proposed release is part of an asset management arrangement, the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect.

- (18) Any other additional information that Transporter deems necessary, from time to time, to effectuate releases hereunder.

Transporter shall not be liable for information provided by Releasing Shipper to Transporter, including any such information that is posted on the Transporter's Interactive Website.

- (i) Open Bidding Process. Prospective Shippers wishing to acquire capacity available for release ("Bidding Shipper"), shall place a bid on the Transporter's Interactive Website, for the available capacity during the Posting Period. If such bid is not expressly labeled as a contingent bid, such bid shall be binding. The bid shall contain the following information.

- (1) The Bidding Shipper's legal name and the name, phone number and e-mail address of the individual who will authorize the acquisition of the available capacity.
- (2) The level of daily firm entitlements that the Bidding Shipper requests and the minimum quantity it will accept.
- (3) The requested effective date and the term of the acquisition.
- (4) The Bidding Shipper's bid, addressing all criteria required by the Releasing Shipper. The Bidding Shipper shall be entitled to withdraw its bid via the Transporter's Interactive Website, prior to the end of the bidding period. Bidding Shipper cannot withdraw its bid after the Bidding Period ends. If Bidding Shipper withdraws its bid, it may not resubmit a lower bid. If Bidding Shipper submits a higher bid, lower bids previously submitted by Bidding Shipper will be automatically eliminated. A Bidding Shipper may have only one valid bid posted. Transporter shall post all information provided by Bidding Shippers, except the information provided in Section 17.1(h)(1), above.

No bid shall exceed the applicable Maximum Recourse Rates, in addition to any and all applicable fees and surcharges, as specified in this Tariff; provided, however, that the rate specified by the Bidding Shipper may exceed the Maximum Recourse Rate for the applicable service if (i) the term of the proposed release is one (1) year or less, and (ii) the effective date of the proposed release is on or before one (1) year from the date on which Transporter is notified of the release. The quantity or the requested term of the release of such bid shall not exceed the maximum quantity or primary term specified in the executed Agreement.

- (j) Pre-Arranged Release. Releasing Shipper shall have the right to elect not to post a release for bidding (1) if the proposed capacity release has a duration of thirty-one (31) Days or less and Releasing Shipper has obtained a Prearranged Shipper, (2) for proposed capacity releases with a term of more than one (1) year for which Releasing Shipper has obtained a Prearranged Shipper and the Prearranged Shipper is paying the Maximum Recourse Rate and all other terms and conditions of the release are met, (3) for any release of capacity to an asset manager (as defined in Section 284.8(h)(3) of the Commission's regulations), or (4) for any release of capacity to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's regulations. Transporter will support the creation of prearranged deals on the Transporter's Interactive Website. If Releasing Shipper exercises such right, Releasing Shipper must notify Transporter pursuant to Section 17.1 above and the Prearranged Shipper must initiate confirmation of the prearranged deal electronically via the Transporter's Interactive Website. Replacement Shipper shall adhere to the requirements set forth in Section 17.2. Any release, with the exception of releases to an asset manager or to a marketer participating in a state-regulated retail access program, with a term that is greater than thirty-one (31) Days and less than or equal to one (1) year must be posted for bidding pursuant to Section 17.1(g) above, regardless of the proposed rate. Subject to the Replacement Shipper meeting the creditworthiness requirements set forth in Section 17.1(1), the posting of the prearranged deal that is not subject to bidding shall be binding. The notice of the prearranged release as supplemented by the terms of the Form of Service Agreement for the applicable rate schedule, both posted on Transporter's ~~Internet web site~~Interactive Website, shall constitute the Replacement Capacity Agreement. Once the prearranged deal is posted, completing the Replacement Capacity Agreement, the Prearranged Shipper becomes the Replacement Shipper.
- (k) Matching Rights. A Prearranged Shipper shall have matching rights for the time period set forth in Section 17.1(g) above following the time the Prearranged Shipper has been notified of the winning bid ("Matching Period"). In the event a higher bid is received, Transporter shall notify the Prearranged Shipper via Electronic Communication of the terms and conditions of the higher bid by the deadline specified in Section 17.1(g). Prearranged Shipper will have an opportunity during the Matching Period to match such higher bid by responding via Electronic Communication prior to the end of the Matching Period. Absent a response from the Prearranged Shipper prior to the end of the Matching Period, the capacity shall be awarded to the higher Bidding Shipper in accordance with Section 17.1(l) below.
- (l) Awarding of Capacity Available for Release. Capacity will be awarded in accordance with the timelines set forth in Section 17.1(g) above. The capacity available for release shall be awarded to the Bidding Shipper with the highest bid ("Best Bid")

matching all terms and conditions provided by the Releasing Shipper. If multiple bids meet the minimum conditions stated in the Releasing Shipper's Notice, Transporter shall award the capacity, Best Bid first, until all offered capacity has been awarded. If bids are received that do not match all the terms and conditions provided by the Releasing Shipper, bids will be evaluated by the criteria provided by the Releasing Shipper. If no criteria are provided by the Releasing Shipper, the Bidding Shipper bidding the highest net present value shall be awarded the capacity. Net present value shall be determined based on a ten percent (10%) discount rate. If the two or more bids would qualify as the Best Bid, then service shall be awarded in sequence starting with the bid with the earliest date. If two or more bids that would qualify as the Best Bid have the same time of request, capacity shall be awarded to such Bidding Shippers on a pro rata basis.

Transporter shall not award capacity release offers to the Replacement Shipper until and unless the Replacement Shipper meets Transporter's creditworthiness requirements applicable to all services that it receives from Transporter, including the service represented by the capacity release.

- (m) Remaining Capacity. In the event that a Releasing Shipper does not release all of its firm entitlements, the Releasing Shipper shall remain responsible for the remaining entitlements and is entitled to utilize the remaining entitlements with the MDQ reduced accordingly by the released capacity quantities.
- (n) No Rollover. When a release of capacity for a period of thirty-one (31) Days or less is not subject to the bidding requirements under this Section 17.1, a Releasing Shipper may not rollover, extend, or in any way continue the capacity release to the same Replacement Shipper which utilizes the same capacity or overlaps such capacity using the thirty-one (31) Days or less bidding exemption described in Section 17.1(j)(1) above until twenty-eight (28) Days after the first release period has ended. The twenty-eight (28) Day hiatus does not apply to any re-release to the same Replacement Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding described in Section 17.1(j) above.
- (o) Obligations of Replacement or Prearranged Shippers. The Replacement or Prearranged Shipper must satisfy all other provisions of this Tariff governing Shipper eligibility and must execute all required agreements and acknowledgements before it may contract with Transporter for the released capacity. In addition, as a prerequisite to becoming a Replacement or Prearranged Shipper, a party must have been placed by Transporter on Transporter's pre-approved bidder list. To be placed on such list, a party must have been accepted by Transporter as satisfying the credit standards of Section 18 of these General Terms and Conditions and have executed a Capacity Release Service Agreement with Transporter in the form as set forth in this

Tariff (Capacity Release Service Agreement) and must continue to satisfy the credit standards of Section 18 when its bid is made and accepted or it is offered as a Prearranged Shipper, as applicable. Transporter shall process requests for credit approval with diligence. Any previously listed party that fails to continue to satisfy the standards of Section 18 shall be deleted from the list. Transporter will waive the credit requirements of Section 18 on a non-discriminatory basis for Replacement or Prearranged Shipper and permit such Replacement or Prearranged Shipper to submit bids, if the Releasing Shipper provides Transporter with a guarantee or other form of credit assurance in form and substance satisfactory to Transporter of all financial obligations of the Replacement or Prearranged Shipper with respect to the capacity being released by Releasing Shipper prior to the commencement of service to the Replacement or Prearranged Shipper if the release is pre-arranged and not subject to bidding or prior to the close of the bid period if the release is subject to bidding requirements of this Section 17. Any bid submitted will legally bind the Replacement or Prearranged Shipper to the terms of the bid if Transporter chooses such bid as the Best Bid until notice of withdrawal is received by Transporter via Electronic Communication. Bids cannot be withdrawn after the bid period ends. Once the Replacement or Prearranged Shipper is awarded capacity, the Replacement or Prearranged Shipper becomes an existing Shipper like any other Shipper and is subject to the applicable provisions of Transporter's Tariff, including, but not limited to, Transporter's billing and payment and operational provisions.

In addition, the Replacement or Prearranged Shipper as an existing Shipper may also release its capacity pursuant to this Section 17. Nominations may be submitted upon the award of capacity, and such nominations will be processed in accordance with the nomination and scheduling requirements of Sections 2 and 3 of these General Terms and Conditions; provided, however, in no circumstances will Gas flow prior to the effective date of the release as specified in the Releasing Shipper's Notice.

- (p) Replacement Capacity Agreement. All nominations, scheduling and billing will be done under the contract number provided in the release.

17.2 Obligations of the Parties. The following provisions apply to all temporary releases of capacity.

- (a) Contractual Obligations. All Replacement Shippers shall be required to comply with the provisions of Rate Schedule FTS and these General Terms and Conditions and to accept by a release all Transportation rights and obligations of the Releasing Shipper with respect to the capacity released, including, but not limited to, nominations and Transportation Paths. Furthermore, the Releasing Shipper shall remain fully liable to Transporter for all Reservation Charges, including reservation type surcharges and direct bills that were due under the Releasing Shipper's Agreement. In the event

that the Replacement Shipper invoiced amounts for Reservation Charges are in arrears by sixty (60) days or more, the Releasing Shipper shall be responsible for paying all such amounts with the next invoice rendered to the Releasing Shipper by Transporter.

- (b) Billing. Pursuant to Sections 24 and 25, Replacement Shipper shall be billed for all reservation type charges contained within its bid and all usage charges according to Section 3 of Rate Schedule FTS.
  - (c) Credits. Except as otherwise agreed to between Transporter and Releasing Shipper, Releasing Shipper shall receive a credit against its monthly Reservation Charges equal to the amount of Reservation Charges contained within the Replacement Shipper's bid subject to the obligations of Releasing Shipper under Section 17.2(a).
  - (d) Refunds. Releasing Shipper and any Replacement Shipper must track any changes in Transporter's rates approved by the Commission. In the event the Commission orders refunds of any such rates charged by Transporter and previously approved, Transporter and/or Releasing Shipper, as the case may be, must make corresponding refunds to such Releasing Shipper or any Replacement Shipper, to the extent that Releasing Shipper or Replacement Shipper(s) has paid a rate in excess of Transporter's just and reasonable, applicable Maximum Recourse Rates. Transporter shall assume no liability or responsibility whatsoever for the failure of the Releasing Shipper to comply with its obligations under this Section 17.2(d). The rate paid by a Replacement Shipper in any capacity release transaction with a term of one (1) year or less which is not subject to the maximum rate cap will be deemed to be a final rate and is not subject to refund if the effective date of the release was on or before one (1) year from the date on which Transporter was notified of the release.
- 17.3 Posting of Purchase Offers. Transporter shall allow a potential Replacement Shipper to post for at least thirty (30) days its offers to acquire released firm entitlements. The offer must contain the following information:
- (a) The potential Replacement Shipper's legal name and the name, title, address, phone number and e-mail address of the individual who will authorize the acquisition of the available capacity.
  - (b) The daily quantities of capacity which the potential Replacement Shipper requests.
  - (c) The Receipt Points and/or Delivery Points where capacity is requested, as applicable.
  - (d) The requested effective date and the term of the acquisition.
  - (e) The maximum rate(s) that the potential Replacement Shipper will pay for the service.

- 17.4 Marketing Fee. Transporter shall be entitled, upon Releasing Shipper's request, to actively market the capacity available for release on Releasing Shipper's behalf. Transporter and Releasing Shipper will negotiate the terms and conditions upon which Transporter will market the Releasing Shipper's capacity.
- 17.5 Permanent Releases. A Shipper which has a currently effective executed Agreement with Transporter under Transporter's Rate Schedule FTS may release, pursuant to the procedures specified in this Section 17, all or any part of its firm capacity to a Replacement Shipper for the remaining primary term of the contract and be relieved of all liability under its Agreement prospectively from the effective date of such release, provided that the following conditions are satisfied:
- (a) The Replacement Shipper executes a new Agreement under the applicable Rate Schedule;
  - (b) The Replacement Shipper agrees that the minimum bid acceptable to Transporter shall be a bid for the remainder of the term of Releasing Shipper's Agreement at the rate(s) Releasing Shipper is obligated to pay Transporter for the capacity to be permanently released and accepts all obligations of the Releasing Shipper;
  - (c) The Replacement Shipper meets all of the credit-worthiness requirements contained in Section 18 of the General Terms and Conditions of Transporter's Tariff.
  - (d) Transporter may refuse to allow a permanent capacity release if it has a reasonable basis to conclude that it will not be financially indifferent to the release. If Shipper's request to permanently release capacity is denied by Transporter, Transporter shall notify Shipper via e-mail and shall include in the notification the reasons for such denial.
- 17.6 Transporter's Rights to Suspend and/or Terminate Temporary Capacity Release Transactions.
- (a) In the event of a temporary release for which: (i) the Releasing Shipper no longer maintains creditworthiness as outlined in Section 18 of Transporter's General Terms and Conditions and Transporter has terminated Releasing Shipper's Agreement; and (ii) the Reservation Charge specified in the applicable release is less than the level of the Reservation Charge which the Releasing Shipper was obligated to pay Transporter (or, if the Releasing Shipper is paying a Negotiated Rate, the sum of all reservation-type and commodity-type charges), then Transporter shall be entitled to terminate the service described in the release, upon 30 days' written notice to the Replacement Shipper, unless the Replacement Shipper agrees, at its sole election, prior to the end of said 30-day notice period to pay for the remainder of the term specified in the release one of the following: (i) the Reservation Charges and

commodity charges at levels which the Releasing Shipper was obligated to pay Transporter, (ii) the applicable Maximum Recourse Rate, or (iii) such rate as mutually agreed to by Transporter and Replacement Shipper.

- (b) In the event of a temporary release for which the Replacement Shipper no longer satisfies Transporter's credit requirements as set forth in Section 18 of the General Terms and Conditions: (i) Transporter may notify the Releasing Shipper, without any liability or prior notice to Replacement Shipper, that the Replacement Shipper no longer meets the credit requirements of Transporter's Tariff; and (ii) subject to Transporter exercising its rights under Section 18 of the General Terms and Conditions to suspend and/or terminate such capacity release transaction, the firm capacity subject to the release transaction shall revert to Releasing Shipper immediately upon the effectiveness, and for the duration, of such suspension or permanently if the release transaction is terminated.

17.7 Notices to Releasing Shippers. Transporter shall provide the original Releasing Shipper with e-mail notification reasonably proximate in time with any of the following formal notices given by Transporter to the Releasing Shipper's Replacement Shipper(s), of the following:

- (a) Notice to the Replacement Shipper regarding the Replacement Shipper's past due, deficiency, or default status pursuant to Transporter's Tariff;
- (b) Notice to the Replacement Shipper regarding the Replacement Shipper's suspension of service notice;
- (c) Notice to the Replacement Shipper regarding the Replacement Shipper's contract termination notice due to default or credit-related issues; and
- (d) Notice to the Replacement Shipper that the Replacement Shipper(s) is no longer creditworthy and has not provided credit alternative(s) pursuant to Transporter's Tariff.

17.8 Index-based Capacity Release Transactions.

- (a) For index-based capacity release transactions, Releasing Shipper must specify which one of the following methods is acceptable for bidding on a given index-based Releasing Shipper's Notice:
  - (1) a percentage of the formula,
  - (2) a dollars and cents differential from the formula,
  - (3) a dollars and cents differential from the Rate Floor, or

- (4) an approved methodology in Transporter's Tariff, if any.

When bidding is based upon a dollars and cents differential from the Rate Floor, the invoiced rate for the award shall be calculated as the greater of (i) the result of the formula or (ii) the Rate Floor plus the high bid's differential, both not to exceed Transporter's Maximum Recourse Rate, if applicable.

Releasing Shipper may specify another method in the special terms and conditions; however, the Releasing Shipper's Notice may not be processed within the capacity release timeline specified in Section 17.1(g) above.

- (b) For index-based capacity release transactions, Transporter shall support a Rate Floor to be specified by Releasing Shipper in the Releasing Shipper's Notice.
- (c) Unless otherwise specified in Transporter's Tariff, for index-based capacity release transactions where the result of the award is to be applied on a monthly basis, and the formula detailed in the capacity release award requires calculations on a daily basis, the results of such daily calculations may exceed the applicable maximum daily Reservation Charge or be less than the applicable minimum daily Reservation Charge. However, any resulting monthly Reservation Charge may not exceed Transporter's maximum monthly Reservation Charge, as applicable, or be less than the Rate Floor specified in the capacity release award.

If the resulting monthly Reservation Charge exceeds Transporter's maximum Reservation Charge, as applicable, Transporter's maximum Reservation Charge shall be used for invoicing. If the resulting monthly Reservation Charge is less than the Rate Floor, the Rate Floor shall be used for invoicing.

- (d) For invoicing of volumetric index-based capacity release transactions, where the result of the formula detailed in the capacity release award is to be applied on a daily basis, if the calculated daily rate exceeds Transporter's applicable maximum Reservation Charge or is less than the Rate Floor specified in the capacity release award, Transporter's maximum Reservation Charge or the Rate Floor, respectively, shall apply.
- (e) Transporter shall support two non-public price index references that are representative of Receipt Points and Delivery Points on its system for fixed-price transactions with next-day or next-month delivery obligations. In any event, Transporter shall support all price indices it references in its Tariff. In addition, Transporter shall evaluate those publicly available price index references requested by its Shippers that do not require any license(s)/subscription(s) for their use and

support those that are representative of the applicable Receipt Points and Delivery Points. Further:

- (1) The identity of all supported price index references shall be posted on Transporter's Interactive Website, including the duration of the license(s)/subscription(s) for posted price index reference(s).
- (2) Upon request of a Shipper holding capacity that can be released on Transporter's system, Transporter, in consultation with its Shippers, shall review the price index references (including publicly available price index references), and update the price index references to reflect the agreed upon results of that consultation. All parties shall act reasonably and in good faith in the review process. Transporter shall not unreasonably withhold agreement to such proposed changes. Such review shall occur no more frequently than annually.
- (3) Releasing Shippers requesting the use of price index references not supported by Transporter will be responsible for providing/maintaining adequate license(s)/subscription(s) for Transporter for such additional price index reference(s) such that Transporter is able to reasonably determine that it is adequately licensed to fulfill its business responsibilities associated with index-based capacity release transactions. Such license(s)/subscription(s) shall, at a minimum be for the term of the initial release(s) that use such index references or until such index reference becomes generally supported by Transporter as referenced above. These price index reference(s) will then be supported by Transporter and available for index-based capacity release transactions for the duration of the license(s)/subscription(s) and their identity(ies) posted on Transporter's Interactive Website.
- (4) Regarding paragraphs (2) and (3) above, Transporter reserves the right, in its own discretion, to review any license(s)/subscription(s) that would legally bind Transporter and to evaluate the legal propriety of same as it pertains to Transporter. Transporter may, with reasonable cause, require modification of the license(s)/subscription(s) to resolve its concerns relative to any license(s)/subscription(s) that would legally bind Transporter.
- (5) Each party involved in an index-based release activity assumes no liability for the use of price index information by other parties to the release. Transporter's support of any price index reference does not make it responsible for ensuring that Releasing Shipper(s) or Replacement Shipper(s)

possesses any license(s)/subscription(s) that may be required to use such price index reference.

- (f) For index-based capacity release transactions, upon mutual agreement between Releasing Shipper and Transporter, Releasing Shipper shall provide Transporter and Replacement Shipper with the detailed calculation of the Reservation Charge(s). Except as provided below, this rate(s) will be stated on the invoice provided by Transporter to Replacement Shipper pursuant to the capacity release award. The results of Releasing Shipper's calculations shall conform to the capacity release award and/or to Transporter's minimum and maximum Reservation Charges, as applicable.
- (1) For reservation and monthly volumetric index-based capacity release transactions, the detailed calculation shall be provided in a mutually agreed upon format no later than the second Business Day of the Month following the Transportation under the release.
- (2) For volumetric index-based capacity release transactions requiring a daily rate calculation, the detailed calculation shall be provided in a report accompanying the invoice.

