



Gas Pipeline - Transco
2800 Post Oak Boulevard (77056)
P.O. Box 1396
Houston, Texas 77251-1396
713-215-2000

November 6, 2007

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

Attention: Kimberly D. Bose, Secretary

Reference: Transcontinental Gas Pipe Line Corporation
Non-Conforming Service Agreement
Docket No. RP08-

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, Transcontinental Gas Pipe Line Corporation ("Transco") hereby submits for filing with the Commission a copy of an amendment that incorporates into a service agreement under Rate Schedule FT a non-conforming Exhibit "C." Transco also submits Tenth Revised Sheet No. 30 to its FERC Gas Tariff, Third Revised Volume No.1 ("Tariff"). The tariff sheet is proposed to be effective December 6, 2007.

Statement of Nature, Reasons and Basis for Filing

Sections 154.1(d) and 154.112(b) of the Commission's regulations require pipelines to file with the Commission contracts that "deviate in any material aspect from the form of service agreement" in the pipeline's tariff, and also require that such non-conforming agreements be referenced in the pipeline's Volume No. 1 tariff. Transco has recently executed an amendment to a service agreement under Rate Schedule FT, and the amendment incorporates an Exhibit "C" that does not conform to Transco's pro forma FT service agreement Exhibit "C." Transco is therefore submitting the amendment and the associated service agreement for Commission review.

Transco and PPL Gas Utilities Corporation ("PPL")¹ are parties to a Delivery Interconnect, Reimbursement and Operating Agreement dated September 7, 2007 ("Interconnect Agreement") for the expansion of PPL's Avis Meter Station. In accordance with Section

¹ Successor in interest to Union Gas Company.

20.7 of the General Terms and Conditions of Transco's Tariff ("GT&C"),² Transco and PPL agreed to a cost recovery mechanism, as described in the Interconnect Agreement, for the Avis Meter Station Expansion whereby PPL would reimburse Transco through a monthly Facility Reimbursement Charge ("FRC") for a five year term. In addition, the Interconnect Agreement includes (1) provisions for adjustment to the FRC based on the actual final cost of the Avis Meter Station Expansion (which adjustment would become effective on the effective date of Transco's tariff filing setting forth the revised FRC), and (2) PPL's agreement to directly reimburse Transco for unrecovered costs for the Avis Meter Station Expansion if for any reason Transco is unable to collect the FRC as agreed to by the parties.

As set forth in the Interconnect Agreement, the parties agreed to implement the FRC by executing an amendment to PPL's February 1, 1992 service agreement under Rate Schedule FT (Transco contract no. 1003692, "Service Agreement") for the purpose of incorporating an Exhibit "C" which would prescribe the terms of PPL's payment of the FRC. Transco and PPL entered into such amendment on September 7, 2007 ("September Amendment").^{3,4} While Transco's Tariff does contain a pro forma Exhibit "C" to the service agreement under Rate Schedule FT, the Exhibit "C" that was added to PPL's Service Agreement is a modified version of the pro forma Exhibit "C." The pro forma Exhibit "C" is normally used to set forth provisions governing a negotiated rate. However, in this instance Exhibit C is being used to specify the terms of PPL's payment of the FRC. The language on the pro forma Exhibit "C" was modified as follows (in "redlined" format):

Specification of ~~Negotiated Rate and Term~~ payment for reimbursement:

Transco submits that the modified language is necessary because Exhibit "C" to the Service Agreement is used in the instant situation to set forth the terms of PPL's reimbursement of the costs of facilities constructed for PPL; it is not being used to establish a negotiated rate pursuant to Section 53 of the General Terms and Conditions of Transco's Tariff.⁵ In addition, Transco submits that the modified language does not affect the quality of service to PPL or other shippers, nor does it constitute a substantial risk of undue discrimination against other shippers. Transco respectfully requests that the language modification described herein be deemed a permissible material deviation as defined in prior Commission orders.⁶

According to recent orders interpreting the Commission's regulations regarding non-conforming provisions,⁷ the Commission will approve a non-conforming provision that does

² Section 20.7, Payment of Costs Incurred by Seller, sets forth the alternatives under which the costs to construct interconnect facilities such as the Avis Meter Station will be paid for by the party requesting the facilities.

