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January 25, 2008

Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Attention: Kimberly D. Bose, Secretary

Reference: Transcontinental Gas Pipe Line Corporation
Compliance Filing – Docket No. RP01-245-016

Ladies and Gentlemen:

In compliance with the Federal Energy Regulatory Commission's ("Commission") "Order On Rehearing Following Technical Conference"¹ issued December 26, 2007 in the referenced docket ("December 26 Order"), Transcontinental Gas Pipe Line Corporation ("Transco") submits herewith for filing certain pro forma tariff sheets to its FERC Gas Tariff, Third Revised Volume No. 1 ("Volume No. 1 Tariff") as enumerated on Appendix A attached hereto.

Explanation of Pro Forma Tariff Revisions

The instant filing is made in compliance with ordering paragraph (B) of the December 26 Order which directed Transco to file revised tariff sheets consistent with the discussion in that order. The pro forma tariff sheets reflect the following:

- (a) new provisions have been added to the Rates and Charges section of Rate Schedules FT, IT, FT-G and FT-N to provide that shippers taking gas from a Station 85 pool will not incur Zone 4 usage and fuel charges which have already been incurred for transporting the same gas to that pool; and
- (b) certain of the pooling provisions in Section 28 of the General Terms and Conditions of the Volume No. 1 Tariff have been revised in order that

¹ Transcontinental Gas Pipe Line Corp., 121 FERC ¶ 61,294 (2007).

Transco may properly administer and invoice the application of Zone 4 usage and fuel charges as specified in (a) above.

The December 26 Order (at P 57) directs Transco to “modify its tariff so that shippers taking gas from a Station 85 pool will not also incur Zone 4 usage and fuel charges which have already been incurred for shipping the same gas to the pooling point.” To comply with this directive, Transco must distinguish between the volumes of gas at the Station 85 location that have already incurred Zone 4 usage and fuel charges and the volumes of gas at the Station 85 location that have not incurred these charges. To accomplish this, Transco will establish one additional pool at the same mile post location as the existing Station 85 pool. This new pool will be designated as the Station 85 – Mainline pool.

The Station 85 - Mainline pool will only be available for volumes pooled at the Station 85 location that have incurred the applicable Zone 4 usage and fuel charges for transportation to that location. Conversely, the Station 85 pool will only be available for volumes pooled at the Station 85 location that have not incurred Zone 4 usage and fuel charges for transportation to that location (e.g. transportation from receipt points in Zones 4A and 4B on the Mobile Bay lateral and receipts at interconnects located at the same mile post as Station 85). Gas received at the Station 85 – Mainline pool for transportation away from that pool will not incur Zone 4 usage and fuel charges, whereas gas received at the Station 85 pool for transportation away from that pool will incur the applicable Zone 4 usage and fuel charges.

In order to properly administer and invoice activity at the Station 85 pooling location, shippers will be prohibited from making pool to pool transfers between the Station 85 – Mainline pool and the Station 85 pool.

Proposed Effective Date

Transco requests that the Commission accept the pro forma tariff sheets submitted herein, as proposed, and coincidental with such acceptance, direct Transco to file actual tariff sheets no less than 30 days prior to the anticipated effective date of the actual tariff sheets. Such a procedure is consistent with Article VII of the approved April 12, 2002 Stipulation and Agreement (“Agreement”) in Docket No. RP01-245, which Agreement reserved the Station 85 pooling issue for hearing or further settlement and also provided that the resolution of that issue would be made effective “prospectively only after a final Commission order no longer subject to rehearing.”²

As explained above, the attached pro forma tariff sheets reflect revisions necessary to comply with the December 26 Order. However, even after obtaining regulatory approval of the proposed tariff changes in a final Commission order no longer subject to rehearing,

² Contemporaneous with this filing, Transco is filing a request for rehearing of the December 26 Order. The pro forma tariff sheets submitted in the instant filing are subject to adjustment to comply with a final Commission order on rehearing in this proceeding.

