



Transcontinental Gas Pipe Line Corporation
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August 1, 2006

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

Attention: Magalie R. Salas, Secretary

Re: Transcontinental Gas Pipe Line Corporation
Cancellation of Rate Schedule FT-NT
Docket No. RP06-

Ladies and Gentlemen:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Federal Energy Regulatory Commission’s (“Commission”) regulations thereunder, and for the reasons discussed herein, Transcontinental Gas Pipe Line Corporation (“Transco”) hereby gives notice of cancellation of Rate Schedule FT-NT in Transco’s FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”). The tariff sheets listed on Appendix A hereto are submitted herewith to remove Rate Schedule FT-NT and the associated Form of Service Agreement from the Tariff and to make conforming changes to other Tariff provisions. Transco proposes that these revisions to its tariff be effective July 1, 2006.

Statement of Nature, Reasons and Basis for Filing

Rate Schedule FT-NT is a bundled firm transportation service under Section 7(c) of the Natural Gas Act and Part 157 of the Commission’s regulations, authorized by Commission order issued on January 17, 1991 in Docket Nos. CP90-687-000, et seq., as amended.¹ Service under Rate Schedule FT-NT consists of the transportation of natural gas by Texas Gas Transmission Corporation (“TXG”) from certain designated receipt points on TXG to an interconnect with Dominion Transmission, Inc. (“DTI”)² at Lebanon, Ohio; transportation by DTI from Lebanon to an interconnect with Transco at

¹ ANR Pipeline Co. et al., 54 FERC ¶61,032 (1991); granting certificate, 55 FERC ¶61,415 (1991); amending certificate, Transcontinental Gas Pipe Line Corp., 61 FERC ¶62,164 (1992).

² Formerly CNG Transmission Corp.

Leidy in Clinton County, Pennsylvania; and transportation by Transco from Leidy to the customers' designated delivery points on Transco's system.

By letter dated May 24, 2006, New York Power Authority ("NYPA") notified Transco of its desire to convert its bundled Rate Schedule FT-NT firm transportation service from service under Part 157 of the Commission's Regulations ("Regulations") to firm transportation service under Part 284 of the Regulations and Transco's Rate Schedule FT, and to obtain the upstream capacity on TXG and DTI. Transco and NYPA implemented the requested conversion pursuant to Section 157.217 of the Regulations, effective July 1, 2006.³ In order to permit NYPA to obtain the upstream capacity on DTI and TXG, Transco requested the conversion from Part 157 to Part 284 of its firm transportation service with DTI and TXG, and executed permanent releases of such Part 284 capacity to NYPA effective July 1, 2006 in accordance with the terms of the respective tariffs of DTI and TXG.

Because NYPA was the sole remaining customer under Rate Schedule FT-NT, Transco will no longer provide service under Rate Schedule FT-NT.⁴ Therefore, Transco is proposing in the instant filing to cancel Rate Schedule FT-NT and to make other conforming changes to its Tariff to remove references to the Rate Schedule FT-NT service.

Proposed Effective Date and Request for Waiver

The revised tariff sheets submitted herein (listed on Appendix A) are proposed to be effective on July 1, 2006. Transco respectfully requests that the Commission grant a waiver of Section 154.207 of its Regulations in order that the enclosed tariff sheets are made effective as proposed herein. Transco submits that good cause exists to grant such waiver because Rate Schedule FT-NT service to NYPA, the sole remaining Rate Schedule FT-NT customer, ended on that date. In the event the Commission elects to accept and suspend the revised tariff sheets, in accordance with Section 154.7(a)(9) of the Regulations, Transco moves to place such tariff sheets into effect at the end of the applicable suspension period.

Materials Submitted Herewith

In accordance with, Section 154.7(a)(1) of the Regulations, the following material is submitted herewith:

³ Section 157.217 provides automatic authorization to permit an existing customer, at the customer's request and if certain conditions are met, to change from Part 157 individually certificated transportation service to Part 284 transportation service (18 C.F.R. § 157.217).

⁴ Transco's Rate Schedule FT-NT customers, other than NYPA, have previously converted and unbundled their Rate Schedule FT-NT service with Transco and the upstream pipelines.

- (1) In accordance with Section 154.209 of the Regulations, a proposed form of notice for the instant filing suitable for publication in the Federal Register, and a diskette copy of such notice labeled NT080106.ASC;
- (2) The revised tariff sheets and the “redlined” version of the revised tariff sheets, in accordance with Section 154.201(a) of the Regulations;
- (3) As required by Section 154.4 of the Regulations, a diskette copy of the revised tariff sheets labeled TF080106.ASC; and
- (4) Appendix A, listing the tariff sheets submitted for filing herein.

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 other interested parties.

Any communication regarding this filing should be sent to:

Scott Turkington
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Federal Energy Regulatory Commission
August 1, 2006
Page 4

Respectfully submitted,
TRANSCONTINENTAL GAS PIPE LINE
CORPORATION

/s/ Scott C. Turkington

By _____

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Filed: August 1, 2006

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Transcontinental Gas Pipe Line Corporation

Docket No. RP06-

Notice of Cancellation of Rate Schedule
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Notice is hereby given that effective July 1, 2006 Rate Schedule FT-NT in the FERC Gas Tariff of Transcontinental Gas Pipe Line Corp. (“Transco”) is to be cancelled.