³ The Service Agreement was previously amended on April 1, 2005 and August 18, 2006. The Service Agreement and prior amendments conform to Transco's pro forma Rate Schedule FT service agreement.

⁴ The September Amendment also extends the primary term of the Service Agreement.

⁵ Article V, Paragraph 1 of the Rate Schedule FT Form of Service Agreement states in part, "In the event Buyer and Seller mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions and specified term for service hereunder, provisions governing such negotiated rate (including surcharges) and term shall be set forth on Exhibit C to the service agreement."

⁶ E.g., *Tennessee Gas Pipeline Co.*, 112 FERC ¶61,259 (2005).

⁷ 18 C.F.R. §§ 154.1(d) and 154.112(b).

“not change the conditions under which service is provided and do[es] not present a risk of undue discrimination.” Natural Gas Pipeline Negotiated Rates Policies and Practices, 104 FERC ¶61,134, at P27 (2003). See, e.g., El Paso Natural Gas Co., 109 FERC ¶61,146 (2004); ANR Pipeline Co., 97 FERC ¶61,224 (2001); Columbia Gas Transmission Corp., 97 FERC ¶61,221 (2001). Transco submits that the non-conforming Exhibit “C” to PPL’s Service Agreement should be approved because the deviation correctly describes the agreement of the parties with respect to PPL’s reimbursement of the costs to expand the Avis Meter Station. Moreover, the modified language does not present a risk of undue discrimination. As provided in Section 20.7(b) of the GT&C, “Seller and the requesting party may negotiate an alternative cost recovery mechanism” for payment of costs incurred by Transco in constructing interconnect facilities for a requesting party. Therefore, individually negotiated reimbursement mechanisms are available to any party that requests interconnect facilities.

As such, pursuant to Sections 154.1(d) and 154.112(b) of the Commission’s regulations, Transco submits herewith for filing with the Commission copies of the Service Agreement and amendments thereto, the September Amendment, and Tenth Revised Sheet No. 30, which adds the Service Agreement, including the September Amendment, to the list of non-conforming service agreements in Transco’s Tariff. Transco affirms that, other than as described herein, the Service Agreement, including the September Amendment, do not deviate in any material aspect from the Rate Schedule FT form of service agreement in Transco’s Tariff.

Effective Date

Transco respectfully requests that the Commission grant any and all waivers of its regulations that it deems necessary to allow the tariff sheet submitted herein to become effective on December 6, 2007.⁸ In the event the Commission elects to accept and suspend the revised tariff sheets, in accordance with Section 154.7(a)(9) of the Commission’s regulations, Transco moves to place such tariff sheet into effect at the end of the applicable suspension period.

Materials Submitted Herewith

In accordance with Section 154.7(a)(1) of the Commission’s Regulations (“Regulations”), the following material is submitted herewith:

- (1) The revised tariff sheet and the “redlined” version of the revised tariff sheet, in accordance with Section 154.201(a) of the Regulations;
- (2) As required by Section 154.4 of the Regulations, a diskette copy of the revised tariff sheet labeled TF110607.ASC; and

⁸ As stated in the Interconnect Agreement, PPL’s monthly installment for the FRC assumes a loan start date of January 1, 2008; with the first installment due February 20, 2008.

- (3) Attachment "A," consisting of copies of a "redlined" version of the non-conforming Exhibit C included in the September Amendment, the executed September Amendment, and the Service Agreement.

Posting and Certification of Service

In accordance with the provisions of Section 154.2(d) of the Commission's 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 and interested state commissions.