If the report is not provided by the applicable deadline or is deficient, Transporter will notify Releasing Shipper to provide Transporter with a correct report within one Business Day. Thereafter, in the absence of a conforming report, Transporter will invoice Replacement Shipper the greater of the Rate Default specified in Releasing Shipper's Notice or the Rate Floor plus any differential specified in the capacity release award.

Upon notification to Transporter by both Releasing Shipper and Replacement Shipper that prior period adjustments to the calculated Reservation Charges used in the invoice are appropriate, invoiced amounts can be revised subsequently, upward or downward, to conform to the capacity release award, subject to the standards governing prior period adjustments within the NAESB WGQ Invoicing Related Standards and the provisions of Section 25 of these General Terms and Conditions.

- (g) For index-based capacity release transactions, the rate to be used in the invoice shall be the greater of:
- (1) the results of the calculation of the formula from the capacity release award (if the formula cannot be calculated, the Rate Default specified in Releasing Shipper's Notice), and
- (2) the Rate Floor plus any differential as specified in the capacity release award.

The rate used in the invoice shall not be greater than Transporter's maximum Reservation Charge, as applicable.

- (h) For index-based capacity release transactions, Transporter shall support the ability of Releasing Shipper to specify in Releasing Shipper's Notice a non-biddable Rate Default. The Rate Default cannot be less than the Rate Floor, if any.
- (i) For volumetric index-based capacity release transactions, where Releasing Shipper performs invoicing calculations pursuant to Section 17.8(g) above, Transporter shall provide allocated quantities to Releasing Shipper according to a mutually agreed upon timetable. Releasing Shipper shall have at least one Business Day to process the quantities prior to returning such invoicing information to Transporter in a tabular format.

Transporter shall provide the allocated quantities to Releasing Shipper in a tabular file to be described by Transporter. The first row of the file shall contain the column headers and data shall begin on the second row of the file. In addition, the first column shall contain the applicable Gas Day(s).

### GENERAL TERMS AND CONDITIONS

#### 18. CREDITWORTHINESS

##### 18.1 General Credit Procedures.

- (a) Shipper must designate up to two (2) representatives who are authorized to receive notices regarding Shipper's creditworthiness, including requests for additional information, and provide to Transporter the e-mail addresses of such representatives prior to the initiation of service. Written requests and responses should be provided via e-mail, unless otherwise agreed to by Transporter and Shipper. The obligation of Transporter to provide creditworthiness notifications provided for in this section is waived until Shipper has designated such representative(s) and provided the e-mail addresses to Transporter.
- (b) Transporter will designate on its Interactive Website or in written notices to Shipper, the e-mail addresses of up to two representatives or a group e-mail address for representatives who are authorized to receive notices regarding Shipper's creditworthiness.
- (c) Shipper and Transporter may mutually agree to provide creditworthiness related notifications via forms of communication other than e-mail.

##### 18.2

- (a) In order to evaluate Shipper's creditworthiness, Transporter may request such information as is reasonably necessary to undertake such evaluation. Upon receipt of a request from Transporter for information to be used for creditworthiness evaluation, Shipper should acknowledge receipt of Transporter's request. Transporter and Shipper may mutually agree to waive the requirements of this Section 18.2(a).
- (b) Shipper should respond to Transporter's request for credit information, as allowed by this Tariff, on or before the due date specified in the request. Shipper's response will provide all the credit information requested by Transporter or provide the reason(s) why any of the requested information was not provided. Shipper's obligation to provide confirmation of receipt of Transporter's request is met by sending such confirmation to the representatives identified by Transporter pursuant to the requirements of Section 18.1(b) above.
- (c) Shipper's failure to acknowledge receipt of, or respond to, Transporter's request for credit information as provided in Sections 17.2(a) and (b) above, shall be grounds for

Transporter to refuse to commence service. Additionally, such failure shall be grounds for Transporter to suspend Shipper's service, upon ten (10) Days written notice, or terminate Shipper's service upon thirty (30) Days written notice.

- 18.3 Upon receipt from Shipper of all credit information provided pursuant to this Tariff, Transporter will notify Shipper that it has received such information. Transporter and Shipper may mutually agree to waive the requirements of this Section 18.3.
- 18.4 If Transporter requests additional information to be used for credit evaluation after the initiation of service, contemporaneous with the request, it will provide its reason(s) for requesting the additional information to Shipper and designate to whom Shipper's response should be sent. Transporter and Shipper may mutually agree to waive the requirements of this Section 18.4.
- 18.5
- (a) At any time after Shipper is determined to be non-creditworthy by Transporter, Shipper may initiate a creditworthiness re-evaluation by Transporter. As part of Shipper's re-evaluation request, Shipper must update or confirm in writing the prior information provided to Transporter related to Shipper's creditworthiness. Such update should include any event(s) that Shipper believes could lead to a material change in Shipper's creditworthiness.
  - (b) After Transporter's receipt of Shipper's request for re-evaluation, including all requested information pursuant to this section, within five (5) Business Days, Transporter should provide a written response to Shipper's request. Such written response should include either a determination of creditworthiness status, clearly stating the reason(s) for Transporter's decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event should such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of Shipper's request unless specified in this Tariff, or if Transporter and Shipper mutually agree to some later date.
- 18.6 Credit Requirements. Shipper shall at all times comply with one of the following creditworthiness requirements:
- (a) Shipper (or an affiliate which guarantees Shipper's obligations under the Agreement) has an investment grade credit rating for its long term senior unsecured debt (i) if rated only by Moody's Investor Service of Baa3 or better, (ii) if rated only by Standard & Poor's of BBB- or better, and (iii) if rated by both Moody's and Standard & Poor's, of Baa3 by Moody's and BBB- by Standard & Poor's. A Shipper (or its affiliate which guarantees Shipper's obligations under the Agreement) who qualifies under this

category initially but is later (i) downgraded below such investment grade by either rating agency or (ii) determined by Transporter to have had a material change in Shipper's (or an affiliate which guarantees Shipper's obligations under the Agreement) creditworthiness causing Transporter to have reasonable grounds for insecurity will be required to qualify pursuant to Section 18.6(a)(1)(B)-(C) below.

- (1) A Shipper whose long term senior unsecured debt does not have an acceptable rating as set forth in Section 18.6(a) above will be accepted as creditworthy if (A) Transporter determines that, notwithstanding the absence of an acceptable rating, the financial position of Shipper (or an affiliate who guarantees Shipper's obligations under the Agreement) is acceptable to Transporter; or (B) the Shipper provides an irrevocable letter of credit (i) issued by a bank with long-term senior unsecured debt ratings from Moody's Investor Service of A2 or better and from Standard & Poor's of A or better and (ii) in a form acceptable to Transporter, cash collateral or prepayment in an amount equal to three (3) Months of estimated charges plus an amount equal to the highest imbalance payment accrued in one (1) Month during the previous twelve (12) consecutive Months under the Agreement; provided that such amount shall be adjusted as needed to reflect any change in the estimated Reservation Charges under the Agreement for the succeeding three (3) Months or (C) Shipper provides other security acceptable to Transporter, each acting reasonably.
  - (2) Transporter shall provide such Shipper with a written statement supporting Transporter's request for the security amount requested at the time such security is requested. If Transporter rejects the security provided by Shipper in accordance with Section 18.6(a)(1)(A)-(C) above, Transporter shall re-issue its request for the security and include a written explanation for the rejection of the security previously provided by Transporter.
- (b) Nothing herein shall be read to preclude Transporter from requiring, and enforcing for the term of the contracts, a greater amount of security in agreements supporting an application for a certificate to construct new or expanded facilities, including any Replacement Capacity Agreement entered into upon a permanent release of capacity under such contract, any assignment of such contract or any resale of capacity subject to such contract in the event of a default.

## GENERAL TERMS AND CONDITIONS

### 19. DEFAULT AND TERMINATION

- 19.1 Except where different procedures for termination of an Agreement are expressly provided in the General Terms and Conditions, if Transporter or Shipper shall fail to perform any of the covenants or obligations imposed upon it under any Agreement into which these General Terms and Conditions are incorporated, then in such event the other party may, at its option, terminate such Agreement by proceeding as follows: The party not in default shall cause a written notice to be served on the party in default stating specifically the default under the Agreement and declaring it to be the intention of the party giving the notice to terminate such Agreement; thereupon the party in default shall have twenty (20) days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the default notice and if within ten (10) days after the end of the twenty- (20) day period the party in default does so remove and remedy said cause or causes and fully indemnifies the party not in default for any and all consequences of such default, then such default notice shall be withdrawn and the Agreement shall continue in full force and effect.
- 19.2 In the event the party in default does not so remedy and remove the cause or causes, or does not indemnify the party giving the default notice for any and all consequences of such default within the said period of ten (10) days, then, after any necessary authorization by regulatory bodies having jurisdiction, at the option of the party giving such default notice, the Agreement shall terminate.
- 19.3 Any termination of the Agreement pursuant to the provisions of this Section 19 shall be without prejudice to the right of Transporter to collect any amounts then due to it for Gas delivered or service provided prior to the date of termination, and shall be without prejudice to the right of Shipper to receive any Gas which it has not received but the Transportation of which has been paid prior to the date of termination, and without waiver of any other remedy to which the party not in default may be entitled for breaches of the Agreement.

## GENERAL TERMS AND CONDITIONS

### 20. NEGOTIATED RATES

20.1 Availability. Notwithstanding anything to the contrary contained in this Tariff, Transporter and Shipper may mutually agree to a Negotiated Rate and contract term for all or any portion of the capacity under any Part 284 Agreement. If Transporter and Shipper fail to agree to a Negotiated Rate, Shipper may receive service at the applicable Maximum Recourse Rate, including surcharges, for service under the Rate Schedule applicable to the service.

#### 20.2 Capacity Release.

- (a) To the extent that Transporter agrees to a Negotiated Rate applicable to usage and/or fuel charges, Transporter will consider, if requested by the Negotiated Rate Shipper, and may agree with the Negotiated Rate Shipper, on a not unduly discriminatory basis, to the terms and conditions pursuant to which Transporter will offer such Negotiated Rate(s) to Replacement Shipper(s).
- (b) Any potential Replacement Shipper that desires to acquire capacity on a temporary basis pursuant to Section 17 of the General Terms and Conditions may request via the Transporter's Interactive Website or other approved Electronic Communication to pay the usage and/or fuel charges pursuant to Transporter's Recourse Rates or pursuant to Shipper's Negotiated Rate. Transporter shall grant the request to pay Shipper's Negotiated Rate ("Request") if Transporter determines, in a not unduly discriminatory manner, that Replacement Shipper is similarly situated to Shipper; provided however, any Replacement Shipper acquiring capacity on a temporary basis under an Agreement for which Transporter and Shipper have agreed to the automatic pass-through of the Negotiated Rate pursuant to Section 20.2(a) above will be deemed to be similarly situated to Shipper and Transporter will be deemed to have granted the Request. In the event that Transporter grants such Request and the potential Replacement Shipper's bid is the winning bid, the potential Replacement Shipper's Request will serve as its execution of the Negotiated Rate Agreement and Transporter's award of the bid via Electronic Communication will serve as Transporter's execution of the Negotiated Rate Agreement for such Negotiated Rates. If Transporter denies such Request or if the potential Replacement Shipper does not request such negotiated rates, Transporter's recourse rates shall be applicable to any capacity awarded to such potential Replacement Shipper. If Transporter denies such Request, Transporter shall notify the potential Replacement Shipper via email of the reason(s) for the denial of the Request.

- 20.3 Filing Requirement. No later than the Business Day on which Transporter commences service at a negotiated rate (or if the day on which Transporter commences such service is not a Business Day, then the next Business Day after Transporter commences such service), Transporter shall file , a tariff section advising FERC of such Negotiated Rate, stating the name of the Shipper, the type of service, the Receipt Point(s) and Delivery Point(s) applicable to the service, the quantity of Gas to be transported, any other charges, and specifying the specific Negotiated Rate included in such Agreement with sufficient specificity such that the rate in effect from time to time can be readily calculated. The tariff section must also incorporate a statement that the Agreement does not deviate from the form of service agreement in any material respect or the Agreement must be reflected on a separate tariff section identifying non-conforming Agreements of Transporter. As an alternative to filing the tariff section, Transporter may file the contract setting out the Negotiated Rate.
- 20.4 Limitations. This Section 20 does not authorize Transporter to negotiate terms and conditions of service.
- 20.5 Right of First Refusal. For purposes of exercising rights to continue service pursuant to Section 24 of these General Terms and Conditions, the highest rate that a Shipper must match if it desires to retain all or a portion of its capacity, and continue to receive firm service under the same rate schedule beyond the expiration date of such long-term firm Agreement, is the Maximum Recourse Rate for such service.
- 20.6 Discount Type Adjustments. Transporter shall have the right to seek in future general rate proceedings a discount-type adjustment to recourse rates for Negotiated Rate Agreements which shall only be allowed to the extent that Transporter can meet the standards required of an affiliate discount-type adjustment including requiring that Transporter shall have the burden of proving that any discount granted is required to meet competition. Transporter shall be required to demonstrate that any discount-type adjustment for Negotiated Rate Agreements does not have an adverse impact on recourse rate Shippers by:
- (a) Demonstrating that, in the absence of Transporter's entering into such Negotiated Rate Agreement providing for such discount, Transporter would not have been able to contract for such capacity at any higher rate, and that recourse rates would otherwise be as high or higher than recourse rates which result after applying the discount adjustment; or
  - (b) Making another comparable showing that the Negotiated Rate discount contributes more fixed costs to the system than could have been achieved without the discount.

## GENERAL TERMS AND CONDITIONS

### 21. DISCOUNT POLICY

- 21.1 Any Shipper desiring a discount of the Maximum Recourse Rates for service under Transporter's open-access rate schedules must submit a valid request for such discount pursuant to the procedures of this Section 21. To be considered a valid request, Shipper must complete and submit a request for discount via Transporter's Interactive Website or other Electronic Communication, specifically including the information for all mandatory fields.
- 21.2 If and when Transporter discounts the rates applicable for service under any Agreement under Rate Schedules included in Transporter's Tariff, the amount of any such discount shall be accounted for as a reduction of Maximum Recourse Rates in the following sequence to the extent any of the following components are included in the Maximum Recourse Rates; the first item discounted shall be surcharges (if any), to the extent not otherwise agreed to in approved settlements, followed by the base rate.
- 21.3 In the event that Transporter agrees to discount its Maximum Recourse Rates under any of its open-access rate schedules, Transporter and Shipper may agree to the types of discounts specified herein without such discounts constituting a material deviation from Transporter's pro forma service agreement. Transporter and Shipper may agree that a specified discounted rate will apply:
- (a) only to specified quantities under the Agreement;
  - (b) only if specified quantities are achieved or only with respect to quantities above or below a specified level;
  - (c) only during specified periods of the year or for a specifically defined period;
  - (d) only to specified points, combination of points, markets, Transportation Paths or other defined geographic area(s);
  - (e) only to reserves committed by Shipper;
  - (f) only in a specified relationship to the quantities actually delivered (i.e., that the Reservation Charge will be adjusted in a specified relationship to quantities actually delivered);
  - (g) so that the applicable rate may be adjusted in the following manner: when one rate component, which was equal to or within the applicable Maximum Recourse Rates and Minimum Recourse Rates at the time Shipper and Transporter agreed to the discount, subsequently exceeds the applicable Maximum Recourse Rate or is below the applicable Minimum Recourse Rate, so that such rate component

must be adjusted downward or upward to equal the new applicable Maximum Recourse Rate or Minimum Recourse Rate, then other rate components may be adjusted upward or downward to achieve the agreed-upon overall rate, so long as none of the resulting rate components exceed the Maximum Recourse Rate or are below the Minimum Recourse Rate applicable to the rate component (such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised Statement of Rates; however, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable); and/or

- (h) based upon published index prices for specific Receipt Points and/or Delivery Points or other agreed-upon published pricing reference points for price determination (such discounted rate may be based upon a single published index price or the differential between published index prices or arrived at by formula);

Provided that the discounted rate shall not change the underlying rate design, shall not include any minimum bill or minimum take obligation, and shall define the rate component to be discounted. Notwithstanding the foregoing, no discounted rate shall be less than the applicable Minimum Recourse Rate.

- 21.4 If Transporter's recourse rates are subject to refund at any time during the effectiveness of a discount agreement, with respect to the applicable discounted rate, Shipper shall be entitled to refunds of payments made by Shipper only in the event that the final, non-appealable Maximum Recourse Rate, whether usage-based or reservation-based, as determined by the Commission for a given time period is lower than the rate actually paid by Shipper during such time period. Subject to the condition precedent set forth in the immediately preceding sentence, Shipper's principal refund amount shall be equal to (i) with respect to usage-based rates, the product of (A) the positive difference between the final, non-appealable Maximum Recourse Rate and the discounted rate, and (B) the quantities of Gas delivered to Shipper, or for Shipper's account, during the refund period; and (ii) with respect to reservation-based rates, the product of (C) the positive difference between the final, non-appealable Maximum Recourse Rate and the discounted rate, (D) the MDQ covered by the discounted rate, and (E) the number of Months in the refund period (partial Months shall be prorated for the number of Days in the Month that fall within the refund period and a discounted rate that is not a Monthly rate shall be adjusted for purposes of this calculation to reflect the Monthly equivalent of the rate).



## 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 (~~http~~<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 [20\_\_], each Transporter’s Use (%) will be redetermined as set forth in Section 22.2(a)(i). 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 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 calculate the total unrecovered compressor fuel usage, other company use, and lost and unaccounted-for Gas by: (A) determining the company-use, lost, and unaccounted-for quantities for the calendar year preceding the effective date of such filing; (B) subtracting 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.
- (3) In each Annual or Interim Transporter's Use Filing, Transporter shall add (A) the Transporter's Use (%) established in that filing, as calculated in accordance with Section 22.2(a)(i), and (B) the percentage calculated under Section 22.2(a)(ii). The resulting total 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.

GENERAL TERMS AND CONDITIONS

23. MODIFICATION

No modification of the terms and provisions of an Agreement shall be made except by the execution of written contracts or amendments.

## GENERAL TERMS AND CONDITIONS

### 24. RIGHT OF FIRST REFUSAL

- 24.1 Purpose. The purpose of this Section 24 is to provide the necessary information pertaining to the right of long-term firm Shippers to continue firm Transportation Service at the expiration of their Agreements by exercising a right of first refusal for all or a volumetric portion of the capacity under the Agreement.
- 24.2 Eligibility. The following Shippers shall be entitled to a right of first refusal pursuant to the terms of their Agreements and this Section 24: (i) any Shipper with a firm Agreement under a Part 284 Rate Schedule with a primary term of at least twelve (12) Months of consecutive Transportation Service at the Maximum Recourse Rate, and (ii) any Shipper with a firm Agreement that provides Shipper with a right to continue firm Transportation Service at the end of its Agreement by exercising a right of first refusal, regardless of the rate paid by Shipper under such Agreement. Shipper also must agree that it will match (A) the longest term, up to the maximum term allowed by the Commission, and (B) the highest rate for such Service, up to the Maximum Recourse Rate, that is offered by any other person desiring such capacity; provided, however, that Transporter shall not be obligated to provide service at less than the Maximum Recourse Rate(s).
- 24.3 Procedure.
- (a) Any Shipper with a firm Agreement under a Part 284 Rate Schedule with an initial term of greater than two (2) years must give notice to the Transporter that Shipper desires to continue its Agreement at least 18 months in advance of the end of the primary term of the Agreement, and any Shipper with a firm Agreement under a Part 284 Rate Schedule with a primary term of (i) at least twelve (12) Months of consecutive Transportation Service, or (ii) firm Transportation Agreements with a primary term of more than one (1) year for service which is not available for twelve (12) consecutive months must give notice to Transporter that Shipper desires to continue its Agreement at least six (6) months in advance of the end of the primary term of the Agreement. Failure of the Shipper to give the notice specified will constitute a waiver of the Shipper's right of first refusal.
  - (b) Transporter shall notify Shipper no later than three (3) Months prior to the expiration of the Agreement whether any outstanding bona fide offers exist for Transporter's capacity at a higher net present value which could be satisfied by the relinquishment of Shipper's capacity. Offers will be deemed bona fide if made in compliance with Section 16 of these General Terms and Conditions. Any party that has an outstanding

request for firm service under Section 16 of these General Terms and Conditions shall be notified and given the opportunity to specify the rate and term it is willing to offer for Shipper's capacity. If Transporter has received any such offers, Transporter shall inform Shipper of the rate, up to the Maximum Recourse Rate, and the term, up to a maximum time allowable by the Commission, that has been offered for Shipper's capacity. Shipper shall notify Transporter within ten (10) Business Days after notification whether it desires to match the rate and term offered, and, if so, to provide a binding commitment in writing to Transporter to execute a contract containing said terms within the next thirty (30) Business Days.