On August 1, 2006, Transco tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, the tariff sheets listed on Appendix A to its filing, to become effective July 1, 2006. The revised tariff sheets reflect the cancellation of Rate Schedule FT-NT and make additional conforming changes.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission’s Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed in accordance with the provisions of Section 154.210 of the Commission’s regulations (18 CFR 154.210). Anyone filing an intervention or protest must serve a copy of that document on the Applicant. Anyone filing an intervention or protest on or before the intervention or protest date need not serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the “eFiling” link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the “eLibrary” link and is available for review in the Commission’s Public Reference Room in Washington, D.C. There is an “eSubscription” link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Magalie R. Salas
Secretary

Transcontinental Gas Pipe Line
Corporation
August 1, 2006

APPENDIX A

Twenty-Third Revised Sheet No. 1
Twelfth Revised Sheet No. 2
Sixty-Third Revised Sheet No. 50
Fifth Revised Sheet No. 181
Second Revised Sheet No. 182
Sixth Revised Sheet No. 183
Fifth Revised Sheet No. 184
Third Revised Sheet No. 186
Sixth Revised Sheet No. 187
Fourth Revised Sheet No. 188
Substitute Fifth Revised Sheet No. 277
Seventh Revised Sheet No. 333
Fourth Revised Sheet No. 442
Second Revised Sheet No. 443
First Revised Sheet No. 444

TABLE OF CONTENTS

Contents -----	Sheet No. -----
Table of Contents	1
Preliminary Statement	3
Overview Map	4
Map - Zone 1	5
Map - Zone 2	6
Map - Zone 3	7
Map - Zones 4, 4A & 4B	8
Map - Zone 5	12
Map - Zone 6	16
Reserved	20
Reserved	23
Reserved	24
GSS, LG-A, LG-S, and LNG Rates	27
WSS, WSS-Open Access, ESS and ISS Rates	27A
S-2 Rates	28
LSS Rates	28A
SS-1 Section 7(c) Storage Service Rates and SS-1 Open Access Storage Service	28B
SS-2 Rates	28C
Storage Fuel	29
Non-Conforming Service Agreements	30
Reserved	31
Gathering Rates	33
List of Gathering Points	33A
ICTS Rates	34
PAL Rates	34
FTN Rates	35
Reserved	36
FT-G Rates	38
Reserved	39
FT Rates	40
Reserved	41
IT Rates	42
Reserved	43
Fuel - Transportation	44
Firm Certificated Rates	45
Interruptible Certificated Rates	46
Leidy Rates	47
Reserved	48
Reserved	50
Reserved	51
SS-1 Section 7(c) Transportation Service Rates	54
Reserved	55
Reserved	60
Trading Fees and Trading Fuel Retention Percentages - OIA 1	61
Trading Fees and Trading Fuel Retention Percentages - OIA 2	61A
Reserved	62

TABLE OF CONTENTS

Contents -----	Sheet No. -----
Rate Schedules:	
Reserved	100
Reserved	101
Reserved	102
Reserved	105
GSS - General Storage Service	112
LG-A - Liquefied Natural Gas Storage Service (Upstream of Carlstadt, New Jersey)	118
Reserved	122A
LNG - Liquefied Natural Gas Storage Service	122B
Reserved	122G
S-2 - Storage Service (Oakford) Zone 6	123
LG-S - Liquefied Natural Gas Delivery - At Site (Carlstadt, New Jersey)	127
WSS - Washington Storage Service	130
Reserved	135A
WSS-Open Access - Washington Storage Service-Open Access	135B
Reserved	135H
LSS - Leidy Storage Service	136
SS-1 - Section 7(c) Storage Service	142
SS-1 - Open Access Storage Service	149A
Reserved	149H
SS-1 - Section 7(c) Transportation Service	149I
Reserved	149P
SS-2 - Storage Service	150
ICTS - Interconnect Transfer Service	155A
FT - Firm Transportation	156
Reserved	168
Reserved	169
IT - Interruptible Transportation	170
Reserved	179
Reserved	181
Reserved	189
FT-G - Firm Transportation - G	198
Reserved	209
FTN - Firm Transportation - Notice	222
Reserved	235
Pooling - Pooling Service	247
Reserved	249
ESS - Eminence Storage Service	249A
Reserved	249F
NS - Negotiated Sales Service	249O
ISS - Interruptible Storage Service	249P
PAL - Parking and Loaning Service	249T
General Terms and Conditions	250
Forms of Service Agreement	375

SHEET NO. 50 IS BEING RESERVED FOR FUTURE USE.

SHEET NO. 181 IS BEING RESERVED FOR FUTURE USE.

SHEET NO. 182 IS BEING RESERVED FOR FUTURE USE.

SHEET NO. 183 IS BEING RESERVED FOR FUTURE USE.

SHEET NO. 184 IS BEING RESERVED FOR FUTURE USE.

SHEET NO. 186 IS BEING RESERVED FOR FUTURE USE.

SHEET NO. 187 IS BEING RESERVED FOR FUTURE USE.

SHEET NO. 188 IS BEING RESERVED FOR FUTURE USE.

GENERAL TERMS AND CONDITIONS
(Continued)

18. DETERMINATION OF DELIVERIES AND RECEIPTS, ALLOWABLE DAILY DISPATCHING VARIATIONS, OVERRUN CHARGES AND PENALTIES (Continued)

18.2 Allowable Daily Dispatching Variations

The allowable daily dispatching variation shall be the greater of 50 dt or the quantity computed as follows:

- (a) During each day of the period beginning on May 1 of any year and extending through the next succeeding September 30, the sum of 5 percent of Seller's maximum daily delivery obligation to Buyer at the respective points of delivery under Seller's FT, FT-G, FTN, GSS and S-2 Rate Schedules and firm X-Rate Schedules; the scheduled daily delivery each day pursuant to Section 2.8 of Seller's FT and FT-G Rate Schedules, or Section 2.5 of Seller's FTN Rate Schedule; and the scheduled daily delivery each day under Seller's Rate Schedule IT or certificated interruptible X-Rate Schedules when interruptible capacity on Seller's system is allocated or when such service is limited pursuant to the provisions of Section 11.3.(d) of the General Terms and Conditions.
- (b) During each day of the period beginning on October 1 of any year and extending through the next succeeding April 30, the sum of 3.5 percent of Seller's maximum daily delivery obligation to Buyer at the respective points of delivery under Seller's FT, FT-G, FTN, GSS and S-2 Rate Schedules and firm X-Rate Schedules; the scheduled daily delivery each day pursuant to Section 2.8 of Seller's FT and FT-G Rate Schedules, or Section 2.5 of Seller's FTN Rate Schedule; and the scheduled daily delivery each day under Seller's Rate Schedule IT or certificated interruptible X-Rate Schedules when interruptible capacity on Seller's system is allocated or when such service is limited pursuant to the provisions of Section 11.3.(d) of the General Terms and Conditions.

18.3 Unauthorized Daily Overrun Defined

Any quantity of gas taken by a Buyer on any day from Seller (including deliveries by another pipeline company for the account of Seller, deliveries by Seller for the account of another pipeline company, and Buyer's nomination for injection into storage under Seller's contract storage rate schedules) in excess of the sum of the following amounts shall constitute unauthorized daily overrun quantities:

- (a) Seller's maximum daily delivery obligation excluding deliveries made pursuant to Section 2.8 of Seller's FT and FT-G Rate Schedules, or Section 2.5 of Seller's FTN Rate Schedule at that delivery point to Buyer under Seller's Rate Schedule FT, FTN, FT-G or SS-1 Section 7(c) Transportation Service or any maximum limitations imposed thereon pursuant to Section 11 of these General Terms and Conditions,
- (b) Seller's maximum daily delivery obligation at that delivery point to Buyer under Seller's GSS, LSS, S-2, LG-A, LNG and SS-2 Rate Schedules or any maximum limitation imposed thereon pursuant to Section 11 of these General Terms and Conditions,
- (c) Seller's maximum daily delivery obligation at that delivery point to Buyer under Seller's certificated firm X Rate Schedules or any maximum limitations imposed thereon pursuant to Section 11 of these General Terms and Conditions,
- (d) Buyer's Scheduled Daily Delivery on such day for the account of another pipeline company, and
- (e) Buyer's Scheduled Daily Delivery at that delivery point on such day under Seller's Rate Schedule IT certificated interruptible X-Rate Schedules when interruptible capacity on Seller's System is allocated or when such service is limited pursuant to the provisions of Section 11.3(d) of the General Terms and Conditions, and

GENERAL TERMS AND CONDITIONS
(Continued)

23. RESTATEMENT OF QUANTITIES IN THERMAL UNITS

- (a) To the extent that any provision of any Rate Schedule or related Service Agreement references a rate or rates per Mcf, such provision shall be restated to reference a rate or rates per dt.
- (b) Except as otherwise set forth in this Section 23, for all purposes under Seller's FERC Gas Tariff, including without limitation determining Seller's maximum daily delivery obligation under Seller's FT, FT-G, FTN, GSS, LG-A, WSS, ESS and SS-2 Rate Schedules, determining the dekatherm equivalents of quantities expressed in Mcf, and applying rates expressed in amounts per dt, any "Daily Sales Entitlement", "Transportation Contract Quantity", "TCQ", "Storage Demand", "Storage Demand Quantity", "Storage Injection Quantity", "Storage Capacity Quantity", "Temporary Storage Demand", "Temporary Storage Capacity Quantity", "Liquefaction Demand", or "Liquefaction Capacity Quantity" referenced or set forth in any Rate Schedule or Service Agreement that is expressed in Mcf shall be restated in dt by multiplying the quantity in Mcf set forth in such Rate Schedule or Service Agreement by a conversion factor of 1.035 dt per Mcf.
- (c) With regard to Seller's S-2 Rate Schedule, for purposes of determining Seller's maximum daily delivery obligation thereunder, determining the dekatherm equivalents of quantities expressed in Mcf, and applying rates expressed in amounts per dt, any "Contract Storage Demand" or "Storage Capacity Quantity" referenced or set forth in such Rate Schedule or related Service Agreement that is expressed in Mcf shall be restated in dt by multiplying the quantity in Mcf set forth in such Rate Schedule or Service Agreement by a conversion factor of 1.016 dt per Mcf.

24. GAS RESEARCH INSTITUTE VOLUNTARY CONTRIBUTIONS

Gas Research Institute (GRI), an Illinois not for profit corporation, has been organized for the purpose of sponsoring Research, Development and Demonstration (RD&D) programs in the field of natural and manufactured gas for the purpose of assisting all segments of the gas industry in providing adequate, reliable, safe, economic and environmentally acceptable gas service for the benefit of gas consumers and the general public. Pursuant to the GRI Settlement as approved by the Commission in Docket Nos. RP97-149, et al., Seller will provide a "check the box" option on invoices for Buyers to voluntarily contribute funds to GRI. Seller shall remit to GRI all monies received by virtue of the Voluntary Contribution Mechanism.