Any communications in regard to this filing should be sent to:

Scott C. Turkington
Director, Rates & Regulatory
Transcontinental Gas Pipe Line Corporation
P.O. Box 1396
Houston, Texas 77251

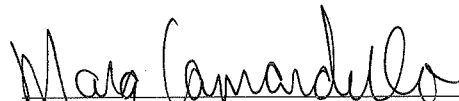
And copies should be mailed to:

Julie Baumgarten
Senior Attorney
Transcontinental Gas Pipe Line Corp.
P.O. Box 1396
Houston, Texas 77251-1396

Marshia Younglund
Manager, Federal Regulatory Affairs
The Williams Companies, Inc.
1627 Eye Street, N.W., Suite 900
Washington, D.C. 20006

Respectfully submitted,

TRANSCONTINENTAL GAS PIPE
LINE CORPORATION



Marg Camardello
Manager, Certificates & Tariffs
713-215-3380
marg.r.camardello@williams.com

NON-CONFORMING SERVICE AGREEMENTS

Name of Shipper/Agreement No. -----	Rate Schedule -----	Agreement Date -----	Date Effective -----
Municipal Gas Authority of Georgia (Contract No. 9035033) Amendment	FT	02/16/06 09/28/06	01/01/06 11/01/06
PPL Gas Utilities Corp. (Contract No. 1003692) Amendment	FT	02/01/92 09/07/07	02/01/92 09/07/07

NON-CONFORMING SERVICE AGREEMENTS

<u>Name of Shipper/Agreement No.</u>	<u>Rate Schedule</u>	<u>Agreement Date</u>	<u>Date Effective</u>
Municipal Gas Authority of Georgia (Contract No. 9035033) Amendment	FT	02/16/06 09/28/06	01/01/06 11/01/06
<u>PPL Gas Utilities Corp.</u> <u>(Contract No. 1003692)</u> <u>Amendment</u>	FT	<u>02/01/92</u> <u>09/07/07</u>	<u>02/01/92</u> <u>09/07/07</u>

ATTACHMENT "A"

AMENDMENT TO SERVICE AGREEMENT

THIS AMENDMENT ("Amendment") entered into this ____ day of _____, 2007 by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as Seller, first party, and PPL GAS UTILITIES CORPORATION, hereinafter referred to as Buyer, second party.

WITNESSETH:

WHEREAS, Seller and Buyer, entered into that certain Service Agreement dated February 1, 1992, as amended April 1, 2005 and August 18, 2006, under Seller's Rate Schedule FT pursuant to which Seller provides firm transportation service for Buyer of a Transportation Contract Quantity of 10,350 Mcf per day ("Service Agreement"); and

WHEREAS, Seller and Buyer desire to extend the term of the Service Agreement from and after March 30, 2008; and

WHEREAS, Seller and Buyer are parties to an Interconnect, Reimbursement and Operating Agreement, dated _____, 2007, ("Interconnect Agreement") for the expansion of the Avis Meter Station; and

WHEREAS, Seller and Buyer desire to include an Exhibit C into the Service Agreement to include a monthly facility reimbursement charge for the expansion of the Avis Meter Station; and

NOW, THEREFORE, Seller and Buyer agree as follows:

1. Article IV of the Service Agreement is hereby deleted in its entirety and replaced by the following:

ARTICLE IV TERM OF AGREEMENT

This agreement shall be effective as of February 1, 1992, and shall remain in force and effect until 9:00 a.m. Central Clock Time April 1, 2018 and thereafter until terminated by Seller or Buyer upon at least three (3) years written notice; 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 32 of the General Terms and Conditions of Seller's Volume No. 1 Tariff. As set forth in Section 8 of Article II of Seller's August 7, 1989 revised Stipulation and Agreement in Docket Nos. RP88-68 et al., (a) pre-granted abandonment under Section 284.221 (d) of the Commission's Regulations shall not apply to any long term conversions from firm sales service to transportation service under Seller's Rate Schedule FT and (b) Seller shall not exercise its right to terminate this service agreement as it applies to transportation service resulting from conversions from firm sales service so long as Buyer is willing to pay rates no less favorable than Seller is otherwise able to collect from third parties for such service."