- (c) If Transporter does not notify Shipper of the existence of any offers for Shipper's capacity under Section 24.3(a), Transporter and Shipper may negotiate the terms and conditions of a new Agreement; provided, however, that in no event shall Shipper have any automatic right to renew service at a Negotiated Rate or discounted rate; provided further, however, Shipper may select the term of the Agreement after agreeing to pay the Maximum Recourse Rates, and all applicable surcharges.

GENERAL TERMS AND CONDITIONS

25. BILLING

- 25.1 Transporter shall make available, via Transporter's Interactive Website or Electronic Communication, an invoice(s) to Shipper for each Month for (i) all Transportation Services provided pursuant to this Tariff during the preceding Month; and (ii) any other charges for which Shipper is liable under the Tariff or Shipper's other obligations. Shipper may designate an agent to receive invoices and may designate such agent to receive, via Electronic Communication, notifications of the availability of Shipper's final invoice on the Transporter's Interactive Website.
- 25.2 The Imbalance Statement shall be posted on Transporter's Interactive Website prior to or with the invoice(s), and the Transportation invoice(s) shall be posted on or before the 9th Business Day after the end of the production month in accordance with NAESB Standard 3.3.14.
- 25.3 With respect to Cashout invoices, an Imbalance Statement and associated invoice shall be made available with the Monthly Transportation invoice in the second Month after the Monthly Transportation Imbalance occurs, which shall reflect the amount Due Transporter or a credit for the amount Due Cashout Party, as determined in Section 6 herein will be made available.
- 25.4 Both Transporter and Shipper shall have the right to examine at any reasonable time the applicable records of the other to the extent necessary to verify the accuracy of any statement made under or pursuant to the provisions of the Agreement. Upon receipt of a request, the recipient will allow the requester to review such information.



GENERAL TERMS AND CONDITIONS

## 26. PAYMENTS

- 26.1 All payments for invoices due to Transporter by Shipper shall be made by Shipper to a depository designated by Transporter via electronic funds transfers within ten (10) days of the day the invoice is rendered, (the "Payment Due Date"). Shipper shall submit any necessary supporting documentation with its payment except as provided below; Transporter shall apply payment per supporting documentation provided by Shipper, and if payment differs from the invoiced amount, remittance detail shall be provided with the payment except when payment is made by electronic funds transfer, in which case, the remittance detail is due within two Business Days of the payment date. Invoice number(s) shall be identified on all payments. If presentation of an invoice to Shipper is delayed after the tenth (10th) calendar day after the end of the Service Month, the Payment Due Date shall be extended by an equal number of days, unless Shipper is responsible for such delay.
- 26.2 Should Shipper fail to pay all of the amount of any invoice as herein provided, on or before the Payment Due Date, Transporter may assess a charge for late payment which shall be included by Transporter on the next regular monthly bill rendered to Shipper under this Section 26. Such charge for late payment shall be determined by multiplying (a) the unpaid portion of the invoice, by (b) the ratio of the number of days from the Payment Due Date to the date of actual payment to three hundred and sixty five (365) (three hundred and sixty-six (366) in a leap year), by (c) the interest rate determined in accordance with Section 154.501(d) of FERC's regulations. If such failure to pay continues for thirty (30) days after the Payment Due Date, Transporter, in addition to any other remedy it may have under the relevant Agreement, may terminate such Agreement and suspend further delivery of Gas, provided Transporter provides Shipper and the Commission with thirty (30) days prior written notice of such termination and provided further such termination shall not be effective if, prior to the date of termination Shipper complies with the billing dispute procedure in Section 26.4 of the General Terms and Conditions of Transporter's Tariff.
- 26.3 In the event an error is discovered in the amount billed, such error shall be corrected as soon as practicable. Shipper must provide Transporter with notice of the claimed error within six (6) Months from the date of the statement claimed to be in error or be deemed final subject to Section 5.3.
- 26.4 If an invoice is in dispute, Shipper shall pay the portion not in dispute and provide documentation identifying the basis for the dispute. If Shipper in good faith:
- (a) disputes the amount of any such bill or part thereof;

- (b) pays to Transporter such amounts as it concedes to be correct;
- (c) provides Transporter with a written notice including a full description of the reasons for the dispute, together with copies of supporting documents; and
- (d) at any time thereafter within thirty (30) days of a demand made by Transporter furnishes good and sufficient security in the form of an irrevocable letter of credit (i) issued by a bank with long-term senior unsecured debt ratings from Moody's Investor Service of A2 or better and from Standard & Poor's of A or better and (ii) in a form acceptable to Transporter, cash collateral or surety bond, guaranteeing payment to Transporter of the amount ultimately found due upon such bill after a final determination which may be reached either by agreement or judgment of the courts, as may be the case, then Transporter shall not be entitled to suspend further services because of such non-payment pursuant to Section 26.2 unless and until default is made in the conditions of such bond.

26.5 In the event that Shipper does not pay the full amount due Transporter in accordance with this Section 26, Transporter, without prejudice to any other rights or remedies it may have, shall have the right to withhold and set off payment of any amounts of monies due or owing by Transporter to Shipper, against any and all amounts or monies due or owing by Shipper to Transporter for Transportation Services provided.

26.6 Any payments received under this Section 26 shall first be applied to accrued interest, then to additional charges due, then to the previously outstanding principle, and lastly, to the most current principal due.

GENERAL TERMS AND CONDITIONS

## 27. WARRANTY OF TITLE

- 27.1 This section shall apply to all service unless otherwise provided in the applicable Rate Schedule or Agreement.
- 27.2 Shipper warrants for itself, its successors and assigns, that it will have, at the time of delivery of Gas hereunder, good title to the Gas it delivers, that the Gas it delivers hereunder shall be free and clear of all liens, encumbrances and claims whatsoever, that it will indemnify the Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of any adverse claims of any and all persons to said Gas and/or to royalties, taxes, license fees, or charges thereon which are applicable for such delivery of Gas and that it will indemnify the Transporter and save it harmless from all taxes or assessments which may be levied and assessed upon such delivery and which are by law payable by and the obligation of the party making such delivery.
- 27.3 If Shipper's title or right to deliver Gas to be transported is questioned or involved in any action, Shipper shall not qualify for or shall be ineligible to continue to receive service until such time as Shipper's title or right to deliver is free from question; provided, however, Transporter shall allow Shipper to qualify for or continue receiving service under this Tariff if Shipper furnishes a bond satisfactory to Transporter.
- 27.4 Title to the Gas received by Transporter at the Receipt Point(s) shall not pass to Transporter, except that title to Gas delivered for Transporter's Use shall pass to Transporter upon delivery at the Receipt Point(s).

GENERAL TERMS AND CONDITIONS

## 28. POSSESSION OF GAS

Unless otherwise provided in the Agreement or applicable Rate Schedule, as between Transporter and Shipper, Shipper shall be deemed to be in exclusive control and possession of the Gas (i) prior to receipt by Transporter at the Receipt Point(s) and (ii) after delivery by Transporter at the Delivery Point(s); otherwise, Transporter shall be in exclusive control and possession of the Gas. The party which shall be in exclusive control and possession of the Gas shall be responsible for all injury or damage caused thereby to any third party except any injury or damage caused by Gas provided by Shipper that fails to conform with the specifications set forth in Section 15 of these General Terms and Conditions. In the absence of bad faith or willful misconduct on the part of Transporter, Shipper waives any and all claims and demands against Transporter, its officers, employees or agents, arising out of or in any way connected with (A) the quality, use or condition of the Gas after delivery from Transporter for the account of such Shipper, (B) any losses or shrinkage of Gas during or resulting from Transportation hereunder, and (C) all other claims and demands arising out of Transporter's performance of its duties hereunder.

GENERAL TERMS AND CONDITIONS

## 29. WAIVER

- 29.1 Transporter may waive any of its rights or any obligations of Shipper hereunder as to any specific right or obligation that has already arisen or in advance as to any specific, temporary issue on a case-by-case basis that is not unduly discriminatory.
- 29.2 No waiver by either Transporter or Shipper of any one or more defaults by the other in the performance of any provisions of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

GENERAL TERMS AND CONDITIONS

## 30. ELECTRONIC COMMUNICATION

This Section describes the information and procedures Transporter will make available pursuant to FERC regulations.

- 30.1 System and Service Information. Any person desiring information on the availability, pricing, or other terms of the Transportation Services may access Transporter's Interactive Website for contact information.
- 30.2 Access to Website. A Shipper may gain use of Transporter's Interactive Website system by executing a Website Access Agreement, available on Transporter's Interactive Website, with Transporter.

GENERAL TERMS AND CONDITIONS

## 31. NOTICES

Except when the terms of this Tariff require or allow for communication via Electronic Communication or the Transporter's Interactive Website, any communication, notice, request, demand, statement, or bill provided for in the Tariff or in an Agreement or OBA, or any notice which either Transporter or Shipper may desire to give to the other, shall be in writing and shall be considered as duly presented, rendered, or delivered when mailed by either post-paid registered or ordinary mail or when sent by express mail service, or such other method mutually agreed upon between the parties. The material so sent shall be addressed to the pertinent party at its last known post office address, or at such other address as either party may designate.

## GENERAL TERMS AND CONDITIONS

### 32. NEW FACILITIES POLICY

- 32.1 Unless otherwise mutually agreed to by the parties, Transporter shall not be required to own, construct and install any facilities to perform any service requested by a Shipper under this Tariff. In the event Transporter agrees to own, construct and install facilities to perform services requested including, but not limited to, hot tap, side valve, measurement, Gas supply lateral lines, looping and/or compression facilities, Transporter shall do so on a not unduly discriminatory basis. Unless otherwise mutually agreed to by the parties, Shipper shall reimburse Transporter (a) for the costs of such facilities installed by Transporter to receive, measure, transport or deliver natural Gas for Shipper's account and (b) for any and all filings and approval fees required in connection with such construction that Transporter is obligated to pay to the Commission or any other governmental authority having jurisdiction. Nothing in this Section 32 shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act. Nothing in this Section 32, further, shall prevent Transporter from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act.
- 32.2 For purposes of determining whether a project is economic, Transporter will evaluate projects on the basis of various economic criteria, which may include, without limitation, the estimated Transportation throughput, cost of the facilities, operating, maintenance, administrative and general expenses attributable to the facilities, the system net revenues Transporter estimates will be generated subsequent to such construction, and the availability of capital funds on terms and conditions acceptable to Transporter. In estimating the system net revenues to be generated, Transporter will evaluate the existence of capacity limitations of the existing facilities, the marketability of the capacity, the location of the markets, the nature of the Transportation service, and other factors which impact the utilization of Transporter's system.
- 32.3 Any monetary reimbursement due Transporter by Shipper pursuant to this Section 32 shall be due and payable to Transporter prior to Transporter's commencement of construction of facilities unless otherwise agreed by Transporter and within ten (10) days of receipt by Shipper of Transporter's invoice(s) for same; provided, however, subject to Transporter's written consent, such monetary reimbursement, plus carrying charges thereon, may be amortized over a mutually agreeable period not to exceed the primary contract term of any Agreement for service between Transporter and Shipper. Carrying charges shall be computed utilizing interest factors acceptable to both Transporter and Shipper. Unless Transporter and Shipper otherwise agree on interest factors for computing the carrying charges for new

facilities, the interest rates determined by the Commission under Section 154.501(d) of the Commission's regulations shall apply.

### GENERAL TERMS AND CONDITIONS

#### 33. OFF-SYSTEM PIPELINE CAPACITY

33.1 From time to time, Transporter may enter into Transportation and/or storage agreements with other interstate or intrastate pipeline companies (individually, an “off-system pipeline”). In the event that Transporter acquires capacity on an off-system pipeline, Transporter will use such capacity for operational reasons and will only render Transportation Service to Shippers on the acquired capacity pursuant to Transporter’s Tariff and subject to Transporter’s approved rates, as such Tariff and rates may change from time to time. For purposes of Transportation Service on an off-system pipeline, the “shipper must have title” requirement is waived, permitting a Shipper utilizing such service to have title to the Gas on such off-system pipeline.

33.2 Upon mutual agreement, and on a not unduly discriminatory basis, for any Shipper receiving service under any of Transporter's Rate Schedules, Transporter may arrange for transportation by any third party transporter, including, but not limited to, local distribution companies and interstate, intrastate or Hinshaw pipelines, for the account of Shipper, or as Shipper's agent, to effect requested receipts and/or deliveries. In such case, unless otherwise agreed, Shipper shall pay Transporter such amounts or provide such allowances as Transporter is obligated to pay or provide to such third party transporter for transportation or other services attributable to performance of service on behalf of Shipper.

The recourse rate for a Shipper that mutually agrees with Transporter under this Section 33.2 that Transporter should seek to arrange for transportation on a third party transporter for the account of Shipper shall be the maximum rates and charges under Transporter's Tariff for the service provided by Transporter plus the amounts and allowances that Transporter is obligated to pay or provide to the third party transporter from time to time for transportation or other services attributable to the third party transporter's performance of service on behalf of the Shipper.

GENERAL TERMS AND CONDITIONS

## 34. INCORPORATION IN RATE SCHEDULES AND AGREEMENTS

These General Terms and Conditions are incorporated in and are a part of Transporter's Rate Schedules and Agreements. To the extent there is any inconsistency between terms in Transporter's Rate Schedules or Service Agreements and terms in these General Terms and Conditions, the Rate Schedule or Service Agreement shall govern.

GENERAL TERMS AND CONDITIONS

35. SCHEDULES AND CONTRACTS SUBJECT TO REGULATION

- 35.1 This Tariff, including these General Terms and Conditions and the respective obligations of the parties under an Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction and are subject to change from time to time by addition, amendment, or substitution as provided by law.
- 35.2 The respective obligations of Transporter and Shipper under these General Terms and Conditions and any Agreement are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Transporter to provide the service contemplated hereby and to construct and operate the facilities necessary to provide such service and for any connected pipeline to transport Gas to/from the Receipt/Delivery Point(s) necessary to effect the service provided for herein.
- 35.3 Transporter shall have the right to propose to FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and any Agreement in effect at the time of such a change shall be deemed to include any change which is made effective pursuant to order or regulation or provisions of law, without prejudice to Shipper's right to protest the same; provided, however, that any market-based rates negotiated between Transporter and its Shipper(s) shall remain in effect during the term of the Agreement(s) specifying such rates.



GENERAL TERMS AND CONDITIONS

36. NORTH AMERICAN ENERGY STANDARDS BOARD STANDARDS

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

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

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

Transporter has elected to reproduce only the following Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.2, that are protected by NAESB's copyright. With respect to each reproduced standard, Transporter incorporates the following: © 1996 - 2020 NAESB, all rights reserved.

<u>NAESB WGQ Standard</u>	<u>Tariff Record</u>
0.2.5	General Terms and Conditions, Section 1, Definition of "Quick Response", 0.0.0
0.3.3	General Terms and Conditions, Section 18.4, 0.0.0
0.3.4	General Terms and Conditions, Section 18.2(a), 0.0.0
0.3.5	General Terms and Conditions, Section 18.2(b), 0.0.0
0.3.6	General Terms and Conditions, Section 18.3, 0.0.0
0.3.7	General Terms and Conditions, Section 18.1(a) and 17.1(b), 0.0.0
0.3.8	General Terms and Conditions, Section 18.5(a), 0.0.0
0.3.9	General Terms and Conditions, Section 18.5(b), 0.0.0
0.3.10	General Terms and Conditions, Section 18.1(c), 0.0.0
1.2.4	General Terms and Conditions, Section 1, Definition of "Intraday", 0.0.0
1.2.6	General Terms and Conditions, Section 1, Definition of "Operational Flow Order", 0.0.0
1.2.14	General Terms and Conditions, Section 1, Definition of "Title Transfer", 0.0.0

1.2.15	General Terms and Conditions, Section 1, Definition of “Title Transfer Tracking”, 0.0.0
1.2.16	General Terms and Conditions, Section 1, Definition of “Title Transfer Tracking Service Provider”, 0.0.0
1.3.1	General Terms and Conditions, Section 1, Definition of “Day”, 0.0.0
1.3.2(i)	General Terms and Conditions, Section 2.1(a)(1), 0.0.0
1.3.2(ii)	General Terms and Conditions, Section 2.1(a)(2), 0.0.0
1.3.2(iii)	General Terms and Conditions, Section 2.2(g)(1), 0.0.0
1.3.2(iv)	General Terms and Conditions, Section 2.2(g)(2), 0.0.0
1.3.2(v)	General Terms and Conditions, Section 2.2(g)(3), 0.0.0
1.3.2(vi)	General Terms and Conditions, Section 2.2(g), 0.0.0
1.3.3	General Terms and Conditions, Section 2.1, 0.0.0
1.3.4	General Terms and Conditions, Section 2.1, 0.0.0
1.3.5	General Terms and Conditions, Section 2.1, 0.0.0
1.3.7	General Terms and Conditions, Section 2.1(a), 0.0.0
1.3.8	General Terms and Conditions, Section 2.2(g)(1)-(3), 0.0.0
1.3.9	General Terms and Conditions, Section 2.1 and 2.2(b), 0.0.0
1.3.11	General Terms and Conditions, Section 2.2(c), 0.0.0
1.3.17	Rate Schedules, Rate Schedule PS, Section 2, 0.0.0
1.3.18	Rate Schedules, Rate Schedule PS, Section 2, 0.0.0
1.3.20	General Terms and Conditions, Section 2.1(b), 0.0.0
1.3.32	General Terms and Conditions, Section 2.2(a), 0.0.0
1.3.51	General Terms and Conditions, Section 2.2(h), 0.0.0
2.2.1	General Terms and Conditions, Section 1, Definition of “Operational Balancing Agreement”, 0.0.0
2.2.2	General Terms and Conditions, Section 1, Definition of “Operational Impact Area”, 0.0.0
2.2.3	General Terms and Conditions, Section 1, Definition of “Netting”, 0.0.0
2.3.5	General Terms and Conditions, Section 5.1(b), 0.0.0
2.3.7	General Terms and Conditions, Section 5.3, 0.0.0
2.3.9	General Terms and Conditions, Section 1, Definition of “Btu”, 0.0.0
2.3.14	General Terms and Conditions, Section 12.4, 0.0.0
2.3.16	General Terms and Conditions, Section 5.1(a), 0.0.0
2.3.26	General Terms and Conditions, Section 5.3(a), 0.0.0
2.3.28	General Terms and Conditions, Section 25.2, 0.0.0
2.3.29	General Terms and Conditions, Section 11.1, 0.0.0
2.3.30	General Terms and Conditions, Section 6.3, 6.4(a), 0.0.0
2.3.41	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.42	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.43	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.44	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.45	General Terms and Conditions, Section 6.5(a), 0.0.0
2.3.46	General Terms and Conditions, Section 6.5(b), 0.0.0