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TABLE OF CONTENTS

Contents -----	Sheet No. -----
Table of Contents	1
Preliminary Statement	3
Overview Map	4
Map - Zone 1	5
Map - Zone 2	6
Map - Zone 3	7
Map - Zones 4, 4A & 4B	8
Map - Zone 5	12
Map - Zone 6	16
Reserved	20
Reserved	23
Reserved	24
GSS, LG-A, LG-S, and LNG Rates	27
WSS, WSS-Open Access, ESS and ISS Rates	27A
S-2 Rates	28
LSS Rates	28A
SS-1 Section 7(c) Storage Service Rates and SS-1 Open Access Storage Service	28B
SS-2 Rates	28C
Storage Fuel	29
Non-Conforming Service Agreements	30
Reserved	31
Gathering Rates	33
List of Gathering Points	33A
ICTS Rates	34
PAL Rates	34
FTN Rates	35
Reserved	36
FT-G Rates	38
Reserved	39
FT Rates	40
Reserved	41
IT Rates	42
Reserved	43
Fuel - Transportation	44
Firm Certificated Rates	45
Interruptible Certificated Rates	46
Leidy Rates	47
Reserved	48
FT-NT Rates Reserved	50
Reserved	51
SS-1 Section 7(c) Transportation Service Rates	54
Reserved	55
Reserved	60
Trading Fees and Trading Fuel Retention Percentages - OIA 1	61
Trading Fees and Trading Fuel Retention Percentages - OIA 2	61A
Reserved	62

TABLE OF CONTENTS

Contents -----	Sheet No. -----
Rate Schedules:	
Reserved	100
Reserved	101
Reserved	102
Reserved	105
GSS - General Storage Service	112
LG-A - Liquefied Natural Gas Storage Service (Upstream of Carlstadt, New Jersey)	118
Reserved	122A
LNG - Liquefied Natural Gas Storage Service	122B
Reserved	122G
S-2 - Storage Service (Oakford) Zone 6	123
LG-S - Liquefied Natural Gas Delivery - At Site (Carlstadt, New Jersey)	127
WSS - Washington Storage Service	130
Reserved	135A
WSS-Open Access - Washington Storage Service-Open Access	135B
Reserved	135H
LSS - Leidy Storage Service	136
SS-1 - Section 7(c) Storage Service	142
SS-1 - Open Access Storage Service	149A
Reserved	149H
SS-1 - Section 7(c) Transportation Service	149I
Reserved	149P
SS-2 - Storage Service	150
ICTS - Interconnect Transfer Service	155A
FT - Firm Transportation	156
Reserved	168
Reserved	169
IT - Interruptible Transportation	170
Reserved	179
FT-NT - Firm Transportation Reserved	181
Reserved	189
FT-G - Firm Transportation - G	198
Reserved	209
FTN - Firm Transportation - Notice	222
Reserved	235
Pooling - Pooling Service	247
Reserved	249
ESS - Eminence Storage Service	249A
Reserved	249F
NS - Negotiated Sales Service	249O
ISS - Interruptible Storage Service	249P
PAL - Parking and Loaning Service	249T
General Terms and Conditions	250
Forms of Service Agreement	375

~~RATES AND CHARGES APPLICABLE TO
RATE SCHEDULE FT-NT
FIRM TRANSPORTATION SERVICES~~

Firm Transportation	From Texas Gas¹ Zone SL	
	Monthly	Daily
	($\\$)	($\\$)
Reservation Rate per dt		
Base Rate	18.9286 (1)	0.6223
Electric Power Unit Rate	0.0063	0.0002
Total Rate	18.9349	0.6225

~~Commodity Rate per dt (excluding ACA)~~

Base Rate	0.0622 (1)
Electric Power Unit Rate	0.0004
Total Rate	0.0626

~~Fuel Retention (2)~~

Summer Period (April - October)	7.21 %
Winter Period (November - March)	6.59 %

~~Annual Charge Adjustment (ACA)~~

~~Pursuant to Section 27 of the General Terms and Conditions, the above charges shall be increased to include the ACA unit rate of \$0.0010, if applicable.~~

~~Notes: (1) The cost based rate exclusive of the Electric Power unit rate and all surcharges.~~

~~(2) Such percentages reflect the fuel retained by Texas Gas, Dominion and TGPL.~~

SHEET NO. 50 IS BEING RESERVED FOR FUTURE USE.

~~RATE SCHEDULE FT NT~~

~~Firm Transportation Service~~

~~1. AVAILABILITY~~

~~1.1 Service under this Rate Schedule is available to those parties (hereinafter referred to individually as "Buyer") for which:~~

~~(a) the firm transportation of natural gas by Transcontinental Gas Pipe Line Corporation (hereinafter referred to as "Seller") on the pipeline systems of Seller, CNG Transmission Corporation ("CNG") and Texas Gas Transmission Corporation ("Texas Gas") has been authorized by the FERC in Docket Nos. CP90-687-000, et seq., as amended from time to time; and~~

~~(b) a Service Agreement for service under this Rate Schedule has been executed by Buyer and Seller.~~

~~2. APPLICABILITY AND CHARACTER OF SERVICE~~

~~2.1 This Rate Schedule shall apply to all firm transportation service rendered by Seller for Buyer pursuant to the executed service agreement for service under this Rate Schedule.~~

~~2.2 Transportation service provided under the terms of this Rate Schedule shall be limited to the delivery by Seller of up to Buyer's Transportation Contract Quantity (TCQ) specified in the executed service agreement.~~

~~2.3 Transportation service provided under this Rate Schedule shall be on a firm basis and shall not be subject to reduction or interruption, except as provided in Section 11 of the General Terms and Conditions; provided, however, that in the event that Texas Gas or CNG fails for any reason beyond Seller's control to make deliveries to Seller under their respective agreements with Seller, then Seller's obligation to make deliveries to Buyer hereunder shall be reduced accordingly.~~

~~3. RATES AND CHARGES~~

~~3.1 For transportation service rendered to Buyer each month under this Rate Schedule, Buyer shall pay to Seller the following charges:~~