Transco must dedicate significant time and resources to effectuate the necessary modifications to Transco's 1Line service delivery system ("1Line") and provide training to its customers about the pooling modifications.² Following the issuance of a final Commission order approving the pro forma tariff sheets, Transco estimates that it will take approximately 120 days thereafter before it will be ready to implement the Commission's findings. During that 120 day period, Transco expects to develop and test the programming modifications to 1Line and to develop and deploy to shippers a communication plan regarding how those modifications will impact existing business practices. Therefore, Transco submits that it is appropriate that it be allowed to file actual tariff sheets no later than 30 days prior to the anticipated ready for service date of the modifications to 1Line.³

Materials Submitted Herewith

In accordance with Section 154.7(a)(1) of the Commission's Regulations (Regulations), Transco is submitting the pro forma tariff sheets enumerated in Appendix A and a redlined version of such tariff sheets in accordance with Section 154.201(a) of the Regulations.

Posting and Certification of Service

In accordance with the provisions of Section 154.2(d) of the Regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Transco's main office at 2800 Post Oak Boulevard in Houston, Texas. In addition, Transco is serving copies of the instant filing to its affected customers, interested State Commissions and to parties on the official service list in this proceeding.

Any communications regarding this filing should be sent to:

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Transcontinental Gas Pipe Line Corporation
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and copies should be mailed to:

² Transco estimates that in order to implement the Commission's findings, it must devote approximately 2,000 employee-hours to complete the necessary modifications to 1Line and to train customers on the revised pooling procedures.

³ Transco expects to implement the required changes effective on the first day of the month. Therefore, the filing of actual tariff sheets would occur no later than 30 days prior to that date.

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Respectfully submitted,
TRANSCONTINENTAL GAS PIPE LINE CORPORATION

/s/ Scott C. Turkington

By _____
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TRANSCONTINENTAL GAS PIPE LINE CORPORATION

APPENDIX A

TARIFF SHEETS

THIRD REVISED VOLUME NO. 1

Pro Forma Sheet No. 158
Pro Forma Sheet No. 171
Pro Forma Sheet No. 199A
Pro Forma Sheet No. 224
Pro Forma Sheet No. 341

RATE SCHEDULE FT
Firm Transportation Service
(Continued)

3. RATES AND CHARGES (Continued)

- 3.7 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up. Such percentage(s) are specified on the effective Sheet No. 44 of Volume No. 1 of this Tariff.
- 3.8 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.
- 3.9 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.10 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following commodity charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
 - (c) For deliveries in Zone 3 - see effective Sheet No. 40.01 of Volume No. 1 of this tariff.
- 3.11 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following commodity charges shall apply:
- (a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.
 - (c) For deliveries in Zone 4 - transportation charges will not be assessed.
 - (d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.

4. RECEIPTS AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.7 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) the point(s) of receipt specified in the executed service agreement or (ii) at secondary point(s) of receipt pursuant to Section 2.8 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.7 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement or (ii) secondary delivery points pursuant to Section 2.8 of this rate schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.

RATE SCHEDULE IT
Interruptible Transportation Service
(Continued)

3. RATES AND CHARGES (Continued)

- 3.6 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.7 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following charges shall apply:
- (a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.
 - (c) For deliveries in Zone 4 - transportation charges will not be assessed.
 - (d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.
- 3.8 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
 - (c) For deliveries in Zone 3 - see effective Sheet No. 42 of Volume No. 1 of this tariff.
- 3.9 Transportation for a Buyer under this rate schedule shall be considered an interruptible feeder when such transportation feeds a firm receipt point where Seller provides Buyer firm transportation service to Buyer or another Buyer.

4. RECEIPT AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer at any available point(s) of receipt on Seller's system as posted by electronic means on lLine, up to the Maximum Daily Quantity specified in the executed Service Agreement (plus fuel retained pursuant to the provisions of Section 3.4 hereof); (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.4 hereof) by Seller to Buyer, or for Buyer's account, at any available point(s) of delivery as posted by electronic means on lLine.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.

RATE SCHEDULE FT-G
FIRM TRANSPORTATION SERVICE
(Continued)

3. RATES AND CHARGES (Continued)

- 3.8 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following charges shall apply:
- (a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.
 - (c) For deliveries in Zone 4 - transportation charges will not be assessed.
 - (d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.