2.3.47	General Terms and Conditions, Section 6.5(c), 0.0.0
3.2.1	General Terms and Conditions, Section 1, Definition of “Business Day”, 0.0.0
3.3.14	General Terms and Conditions, Section 25.2, 0.0.0
3.3.15	General Terms and Conditions, Section 5.3(a) and 25.3, 0.0.0
3.3.17	General Terms and Conditions, Section 26.1, 0.0.0
3.3.19	General Terms and Conditions, Section 26.4, 0.0.0
5.2.3	General Terms and Conditions, Section 1, Definition of “Elapsed Prorata Capacity”, 0.0.0
5.2.4	General Terms and Conditions, Section 1, Definition of “Rate Floor”, 0.0.0
5.2.5	General Terms and Conditions, Section 1, Definition of “Rate Default”, 0.0.0
5.3.1	General Terms and Conditions, Section 17.1(g), 0.0.0
5.3.2	General Terms and Conditions, Section 17.1(g), 0.0.0
5.3.3	General Terms and Conditions, Section 17.1(h)(13), 0.0.0
5.3.4	General Terms and Conditions, Section 17.1(l), 0.0.0
5.3.7	General Terms and Conditions, Section 17.1(e)(3), 0.0.0
5.3.10	General Terms and Conditions, Section 17.1(j), 0.0.0
5.3.11	General Terms and Conditions, Section 17.1(j), 0.0.0
5.3.14	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.15	General Terms and Conditions, Section 17.1(i) and (o), 0.0.0
5.3.16	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.24	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.25	General Terms and Conditions, Section 17.1(f), 0.0.0
5.3.26	General Terms and Conditions, Section 17.1(h)(7), 0.0.0
5.3.28	General Terms and Conditions, Section 17.1(h)(3), 0.0.0
5.3.44	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.45	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.48	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.49	General Terms and Conditions, Section 17.1(e)(1), 0.0.0
5.3.51	General Terms and Conditions, Section 17.1(h)(10), 0.0.0
5.3.53	General Terms and Conditions, Section 17.1(e)(3), 0.0.0
5.3.54	General Terms and Conditions, Section 17.1(e)(3), 0.0.0
5.3.55	General Terms and Conditions, Section 17.1(e)(2), 0.0.0
5.3.56	General Terms and Conditions, Section 17.1(e)(2), 0.0.0
5.3.58	General Terms and Conditions, Section 17.1(e)(2), 0.0.0
5.3.59	General Terms and Conditions, Section 17.1(l), 0.0.0
5.3.60	General Terms and Conditions, Section 17.7, 0.0.0
5.3.62	General Terms and Conditions, Section 17.8(a), 0.0.0
5.3.62a	General Terms and Conditions, Section 17.8(b), 0.0.0
5.3.63	General Terms and Conditions, Section 17.8(c), 0.0.0
5.3.64	General Terms and Conditions, Section 17.8(d), 0.0.0
5.3.65	General Terms and Conditions, Section 17.8(e), 0.0.0
5.3.66	General Terms and Conditions, Section 17.8(f), 0.0.0

5.3.67	General Terms and Conditions, Section 17.1(g)
5.3.68	General Terms and Conditions, Section 17.1(h), 0.0.0
5.3.69	General Terms and Conditions, Section 17.1(i), 0.0.0

Standards Incorporated by Reference:

**Additional Standards:**

**General:**

Standards:

0.3.1, 0.3.2, 0.3.16, 0.3.17

**Gas/Electric Operational Communications:**

Definitions:

0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:

0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

**Operating Capacity and Unsubscribed:**

Standards:

0.3.18, 0.3.20, 0.3.21, 0.3.22

Data Sets:

0.4.2, 0.4.3

**Location Data Download:**

Standards:

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

Data Set:

0.4.4

**Storage Information:**

Data Set:

0.4.1

**Nominations Related Standards:**

Definitions:

1.2.1, 1.2.2, 1.2.3, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.17, 1.2.18, 1.2.19

Standards:

1.3.6, 1.3.13, 1.3.14, 1.3.15, 1.3.16, 1.3.19, 1.3.21, 1.3.22, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.64, 1.3.65, 1.3.66,

1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.3.80, 1.3.81, 1.3.82

Data Sets:

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

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

Definitions:

2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.6, 2.3.8, 2.3.10, 2.3.11, 2.3.12, 2.3.13, 2.3.15, 2.3.17, 2.3.18, 2.3.19, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.27, 2.3.31, 2.3.32, 2.3.40, 2.3.48, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.3.66

Data Sets:

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

#### **Invoicing Related Standards:**

Standards:

3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.18, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27

Data Sets:

3.4.1, 3.4.2, 3.4.3, 3.4.4

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

Definitions:

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

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60, 4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.83, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.109, 4.3.110

**Capacity Release Related Standards:**

Definitions:

5.2.1, 5.2.2

Standards:

5.3.5, 5.3.8, 5.3.9, 5.3.12, 5.3.13, 5.3.18, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.34, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.50, 5.3.52, 5.3.57, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Data Sets:

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

**Internet Electronic Transport Related Standards:**

Definitions:

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

Standards:

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

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

NAESB Standard

None

Waiver or Extension of Time

None



### GENERAL TERMS AND CONDITIONS

#### 37. STANDARDS OF CONDUCT COMPLIANCE PROCEDURES

- 37.1 Complaints. Customers are encouraged to resolve any disputes informally with their designated customer representatives. In the event that a Shipper or potential Shipper has a complaint relative to service under this Tariff or Transporter's Standards of Conduct compliance procedures, the Shipper shall provide a description of the complaint, including the identification of the Transportation request (if applicable) and a clear and complete statement of the nature and basis of the complaint, together with supporting documentation, if any, to the appropriate contact personnel whose name(s) shall be posted on Transporter's Interactive Website. Nothing in Transporter's Tariff will prejudice the rights of Shippers to file a complaint under Section 385.206 of the FERC's regulations.

Transporter shall respond to a complaint within forty-eight (48) hours, and in writing within thirty (30) days advising Shipper or potential Shipper of the disposition of the complaint. In the event the required date of Transporter's response falls on a Saturday, Sunday, or a holiday that affects Transporter, Transporter shall respond by the next Business Day.

- 37.2 Informational Postings. All information required to be posted pursuant to the Commission's currently effective Standards of Conduct regulations will be provided on Transporter's Interactive Website under Informational Postings. Such information will be updated as required by applicable regulation(s) issued by the Commission.

GENERAL TERMS AND CONDITIONS

38. LIMITATION OF LIABILITY OF MEMBERS AND OPERATOR

Shipper acknowledges and agrees that (a) Transporter is a Delaware limited liability company; (b) Shipper shall have no recourse against any member of Transporter with respect to Transporter's obligations under any Agreement and its sole recourse shall be against the assets of Transporter, irrespective of any failure to comply with applicable law or any provision of any Agreement; (c) no claim shall be made against the company operating the business and physical operations of Transporter or its members or the officers, employees, and agents of operator or its members (collectively "Operator"), under or in connection with any Agreement and the performance by Operator of its duties as Operator (provided that this provision shall not bar claims resulting from the gross negligence or willful misconduct of the Operator) and Shipper shall provide the Operator with a waiver of subrogation of Shipper's insurance company for all such claims; and (d) this representation is made expressly for the benefit of the members in Transporter and the Operator.



### GENERAL TERMS AND CONDITIONS

#### 39. PERMITTED SHARING OF NON-PUBLIC INFORMATION

Pursuant to FERC Order No. 787 and subject to the requirements of FERC Order No. 787, Transporter shall have the right to share, from time to time on a voluntary basis, non-public operational information with an Independent System Operator, Regional Transmission Organization or public utility that owns, operates, or controls facilities used for transmission of electric energy in interstate commerce (collectively "Electric Transmission Operator") for the purpose of promoting reliable service or operational planning on either the Transporter's or Electric Transmission Operator's system. Transporter's primary point of contact and the protocols for the sharing of such non- public information will be provided to each Electric Transmission Operator in Transporter's service territory. All such sharing of non-public operational or planning information will be in accordance with those protocols.

GENERAL TERMS AND CONDITIONS

40. NON-CONFORMING AGREEMENTS

The following Agreements are being listed in accordance with Section 154.112(b) of the Commission's regulations. This list of Agreements will be updated to reflect new Agreements containing material, non-conforming provisions, with the exception of an extension in the term of one of the Agreements identified below.

Shipper Name	Contract Number	Rate Schedule	Primary Term Begin Date
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**FORM OF SERVICE AGREEMENTS**  
**INDEX**

**DESCRIPTION/TITLE**

**1. FTS**

Part VII  
Forms of Service Agreement  
~~2. ITS~~

- ~~Rate Schedule FTS~~ ~~Form of Service Agreement~~  
3. ~~Rate Schedule ITS~~ ~~Form of Service Agreement~~  
~~Rate Schedule PALS Services Agreement~~
4. ~~PS~~ ~~Form of Service Agreement~~  
5. ~~Capacity Release~~ ~~Rate Schedule PS~~ ~~Form of Service Agreement~~  
6. ~~Capacity Release~~ ~~Form of Transaction Confirmation (ITS, PS) Service Agreement~~



Gulf Run Transmission, LLC

FERC NGA Gas Tariff

Part VII Form of Service Agreements

Original Volume No. 1

Version 0.0.0

Original Volume No. 1

Version 0.0.0

Page 1 of 11

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE FTS)

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

Contract No. \_\_\_\_\_

SERVICE AGREEMENT

THIS TRANSPORTATION SERVICE AGREEMENT ("Agreement"), between—~~Enable~~ Gulf Run Transmission, LLC, a Delaware limited liability company ("Transporter"), and Shipper (defined below), covering the transportation of natural gas by Transporter on behalf of Shipper as more particularly described herein, is entered into in accordance with the following terms and conditions:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/contact information for Shipper, e-mail address, type of entity, description of either party prior entity name (and how changed) and state of establishment. Shipper contact information may be initially provided to Transporter in service request or other written notice and may be subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's ~~Internet Web Site~~ Interactive Website.

2. REGULATORY AUTHORITY:

Part 284:        [Subpart G]        [Subpart B]

3. TERM, MDQ, AND POINTS:

The term (including term extensions), MDQ, Maximum Daily Receipt Obligation, Maximum Daily Delivery Obligation, Transportation Path, and Receipt and Delivery Points for this Agreement shall be shown below or on any designated Attachment, as applicable. Absent designation of MDRO for any specific physical Receipt Point, Transporter shall have no obligation to permit Shipper to utilize any such Receipt Point or to receive any specific quantities on Shipper's behalf at such point.

Term: [Effective Date:][Service Commencement Date:] \_\_\_\_\_

Primary Term End Date: \_\_\_\_\_

Evergreen/Term Extension? [Yes] [No] [INSTRUCTIONS: If Yes, describe.]

MDQ (Dth/D):

Transportation Path:

Receipt entitlement(s) (Dth/D):

[INSTRUCTIONS: Insert Primary Receipt Point(s) (Dth/D), Receipt Quantity (Dth/D), Maximum Receipt Obligation (Dth/D), Pressures, Displacement, backhaul, and other provisions allowed by Tariff, as applicable.]

\*The aggregate of all the MDROs [may/may not] exceed MDQ.

[Receipt Area Entitlement(s):

Carthage Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Haynesville West Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Haynesville East Receipt Area Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Perryville Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]

Starks Receipt Area: Total MDRO \_\_\_\_\_

[List individual receipt points and entitlements]] [INSTRUCTIONS: Include applicable Receipt Area Entitlements.]

[Receipt Point Pressure: \_\_\_\_\_] [INSTRUCTIONS: Include any applicable receipt points and pressures.]

[INSTRUCTIONS: Insert Primary Delivery Point(s), Maximum Daily Delivery Obligation (Dth/D), Pressures, Displacement, backhaul, and other provisions allowed by Tariff, as applicable.]

[Delivery Point Pressure: \_\_\_\_\_] [INSTRUCTIONS: Include any applicable delivery points and pressures.]

\*The aggregate of all the MDDOs may not exceed MDQ.

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff- permitted information or provisions. If any of items in Sections 1 through 5 are to be included on an Attachment insert: "See Attachment hereto." For capacity release transactions and electronic contracts, see the capacity release award or applicable Attachment for the items in Section 1 through 5. Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

4. RATE:

Unless provided otherwise in an Attachment to this Agreement in effect during the term of this Agreement, in a capacity release award, or below, Shipper shall pay, or cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate, and any other charges, fees, direct bill amounts, taxes, assessments, or surcharges provided for in Transporter's Tariff, as on file and in effect from time to time, for each service rendered hereunder.

[If any applicable Attachment or this Agreement provides for a rate other than the maximum applicable rate, the following shall apply:

Shipper agrees to pay the rates specified below or on any designated Attachment for performance of certain gas transportation service under the Agreement. These rates are applicable only in accordance with the following:

(a) Term, Points and/or Rates:

The term of the rates, and the Receipt Point(s) and the Delivery Point(s) eligible for such rates, are specified [on Attachment .] [below.]

[Negotiated Rate]

[Discounted Rate]

[INSTRUCTIONS: Describe terms of Negotiated or Discounted Rate as permitted by the Tariff and applicable Commission policy and precedent.]

[INSTRUCTIONS: The following may be included for Negotiated Rate transactions if selected by the Shipper, and will permit such Shipper to use the designated alternative points on a non-primary basis at the specified rate(s):

If scheduled maintenance or other operational circumstances adversely affect the availability of primary firm capacity under the Agreement and Transporter notifies Shipper of the availability of non-primary capacity to receive and/or deliver other than at the points specified above, then such optional non-primary points as designated by Transporter shall be deemed eligible for the rates, quantities, and the period specified in the notice. Transporter may make such notification via e-mail, in writing or via ~~Internet~~ Web Site/Interactive Website posting and the document in which such notice appears shall be deemed to amend this Agreement for the purposes hereof.]

(b) Authorized Overrun:

[INSTRUCTIONS: Insert for discounted rate transactions:

Any authorized overrun quantities shall be: \_\_\_\_\_.]

[INSTRUCTIONS: Insert for Negotiated Rate transactions:

Unless Transporter agrees otherwise, the rate for any authorized overrun quantities shall be the greater of the maximum Tariff rate or the rate(s) described above or on any designated Attachment.]

[Describe if other]

(c) General:

In consideration for Shipper's continuing compliance with the provisions of the Agreement, the transportation rates and charges as defined above or on any applicable Attachment for the specified services provided under the Agreement only apply to receipts from, and subsequent deliveries to, the Receipt Points and Delivery Points, quantities and/or time periods described above or on any applicable Attachment and to reserved capacity necessary to effect such service. In addition to any rate or amount referred to herein (including discounted rates, Negotiated Rates, overrun rates and maximum Tariff rates), except as specifically provided otherwise herein or on any applicable Attachment, Shipper shall provide or pay and Transporter shall retain or charge Transporter's Use allowances or charges in such quantities or amounts as authorized from time to time by the Tariff and shall pay any applicable charges, penalties, surcharges, fees, taxes, assessments and/or direct billed amounts provided for in the Tariff. [INSTRUCTIONS: The following should be included for Discounted Rate transactions: In any event, the rate in any Month shall never be below Transporter's applicable minimum

Tariff rate for a discount rate transaction.] [INSTRUCTIONS: The following should be included for Negotiated Rate transactions: The rate in any month shall never be below Transporter's applicable minimum Tariff rate, unless Transporter otherwise agrees.] Transporter shall not be responsible for the payment and satisfaction of any taxes assessed or levied on the receipt, transmission (and any activities in connection therewith), delivery, use and/or consumption with respect to Gas delivered or received by Shipper, unless Transporter agrees otherwise.

(d) Rate-Related Provisions:

- (i) Consideration for Rate Granted: Transporter agrees to the rates specified herein or on any applicable Attachment in exchange for Shipper's agreement to forego credits or other benefits to which Shipper would otherwise be entitled, but only to the extent such credits or benefits would result in a greater economic benefit over the applicable term than that represented by the agreed-upon rate. Accordingly, unless Transporter otherwise agrees, Shipper will not receive credits (with the exception of (1) penalty revenue credits provided pursuant to Section 9.6 of the General Terms and Conditions of Transporter's Tariff, and (2) capacity release credits) from rates, refunds or other revenues collected by Transporter or Shipper if to do so would effectively result in a lower rate or greater economic benefit to Shipper; provided, however, that [INSTRUCTIONS: The following should be included for Discounted Rate transactions: the rate in any Day shall never be above Transporter's applicable maximum Tariff rate.] [INSTRUCTIONS: The following should be included for Negotiated Rate transactions: Transporter and Shipper can agree that Transporter will retain some or all of the capacity release credits to the extent those credits exceed the amount of the Shipper's invoiced demand component.] If the parties' agreement to the foregoing is determined invalid or if Shipper seeks to obtain credits or benefits inconsistent therewith, unless Transporter otherwise agrees, it will have the right to immediately terminate or modify any provisions herein or on any applicable Attachment that would allow Shipper to pay amounts less than the maximum applicable Tariff rate.
- (ii) Limitation on Agreed Upon Rate: Unless Transporter agrees otherwise, if at any time receipts and/or deliveries are initially sourced into the system, nominated, scheduled and/or made, by any means, including by temporary Replacement Shipper, or by operation of any Tariff mechanisms, with respect to the capacity obtained by, through or under the Agreement at points, or under conditions, other than those specified herein or on any applicable Attachment, then as of such date, and for the remainder of the Service Month in which such non-compliance occurred, or the remainder of the term of the Agreement, whichever is shorter, Shipper shall be obligated to pay no less than the maximum applicable

Tariff rates for service under the Agreement. [INSTRUCTIONS: The following should be included for Discounted Rate transactions: This limitation shall not apply to the extent that Transporter has notified Shipper to receive and/or deliver other than as specified herein or on any applicable Attachment. Such request may be made via e-mail, in writing, or via ~~Internet Web Site~~Interactive Website posting, and the document in which such request is made shall be deemed to amend this Agreement to the extent applicable.]

- (iii) Regulatory Authority: Transporter and Shipper hereby acknowledge that this Agreement is subject to all valid and applicable federal and local laws and to the orders, rules and regulations of any duly constituted federal or local regulatory body or governmental authority having jurisdiction. Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction to be invalid or unenforceable will be ineffective to the extent of such determination only, without invalidating, or otherwise affecting the validity of, the remaining provisions. Unless the parties agree otherwise, if Transporter has made a good faith determination that a federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction (1) requires performance by Transporter that is inconsistent with the terms specified herein or on any applicable Attachment, or (2) conditions or prohibits the granting of selective discounts or other rates specified herein or on any applicable Attachment, then Transporter may provide notice that it intends to renegotiate the rates under the Agreement. If the parties fail to reach agreement within forty-five (45) days of any renegotiation notice given pursuant to the terms of this paragraph, then: (1) the rate provisions herein or on any applicable Attachment shall be terminated, and the rate for service herein or under any applicable Attachment shall be Transporter's applicable maximum Tariff rate, or (2) if Transporter's applicable maximum Tariff rate is greater than the rate for service herein or on any applicable Attachment, at the Shipper's option, the Agreement and any applicable Attachment shall terminate. The effective date of this renegotiation or termination shall be the first day of the month following the end of the 45-day renegotiation period; provided, however, that the effective date will comply with the requirements of the applicable federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction.
- (iv) Entire Agreement: Any applicable Attachment shall supplement the Agreement with respect to the matters agreed to, and together shall constitute the entire understanding of the parties relating to said matters as of the effective date stated therein. Unless otherwise specified, all prior agreements, correspondence, understandings and representations are hereby superseded and replaced by any applicable Attachment and the Agreement. Except as otherwise provided herein,

all terms used herein with initial capital letters are so used with the respective meanings ascribed to them in Transporter's Tariff.

- (v) Failure to Exercise Rights: Failure to exercise any right under any Attachment, if applicable, or the Agreement shall not be considered a waiver of such right in the future. No waiver of any default in the performance of any applicable Attachment or the Agreement shall be construed as a waiver of any other existing or future default, whether of a like or different character.

- [(e) [INSTRUCTIONS: Insert the following if Negotiated Rate agreement:

Inability to Collect Negotiated Rates: If Transporter is unable to collect Negotiated Rates due to a change in Commission policy or rejection of the transaction by the Commission prior to or during the term of such transaction, then, unless the parties agree otherwise, Shipper shall pay the maximum Tariff rate for the services. In such event, Transporter shall notify Shipper in writing of the requirement to pay maximum Tariff rates and, if the maximum Tariff rates are greater than the Negotiated Rates under such transaction, Shipper shall have no more than thirty (30) days from the date of such notification to give notice in writing of termination of the applicable Agreement, with such termination to be effective no earlier than the end of the Month following the Month in which such termination notice is received.]]