~~(a) Reservation Charge: Buyer's TCQ multiplied by the applicable Reservation Rate multiplied by the number of days in the month that capacity was held.~~

~~(b) Commodity Charge: The applicable FT NT Commodity Rate multiplied by the quantities (dts) delivered.~~

~~(c) The ACA Unit Charge.~~

~~(d) Any other charges authorized by the FERC or any successor governmental authority having jurisdiction.~~

~~3.2 If, under the provisions of Section 11 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer, then the Reservation Charges for the month in which such day or days occur shall be computed as follows: Determine for each such day the number of dt which Seller was unable to deliver, and multiply the sum of all such days' deficiencies by the reservation rate per dt of TCQ, and the result shall be subtracted from the Reservation Charges for such month as otherwise computed.~~

RATE SCHEDULE FT NT
Firm Transportation Service
(Continued)

~~3. RATES AND CHARGES (Continued)~~

~~3.3 Seller shall retain from the quantities of gas delivered by Buyer for transportation under this Rate Schedule a percentage or percentages of such gas for compressor fuel and line loss make up, which percentage(s) shall include compressor fuel and line loss make up retained by Texas Gas, CNG and Seller. Such percentages are specified on the currently effective Sheet No. 50 of Volume No. 1 of this tariff.~~

~~3.4 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.~~

~~4. CHANGES IN RATES AND FUEL FOR THIS RATE SCHEDULE TO REFLECT CHANGES BY NATURAL GAS COMPANIES PROVIDING RELATED TRANSPORTATION SERVICE TO SELLER~~

~~4.1 Application This section sets forth the procedures to change Seller's rates under this Rate Schedule when natural gas companies providing transportation services necessary to enable Seller to provide services under this Rate Schedule change the rates and charges payable by Seller for such services, and to flow through refunds received from and surcharges imposed by such natural gas companies. Changes in Seller's rates under this Rate Schedule shall become effective coincidentally with the effective date of any change in rates by Texas Gas or CNG (hereinafter collectively referred to as "Transporters") under any of Transporters' rate schedules which enable Seller to provide service under this Rate Schedule.~~

~~(a) Rate Change The charges under this Rate Schedule, as shown on effective Sheet No. 50 of Volume 1 of this tariff, reflect, as appropriate, amounts payable by Seller to Transporters for the underlying transportation services rendered to Seller. A change in charges payable by Seller to Transporters shall be reflected in this Rate Schedule by the following procedure:~~

~~(i) Reservation Charges The Reservation Rates shown on Sheet No. 50 of this tariff include the Reservation Charges to be paid by Seller to Transporters for related transportation services. Seller shall reduce or increase, as appropriate, such Reservation Rates to reflect the change in the Texas Gas or the CNG Reservation Charges effective as of the date of any such change.~~

~~(ii) Commodity Charge The Commodity Rates shown on Sheet No. 50 of this tariff includes the Commodity Charges to be paid by Seller to Transporters for related transportation services. Seller shall reduce or increase, as appropriate, such Commodity Rates to reflect the change in the Texas Gas or CNG Commodity Charge effective as of the date of any such change.~~

~~(b) Refunds and Surcharges Within forty five (45) days of the receipt thereof, Seller shall refund to its customers under this Rate Schedule all amounts refunded to Seller by Transporters under the related transportation rate schedules, including any interest paid by Transporters. Likewise, Seller shall bill its customers under this Rate Schedule for any surcharges paid by Seller to Transporters under the related transportation rate schedules, including any interest paid by Seller. Each customer's proportionate share of such refund or surcharge shall be determined in the same manner as the refund or surcharge from Transporters was determined.~~

~~4.2 Seller shall reduce or increase, as appropriate, the fuel retention percentage(s) specified on Sheet No. 50 of this tariff for changes in Transporters' compressor fuel and line loss make up percentage(s). Such change in the fuel retention percentage(s) shall become effective coincidentally with the effective date of any such change by Texas Gas or CNG.~~

~~RATE SCHEDULE FT NF~~

~~Firm Transportation Service
(Continued)~~

~~5. RECEIPT AND DELIVERIES~~

~~5.1 Transportation service under this Rate Schedule shall consist of: (a) the receipt of gas on behalf of Buyer at the point(s) of receipt specified in the executed service agreement up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.3 hereof); (b) the transportation of gas through the systems of Texas Gas, CNG and Seller; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to provisions of Section 3.3 hereof) by Seller to Buyer, or for Buyer's account, at the point(s) of delivery specified in the executed service agreement.~~

~~5.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas 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 at the point(s) of delivery and Texas Gas' pipeline system at the point(s) of receipt, and shall provide for coordinated scheduling with Seller. Seller's ability to receive gas under this Rate Schedule is subject to the operating limitations of Texas Gas and the upstream party at the point(s) of receipt. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.~~

~~6. SCHEDULING AND BALANCING~~

~~6.1 Buyer shall nominate service under this Rate Schedule in accordance with the procedures set forth in Section 20.1 of the General Terms and Conditions subject to (a) and (b) below. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same. Buyer may take daily delivery, at the point(s) of delivery set forth in Buyer's Service Agreement hereunder, of quantities greater than or less than the quantities scheduled in advance pursuant to this Section 6.1, pursuant to the procedures outlined in Section 10.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to take delivery hereunder on any day of quantities in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions.~~

~~RATE SCHEDULE FT NF~~

~~Firm Transportation Service
(Continued)~~

~~6. SCHEDULING AND BALANCING (Continued)~~

- ~~6.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement estimates or actuals) and shall make such information available to all the parties to the transaction as designated by Buyer prior to the commencement of such transaction. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dth (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dth (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may effect adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.~~
- ~~6.2 Each month imbalances shall be resolved in accordance with the provisions of Sections 25 and 37 of the General Terms and Conditions of Seller's Volume No. 1 Tariff.~~

SHEET NO. 184 IS BEING RESERVED FOR FUTURE USE.