4. RECEIPT AND DELIVERIES

- 4.1 Transportation service under this Rate Schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.4 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) the point(s) of receipt specified in the executed service agreement or (ii) at secondary point(s) of receipt pursuant to Section 2.8 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.4 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement, or (ii) secondary delivery points pursuant to Section 2.8 of this Rate Schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.
- 4.3 Seller's ability to receive gas under this Rate Schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) and to the availability of capacity after performance by Seller of any existing certificated firm service arrangements under other Rate Schedules between Seller and third parties at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall prorate quantities scheduled at that point among all Buyers under this Rate Schedule requesting service on that day based upon the relative priority of scheduled quantities at the specific point(s) of receipt on Seller's pipeline system. Quantities scheduled from secondary receipt points pursuant to Section 2.8 hereof, which such quantities shall be interrupted first under this Rate Schedule, will be reduced prorata based upon the requested quantities. All other quantities scheduled hereunder will be reduced based upon relative TCQ quantities on that segment of Seller's pipeline system.
- 4.4 THIS SECTION IS RESERVED FOR FUTURE USE.

RATE SCHEDULE FTN
Firm Transportation Notice Service
(Continued)

3. RATES AND CHARGES (Continued)

- 3.9 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.10 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following commodity charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
 - (c) For deliveries in Zone 3 - see effective Sheet No. 35A of Volume No. 1 of this tariff.
- 3.11 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following commodity charges shall apply:
- (a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.
 - (c) For deliveries in Zone 4 - transportation charges will not be assessed.
 - (d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.

4. RECEIPTS AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.7 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) the point(s) of receipt specified in the executed service agreement or (ii) at secondary point(s) of receipt pursuant to Section 2.5 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.7 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement, or (ii) secondary delivery points pursuant to Section 2.5 of this rate schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller, and Buyer shall take from Seller, the scheduled daily quantities hereunder at uniform hourly rates.
- 4.3 Seller's ability to receive gas under this rate schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) and to the availability of capacity after performance by Seller of any existing certificated firm service arrangements under other rate schedules between Seller and third parties at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall prorate quantities scheduled at that point among all Buyers under this rate schedule requesting service on that day based upon the relative priority of scheduled quantities at the specific point(s) of receipt on Seller's pipeline system. Quantities nominated from secondary receipt points provided in Section 2.5 hereof, shall be interrupted first under this rate schedule, and shall be reduced prorata based upon the requested quantities. All other quantities scheduled hereunder will be reduced based upon relative TCQ quantities on that segment of Seller's pipeline system.

GENERAL TERMS AND CONDITIONS
(Continued)

28. NOMINATIONS; ALLOCATION OF CAPACITY; CURTAILMENT OF SERVICE; AND CONFIRMATIONS (Continued)

28.8 Nominations of Pooling Points

The following requirements shall apply for nominations relating to service under Rate Schedule POOLING:

- (a) A Buyer may only submit an aggregation nomination under its firm or interruptible transportation agreement(s) for pooling under that same Buyer's applicable pooling service agreement; and
- (b) Gas may be transported from wellhead and interconnect points to either interruptible or firm pooling agreements on either firm or interruptible transportation agreements; and
- (c) Gas may be transferred from a Buyer's firm pooling agreement to another Buyer's firm pooling agreement at the same pooling point (pool to pool transfer) on either a firm or an interruptible transportation agreement; and
- (d) Gas may be transferred from a Buyer's interruptible pooling agreement to another Buyer's interruptible pooling agreement (pool to pool transfer) only on an interruptible transportation agreement; and
- (e) Gas may be transferred from an interruptible pooling agreement to a firm pooling agreement; provided, however, gas may not be transferred from a firm pooling agreement to an interruptible pooling agreement; and
- (f) Gas transported for aggregation at pooling points in Zone 4 shall be aggregated as follows:
 - (1) For Buyers whose transportation transaction to the pool incurs a Zone 4 transportation charge, gas shall be aggregated at the "Station 85 - Mainline" pool only.
 - (2) For Buyers whose transportation transaction to the pool does not incur a Zone 4 transportation charge, gas shall be aggregated at the "Station 85" pool only.Transfers of gas between the "Station 85 - Mainline" pool and the "Station 85" pool are not permitted.
- (g) Transfers of gas between Zone 4 pooling points and Parking and/or Loaning Point(s) of Service (as set forth in Section 4 of Rate Schedule PAL) shall be restricted as follows:
 - (1) Transfers of gas between the "Park & Loan - Station 85 Mainline" Point of Service and the "Station 85" pool are not permitted.
 - (2) Transfers of gas between the "Park & Loan - Station 85" Point of Service and the "Station 85 - Mainline" pool are not permitted.
- (h) Transportation transactions receiving gas from a firm pooling agreement must be transported on a firm transportation agreement except as otherwise identified above; and
- (i) Transportation transactions receiving gas from an interruptible pooling agreement may be transported on either a firm or an interruptible transportation agreement except as otherwise identified above.
- (j) Transfers between pooling agreements that occur at the same pooling point shall not be charged a transportation rate nor shall the quantity transferred be reduced for fuel retention.