5. OTHER PROVISIONS:

- (a) Payments shall be received by Transporter within the time prescribed by Section 26 of the General Terms and Conditions of Transporter's Tariff. Amounts past due hereunder shall bear interest as provided in Section 26 of the General Terms and Conditions of the Tariff. Shipper shall pay all costs associated with the collection of such past due amounts including, but not limited to, attorneys' fees and court costs. Shipper hereby represents and warrants that the party executing this Agreement on its behalf is duly authorized and possesses all necessary corporate or other authority required to legally bind Shipper.

- (b) Does this Agreement supersede, cancel, amend, restate, substitute or correct pre-existing Transportation Service Agreement(s) between the parties? [Yes] [No]

[INSTRUCTIONS: If Yes, describe how and the Transportation Service Agreement(s) affected below or on designated Attachment]

- (c) If this Agreement is entered into pursuant to and subject to CAPACITY RELEASE, Section 17 of the General Terms and Conditions of Transporter's Tariff? [Yes] [No]

[INSTRUCTIONS: If Yes, insert the following and, if applicable, describe below or on designated Attachment any other applicable provisions: The rights of Shipper hereunder

are predicated upon the release of capacity at the rates and terms and conditions described in the award of such capacity[.][,] as subsequently amended herein or on designated Attachment.]

- (d) Does this Agreement include any other terms/provisions permitted by the Tariff? [Yes] [No] [INSTRUCTIONS: If Yes, describe the provisions (including a specific reference to the Tariff authority for each such provision below or on Attachment)]

[INSTRUCTIONS: Insert the following if capacity committed under the Agreement was created by construction of new or expanded facilities and special collateral or credit provisions, which were negotiated prior to construction in this Agreement or a precedent or other agreement, are to continue during term]

- (e) This Agreement is subject to the collateral or credit provisions as follows or set forth [below] [on Attachment hereto].]

6. All modifications, amendments or supplements to the terms and provisions hereof shall be effected only by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.

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Original Volume No. 1

Version 0.0.0

Page 9 of 11

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[INSTRUCTIONS: Include the following for written agreements:

[7. SIGNATURE: This Agreement constitutes a contract with Transporter for the transportation of natural gas, subject to the terms and conditions hereof, the General Terms and Conditions attached hereto, and any applicable attachment(s), all of which are incorporated herein by reference and made part of this Agreement.

~~ENABLE~~ GULF RUN  
TRANSMISSION, LLC

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]

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

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

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

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

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

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

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

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

[INSTRUCTIONS: Include one of the following for electronic agreements:

[7. EXECUTION: [Upon Shipper's submission of the electronic document specifying the terms of its transaction, the terms of this Agreement (including any applicable Attachment) shall become effective.] [Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]]

## GENERAL TERMS AND CONDITIONS

1. This Agreement shall be subject to the provisions of Rate Schedule FTS as well as the General Terms and Conditions ("GT&C") set forth in Transporter's Tariff, as on file and in effect from time to time, all of which by this reference are made a part hereof.
2. In accordance with Section 35.3 of the GT&C of Transporter's Tariff, Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said GT&C of Transporter's Tariff, in accordance with the Natural Gas Act or other applicable law. Nothing contained in the foregoing provision shall preclude or prevent Shipper from protesting any such changes or modifications; however, Shipper agrees to pay all rates and charges, and to comply with all terms and conditions, in effect under the Tariff.
3. Upon Shipper's failure to pay when due all or any part of amounts billed in connection with services rendered or to comply with the terms of this Agreement, Transporter may terminate this Agreement and/or suspend service, as appropriate, in accordance with the provisions of Section 26 of the GT&C of Transporter's Tariff.
4. In accordance with Section 19 of the GT&C of Transporter's Tariff, upon termination hereof for whatever reason, Shipper agrees to stop delivering gas to Transporter for service and, unless otherwise agreed by Transporter, to seek no further service from Transporter hereunder. Shipper agrees to cooperate with and assist Transporter in obtaining such regulatory approvals and authorizations, if any, as are necessary or appropriate in view of such termination and abandonment of service hereunder.
5. In accordance with Section 6.6 of the GT&C of Transporter's Tariff, termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cashout or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder to Transporter and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive for the time and to the extent required.
6. In accordance with Sections 2(b) and 2(c) of Rate Schedule FTS of Transporter's Tariff, subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Shipper for the purposes contemplated herein, on a firm basis a quantity of Gas up to the quantity or quantities specified in the Agreement.
7. In accordance with Sections 2(b) of Rate Schedule FTS of Transporter's Tariff, Gas shall be (i) tendered to Transporter for transportation hereunder at the Point(s) of Receipt and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Point(s) of Delivery on the terms and at the points shown in this Agreement. Subject to the provisions of the Tariff,

Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Shipper, less Transporter's Use retained.

8. Except as otherwise permitted in the Tariff, and in accordance with Section 17 of the GT&C of Transporter's Tariff, this Agreement shall not be assigned by Shipper in whole or in part, nor shall Shipper agree to provide services to others by use of any capacity contracted for under the Agreement, without Transporter's prior written consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Shipper or if Shipper subcontracts the capacity to others contrary to the provisions hereof, whether the assignment or contract be voluntary, or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives. Shipper may request that Transporter consent to Shipper's assignment of this Agreement to an entity with which Shipper is affiliated subject to the assignee's satisfaction of the criteria in Section 26 of the GT&C of Transporter's Tariff, in the situation in which, after Shipper obtains the Agreement, a corporate reorganization results in a transfer to an affiliate of the function for which the capacity was obtained. Any person which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of either party hereto, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement; and either party may assign or pledge this Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, assignment or similar instrument which it has executed or may execute hereafter.
9. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified herein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.
10. [THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]

Original Volume No. 1

Version 0.0.0

Page 12 of 11

## ATTACHMENT \_\_\_\_\_

[INSTRUCTIONS: This Attachment can be omitted in its entirety from a base Agreement if not applicable. Insert terms from Sections 1 through 5 of the base Agreement, as applicable. Agreement No., Service Request No. and/or page number(s) may be added. Placement on page, paragraph numbering, number of pages, underlining, format and capitalization may vary. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. Terms describing the manner in which Agreement or Attachment only is being changed, such as superseded, supplemented, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

Transporter:

Shipper:

[INSTRUCTIONS: For Written Agreements insert the following:

Executed by a duly authorized representative of each party hereto, in the space provided below:

~~ENABLE~~-GULF RUN  
TRANSMISSION, LLC

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]

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

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

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

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

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

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

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

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE ITS)

Date: \_\_\_\_\_, Contract No. \_\_\_\_\_

SERVICE AGREEMENT

THIS TRANSPORTATION SERVICE AGREEMENT ("Agreement"), between ~~Enable~~ Gulf Run Transmission, LLC, a Delaware limited liability company ("Transporter"), and Shipper (defined below), covering the transportation of natural gas by Transporter on behalf of Shipper as more particularly described herein, is entered into in accordance with the following terms and conditions:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Shipper, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Shipper's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's ~~Internet Web Site~~ Interactive Website.

2. REGULATORY AUTHORITY: Part 284 [Subpart G] [Subpart B]

3. TERM, QUANTITIES, RECEIPT AND DELIVERY POINTS:

The term, quantities, and Receipt and Delivery Points for this Agreement shall be [as follows:] [shown on Attachment .]

Term: [Effective Date:] [Service Commencement Date:]

Primary Term End Date:

Evergreen/Term Extension? [Yes] [No] [Describe as applicable]

Maximum Contract Quantity Dth/D

Receipt Point(s): [Quantity (Dth/D)] Delivery Point(s): [Quantity (Dth/D)]

4. RATE:

Unless provided otherwise herein, in a designated Attachment and/or Transaction Confirmation(s), which may be in writing or electronically via the Internet, Shipper shall pay, or cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate, and any other charges,

fees, direct bill amounts, taxes, assessments, or surcharges provided for in Transporter's Tariff, as on file and in effect from time to time, for each service rendered hereunder.

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. If any of items in Sections 1 through 4 are to be included on an Attachment insert: "See Attachment hereto." Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

5. OTHER PROVISIONS:

[This Agreement supersedes and cancels the following Transportation Service Agreement(s) between the parties hereto:.]

Payments shall be received by Transporter within the time prescribed by Section 26 of the General Terms and Conditions of Transporter's Tariff. Amounts past due hereunder shall bear interest as provided in Section 26 of the General Terms and Conditions of the Tariff. Shipper shall pay all costs associated with the collection of such past due amounts including, but not limited to attorneys' fees and court costs. Shipper hereby represents and warrants that the party executing this Agreement on its behalf is duly authorized and possesses all necessary corporate or other authority required to legally bind Shipper.

[Other Tariff-permitted provisions]

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. If any of items in Sections 1 through 5 are to be included on an Attachment insert: "See Attachment hereto." For electronic contracts, see the applicable Attachment for the items in Section 1 through 5 including rates, as applicable. Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

[FOR WRITTEN AGREEMENTS: Insert the following:

6. SIGNATURE:

This Agreement constitutes a contract with Transporter for the transportation of natural gas, subject to the terms and conditions hereof, the General Terms and Conditions attached hereto, and any applicable attachment(s), all of which are incorporated herein by reference and made part of this Agreement.

~~ENABLE~~ GULF RUN  
TRANSMISSION, LLC

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[FOR ELECTRONIC AGREEMENTS: Insert one of the following:

7. EXECUTION:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document) the terms of this Agreement shall become effective.] [Upon Shipper's submission of the electronic document specifying the terms of its transaction, the terms of this Agreement [including any designated Attachment], shall become effective.]

GENERAL TERMS AND CONDITIONS  
To  
[INTERRUPTIBLE (RATE SCHEDULE ITS)]  
TRANSPORTATION SERVICE AGREEMENT [AGREEMENT No.: \_\_\_\_\_]

1. Upon Shipper's failure to pay when due all or any part of amounts billed in connection with services rendered or to comply with the terms of this Agreement, Transporter may terminate this Agreement and/or suspend service, as appropriate, in accordance with the provisions of Section 15 of the General Terms and Conditions of the Tariff.
2. Upon termination hereof for whatever reason, Shipper agrees to stop delivering gas to Transporter for service and, unless otherwise agreed by Transporter, to seek no further service from Transporter hereunder. Shipper agrees to cooperate with and assist Transporter in obtaining such regulatory approvals and authorizations, if any, as are necessary or appropriate in view of such termination and abandonment of service hereunder.
3. Termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cash- out or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder to Transporter and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive for the time and to the extent required.
4. This Agreement shall be subject to the provisions of Rate Schedule ITS as well as the General Terms and Conditions set forth in Transporter's Tariff, as on file and in effect from time to time, all of which by this reference are made a part hereof.
5. Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said General Terms and Conditions, in accordance with the Natural Gas Act or other applicable law.
6. Subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Shipper for the purposes contemplated herein, on an interruptible basis a quantity of Gas up to the quantity or quantities specified in the Agreement.
7. Gas shall be (i) tendered to Transporter for transportation hereunder at the Point(s) of Receipt and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Point(s) of Delivery on the terms and at the points shown in this Agreement. Subject to the provisions of the Tariff, Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Shipper, less Transporter's Use and loss and unaccounted-for Gas.
8. Except as otherwise permitted in the Tariff, this Agreement shall not be assigned by Shipper in whole or in part, nor shall Shipper agree to provide services to others by use of any capacity contracted for under the Agreement, without Transporter's prior written consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Shipper or if Shipper subcontracts the capacity to others contrary to the provisions hereof, whether the assignment or contract be voluntary, or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives. Any person which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of either party hereto,

shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement; and either party may assign or pledge this Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, assignment or similar instrument which it has executed or may execute hereafter.

9. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified therein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.

10. All modifications, amendments or supplements to the terms and provisions hereof shall be effected by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.

[11. THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]

INTERRUPTIBLE (RATE SCHEDULE ITS)  
TRANSPORTATION SERVICE AGREEMENT BETWEEN TRANSPORTER AND  
[DATED][EFFECTIVE]  
AGREEMENT No. \_\_\_\_\_  
ATTACHMENT \_\_\_\_

Shipper agrees to pay the rates specified on this Attachment for performance of certain gas transportation service under the Transportation Service Agreement(s) specified above. These rates are applicable only in accordance with the following:

RATES AND APPLICABILITY:

(a) Description of Rates, Points, Quantities and Term:

[Described below] [See Transaction Confirmation]

[Other tariff-permitted provisions]

Negotiated Rate \_\_\_\_\_ Discounted Rate \_\_\_\_\_ [Designate One]

(b) General: In consideration for Shipper's continuing compliance with the provisions of the Transportation Service Agreement(s) ("Agreement") specified above, the transportation rates and charges as defined above for the specified services provided under the Agreement, only apply to receipts from, and subsequent deliveries to, the Receipt Points and Delivery Points, quantities and/or time periods described herein. In addition to any rate or amount referred to herein (including discounted rates, Negotiated Rates, overrun rates and maximum Tariff rates), Shipper shall provide or pay and Transporter shall retain or charge Transporter's Use allowances or charges (including the EPC surcharge) in such quantities or amounts as authorized from time to time by the Tariff. Except as specifically provided otherwise herein, Shipper shall pay any applicable charges, penalties, surcharges, fees, taxes, assessments and/or direct billed amounts provided for in the Tariff. [INSTRUCTIONS: Insert the following for a discounted transaction: The rate in any Month shall never be below Transporter's applicable minimum Tariff rate.] [INSTRUCTIONS: Insert the following for a Negotiated Rate transaction: The rate in any month shall never be below Transporter's applicable minimum Tariff rate, unless Transporter otherwise agrees.] Transporter shall not be responsible for the payment and satisfaction of any taxes assessed or levied on the receipt, transmission (and any activities in connection therewith), delivery, use and/or consumption with respect to Gas delivered or received by Shipper, unless Transporter agrees otherwise.

(c) Rate-Related Provisions:

(i) Consideration for Rate Granted: Transporter agrees to the rates defined by this Attachment in exchange for Shipper's agreement to forego credits or other benefits to which Shipper would otherwise be entitled, but only to the extent such credits or benefits would result in a greater economic benefit over the term of this Attachment than that represented by the agreed-upon rate. Accordingly, unless Transporter otherwise agrees, Shipper will not receive credits from rates, refunds or other revenues collected by Transporter or Shipper if to do so would effectively result in a lower rate or greater

economic benefit to Shipper [; provided, however, that for a Shipper taking service under a discount or recourse rate agreement, the rate in any month shall never be above Transporter's applicable maximum Tariff rate].

- (ii) Entire Agreement: This Attachment and any applicable Transaction Confirmation(s) shall supplement the Agreement with respect to the matters agreed to, and together shall constitute the entire understanding of the parties relating to said matters as of the effective date stated herein. All prior agreements, correspondence, understandings and representations are hereby superseded and replaced by this Attachment and for any applicable Transaction Confirmation(s) and the Agreement unless otherwise specified. Except as otherwise provided herein, all terms used herein with initial capital letters are so used with the respective meanings ascribed to them in Transporter's Tariff.
- (iii) Failure to Exercise Rights: Failure to exercise any right under this Attachment and/or any applicable Transaction Confirmation(s) or the Agreement shall not be considered a waiver of such right in the future. No waiver of any default in the performance of this Attachment and/or any applicable Transaction Confirmation(s) or the Agreement shall be construed as a waiver of any other existing or future default, whether of a like or different character.
- (iv) Regulatory Authority: Transporter and Shipper hereby acknowledge that this Attachment and any applicable Transaction Confirmation(s) are subject to all valid and applicable federal and local laws and to the orders, rules and regulations of any duly constituted federal or local regulatory body or governmental authority having jurisdiction. Any provision of this Attachment and any applicable Transaction Confirmation(s) which is determined by any court or regulatory body having jurisdiction to be invalid or unenforceable will be ineffective to the extent of such determination only, without invalidating, or otherwise affecting the validity of, the remaining provisions. Unless the parties agree otherwise, if Transporter has made a good faith determination that a federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction (1) requires performance by Transporter that is inconsistent with the terms of this Attachment and for any applicable Transaction Confirmation(s), or (2) conditions or prohibits the granting of selective discounts or other rates specified, in paragraph (b) of this Attachment and for any applicable Transaction Confirmation(s), then Transporter may provide notice that it intends to renegotiate this Attachment and for any applicable Transaction Confirmation(s). If the parties fail to reach agreement within forty-five (45) days of any renegotiation notice given pursuant to the terms of this paragraph, then: (1) the rate provisions of paragraph (b) of this Attachment and for any applicable Transaction Confirmation(s) shall be terminated, and the rate for service under this Attachment and for any applicable Transaction Confirmation(s) shall be Transporter's applicable maximum Tariff rate, or (2) if Transporter's applicable maximum Tariff rate is greater than the rate for service under this Attachment and for any applicable Transaction Confirmation(s), at the Shipper's option, the Agreement, this Attachment and any applicable Transaction Confirmation(s) shall terminate. The effective date of this renegotiation or termination shall be first day of the month following the end of the 45-day renegotiation period; provided, however, that the effective date will comply with the requirements of the applicable federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction.

- (v) Limitation on Agreed Upon Rate: Unless Transporter agrees otherwise, if at any time receipts and/or deliveries are initially sourced into the system, nominated, scheduled and/or made, by any means or by operation of any Tariff mechanisms, with respect to the capacity obtained by, through or under the Agreement at points, or under conditions, other than those specified herein, on this Attachment, or any applicable Transaction Confirmation, then as of such date, and for the remainder of the Service Month in which such non-compliance occurred, or the remainder of the term of the Agreement, whichever is shorter, Shipper shall be obligated to pay no less than the maximum applicable Tariff rates for service under the Agreement. This limitation shall not apply to the extent that Transporter has requested Shipper to receive and/or deliver other than as specified herein, on this Attachment or any applicable Transaction Confirmation. Such request may be made via e-mail, in writing, or via ~~Internet Web Site~~Interactive Website posting, and the document in which such request is made shall be deemed to amend this Agreement to the extent applicable.
- [(d) Inability to Collect Negotiated Rates: [INSTRUCTIONS: insert following if this Attachment or any applicable Transaction Confirmation(s) covers a Negotiated Rate transaction:] If Transporter is unable to collect Negotiated Rates due to a change in Commission policy or rejection of the transaction by the Commission prior to or during the term of such transaction, then, unless the parties agree otherwise, Shipper shall pay the maximum Tariff rate for the services. In such event, Transporter shall notify Shipper in writing of the requirement to pay maximum Tariff rates and, if the maximum Tariff rates are greater than the Negotiated Rates under such transaction, Shipper shall have no more than thirty (30) days from the date of such notification to give notice in writing of termination of the applicable Agreement, with such termination to be effective no earlier than the end of the Month following the Month in which such termination notice is received.]

[INSTRUCTIONS: For Written Agreements insert the following:

Executed by a duly authorized representative of each party hereto, in the space provided below:

~~ENABLE~~ GULF RUN  
TRANSMISSION, LLC

[SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]

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

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

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

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

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

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

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

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this document shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]



FORM OF SERVICE AGREEMENT FOR  
PARK AND LOAN SERVICES AGREEMENT  
UNDER RATE SCHEDULE PALS

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

Contract No. \_\_\_\_\_

SERVICE AGREEMENT

This AGREEMENT is entered into by and between ~~Enable~~ Gulf Run Transmission, LLC, ("Transporter") and \_\_\_\_\_ ("Shipper").

[WHEREAS, \_\_\_\_\_] [Instructions: This and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Transporter and Shipper related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Shipper, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Shipper's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's ~~Internet Web Site~~ Interactive Website.