~~RATE SCHEDULE FT NF~~

~~Firm Transportation Service
(Continued)~~

~~6. SCHEDULING AND BALANCING (Continued)~~

~~6.4 Seller will provide, on 11line, its best available operational data on receipts and deliveries (including electronic gas measurement data estimated or actuals) to all parties to the transaction requesting such data, and will provide such data on the day immediately following the close of each gas day so as to allow Buyers a reasonable opportunity to correct any accumulated imbalances during such calendar month.~~

SHEET NO. 186 IS BEING RESERVED FOR FUTURE USE.

RATE SCHEDULE FT NF

~~Firm Transportation Service~~
(Continued)

7. ~~BUYER'S RESPONSIBILITIES~~

~~Buyer recognizes that, as between it and Seller, Buyer has sole control over its physical takes of gas from Seller's system and therefore has a duty to refrain from taking delivery of volumes in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions. Buyer further recognizes that Buyer may cause hardship and economic damage to other Buyers in the event Buyer takes delivery of volumes in excess of Buyer's TCQ, as adjusted, for which Buyer may be held accountable either through a direct cause of action by such other Buyers or as an impleaded or third party defendant in a suit by such other Buyers. In no event shall the payment of a penalty for an overrun quantity pursuant to Section 18 of the General Terms and Conditions be considered as giving Buyer the right to take such overrun quantity 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 Buyer against Buyer for failure to respect its obligation to stay within its TCQ, as adjusted.~~

SHEET NO. 187 IS BEING RESERVED FOR FUTURE USE.

RATE SCHEDULE FT NT

~~Firm Transportation Service
(Continued)~~

~~8. SELLER'S RESPONSIBILITIES~~

~~— Seller recognizes that it has a duty to use reasonable care and prudent operating procedures to allow Buyer to schedule for delivery within its TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions, the gas quantities available to Buyer up to the amount verified and confirmed by Seller based on the best operating information available to Seller. Seller also recognizes that unless forces beyond Seller's control (including, but not limited to, force majeure, or the failure of Buyer or Buyer's gas supplier to deliver scheduled gas quantities into Seller's system) cause interference with Seller's ability to redeliver, Seller has a duty to tender to Buyer for redelivery the gas quantities which Seller has verified and confirmed as available to Buyer. Seller further recognizes that a breach of its duties herein may cause hardship and economic damage to Buyer, for which Buyer reserves all rights and remedies (including but not limited to consequential damages), and for which Seller may be held accountable. In addition to the foregoing, Seller shall be responsible to Buyer for penalties in the same manner as an overrun by a Buyer, for service deficiencies (i.e., the failure to allow Buyer to schedule gas quantities for redelivery or the failure to tender to Buyer gas quantities for redelivery) caused by Seller knowingly, willfully or negligently allocating to Seller's sales service or to other Buyer the gas quantities which Seller has verified and confirmed as available to Buyer.~~

~~9. WARRANTY OF TITLE TO GAS~~

~~— Buyer warrants for itself, its successors and assigns, that it will at the time of delivery to Seller for transportation have good and merchantable title to all gas hereunder free and clear of all liens, encumbrances and claims whatsoever. Buyer shall indemnify Seller and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas, including claims for any royalties, taxes, license fees or charges applicable to such gas or to the delivery thereof to Seller for transportation under this Rate Schedule.~~

~~10. RESTATEMENT OF QUANTITIES IN THERMAL UNITS~~

~~— For purposes of determining the maximum daily delivery obligation under this Rate Schedule and applying rates expressed in amounts per dt, any "Transportation Contract Quantity" or "TCQ" referenced or set forth in this Rate Schedule or Service Agreement for service under this Rate Schedule that is expressed in Mcf shall be restated in dt by multiplying the quantity in Mcf by a conversion factor of 1.000 dt per Mcf.~~

~~11. GENERAL TERMS AND CONDITIONS~~

~~— All of the applicable General Terms and Conditions of Seller's Volume No. 1 Tariff are hereby made a part hereof. However, in the event of any inconsistencies between the General Terms and Conditions and this Rate Schedule FT NT, the terms and conditions of this Rate Schedule FT NT shall control.~~

GENERAL TERMS AND CONDITIONS
(Continued)

18. DETERMINATION OF DELIVERIES AND RECEIPTS, ALLOWABLE DAILY DISPATCHING VARIATIONS, OVERRUN CHARGES AND PENALTIES (Continued)

18.2 Allowable Daily Dispatching Variations

The allowable daily dispatching variation shall be the greater of 50 dt or the quantity computed as follows:

- (a) During each day of the period beginning on May 1 of any year and extending through the next succeeding September 30, the sum of 5 percent of Seller's maximum daily delivery obligation to Buyer at the respective points of delivery under Seller's FT, ~~FT-NT~~, FT-G, FTN, GSS and S-2 Rate Schedules and firm X-Rate Schedules; the scheduled daily delivery each day pursuant to Section 2.8 of Seller's FT and FT-G Rate Schedules, or Section 2.5 of Seller's FTN Rate Schedule; and the scheduled daily delivery each day under Seller's Rate Schedule IT or certificated interruptible X-Rate Schedules when interruptible capacity on Seller's system is allocated or when such service is limited pursuant to the provisions of Section 11.3.(d) of the General Terms and Conditions.
- (b) During each day of the period beginning on October 1 of any year and extending through the next succeeding April 30, the sum of 3.5 percent of Seller's maximum daily delivery obligation to Buyer at the respective points of delivery under Seller's FT, ~~FT-NT~~, FT-G, FTN, GSS and S-2 Rate Schedules and firm X-Rate Schedules; the scheduled daily delivery each day pursuant to Section 2.8 of Seller's FT and FT-G Rate Schedules, or Section 2.5 of Seller's FTN Rate Schedule; and the scheduled daily delivery each day under Seller's Rate Schedule IT or certificated interruptible X-Rate Schedules when interruptible capacity on Seller's system is allocated or when such service is limited pursuant to the provisions of Section 11.3.(d) of the General Terms and Conditions.