RATE SCHEDULE FT
Firm Transportation Service
(Continued)

3. RATES AND CHARGES (Continued)

- 3.7 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up. Such percentage(s) are specified on the effective Sheet No. 44 of Volume No. 1 of this Tariff.
- 3.8 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.
- 3.9 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.10 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following commodity charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
 - (c) For deliveries in Zone 3 - see effective Sheet No. 40.01 of Volume No. 1 of this tariff.

3.11 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following commodity charges shall apply:

- (a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.
- (b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.
- (c) For deliveries in Zone 4 - transportation charges will not be assessed.
- (d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.

4. RECEIPTS AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.7 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) the point(s) of receipt specified in the executed service agreement or (ii) at secondary point(s) of receipt pursuant to Section 2.8 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.7 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement or (ii) secondary delivery points pursuant to Section 2.8 of this rate schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.

RATE SCHEDULE IT
Interruptible Transportation Service
(Continued)

3. RATES AND CHARGES (Continued)

3.6 ~~THIS SECTION RESERVED FOR FUTURE USE.~~

~~3.7~~ Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.

3.7 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following charges shall apply:

(a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.

(b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.

(c) For deliveries in Zone 4 - transportation charges will not be assessed.

(d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.

3.8 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following charges shall apply:

(a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.

(b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.

(c) For deliveries in Zone 3 - see effective Sheet No. 42 of Volume No. 1 of this tariff.

3.9 Transportation for a Buyer under this rate schedule shall be considered an interruptible feeder when such transportation feeds a firm receipt point where Seller provides Buyer firm transportation service to Buyer or another Buyer.

4. RECEIPT AND DELIVERIES

4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer at any available point(s) of receipt on Seller's system as posted by electronic means on lLine, up to the Maximum Daily Quantity specified in the executed Service Agreement (plus fuel retained pursuant to the provisions of Section 3.4 hereof); (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.4 hereof) by Seller to Buyer, or for Buyer's account, at any available point(s) of delivery as posted by electronic means on lLine.

4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.

RATE SCHEDULE FT-G
FIRM TRANSPORTATION SERVICE
(Continued)

3. RATES AND CHARGES (Continued)

3.8 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following charges shall apply:

- (a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.
- (b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.
- (c) For deliveries in Zone 4 - transportation charges will not be assessed.
- (d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.

4. RECEIPT AND DELIVERIES

- 4.1 Transportation service under this Rate Schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.4 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) the point(s) of receipt specified in the executed service agreement or (ii) at secondary point(s) of receipt pursuant to Section 2.8 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.4 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement, or (ii) secondary delivery points pursuant to Section 2.8 of this Rate Schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.
- 4.3 Seller's ability to receive gas under this Rate Schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) and to the availability of capacity after performance by Seller of any existing certificated firm service arrangements under other Rate Schedules between Seller and third parties at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall prorate quantities scheduled at that point among all Buyers under this Rate Schedule requesting service on that day based upon the relative priority of scheduled quantities at the specific point(s) of receipt on Seller's pipeline system. Quantities scheduled from secondary receipt points pursuant to Section 2.8 hereof, which such quantities shall be interrupted first under this Rate Schedule, will be reduced prorata based upon the requested quantities. All other quantities scheduled hereunder will be reduced based upon relative TCQ quantities on that segment of Seller's pipeline system.
- 4.4 THIS SECTION IS RESERVED FOR FUTURE USE.

RATE SCHEDULE FTN
Firm Transportation Notice Service
(Continued)

3. RATES AND CHARGES (Continued)

3.9 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.

3.10 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following commodity charges shall apply:

- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
- (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
- (c) For deliveries in Zone 3 - see effective Sheet No. 35A of Volume No. 1 of this tariff.