2. REGULATORY AUTHORITY: Part 284 [Subpart G] [Subpart B]
3. Transporter agrees to provide and Shipper agrees to take and pay for service under this Agreement pursuant to Transporter's Rate Schedule PALS and the General Terms and Conditions of Transporter's Tariff, which are incorporated herein by reference and made a part hereof.
4. In accordance with the terms of Transporter's Rate Schedule PALS, as applicable, and of this Agreement, Transporter shall provide interruptible service for Shipper, as set forth herein and on any Exhibit A hereto. Shipper and Transporter may execute more than one Exhibit A during the term of this Agreement, covering multiple transactions for Park and Loan Services.
5. The point(s) at which the Gas is to be tendered by Shipper to Transporter under this Agreement shall be any physical receipt points or Pools on Transporter's system or, with respect to any transaction for which Shipper and Transporter have executed an Exhibit A hereto, the point(s) designated on such Exhibit A as Shipper's Receipt Point(s). The point(s) at which the Gas is to be tendered by Transporter to Shipper under this Agreement shall be any physical receipt points or Pools on Transporter's system or, with respect to

any transaction for which Shipper and Transporter have executed an Exhibit A hereto, the point(s) designated on Exhibit A hereto as Shipper's Delivery Point(s).

6. Nomination Balancing Service option elected: \_\_\_\_ Yes \_\_\_\_ No
7. This Agreement shall be effective as of \_\_\_\_ [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission, or a commencement date as defined in a precedent agreement between Shipper and Transporter] and shall remain in force and effect until \_\_\_\_ [or, when applicable, "shall continue for a term of \_\_\_\_ years"]; (the "Primary Term"); provided that this Agreement may be terminated by Transporter or Shipper upon at least thirty (30) days prior written notice. Notwithstanding the end of the Primary Term or any early termination pursuant to this provision, this Agreement shall remain in effect until the expiration of any transaction(s) executed by the Parties pursuant to this Agreement. The Maximum Aggregate Quantity (MAQ) under this Agreement shall be \_\_\_\_ Dth.
8. Notices under this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand-delivered or, if received, when mailed by U.S. Mail, postage prepaid, to Transporter at the addresses [above] [provided on Transporter's Interactive Website], and to Shipper at the address provided [above] [to Transporter], until changed by written notice.
- [9. THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]
10. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. If any of items in Sections 4 through 7 are to be included on an Attachment insert: "See Attachment hereto." Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

Executed by a duly authorized representative of each party hereto, in the space provided below:

~~ENABLE~~ GULF RUN  
TRANSMISSION, LLC

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

[SHIPPER'S NAME]  
[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_

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

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

PARK AND LOAN SERVICES AGREEMENT

Contract No. \_\_\_\_\_

Exhibit A Effective Date: \_\_\_\_\_

	From	To	Maximum Park/Loan Quantity	Specific Points	Removal/Return Quantity
[Park Service]					
[Loan Service]					

The Maximum Aggregate Transaction Quantity (MATQ) is \_\_\_\_\_.

[Supersedes Exhibit A Dated: \_\_\_\_\_]

[MATQ Park \_\_\_\_\_]

[MATQ Loan \_\_\_\_\_]

Rate: Unless Transporter agrees otherwise in an Attachment or below, Shipper shall pay, or cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate and any applicable Tariff penalties, charges, fees or assessments. Shipper shall not at any time pay less than the minimum applicable Tariff rate.

Rate (\$/Dth): Activity \_\_\_\_\_ Inventory \_\_\_\_\_

Rates and Clarifications: \_\_\_\_\_

The rates herein apply only to the services described above, including without limitation, the quantities, points and dates stated above. [Negotiated Rates apply per Section 20.1, GT&C of Transporter's Tariff.]

[Other provisions]

[None or describe]

Signed for Identification

Transporter: \_\_\_\_\_

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

~~Enable~~ Gulf Run Transmission, LLC  
FERC NGA Gas Tariff  
Original Volume No. 1

Part VII Form of Service Agreements  
~~3-Rate Schedule~~ PALS ~~Service Agreement~~  
Version 0.0.0  
~~Page 5 of 5~~

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]



FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE PS)

THIS POOLING AGREEMENT ("Agreement"), effective as of the date below, by and between ~~Enable~~ Gulf Run Transmission, LLC ("Transporter") and Pool Manager.

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Pool Manager:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Pool Manager, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Pool Manager's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Pool Manager in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's ~~Internet Web Site~~Interactive Website.

Effective Date:

Regulatory Authority: Part 284 [Subpart G] [Subpart B]

Term: This Agreement shall be effective as of the date above and shall continue until the end of such Month, and Month-to-Month thereafter, unless and until terminated by either party upon ten (10) Days written notice (or electronically via the Internet as permitted or required by Transporter) to the other party. Termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cashout or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder, and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive to the extent required.

Notices: Notices under this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand-delivered or, if received, when mailed by U.S. Mail, postage prepaid, to Transporter at the addresses [below] [provided on Transporter's Interactive Website], and to Pool Manager at the address provided [above] [to Transporter], until changed by written notice.

[Notices to Transporter:

Payments:

Notices:

Rate Schedule: Service hereunder shall be provided on a fully interruptible basis pursuant to Rate Schedule PS and this Agreement and shall be subject to the provisions of such Rate Schedule as well as the General Terms and Conditions set forth in Transporter's Tariff (as on file and in effect from time to time), all of which by this reference are made a part hereof. All terms used in this Agreement with capital letters shall have the meanings ascribed to them in Transporter's Tariff.

Rate: Unless provided otherwise on an Attachment A to this Agreement and/or a Transaction Confirmation or as otherwise posted on Transporter's Interactive Website, Pool Manager shall pay to Transporter the maximum applicable rate as well as any and all charges, fees, taxes, assessments or surcharges provided for in Rate Schedule PS or otherwise in Transporter's Tariff.

Credit: Pool Manager agrees that any representations and agreements contained in any credit application submitted in connection with this service shall be incorporated herein by reference and made a part hereof.

Consent of Parties: All modifications, amendments or supplements to the terms and provisions hereof shall be made by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.

Assignments: This Agreement shall not be assigned by Pool Manager in whole or in part, without Transporter's prior written (or electronic) consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Pool Manager to others contrary to the provisions hereof, whether the assignment be voluntary or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives.

11. [THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]

[Other Provisions]

[INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Agreement No., Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. If any of items in the paragraphs above are to be included on an Attachment insert: "See Attachment hereto." Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

Executed by a duly authorized representative of each party hereto, in the space provided below:

~~ENABLE~~

GULF RUN  
TRANSMISSION, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[POOL MANAGER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]



CAPACITY RELEASE  
FORM OF SERVICE AGREEMENT

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

Contract No. \_\_\_\_\_

This AGREEMENT is entered into by and between ~~Enable~~ Gulf Run Transmission, LLC, ("Transporter") and \_\_\_\_\_ ("Replacement Shipper").

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. SHIPPER INFORMATION:

Shipper's Name:

[INSTRUCTIONS: Among the items which may be included on Agreement are the following: Address/Contact Information for Shipper, e-mail address, type of entity, description of prior entity name and how changed and state of establishment. Shipper's contact information, including addresses and email, may be provided initially to Transporter in service request or other written notice and subsequently revised by Shipper in writing.]

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's ~~Internet Web Site~~ Interactive Website.

2. For each occasion that Replacement Shipper obtains a release of capacity from a Releasing Shipper pursuant to Section 17 of the General Terms and Conditions of the Tariff, an addendum in the form of Exhibit A, attached hereto will be made a part hereof. The specific terms and conditions of each release shall be reflected in each Exhibit A, which shall be incorporated and made a part of this Agreement, and which together shall constitute the terms and conditions of Transporter's service for each release. A Replacement Shipper may have more than one Exhibit A if it has obtained multiple releases of capacity.
3. This Agreement shall be effective from the date first stated above until \_\_\_\_\_, when this Agreement shall expire, provided that this Agreement may be terminated by Transporter or Shipper upon at least thirty (30) days prior written notice. Service shall commence and, notwithstanding the end of the term or any early termination pursuant to this provision, remain effective for a term coincidental for the term of each release of service rights identified in each Exhibit A hereto.
4. This Agreement shall be subject to the provisions of Rate Schedule FTS as well as the General Terms and Conditions set forth in Transporter's Tariff, as on file and in effect from time to time,

all of which by this reference are made a part hereof. In accordance with Sections 2(b) and 2(c) of Rate Schedule FTS of Transporter's Tariff, subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Replacement Shipper for the purposes contemplated herein, on a firm basis a quantity of Gas up to the quantity or quantities specified in each Exhibit A hereto.

5. In accordance with Sections 2(b) of Rate Schedule FTS of Transporter's Tariff, Gas shall be (i) tendered to Transporter for transportation hereunder at the Receipt Point(s) and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Delivery Point(s) on the terms and at the points shown in any Exhibit A hereto. Subject to the provisions of the Tariff, Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Replacement Shipper, less Transporter's Use retained.
6. This Agreement shall be subject to the provisions of Rate Schedule FTS and the General Terms and Conditions set forth in Transporter's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said General Terms and Conditions, in accordance with the Natural Gas Act or other applicable law. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.
7. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified herein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.
8. [THE INTERPRETATION AND PERFORMANCE OF THE AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_, EXCLUDING CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A DIFFERENT JURISDICTION.]

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Original Volume No. 1

Version 0.0.0

Page 3 of 4

9. IN WITNESS WHEREOF, both Transporter and Replacement Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

Executed by a duly authorized representative of each party hereto, in the space provided below:

~~ENABLE~~ GULF RUN  
TRANSMISSION, LLC

[REPLACEMENT SHIPPER'S NAME]

[BY: \_\_\_\_\_,  
ITS \_\_\_\_\_]

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

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

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

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

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

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

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

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

[INSTRUCTIONS: For Electronic Agreements insert one of the following:

[Upon Transporter's acceptance of this document (which shall constitute the parties' execution of such document), the terms of this Agreement shall become effective.]

[Upon Shipper's receipt of confirmation and unless Shipper notifies Transporter in writing within \_\_\_\_\_, the terms of the confirmation shall become effective unless Transporter otherwise agrees.]]

EXHIBIT A

Capacity Release Agreement No. \_\_\_\_\_

Addendum No. \_\_\_\_\_

Capacity Release  
Service Agreement  
Between

~~Enable~~ Gulf Run Transmission, LLC  
and

[Releasing Shipper Contract No.

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Original Volume No. 1

Version 0.0.0

Page 5 of 4

Releasing Shipper Rate Schedule

Original Releasing Shipper Contract No.

Regulation

Transportation Path:

Replacement Shipper's Maximum Daily Quantity (Dt)

Primary Receipt Point(s) (if applicable): [Quantity (Dth/D)]

Primary Delivery Point(s) (if applicable): [Quantity (Dth/D)]

Permanent or Temporary Release

Conditions of Recall \_\_\_\_\_

Term of Release

Begin \_\_\_\_\_ End \_\_\_\_\_

Reservation Charge (including applicable surcharges)] [INSTRUCTIONS: Include such items as applicable to reflect the provisions of the capacity release award to Shipper.]

Other Conditions: [INSTRUCTIONS: Placement on page, number of pages, underlining, paragraph numbering, format and capitalization may vary. Service Request No. and or page number(s) may be added. Multiple or new blanks may be used if needed, including as needed to show changes during term or to document other Tariff-permitted information or provisions. Terms describing the manner in which a contract is being changed, such as superseded, substituted, amended, restated, etc., may be added to the header or below as needed. Attachments may be numbered or lettered differently or called addendum, exhibit, etc.]

ENABLE

**Part VIII**  
**Miscellaneous Forms**

**1. Transaction Confirmation Form (ITS and PS)**

Original Volume No. 1

Version 0.0.0

Page 1 of 1

GULF RUN TRANSMISSION, LLC ("TRANSPORTER")  
TRANSACTION CONFIRMATION  
[INTERRUPTIBLE (RATE SCHEDULE ITS)]  
[INTERRUPTIBLE POOL TRANSFER (RATE SCHEDULE PS)]

Agreement No.: \_\_\_\_\_  
[Transaction Confirmation No.: \_\_\_\_\_]

[Shipper:][Pool Manager:] \_\_\_\_\_

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

Description of Rates, Points, Quantity and Term:

[Other tariff-permitted provisions]

[For Written Agreements:

Executed by a duly authorized representative of each party hereto, in the space provided below:

TRANSPORTER: \_\_\_\_\_ [SHIPPER] [POOL MANAGER]:

~~ENABLE GAS TRANSMISSION, LLC [NAME OF SHIPPER OR POOL MANAGER]~~

~~ENABLE~~ GULF RUN TRANSMISSION, LLC

[SHIPPER] [POOL MANAGER]  
[NAME OF SHIPPER OR POOL MANAGER]

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

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

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

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

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

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

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

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

[For electronic confirmations, the terms of Attachment [ ] and, if applicable, the Transportation Service Agreement for the above specified Rate Schedule [as posted on Transporter's Interactive Website] shall be incorporated by reference herein.]

[For electronic confirmations, upon [Shipper's] [Pool Manager's] receipt of confirmation and unless [Shipper] [Pool Manager] notifies Transporter within [ ], the terms of this confirmation shall become effective.]



## APPENDIX C

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
10/19/2022	5.515	1492	192	5.59	462	74	5.69	361
10/18/2022	5.395	1482	220	5.52	534	87	5.86	419
10/17/2022	5.25	1342	203	5.275	419	82	5.96	146
10/16/2022	5.25	1342	203	5.275	419	82	5.96	146
10/15/2022	5.25	1342	203	5.275	419	82	5.96	146
10/14/2022	5.435	925	155	5.44	358	68	6.08	228
10/13/2022	5.64	1399	220	5.745	274	49	6.415	127
10/12/2022	5.245	872	139	5.345	328	55	5.96	212
10/11/2022	5.635	935	171	5.51	341	62	6.035	145
10/10/2022	5.585	1108	210	5.545	407	74	6.045	236
10/9/2022	5.585	1108	210	5.545	407	74	6.045	236
10/8/2022	5.585	1108	210	5.545	407	74	6.045	236
10/7/2022	6.17	730	114	6.155	210	38	6.565	371
10/6/2022	5.975	1108	160	5.97	405	75	6.165	223
10/5/2022	4.855	1044	139	5.165	509	92	5.305	386
10/4/2022	4.5	1033	180	4.78	750	125	5.17	392
10/3/2022	4.695	1935	290	4.54	831	145	6	678
10/2/2022	4.695	1935	290	4.54	831	145	6	678
10/1/2022	4.695	1935	290	4.54	831	145	6	678
9/30/2022	4.985	1020	183	5.13	570	109	6.31	287
9/29/2022	5.045	1194	178	5.14	299	43	6.22	328
9/28/2022	5.19	1255	184	5.23	227	48	6.58	466
9/27/2022	4.525	1444	211	4.835	201	39	6.53	314
9/26/2022	5.14	1360	230	5.045	591	107	6.685	599

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
9/25/2022	5.14	1360	230	5.045	591	107	6.685	599
9/24/2022	5.14	1360	230	5.045	591	107	6.685	599
9/23/2022	6.42	1034	147	6.3	381	71	7.305	184
9/22/2022	6.89	547	94	6.605	386	63	7.63	267
9/21/2022	6.94	999	144	6.96	153	29	7.645	164
9/20/2022	6.885	718	99	7.09	171	35	7.655	231
9/19/2022	6.98	800	108	7	474	80	7.91	295
9/18/2022	6.98	800	108	7	474	80	7.91	295
9/17/2022	6.98	800	108	7	474	80	7.91	295
9/16/2022	7.545	1045	160	7.485	70	14	8.315	319
9/15/2022	7.99	1015	124	7.94	193	37	8.585	302
9/14/2022	7.66	950	145	7.64	207	31	8.3	201
9/13/2022	7.4	924	128	7.465	470	70	8.095	164
9/12/2022	7.33	1022	171	7.24	186	28	7.905	181
9/11/2022	7.33	1022	171	7.24	186	28	7.905	181
9/10/2022	7.33	1022	171	7.24	186	28	7.905	181
9/9/2022	7.46	1369	192	7.395	154	26	7.92	232
9/8/2022	7.415	1646	234	7.435	245	45	7.96	257
9/7/2022	7.765	864	137	7.76	322	67	8.42	209
9/6/2022	8.42	1304	198	8.18	238	41	8.815	114
9/5/2022	8.42	1304	198	8.18	238	41	8.815	114
9/4/2022	8.42	1304	198	8.18	238	41	8.815	114
9/3/2022	8.42	1304	198	8.18	238	41	8.815	114
9/2/2022	8.7	781	125	8.69	250	44	9.2	99
9/1/2022	8.4	951	139	8.445	405	73	8.89	68
8/31/2022	8.36	327	52	8.395	667	109	8.875	161

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
8/30/2022	8.64	931	126	8.77	462	71	9.155	233
8/29/2022	8.63	717	119	8.77	142	26	9.38	220
8/28/2022	8.63	717	119	8.77	142	26	9.38	220
8/27/2022	8.63	717	119	8.77	142	26	9.38	220
8/26/2022	8.6	626	91	8.73	182	37	9.26	562
8/25/2022	8.55	1094	151	8.77	314	66	9.24	428
8/24/2022	8.895	1051	147	9.2	291	50	9.78	344
8/23/2022	8.76	801	116	8.85	234	35	9.495	120
8/22/2022	8.335	820	116	8.385	175	28	8.97	618
8/21/2022	8.335	820	116	8.385	175	28	8.97	618
8/20/2022	8.335	820	116	8.385	175	28	8.97	618
8/19/2022	8.585	960	134	8.705	189	27	9.225	281
8/18/2022	8.725	600	85	8.77	223	31	9.43	418
8/17/2022	8.585	655	105	8.71	208	47	9.17	442
8/16/2022	8.015	679	102	8.085	53	12	8.42	479
8/15/2022	8.29	646	99	8.135	233	38	8.745	482
8/14/2022	8.29	646	99	8.135	233	38	8.745	482
8/13/2022	8.29	646	99	8.135	233	38	8.745	482
8/12/2022	8.12	704	105	8.025	264	52	8.405	255
8/11/2022	7.605	1043	132	7.775	146	27	7.76	267
8/10/2022	7.485	968	127	7.605	270	51	7.825	329
8/9/2022	7.255	798	134	7.49	282	57	7.7	282
8/8/2022	7.76	351	68	7.715	193	36	8.11	253
8/7/2022	7.76	351	68	7.715	193	36	8.11	253
8/6/2022	7.76	351	68	7.715	193	36	8.11	253
8/5/2022	7.675	1095	139	7.725	222	54	8.04	190

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
8/4/2022	7.305	920	117	7.375	245	37	7.635	257
8/3/2022	7.3	929	152	7.4	201	29	7.77	398
8/2/2022	7.555	1058	143	7.655	172	23	7.895	162
8/1/2022	7.85	821	122	7.85	136	19	8.275	175
7/31/2022	8.085	451	74	7.93	259	49	8.455	115
7/30/2022	8.085	451	74	7.93	259	49	8.455	115
7/29/2022	8.085	451	74	7.93	259	49	8.455	115
7/28/2022	8.23	517	80	8.275	168	28	8.61	468
7/27/2022	8.67	876	112	8.665	262	42	9.15	411
7/26/2022	8.16	562	94	8.235	373	59	8.415	534
7/25/2022	7.87	1017	133	8.035	119	28	8.105	173
7/24/2022	7.87	1017	133	8.035	119	28	8.105	173
7/23/2022	7.87	1017	133	8.035	119	28	8.105	173
7/22/2022	7.545	681	88	7.755	163	28	7.88	35
7/21/2022	7.22	1006	136	7.34	533	98	7.43	125
7/20/2022	6.96	1001	146	7.115	417	63	7.25	162
7/19/2022	7.095	888	122	7.255	317	68	7.435	100
7/18/2022	6.29	835	131	6.475	236	34	6.62	188
7/17/2022	6.29	835	131	6.475	236	34	6.62	188
7/16/2022	6.29	835	131	6.475	236	34	6.62	188
7/15/2022	6.445	961	117	6.495	335	65	6.775	270
7/14/2022	6.24	1158	129	6.34	480	89	6.545	372
7/13/2022	6.225	1136	158	6.215	375	65	6.625	311
7/12/2022	6.305	977	113	6.37	236	35	6.645	182
7/11/2022	5.88	588	102	5.925	496	82	6.26	126
7/10/2022	5.88	588	102	5.925	496	82	6.26	126