18.3 Unauthorized Daily Overrun Defined

Any quantity of gas taken by a Buyer on any day from Seller (including deliveries by another pipeline company for the account of Seller, deliveries by Seller for the account of another pipeline company, and Buyer's nomination for injection into storage under Seller's contract storage rate schedules) in excess of the sum of the following amounts shall constitute unauthorized daily overrun quantities:

- (a) Seller's maximum daily delivery obligation excluding deliveries made pursuant to Section 2.8 of Seller's FT and FT-G Rate Schedules, or Section 2.5 of Seller's FTN Rate Schedule at that delivery point to Buyer under Seller's Rate Schedule FT, FTN, ~~FT-NT~~, FT-G or SS-1 Section 7(c) Transportation Service or any maximum limitations imposed thereon pursuant to Section 11 of these General Terms and Conditions,
- (b) Seller's maximum daily delivery obligation at that delivery point to Buyer under Seller's GSS, LSS, S-2, LG-A, LNG and SS-2 Rate Schedules or any maximum limitation imposed thereon pursuant to Section 11 of these General Terms and Conditions,
- (c) Seller's maximum daily delivery obligation at that delivery point to Buyer under Seller's certificated firm X Rate Schedules or any maximum limitations imposed thereon pursuant to Section 11 of these General Terms and Conditions,
- (d) Buyer's Scheduled Daily Delivery on such day for the account of another pipeline company, and
- (e) Buyer's Scheduled Daily Delivery at that delivery point on such day under Seller's Rate Schedule IT certificated interruptible X-Rate Schedules when interruptible capacity on Seller's System is allocated or when such service is limited pursuant to the provisions of Section 11.3(d) of the General Terms and Conditions, and

GENERAL TERMS AND CONDITIONS
(Continued)

23. RESTATEMENT OF QUANTITIES IN THERMAL UNITS

- (a) To the extent that any provision of any Rate Schedule or related Service Agreement references a rate or rates per Mcf, such provision shall be restated to reference a rate or rates per dt.
- (b) Except as ~~provided under Seller's Rate Schedule FT-NT or as~~ otherwise set forth in this Section 23, for all purposes under Seller's FERC Gas Tariff, including without limitation determining Seller's maximum daily delivery obligation under Seller's FT, FT-G, FTN, GSS, LG-A, WSS, ESS and SS-2 Rate Schedules, determining the dekatherm equivalents of quantities expressed in Mcf, and applying rates expressed in amounts per dt, any "Daily Sales Entitlement", "Transportation Contract Quantity", "TCQ", "Storage Demand", "Storage Capacity Quantity", "Storage Injection Quantity", "Storage Capacity Quantity", "Temporary Storage Demand", "Temporary Storage Capacity Quantity", "Liquefaction Demand", or "Liquefaction Capacity Quantity" referenced or set forth in any Rate Schedule or Service Agreement that is expressed in Mcf shall be restated in dt by multiplying the quantity in Mcf set forth in such Rate Schedule or Service Agreement by a conversion factor of 1.035 dt per Mcf.
- (c) With regard to Seller's S-2 Rate Schedule, for purposes of determining Seller's maximum daily delivery obligation thereunder, determining the dekatherm equivalents of quantities expressed in Mcf, and applying rates expressed in amounts per dt, any "Contract Storage Demand" or "Storage Capacity Quantity" referenced or set forth in such Rate Schedule or related Service Agreement that is expressed in Mcf shall be restated in dt by multiplying the quantity in Mcf set forth in such Rate Schedule or Service Agreement by a conversion factor of 1.016 dt per Mcf.

24. GAS RESEARCH INSTITUTE VOLUNTARY CONTRIBUTIONS

Gas Research Institute (GRI), an Illinois not for profit corporation, has been organized for the purpose of sponsoring Research, Development and Demonstration (RD&D) programs in the field of natural and manufactured gas for the purpose of assisting all segments of the gas industry in providing adequate, reliable, safe, economic and environmentally acceptable gas service for the benefit of gas consumers and the general public. Pursuant to the GRI Settlement as approved by the Commission in Docket Nos. RP97-149, et al., Seller will provide a "check the box" option on invoices for Buyers to voluntarily contribute funds to GRI. Seller shall remit to GRI all monies received by virtue of the Voluntary Contribution Mechanism.