3.11 To the extent that Buyer elects to use this rate schedule to transport quantities from Seller's Station 85 - Mainline pool the following commodity charges shall apply:

- (a) For deliveries downstream of Zone 4 - transportation charges commence in Zone 5 and end in the zone of delivery.
- (b) For deliveries upstream of Zone 4 - transportation charges commence in Zone 3 and end in the zone of delivery.
- (c) For deliveries in Zone 4 - transportation charges will not be assessed.
- (d) For deliveries on the Mobile Bay lateral - transportation charges commence in Zone 4A and end in the zone of delivery.

4. RECEIPTS AND DELIVERIES

4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.7 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) the point(s) of receipt specified in the executed service agreement or (ii) at secondary point(s) of receipt pursuant to Section 2.5 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.7 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement, or (ii) secondary delivery points pursuant to Section 2.5 of this rate schedule.

4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller, and Buyer shall take from Seller, the scheduled daily quantities hereunder at uniform hourly rates.

4.3 Seller's ability to receive gas under this rate schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) and to the availability of capacity after performance by Seller of any existing certificated firm service arrangements under other rate schedules between Seller and third parties at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall prorate quantities scheduled at that point among all Buyers under this rate schedule requesting service on that day based upon the relative priority of scheduled quantities at the specific point(s) of receipt on Seller's pipeline system. Quantities nominated from secondary receipt points provided in Section 2.5 hereof, shall be interrupted first under this rate schedule, and shall be reduced prorata based upon the requested quantities. All other quantities scheduled hereunder will be reduced based upon relative TCQ quantities on that segment of Seller's pipeline system.

GENERAL TERMS AND CONDITIONS
(Continued)

28. NOMINATIONS; ALLOCATION OF CAPACITY; CURTAILMENT OF SERVICE; AND CONFIRMATIONS (Continued)

28.8 Nominations of Pooling Points

The following requirements shall apply for nominations relating to service under Rate Schedule POOLING:

- (a) A Buyer may only submit an aggregation nomination under its firm or interruptible transportation agreement(s) for pooling under that same Buyer's applicable pooling service agreement; and
- (b) Gas may be transported from wellhead and interconnect points to either interruptible or firm pooling agreements on either firm or interruptible transportation agreements; and
- (c) Gas may be transferred from a Buyer's firm pooling agreement to another Buyer's firm pooling agreement at the same pooling point (pool to pool transfer) on either a firm or an interruptible transportation agreement; and
- (d) Gas may be transferred from a Buyer's interruptible pooling agreement to another Buyer's interruptible pooling agreement (pool to pool transfer) only on an interruptible transportation agreement; and
- (e) Gas may be transferred from an interruptible pooling agreement to a firm pooling agreement; provided, however, gas may not be transferred from a firm pooling agreement to an interruptible pooling agreement; and

(f) Gas transported for aggregation at pooling points in Zone 4 shall be aggregated as follows:

(1) For Buyers whose transportation transaction to the pool incurs a Zone 4 transportation charge, gas shall be aggregated at the "Station 85 - Mainline" pool only.

(2) For Buyers whose transportation transaction to the pool does not incur a Zone 4 transportation charge, gas shall be aggregated at the "Station 85" pool only.

Transfers of gas between the "Station 85 - Mainline" pool and the "Station 85" pool are not permitted.

(g) Transfers of gas between Zone 4 pooling points and Parking and/or Loaning Point(s) of Service (as set forth in Section 4 of Rate Schedule PAL) shall be restricted as follows:

(1) Transfers of gas between the "Park & Loan - Station 85 Mainline" Point of Service and the "Station 85" pool are not permitted.

(2) Transfers of gas between the "Park & Loan - Station 85" Point of Service and the "Station 85 - Mainline" pool are not permitted.

(h) Transportation transactions receiving gas from a firm pooling agreement must be transported on a firm transportation agreement except as otherwise identified above; and

(~~g~~i) Transportation transactions receiving gas from an interruptible pooling agreement may be transported on either a firm or an interruptible transportation agreement except as otherwise identified above.

(~~h~~j) Transfers between pooling agreements that occur at the same pooling point shall not be charged a transportation rate nor shall the quantity transferred be reduced for fuel retention.