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
7/9/2022	5.88	588	102	5.925	496	82	6.26	126
7/8/2022	5.65	788	114	5.805	352	47	6.095	138
7/7/2022	5.375	997	112	5.575	620	83	5.62	261
7/6/2022	5.355	621	104	5.55	831	107	5.68	350
7/5/2022	5.335	697	108	5.345	504	65	5.67	150
7/4/2022	5.335	697	108	5.345	504	65	5.67	150
7/3/2022	5.335	697	108	5.345	504	65	5.67	150
7/2/2022	5.335	697	108	5.345	504	65	5.67	150
7/1/2022	6.045	701	111	6.095	183	33	6.405	470
6/30/2022	6.42	617	102	6.465	210	38	6.615	136
6/29/2022	6.35	459	60	6.455	258	37	6.56	116
6/28/2022	5.93	305	54	5.885	231	42	6.085	203
6/27/2022	5.795	648	123	5.775	275	42	5.82	141
6/26/2022	5.795	648	123	5.775	275	42	5.82	141
6/25/2022	5.795	648	123	5.775	275	42	5.82	141
6/24/2022	6.29	892	119	6.065	158	40	6.17	131
6/23/2022	6.385	710	94	6.37	230	38	6.535	190
6/22/2022	6.36	779	112	6.48	582	86	6.575	214
6/21/2022	6.8	822	129	6.885	211	52	7.115	239
6/20/2022	6.8	822	129	6.885	211	52	7.115	239
6/19/2022	6.8	822	129	6.885	211	52	7.115	239
6/18/2022	6.8	822	129	6.885	211	52	7.115	239
6/17/2022	7.48	621	116	7.585	447	61	7.815	325
6/16/2022	7.18	621	106	7.35	661	100	7.515	526
6/15/2022	6.955	935	129	6.85	638	116	7.605	199
6/14/2022	8.375	1192	145	8.465	642	88	8.45	231

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
6/13/2022	8.17	782	138	8.135	231	44	8.51	210
6/12/2022	8.17	782	138	8.135	231	44	8.51	210
6/11/2022	8.17	782	138	8.135	231	44	8.51	210
6/10/2022	7.76	1166	168	7.735	428	66	8.07	218
6/9/2022	9.085	788	132	9.045	630	86	9.39	246
6/8/2022	8.805	539	91	8.815	274	57	9.215	292
6/7/2022	8.51	569	88	8.61	304	48	9.1	251
6/6/2022	7.825	683	111	7.8	280	68	8.235	190
6/5/2022	7.825	683	111	7.8	280	68	8.235	190
6/4/2022	7.825	683	111	7.8	280	68	8.235	190
6/3/2022	8.28	651	93	8.27	132	32	8.335	30
6/2/2022	8.055	802	99	8.05	140	32	8.505	80
6/1/2022	8.005	690	105	8.005	188	53	8.345	108
5/31/2022	7.615	585	101	7.66	249	54	8.16	263
5/30/2022	7.615	585	101	7.66	249	54	8.16	263
5/29/2022	7.615	585	101	7.66	249	54	8.16	263
5/28/2022	7.615	585	101	7.66	249	54	8.16	263
5/27/2022	8.53	655	103	8.54	56	21	9.02	180
5/26/2022	8.82	721	115	8.72	285	62	9.245	50
5/25/2022	8.41	752	112	8.415	182	55	8.73	123
5/24/2022	7.82	648	100	7.91	117	28	8.2	104
5/23/2022	7.63	854	133	7.725	324	76	7.945	228
5/22/2022	7.63	854	133	7.725	324	76	7.945	228
5/21/2022	7.63	854	133	7.725	324	76	7.945	228
5/20/2022	7.875	990	139	7.915	332	64	8.16	228
5/19/2022	8.03	878	121	8.155	282	52	8.4	66

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
5/18/2022	8.015	666	92	8	306	67	8.22	749
5/17/2022	7.695	1015	133	7.78	346	68	7.94	212
5/16/2022	7.45	605	112	7.205	254	45	7.475	120
5/15/2022	7.45	605	112	7.205	254	45	7.475	120
5/14/2022	7.45	605	112	7.205	254	45	7.475	120
5/13/2022	7.285	797	118	7.33	432	68	7.35	76
5/12/2022	7.335	1132	174	7.31	373	54	7.395	109
5/11/2022	6.43	766	130	6.4	414	64	6.655	102
5/10/2022	7.225	855	123	7.12	401	71	7.255	51
5/9/2022	7.975	819	153	7.905	278	62	8.28	86
5/8/2022	7.975	819	153	7.905	278	62	8.28	86
5/7/2022	7.975	819	153	7.905	278	62	8.28	86
5/6/2022	7.985	1048	148	7.905	205	60	8.185	34
5/5/2022	8.125	1427	223	8.02	158	36	8.26	149
5/4/2022	7.745	992	143	7.755	355	64	7.885	139
5/3/2022	7.02	1237	151	7.09	329	63	7.24	114
5/2/2022	6.525	1251	169	6.535	484	78	6.715	153
5/1/2022	6.525	1251	169	6.535	484	78	6.715	153
4/30/2022	6.565	1106	147	6.565	306	58	6.795	209
4/29/2022	6.565	1106	147	6.565	306	58	6.795	209
4/28/2022	6.745	1178	150	6.84	383	48	6.98	170
4/27/2022	6.615	1048	111	6.7	446	54	6.74	113
4/26/2022	6.205	932	126	6.285	419	72	6.415	193
4/25/2022	6.155	1024	171	6.22	687	97	6.47	95
4/24/2022	6.155	1024	171	6.22	687	97	6.47	95
4/23/2022	6.155	1024	171	6.22	687	97	6.47	95

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
4/22/2022	6.455	1161	171	6.57	352	66	6.765	314
4/21/2022	6.475	1187	185	6.565	257	46	6.825	272
4/20/2022	6.715	958	132	6.76	302	47	7.02	274
4/19/2022	7.205	1229	177	7.465	436	85	7.635	106
4/18/2022	6.75	600	100	6.79	579	93	6.905	85
4/17/2022	6.75	600	100	6.79	579	93	6.905	85
4/16/2022	6.75	600	100	6.79	579	93	6.905	85
4/15/2022	6.75	600	100	6.79	579	93	6.905	85
4/14/2022	6.45	1004	133	6.52	425	85	6.695	340
4/13/2022	6.145	984	122	6.365	314	55	6.595	196
4/12/2022	6.07	1016	124	6.125	453	91	6.355	276
4/11/2022	5.89	843	127	6	350	68	6.235	291
4/10/2022	5.89	843	127	6	350	68	6.235	291
4/9/2022	5.89	843	127	6	350	68	6.235	291
4/8/2022	5.86	1199	162	5.885	291	60	5.985	469
4/7/2022	6.065	1248	152	6.135	364	56	6.165	438
4/6/2022	5.695	1567	219	5.8	333	69	5.905	219
4/5/2022	5.425	722	105	5.455	454	85	5.555	99
4/4/2022	5.28	785	143	5.37	443	94	5.42	125
4/3/2022	5.28	785	143	5.37	443	94	5.42	125
4/2/2022	5.28	785	143	5.37	443	94	5.42	125
4/1/2022	5.205	1320	197	5.36	526	90	5.62	126
3/31/2022	5.105	721	104	5.11	326	54	5.3	155
3/30/2022	4.96	971	124	4.935	210	47	5.225	131
3/29/2022	5.005	792	102	5.18	429	69	5.38	56
3/28/2022	5.045	710	114	5.145	391	88	5.41	40

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
3/27/2022	5.045	710	114	5.145	391	88	5.41	40
3/26/2022	5.045	710	114	5.145	391	88	5.41	40
3/25/2022	4.745	1388	188	4.76	388	60	5.025	445
3/24/2022	4.675	586	74	4.785	378	62	5.15	184
3/23/2022	4.38	796	118	4.52	547	83	4.905	264
3/22/2022	4.045	881	136	4.25	546	96	4.64	285
3/21/2022	4.14	476	66	4.33	543	98	4.73	197
3/20/2022	4.14	476	66	4.33	543	98	4.73	197
3/19/2022	4.14	476	66	4.33	543	98	4.73	197
3/18/2022	4.315	788	108	4.425	701	110	4.78	64
3/17/2022	4.17	674	97	4.28	839	130	4.56	203
3/16/2022	4.055	1105	153	4.13	618	88	4.405	196
3/15/2022	4.2	712	113	4.295	588	92	4.52	76
3/14/2022	4.455	808	106	4.515	320	70	4.655	262
3/13/2022	4.455	808	106	4.515	320	70	4.655	262
3/12/2022	4.455	808	106	4.515	320	70	4.655	262
3/11/2022	4.41	814	127	4.475	546	73	4.55	150
3/10/2022	4.35	1217	154	4.355	301	54	4.47	351
3/9/2022	4.415	971	132	4.41	293	54	4.57	197
3/8/2022	4.69	570	96	4.65	415	68	4.825	154
3/7/2022	4.46	698	100	4.455	427	73	4.75	197
3/6/2022	4.46	698	100	4.455	427	73	4.75	197
3/5/2022	4.46	698	100	4.455	427	73	4.75	197
3/4/2022	4.29	1150	160	4.34	143	40	4.53	191
3/3/2022	4.415	1237	148	4.41	551	84	4.585	161
3/2/2022	4.17	1093	161	4.165	607	93	4.305	483

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
3/1/2022	4.055	790	109	4.035	564	102	4.2	315
2/28/2022	4.285	619	114	4.34	277	42	4.465	161
2/27/2022	4.285	619	114	4.34	277	42	4.465	161
2/26/2022	4.285	619	114	4.34	277	42	4.465	161
2/25/2022	4.62	707	110	4.67	357	63	4.675	293
2/24/2022	4.475	1017	136	4.46	339	58	4.475	281
2/23/2022	4.37	723	122	4.3	574	92	4.4	294
2/22/2022	4.245	851	125	4.275	661	87	4.465	326
2/21/2022	4.245	851	125	4.275	661	87	4.465	326
2/20/2022	4.245	851	125	4.275	661	87	4.465	326
2/19/2022	4.245	851	125	4.275	661	87	4.465	326
2/18/2022	4.375	1004	153	4.425	449	66	4.565	203
2/17/2022	4.215	708	122	4.165	392	79	4.335	215
2/16/2022	3.945	1032	153	3.94	416	54	4.16	354
2/15/2022	3.82	551	81	3.865	300	55	4	141
2/14/2022	3.695	599	99	3.7	498	62	3.84	234
2/13/2022	3.695	599	99	3.7	498	62	3.84	234
2/12/2022	3.695	599	99	3.7	498	62	3.84	234
2/11/2022	3.685	566	99	3.655	474	87	3.8	251
2/10/2022	3.795	943	131	3.785	526	85	3.895	144
2/9/2022	4.08	1063	152	4.08	509	84	4.245	196
2/8/2022	4.06	1432	172	4.08	652	85	4.205	47
2/7/2022	5.015	630	107	5.145	770	123	5.135	293
2/6/2022	5.015	630	107	5.145	770	123	5.135	293
2/5/2022	5.015	630	107	5.145	770	123	5.135	293
2/4/2022	5.725	886	138	5.51	589	96	5.45	462

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
2/3/2022	6.43	919	137	6.055	316	68	6.15	262
2/2/2022	5.23	1328	206	5.21	600	90	5.17	214
2/1/2022	5.005	930	142	5.04	762	129	5.365	437
1/31/2022	4.91	727	114	5.35	559	69	5.45	658
1/30/2022	4.91	727	114	5.35	559	69	5.45	658
1/29/2022	4.91	727	114	5.35	559	69	5.45	658
1/28/2022	4.255	560	95	4.37	602	82	4.395	439
1/27/2022	4.17	760	105	4.215	625	85	4.27	160
1/26/2022	3.905	730	116	4.01	457	60	3.965	95
1/25/2022	3.87	700	90	4.06	859	110	3.97	191
1/24/2022	3.78	799	117	3.87	659	98	3.89	471
1/23/2022	3.78	799	117	3.87	659	98	3.89	471
1/22/2022	3.78	799	117	3.87	659	98	3.89	471
1/21/2022	4.12	514	76	3.985	265	58	3.97	280
1/20/2022	4.625	1076	136	4.61	616	91	4.605	410
1/19/2022	4.25	807	114	4.35	321	49	4.345	162
1/18/2022	4.085	772	130	4.16	604	73	4.2	203
1/17/2022	4.085	772	130	4.16	604	73	4.2	203
1/16/2022	4.085	772	130	4.16	604	73	4.2	203
1/15/2022	4.085	772	130	4.16	604	73	4.2	203
1/14/2022	4.32	727	104	4.46	738	100	4.5	146
1/13/2022	4.27	1245	180	4.39	396	75	4.58	368
1/12/2022	3.79	913	121	3.845	583	122	3.995	167
1/11/2022	3.875	1497	211	3.95	612	116	4.02	239
1/10/2022	3.615	1459	188	3.725	618	97	3.755	275
1/9/2022	3.615	1459	188	3.725	618	97	3.755	275

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
1/8/2022	3.615	1459	188	3.725	618	97	3.755	275
1/7/2022	3.66	982	131	3.76	651	101	3.735	132
1/6/2022	3.765	1283	175	3.765	630	127	3.805	72
1/5/2022	3.615	1037	143	3.685	629	101	3.635	80
1/4/2022	3.36	1118	141	3.36	235	55	3.495	393
1/3/2022	3.605	1516	208	3.47	743	121	3.52	192
1/2/2022	3.605	1516	208	3.47	743	121	3.52	192
1/1/2022	3.605	1516	208	3.47	743	121	3.52	192
12/31/2021	3.28	1439	223	3.26	473	91	3.305	91
12/30/2021	3.28	1439	223	3.26	473	91	3.305	91
12/29/2021	3.265	1404	187	3.28	396	60	3.365	86
12/28/2021	3.175	2044	289	3.065	486	84	3.205	173
12/27/2021	3.18	1621	229	3.085	496	87	3.215	389
12/26/2021	3.18	1621	229	3.085	496	87	3.215	389
12/25/2021	3.18	1621	229	3.085	496	87	3.215	389
12/24/2021	3.18	1621	229	3.085	496	87	3.215	389
12/23/2021	3.6	992	121	3.685	342	84	3.86	108
12/22/2021	3.625	848	108	3.74	456	71	3.815	193
12/21/2021	3.61	1038	138	3.74	429	64	3.84	134
12/20/2021	3.445	570	101	3.5	291	44		
12/19/2021	3.445	570	101	3.5	291	44		
12/18/2021	3.445	570	101	3.5	291	44		
12/17/2021	3.49	899	128	3.48	388	60	3.675	80
12/16/2021	3.5	860	113	3.485	406	63	3.645	211
12/15/2021	3.325	1643	204	3.405	597	90	3.54	40
12/14/2021	3.655	1094	134	3.74	514	68	3.845	35

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
12/13/2021	3.46	1238	161	3.52	663	80	3.655	35
12/12/2021	3.46	1238	161	3.52	663	80	3.655	35
12/11/2021	3.46	1238	161	3.52	663	80	3.655	35
12/10/2021	3.37	1833	243	3.405	772	111	3.555	139
12/9/2021	3.44	1062	133	3.56	750	117	3.69	96
12/8/2021	3.415	1216	148	3.495	451	63	3.565	128
12/7/2021	3.365	1212	160	3.42	464	78	3.43	111
12/6/2021	3.645	1130	155	3.64	795	136	3.815	68
12/5/2021	3.645	1130	155	3.64	795	136	3.815	68
12/4/2021	3.645	1130	155	3.64	795	136	3.815	68
12/3/2021	3.695	1397	219	3.79	389	67	3.915	91
12/2/2021	3.835	1631	200	3.875	449	76	4.005	60
12/1/2021	4.095	1635	205	4.16	642	114	4.345	137
11/30/2021	4.635	578	76	4.62	269	38	4.8	103
11/29/2021	4.67	825	134	4.775	293	42	4.85	90
11/28/2021	4.67	825	134	4.775	293	42	4.85	90
11/27/2021	4.67	825	134	4.775	293	42	4.85	90
11/26/2021	4.67	825	134	4.775	293	42	4.85	90
11/25/2021	4.67	825	134	4.775	293	42	4.85	90
11/24/2021	4.535	1046	168	4.655	315	53	4.81	120
11/23/2021	4.39	1056	140	4.515	533	79	4.62	156
11/22/2021	4.71	781	127	4.765	445	68	4.755	141
11/21/2021	4.71	781	127	4.765	445	68	4.755	141
11/20/2021	4.71	781	127	4.765	445	68	4.755	141
11/19/2021	4.75	1185	157	4.815	355	40	4.77	209
11/18/2021	4.665	929	124	4.765	383	56	4.785	53

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
11/17/2021	4.825	916	134	4.86	391	58	4.905	227
11/16/2021	4.41	1290	174	4.455	502	83	4.57	85
11/15/2021	4.6	1223	140	4.595	361	60	4.765	140
11/14/2021	4.6	1223	140	4.595	361	60	4.765	140
11/13/2021	4.6	1223	140	4.595	361	60	4.765	140
11/12/2021	4.665	1359	180	4.535	389	61	4.68	187
11/11/2021	4.315	1044	152	4.32	561	79	4.61	55
11/10/2021	4.545	847	129	4.585	619	114	4.855	327
11/9/2021	4.97	1128	140	4.975	454	80	5.295	130
11/8/2021	5.07	908	132	5.02	460	66	5.295	332
11/7/2021	5.07	908	132	5.02	460	66	5.295	332
11/6/2021	5.07	908	132	5.02	460	66	5.295	332
11/5/2021	5.495	1032	132	5.5	424	78	5.62	180
11/4/2021	5.405	1091	154	5.48	544	94	5.55	263
11/3/2021	5.2	768	126	5.275	666	92	5.315	175
11/2/2021	4.88	1180	150	4.945	360	53	4.96	432
11/1/2021	5.07	780	126	4.995	511	85	5.175	174
10/31/2021	5.335	1402	226	5.24	235	46	5.51	381
10/30/2021	5.335	1402	226	5.24	235	46	5.51	381
10/29/2021	5.335	1402	226	5.24	235	46	5.51	381
10/28/2021	5.735	1336	189	5.515	215	38	5.75	31
10/27/2021	5.44	1251	168	5.375	192	38	5.56	35
10/26/2021	5.455	1246	164	5.42	179	44	5.595	208
10/25/2021	5.01	1021	133	4.85	165	30	5.085	153
10/24/2021	5.01	1021	133	4.85	165	30	5.085	153
10/23/2021	5.01	1021	133	4.85	165	30	5.085	153

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
10/22/2021	4.855	977	131	4.845	236	40	5	40
10/21/2021	4.725	552	89	4.715	235	32	4.84	128
10/20/2021	4.53	950	103	4.495	404	79	4.705	183
10/19/2021	4.745	955	126	4.71	291	59	5.015	71
10/18/2021	5.145	693	103	5.055	367	69	5.405	128
10/17/2021	5.145	693	103	5.055	367	69	5.405	128
10/16/2021	5.145	693	103	5.055	367	69	5.405	128
10/15/2021	5.495	1193	149	5.545	197	35	5.77	70
10/14/2021	5.11	1063	140	5.23	232	54	5.37	78
10/13/2021	5.035	835	100	5.11	286	51	5.39	137
10/12/2021	5.08	754	107	5.17	548	80	5.335	150
10/11/2021	5.245	620	113	5.25	506	85	5.58	71
10/10/2021	5.245	620	113	5.25	506	85	5.58	71
10/9/2021	5.245	620	113	5.25	506	85	5.58	71
10/8/2021	5.345	622	90	5.385	306	47	5.59	154
10/7/2021	5.605	777	86	5.635	315	46	5.915	495
10/6/2021	5.93	511	65	6.015	429	81	6.125	308
10/5/2021	5.695	616	83	5.705	184	46	5.83	82
10/4/2021	5.305	761	132	5.285	253	45	5.52	196
10/3/2021	5.305	761	132	5.285	253	45	5.52	196
10/2/2021	5.305	761	132	5.285	253	45	5.52	196
10/1/2021	5.36	872	130	5.31	505	83	5.445	185
9/30/2021	5.235	461	70	5.205	378	69	5.46	65
9/29/2021	5.445	388	54	5.475	202	34	5.765	183
9/28/2021	5.025	905	115	5.14	534	85	5.36	412
9/27/2021	4.55	785	134	4.555	351	63	4.89	242