~~FORM OF SERVICE AGREEMENT~~

~~(For Use Under Seller's Rate Schedule FT NT)~~

~~THIS AGREEMENT entered into this _____ day of _____, _____ (year), by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Seller," first party, and _____, hereinafter referred to as "Buyer," second party,~~

~~W I T N E S S E T H~~

~~WHEREAS,~~

~~NOW, THEREFORE, Seller and Buyer agree as follows:~~

~~ARTICLE I
GAS TRANSPORTATION SERVICE~~

~~1. Subject to the terms and provisions of this agreement and of Seller's Rate Schedule FT NT, Buyer agrees to deliver or cause to be delivered natural gas for transportation hereunder (plus applicable fuel and line loss make up) and Seller agrees to receive, transport and redeliver natural gas to Buyer or for the account of Buyer, on a firm basis, up to a Transportation Contract Quantity ("TCQ") of _____ dt per day.~~

~~2. Transportation service rendered hereunder shall not be subject to curtailment or interruption except as provided in Section 11 of the General Terms and Conditions of Seller's FERC Gas Tariff, Third Revised Volume No. 1; provided, however, that in the event that Texas Gas Transmission Corporation and/or CNG Transmission Corporation fail for reasons beyond Seller's control to make deliveries to Seller under their respective agreements with Seller then Seller's obligation to make deliveries hereunder shall be reduced accordingly.~~

~~ARTICLE II
POINT(S) OF RECEIPT~~

~~Buyer shall deliver or cause to be delivered gas at the point(s) of receipt hereunder at a pressure sufficient to allow the gas to enter the pipeline system at the varying pressures that may exist in such system from time to time. In the event the maximum operating pressure(s) of the pipeline system, at the point(s) of receipt hereunder, is from time to time increased or decreased, then the maximum allowable pressure(s) of the gas delivered or caused to be delivered by Buyer at the point(s) of receipt hereunder shall be correspondingly increased or decreased upon written notification to Buyer. The point(s) of receipt for natural gas received for transportation pursuant to this agreement and the daily receipt obligation at each such point shall be:~~

~~_____ Point(s) of Receipt _____ Daily Receipt Obligation~~

~~FORM OF SERVICE AGREEMENT~~

~~(For Use Under Seller's Rate Schedule FT NT)
(Continued)~~

~~ARTICLE III
POINT(S) OF DELIVERY~~

~~Seller shall redeliver to Buyer or for the account of Buyer the gas transported hereunder at the following point(s) of delivery and at a pressure(s) of:~~

~~_____ Point(s) of Delivery _____ Pressure(s)
_____~~

~~ARTICLE IV
TERM OF AGREEMENT~~

~~This agreement shall be effective as of _____, _____ (year) and shall remain in force and effect until 9:00 a.m. Central Clock Time _____, _____ (year); provided, however, this agreement shall terminate immediately and, subject to the receipt of necessary authorizations, if any, Seller may discontinue service hereunder if (a) Buyer, in Seller's reasonable judgment fails to demonstrate credit worthiness and (b) Buyer fails to provide adequate security in accordance with Section 7 of Seller's Rate Schedule FT NT.~~

~~ARTICLE V
RATE SCHEDULE AND PRICE~~

~~1. Buyer shall pay Seller for natural gas delivered to Buyer hereunder in accordance with Seller's Rate Schedule FT NT and the applicable provisions of the General Terms and Conditions of Seller's FERC Gas Tariff as filed with the Federal Energy Regulatory Commission, and as the same may be legally amended or superseded from time to time. Such Rate Schedule and General Terms and Conditions are by this reference made a part hereof.~~

~~2. Seller and Buyer agree that the quantity of gas that Buyer delivers or causes to be delivered for transportation hereunder shall include the quantities of gas retained for applicable compressor fuel and line loss make up in providing the transportation service hereunder, which quantity may be changed from time to time and which will be specified in the currently effective Sheet No. 50 of Volume No. 1 of this Tariff which relates to service under this agreement and which is incorporated herein.~~

~~3. In addition to the applicable charges for firm transportation service pursuant to Section 3 of Seller's Rate Schedule FT NT, Buyer shall reimburse Seller for any and all filing fees incurred as a result of Buyer's request for service under Seller's Rate Schedule FT NT, to the extent such fees are imposed upon Seller by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction.~~

~~4. Seller shall have the unilateral right to propose, file and make effective with the Federal Energy Regulatory Commission, or other regulatory authority having jurisdiction, changes and revisions to the rates and rate design proposed pursuant to Section 4 of the Natural Gas Act, or to propose, file, and make effective superseding rates or rate schedules, for the purpose of changing the rates, charges, rate design, and other provisions thereof effective as to Buyer; provided however that the (i) firm character of service, (ii) term, (iii) quantities, and (iv) points of receipt and delivery shall not be subject to unilateral change under this paragraph. Buyer shall have the right to oppose any such filings or proposals by Seller.~~

~~FORM OF SERVICE AGREEMENT~~

~~(For Use Under Seller's Rate Schedule FT NT)
(Continued)~~

~~ARTICLE VI
MISCELLANEOUS~~

~~1. This agreement supersedes and cancels as of the effective date hereof the following contract(s) between the parties hereto:~~

~~2. No waiver by either party of any one or more defaults by the other in the performance of any provisions of this agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.~~

~~3. The interpretation and performance of this agreement shall be in accordance with the laws of the State of Texas, without recourse to the law governing conflict of laws, and to all present and future valid laws with respect to the subject matter, including present and future orders, rules and regulations of duly constituted authorities.~~

~~4. This agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns.~~

~~5. Notices to either party shall be in writing and shall be considered as duly delivered when mailed to the other party at the following address:~~

~~(a) If to seller:
Transcontinental Gas Pipe Line Corporation
P. O. Box 1396
Houston, Texas 77251
Attention:~~

~~(b) If to Buyer:~~

~~Such addresses may be changed from time to time by mailing appropriate notice thereof to the other party by certified or registered mail.~~

~~IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed by their respective officers or representatives thereunto duly authorized.~~

~~_____
TRANSCONTINENTAL GAS PIPE LINE
CORPORATION
(Seller)~~

~~By _____~~

~~_____
(Buyer)~~

~~By _____~~