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
9/26/2021	4.55	785	134	4.555	351	63	4.89	242
9/25/2021	4.55	785	134	4.555	351	63	4.89	242
9/24/2021	4.655	519	66	4.56	242	52	4.83	360
9/23/2021	4.605	712	102	4.55	194	39	4.76	333
9/22/2021	4.635	545	80	4.56	265	44	4.79	350
9/21/2021	4.88	1177	134	4.905	220	33	5.055	93
9/20/2021	5	805	108	5.02	108	20	5.09	241
9/19/2021	5	805	108	5.02	108	20	5.09	241
9/18/2021	5	805	108	5.02	108	20	5.09	241
9/17/2021	5.155	492	64	5.15	229	46	5.31	171
9/16/2021	5.38	775	106	5.375	302	54	5.495	195
9/15/2021	5.13	729	92	5.07	110	30	5.265	60
9/14/2021	5.005	615	88	5.07	453	68	5.145	245
9/13/2021	4.795	418	58	4.775	232	48	4.945	184
9/12/2021	4.795	418	58	4.775	232	48	4.945	184
9/11/2021	4.795	418	58	4.775	232	48	4.945	184
9/10/2021	4.745	1002	130	4.67	211	42	4.865	172
9/9/2021	4.725	908	131	4.635	243	40	4.885	277
9/8/2021	4.46	562	95	4.435	208	42	4.585	362
9/7/2021	4.55	796	132	4.46	235	41	4.645	84
9/6/2021	4.55	796	132	4.46	235	41	4.645	84
9/5/2021	4.55	796	132	4.46	235	41	4.645	84
9/4/2021	4.55	796	132	4.46	235	41	4.645	84
9/3/2021	4.505	878	120	4.44	164	36	4.615	443
9/2/2021	4.35	805	99	4.32	260	46	4.535	253
9/1/2021	4.155	661	92	4.1	354	58	4.22	133

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
8/31/2021	4.09	522	73	4.09	242	39	4.115	132
8/30/2021	4.15	540	83	4.205	289	39	4.285	48
8/29/2021	4.15	540	83	4.205	289	39	4.285	48
8/28/2021	4.15	540	83	4.205	289	39	4.285	48
8/27/2021	3.925	557	75	3.97	262	43	4.05	127
8/26/2021	3.83	666	100	3.9	531	64	3.945	69
8/25/2021	3.76	776	96	3.845	377	49	3.89	145
8/24/2021	3.745	697	96	3.835	618	92	3.855	173
8/23/2021	3.695	622	84	3.77	336	46	3.86	80
8/22/2021	3.695	622	84	3.77	336	46	3.86	80
8/21/2021	3.695	622	84	3.77	336	46	3.86	80
8/20/2021	3.555	620	90	3.64	434	62	3.725	204
8/19/2021	3.605	643	100	3.675	308	46	3.79	59
8/18/2021	3.625	606	81	3.69	234	30	3.785	75
8/17/2021	3.7	602	84	3.74	137	25	3.89	105
8/16/2021	3.705	691	95	3.705	382	65	3.85	65
8/15/2021	3.705	691	95	3.705	382	65	3.85	65
8/14/2021	3.705	691	95	3.705	382	65	3.85	65
8/13/2021	3.785	677	70	3.87	238	41	3.935	127
8/12/2021	3.825	876	120	3.895	211	34	3.94	391
8/11/2021	3.88	1246	147	3.955	416	61	3.99	328
8/10/2021	3.88	803	86	3.925	315	45	4	133
8/9/2021	3.9	1041	127	3.955	177	27	4.035	88
8/8/2021	3.9	1041	127	3.955	177	27	4.035	88
8/7/2021	3.9	1041	127	3.955	177	27	4.035	88
8/6/2021	3.945	798	89	4.025	340	48	4.095	23

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
8/5/2021	3.915	608	77	3.935	329	41	4.055	48
8/4/2021	3.79	907	134	3.785	270	49	3.92	68
8/3/2021	3.755	655	90	3.825	371	53	3.875	20
8/2/2021	3.695	871	151	3.715	274	62	3.83	68
8/1/2021	3.695	871	151	3.715	274	62	3.83	68
7/31/2021	3.775	503	58	3.835	423	59	3.98	80
7/30/2021	3.775	503	58	3.835	423	59	3.98	80
7/29/2021	3.805	659	70	3.87	508	71	3.995	40
7/28/2021	3.825	1106	119	3.895	522	82	3.94	32
7/27/2021	3.87	713	109	3.935	551	81	4.04	49
7/26/2021	3.76	273	60	3.795	274	47	4	125
7/25/2021	3.76	273	60	3.795	274	47	4	125
7/24/2021	3.76	273	60	3.795	274	47	4	125
7/23/2021	3.665	636	75	3.69	247	39	3.88	22
7/22/2021	3.67	781	111	3.71	414	70	3.89	180
7/21/2021	3.565	835	129	3.62	432	79	3.81	52
7/20/2021	3.485	652	68	3.515	248	36	3.665	20
7/19/2021	3.385	696	97	3.39	200	27	3.6	89
7/18/2021	3.385	696	97	3.39	200	27	3.6	89
7/17/2021	3.385	696	97	3.39	200	27	3.6	89
7/16/2021	3.41	925	123	3.45	223	33	3.62	379
7/15/2021	3.445	587	79	3.5	144	36	3.62	242
7/14/2021	3.45	745	99	3.46	161	30	3.595	240
7/13/2021	3.475	628	74	3.49	263	36	3.645	297
7/12/2021	3.45	385	70	3.38	300	50	3.62	35
7/11/2021	3.45	385	70	3.38	300	50	3.62	35

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
7/10/2021	3.45	385	70	3.38	300	50	3.62	35
7/9/2021	3.42	419	54	3.41	124	36	3.55	228
7/8/2021	3.375	365	53	3.38	121	28	3.525	605
7/7/2021	3.43	270	40	3.485	405	63	3.555	228
7/6/2021	3.42	713	92	3.46	278	54	3.575	528
7/5/2021	3.42	713	92	3.46	278	54	3.575	528
7/4/2021	3.42	713	92	3.46	278	54	3.575	528
7/3/2021	3.42	713	92	3.46	278	54	3.575	528
7/2/2021	3.425	541	77	3.47	225	38	3.605	427
7/1/2021	3.495	758	100	3.5	359	57	3.655	566
6/30/2021	3.64	832	115	3.635	341	54	3.695	88
6/29/2021	3.485	913	114	3.52	509	70	3.585	156
6/28/2021	3.26	194	38	3.275	262	41	3.405	154
6/27/2021	3.26	194	38	3.275	262	41	3.405	154
6/26/2021	3.26	194	38	3.275	262	41	3.405	154
6/25/2021	3.065	382	57	3.125	319	58	3.265	166
6/24/2021	3.05	289	34	3.035	170	30	3.235	41
6/23/2021	3.025	726	104	3.045	189	33	3.22	25
6/22/2021	2.975	473	60	2.895	115	14	3.075	56
6/21/2021	3.05	790	99	3.035	267	50	3.115	50
6/20/2021	3.05	790	99	3.035	267	50	3.115	50
6/19/2021	3.05	790	99	3.035	267	50	3.115	50
6/18/2021	3.065	467	68	3.02	129	16	3.155	205
6/17/2021	3.085	773	96	3.055	84	22	3.13	315
6/16/2021	3.175	780	106	3.075	229	31	3.225	95
6/15/2021	3.205	773	99	3.17	229	27	3.24	70

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
6/14/2021	3.16	688	94	3.125	360	48	3.25	117
6/13/2021	3.16	688	94	3.125	360	48	3.25	117
6/12/2021	3.16	688	94	3.125	360	48	3.25	117
6/11/2021	2.995	992	112	2.99	253	34	3.12	135
6/10/2021	2.955	595	70	2.925	213	28	3.09	30
6/9/2021	3.01	724	82	2.915	145	26	3.08	45
6/8/2021	2.875	400	56	2.905	201	24	2.995	40
6/7/2021	2.775	1141	160	2.75	167	33	2.89	23
6/6/2021	2.775	1141	160	2.75	167	33	2.89	23
6/5/2021	2.775	1141	160	2.75	167	33	2.89	23
6/4/2021	2.835	666	104	2.815	319	50	2.975	47
6/3/2021	2.915	717	101	2.88	294	49	2.97	46
6/2/2021	2.925	529	86	2.835	247	42	2.965	18
6/1/2021	2.71	745	112	2.72	216	32	2.855	47
5/31/2021	2.705	727	130	2.67	309	65	2.805	174
5/30/2021	2.705	727	130	2.67	309	65	2.805	174
5/29/2021	2.705	727	130	2.67	309	65	2.805	174
5/28/2021	2.705	727	130	2.67	309	65	2.805	174
5/27/2021	2.745	578	78	2.755	109	14	2.8	324
5/26/2021	2.695	509	70	2.705	192	23	2.785	168
5/25/2021	2.7	975	134	2.76	272	35	2.8	196
5/24/2021	2.645	651	105	2.7	265	25	2.8	87
5/23/2021	2.645	651	105	2.7	265	25	2.8	87
5/22/2021	2.645	651	105	2.7	265	25	2.8	87
5/21/2021	2.695	771	103	2.715	371	43	2.815	159
5/20/2021	2.76	1095	133	2.735	263	41	2.83	130

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
5/19/2021	2.81	197	28	2.8	209	27	2.89	249
5/18/2021	2.83	671	95	2.85	273	37	2.965	90
5/17/2021	2.665	714	93	2.7	351	58	2.805	55
5/16/2021	2.665	714	93	2.7	351	58	2.805	55
5/15/2021	2.665	714	93	2.7	351	58	2.805	55
5/14/2021	2.72	764	101	2.71	222	40	2.82	84
5/13/2021	2.74	853	125	2.73	188	26	2.835	206
5/12/2021	2.755	859	131	2.735	191	37	2.82	287
5/11/2021	2.75	700	102	2.735	183	36	2.845	149
5/10/2021	2.705	970	137	2.685	231	50	2.83	220
5/9/2021	2.705	970	137	2.685	231	50	2.83	220
5/8/2021	2.705	970	137	2.685	231	50	2.83	220
5/7/2021	2.705	733	96	2.695	204	40	2.835	91
5/6/2021	2.72	536	75	2.715	263	54	2.835	63
5/5/2021	2.755	343	53	2.715	219	53	2.86	166
5/4/2021	2.745	530	84	2.74	228	50	2.875	210
5/3/2021	2.675	1027	157	2.64	218	57	2.795	131
5/2/2021	2.675	1027	157	2.64	218	57	2.795	131
5/1/2021	2.675	1027	157	2.64	218	57	2.795	131
4/30/2021	2.685	736	84	2.665	324	60	2.82	98
4/29/2021	2.765	612	90	2.75	247	43	2.9	135
4/28/2021	2.69	351	62	2.74	365	54	2.83	96
4/27/2021	2.515	324	62	2.575	406	54	2.7	92
4/26/2021	2.545	865	127	2.57	198	28	2.7	253
4/25/2021	2.545	865	127	2.57	198	28	2.7	253
4/24/2021	2.545	865	127	2.57	198	28	2.7	253

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
4/23/2021	2.545	866	120	2.57	221	25	2.7	137
4/22/2021	2.58	741	106	2.57	330	52	2.655	25
4/21/2021	2.625	940	154	2.6	387	61	2.67	80
4/20/2021	2.62	703	106	2.575	263	40	2.65	70
4/19/2021	2.54	626	89	2.52	144	22	2.595	174
4/18/2021	2.54	626	89	2.52	144	22	2.595	174
4/17/2021	2.54	626	89	2.52	144	22	2.595	174
4/16/2021	2.46	724	94	2.46	279	35	2.555	523
4/15/2021	2.475	889	110	2.445	302	53	2.555	270
4/14/2021	2.48	699	100	2.445	255	42	2.52	392
4/13/2021	2.395	1030	132	2.38	395	73	2.485	79
4/12/2021	2.29	550	88	2.27	404	62	2.42	74
4/11/2021	2.29	550	88	2.27	404	62	2.42	74
4/10/2021	2.29	550	88	2.27	404	62	2.42	74
4/9/2021	2.275	708	100	2.25	280	44	2.375	132
4/8/2021	2.255	927	140	2.25	290	63	2.39	205
4/7/2021	2.225	578	92	2.19	394	69	2.39	211
4/6/2021	2.185	1100	154	2.185	737	113	2.36	279
4/5/2021	2.32	826	138	2.305	436	79	2.445	163
4/4/2021	2.32	826	138	2.305	436	79	2.445	163
4/3/2021	2.32	826	138	2.305	436	79	2.445	163
4/2/2021	2.32	826	138	2.305	436	79	2.445	163
4/1/2021	2.4	1310	196	2.415	628	104	2.51	130
3/31/2021	2.37	365	47	2.4	258	37	2.455	130
3/30/2021	2.235	1295	191	2.28	203	31	2.41	80
3/29/2021	2.27	643	106	2.26	290	35	2.42	117

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
3/28/2021	2.27	643	106	2.26	290	35	2.42	117
3/27/2021	2.27	643	106	2.26	290	35	2.42	117
3/26/2021	2.315	630	104	2.27	249	43	2.445	118
3/25/2021	2.3	564	94	2.27	258	46	2.425	86
3/24/2021	2.32	670	102	2.28	228	39	2.42	45
3/23/2021	2.335	702	98	2.255	348	57	2.415	139
3/22/2021	2.285	803	143	2.28	189	35	2.415	117
3/21/2021	2.285	803	143	2.28	189	35	2.415	117
3/20/2021	2.285	803	143	2.28	189	35	2.415	117
3/19/2021	2.325	526	85	2.38	124	17	2.44	124
3/18/2021	2.37	680	87	2.355	211	32	2.46	70
3/17/2021	2.345	570	81	2.345	265	47	2.435	70
3/16/2021	2.38	968	124	2.37	209	29	2.445	86
3/15/2021	2.41	815	112	2.435	136	20	2.545	62
3/14/2021	2.41	815	112	2.435	136	20	2.545	62
3/13/2021	2.41	815	112	2.435	136	20	2.545	62
3/12/2021	2.45	869	127	2.435	154	22	2.53	217
3/11/2021	2.46	700	110	2.485	166	16	2.55	269
3/10/2021	2.405	850	104	2.375	272	40	2.525	120
3/9/2021	2.395	1025	141	2.405	461	61	2.51	129
3/8/2021	2.52	850	132	2.54	307	50	2.62	100
3/7/2021	2.52	850	132	2.54	307	50	2.62	100
3/6/2021	2.52	850	132	2.54	307	50	2.62	100
3/5/2021	2.57	615	76	2.615	329	56	2.71	183
3/4/2021	2.665	1088	145	2.695	259	42	2.77	12
3/3/2021	2.685	660	96	2.725	456	62	2.765	108

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
3/2/2021	2.59	638	94	2.615	175	28	2.695	77
3/1/2021	2.52	706	104	2.565	194	42	2.585	58
2/28/2021	2.475	962	136	2.47	430	83	2.565	282
2/27/2021	2.475	962	136	2.47	430	83	2.565	282
2/26/2021	2.475	962	136	2.47	430	83	2.565	282
2/25/2021	2.62	1061	109	2.575	334	48	2.685	322
2/24/2021	2.665	1141	142	2.665	436	58	2.7	464
2/23/2021	2.66	1208	138	2.69	476	70	2.78	576
2/22/2021	3.99	709	104	4.43	394	55	4.315	445
2/21/2021	3.99	709	104	4.43	394	55	4.315	445
2/20/2021	3.99	709	104	4.43	394	55	4.315	445
2/19/2021	6.7	505	92	6.85	325	64	5.94	245
2/18/2021	23.465	420	73	21.24	494	71	14.415	397
2/17/2021	24.125	333	55	39.655	500	63	14.2	241
2/16/2021	13.61	1114	188	6.7	406	89	5.675	182
2/15/2021	13.61	1114	188	6.7	406	89	5.675	182
2/14/2021	13.61	1114	188	6.7	406	89	5.675	182
2/13/2021	13.61	1114	188	6.7	406	89	5.675	182
2/12/2021	6.895	1311	188	5.55	715	138	5.3	410
2/11/2021	3.745	1149	145	3.67	539	100	3.555	518
2/10/2021	3.19	1240	171	3.13	431	81	3.11	263
2/9/2021	3.2	1526	224	3.17	527	86	3.17	244
2/8/2021	3.22	1294	186	3.315	619	100	3.275	175
2/7/2021	3.22	1294	186	3.315	619	100	3.275	175
2/6/2021	3.22	1294	186	3.315	619	100	3.275	175
2/5/2021	2.81	1284	153	2.86	505	84	2.86	282

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
2/4/2021	2.79	1385	195	2.81	369	86	2.82	388
2/3/2021	2.85	1784	218	3.015	532	73	3.025	435
2/2/2021	2.69	1589	210	2.765	658	84	2.77	365
2/1/2021	2.555	1204	167	2.615	572	70	2.63	196
1/31/2021	2.52	1160	163	2.535	341	49	2.56	82
1/30/2021	2.52	1160	163	2.535	341	49	2.56	82
1/29/2021	2.52	1160	163	2.535	341	49	2.56	82
1/28/2021	2.57	937	146	2.62	241	34	2.66	236
1/27/2021	2.53	1188	140	2.56	589	83	2.585	124
1/26/2021	2.455	886	117	2.43	291	40	2.47	111
1/25/2021	2.325	1190	166	2.35	422	61	2.375	104
1/24/2021	2.325	1190	166	2.35	422	61	2.375	104
1/23/2021	2.325	1190	166	2.35	422	61	2.375	104
1/22/2021	2.365	1592	214	2.38	261	46	2.4	115
1/21/2021	2.355	1196	148	2.35	240	36	2.39	98
1/20/2021	2.42	1617	223	2.46	171	27	2.54	129
1/19/2021	2.625	855	117	2.665	344	72	2.705	205
1/18/2021	2.625	855	117	2.665	344	72	2.705	205
1/17/2021	2.625	855	117	2.665	344	72	2.705	205
1/16/2021	2.625	855	117	2.665	344	72	2.705	205
1/15/2021	2.605	880	110	2.645	211	36	2.705	153
1/14/2021	2.59	1618	206	2.65	118	24	2.705	305
1/13/2021	2.69	835	125	2.74	199	29	2.8	133
1/12/2021	2.535	1353	186	2.57	192	35	2.605	104
1/11/2021	2.56	1363	184	2.605	313	43	2.67	66
1/10/2021	2.56	1363	184	2.605	313	43	2.67	66

	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt Com	NGPL Texok Zn FDt DICt	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt Com	Texas Gas Zn 1 FDt DICt	TX Eastern W LA FDt Com	TX Eastern W LA FDt Com
	Close Price	Volume	Deal Ct	Close Price	Volume	Deal Ct	Close Price	Volume
1/9/2021	2.56	1363	184	2.605	313	43	2.67	66
1/8/2021	2.595	1396	178	2.635	296	47	2.675	71
1/7/2021	2.54	763	105	2.58	283	42	2.645	145
1/6/2021	2.52	741	124	2.56	237	39	2.645	121
1/5/2021	2.43	1389	187	2.47	321	47	2.5	182
1/4/2021	2.295	1493	218	2.25	410	74	2.32	136
1/3/2021	2.295	1493	218	2.25	410	74	2.32	136
1/2/2021	2.295	1493	218	2.25	410	74	2.32	136
1/1/2021	2.295	1493	218	2.25	410	74	2.32	136