2. Exhibit C is attached hereto and made a part hereof this Service Agreement.

3. Except as amended hereby, the terms and conditions of the Service Agreement shall remain in full force and effect.

4. This Amendment to the Service Agreement shall be filed with the Federal Energy Regulatory Commission.

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

**TRANSCONTINENTAL GAS PIPE
LINE CORPORATION ("Seller")**

**PPL GAS UTILITIES CORPORATION
("Buyer")**

By: _____
Frank J. Ferazzi
Vice President
Commercial Operations

By: _____
Name: _____
Title: _____

EXHIBIT C

ATTACHED AND MADE PART OF THE SERVICE AGREEMENT BY AND BETWEEN TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER, AND PPL GAS UTILITIES CORPORATION AS BUYER, DATED FEBRUARY 1, 1992, AS AMENDED APRIL 1, 2005, AUGUST 18, 2006, AND _____, 2007.

Specification of Negotiated Rate and Term payment for reimbursement:

Term: 5 years

Facility Reimbursement Charge: \$ 16,597.54/month

In addition to the rates, charges, surcharges and fuel payable by Buyer to Seller in accordance with Article V of the Service Agreement, Buyer, subject to the terms of this Service Agreement, and receipt and acceptance of any necessary regulatory approvals by Seller, agrees to pay Seller each month a Facility Reimbursement Charge ("FRC") for those certain interconnect facilities described in the Interconnect, Reimbursement and Operating Agreement ("Interconnect Agreement") for the expansion of the Avis Meter Station.

The first monthly installment of the FRC shall be due February 20, 2008 and shall be in effect for a term of five years regardless of the term stated in Article IV of this service agreement.

The FRC will be adjusted as necessary to reflect the final costs of those certain interconnect facilities described in, and in accordance with, the Interconnect Agreement. This Service Agreement will be amended to include this recalculated FRC.

If during the five year term of the FRC, PPL Gas permanently releases the Service Agreement to a "Replacement Buyer" pursuant to Section 42.14 of the General Terms and Conditions of Transco's FERC Gas Tariff, PPL Gas, not the Replacement Buyer, shall continue to pay Transco for the FRC unless a Commission order, policy or regulation provides otherwise.

Seller agrees not to file or cause to be filed with the FERC under Section 4 of the Natural Gas Act ("NGA") to seek to modify the FRC other than to adjust the FRC as necessary to reflect the final costs of the Interconnect facilities described in the Interconnect Agreement and Buyer agrees not to file or cause to be filed with the FERC any action, claim, complaint, or other pleading under Sections 4 or 5 of the NGA, or to support or participate in any such proceeding initiated by any other party, relating to the FRC.

AMENDMENT TO SERVICE AGREEMENT

THIS AMENDMENT ("Amendment") entered into this 7th day of September 2007 by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as Seller, first party, and PPL GAS UTILITIES CORPORATION, hereinafter referred to as Buyer, second party.

WITNESSETH:

WHEREAS, Seller and Buyer, entered into that certain Service Agreement dated February 1, 1992, as amended April 1, 2005 and August 18, 2006, under Seller's Rate Schedule FT pursuant to which Seller provides firm transportation service for Buyer of a Transportation Contract Quantity of 10,350 Mcf per day ("Service Agreement"); and

WHEREAS, Seller and Buyer desire to extend the term of the Service Agreement from and after March 30, 2008; and

WHEREAS, Seller and Buyer are parties to an Interconnect, Reimbursement and Operating Agreement, dated September 7, 2007, ("Interconnect Agreement") for the expansion of the Avis Meter Station; and

WHEREAS, Seller and Buyer desire to include an Exhibit C into the Service Agreement to include a monthly facility reimbursement charge for the expansion of the Avis Meter Station; and

NOW, THEREFORE, Seller and Buyer agree as follows:

- Article IV of the Service Agreement is hereby deleted in its entirety and replaced by the following:

"ARTICLE IV
TERM OF AGREEMENT

This agreement shall be effective as of February 1, 1992, and shall remain in force and effect until 9:00 a.m. Central Clock Time April 1, 2018 and thereafter until terminated by Seller or Buyer upon at least three (3) years written notice; 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 32 of the General Terms and Conditions of Seller's Volume No. 1 Tariff. As set forth in Section 8 of Article II of Seller's August 7, 1989 revised Stipulation and Agreement in Docket Nos. RP88-68 et.al., (a) pre-granted abandonment under Section 284.221 (d) of the Commission's Regulations shall not apply to any long term conversions from firm sales service to transportation service under Seller's Rate Schedule FT and (b) Seller shall not exercise its right to terminate this service agreement as it applies to transportation service resulting from conversions from firm sales service so long as Buyer is willing to pay rates no less favorable than Seller is otherwise able to collect from third parties for such service."

- Exhibit C is attached hereto and made a part hereof this Service Agreement.

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CORPORATE RECORDS


3. Except as amended hereby, the terms and conditions of the Service Agreement shall remain in full force and effect.

4. This Amendment to the Service Agreement shall be filed with the Federal Energy Regulatory Commission.

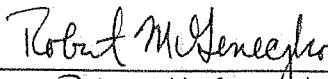
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be signed by their respective officers or representatives, thereunto duly authorized.

TRANSCONTINENTAL GAS PIPE
LINE CORPORATION ("Seller")

PPL GAS UTILITIES CORPORATION
("Buyer")

By: 
Frank J. Ferazzi
Vice President
Commercial Operations

KCM
JFB
JGA
CFL
PK

By:  8/28/07
Name: Robert H. Genczyk
Title: President

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CORPORATE RECORDS

EXHIBIT C

ATTACHED AND MADE PART OF THE SERVICE AGREEMENT BY AND BETWEEN TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER, AND PPL GAS UTILITIES CORPORATION AS BUYER, DATED FEBRUARY 1, 1992, AS AMENDED APRIL 1, 2005, AUGUST 18, 2006, AND September 7, 2007.

Specification of payment for reimbursement:

Term: 5 years

Facility Reimbursement Charge: \$ 16,597.54/month

In addition to the rates, charges, surcharges and fuel payable by Buyer to Seller in accordance with Article V of the Service Agreement, Buyer, subject to the terms of this Service Agreement, and receipt and acceptance of any necessary regulatory approvals by Seller, agrees to pay Seller each month a Facility Reimbursement Charge ("FRC") for those certain interconnect facilities described in the Interconnect, Reimbursement and Operating Agreement ("Interconnect Agreement") for the expansion of the Avis Meter Station.

The first monthly installment of the FRC shall be due February 20, 2008 and shall be in effect for a term of five years regardless of the term stated in Article IV of this service agreement.

The FRC will be adjusted as necessary to reflect the final costs of those certain interconnect facilities described in, and in accordance with, the Interconnect Agreement. This Service Agreement will be amended to include this recalculated FRC.

If during the five year term of the FRC, PPL Gas permanently releases the Service Agreement to a "Replacement Buyer" pursuant to Section 42.14 of the General Terms and Conditions of Transco's FERC Gas Tariff, PPL Gas, not the Replacement Buyer, shall continue to pay Transco for the FRC unless a Commission order, policy or regulation provides otherwise.

Seller agrees not to file or cause to be filed with the FERC under Section 4 of the Natural Gas Act ("NGA") to seek to modify the FRC other than to adjust the FRC as necessary to reflect the final costs of the Interconnect facilities described in the Interconnect Agreement and Buyer agrees not to file or cause to be filed with the FERC any action, claim, complaint, or other pleading under Sections 4 or 5 of the NGA, or to support or participate in any such proceeding initiated by any other party, relating to the FRC.

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CORPORATE RECORDS

System Contract #0.3692

SERVICE AGREEMENT

between

TRANSCONTINENTAL GAS PIPE LINE CORPORATION

and

UNION GAS COMPANY

DATED

February 1, 1992

SERVICE AGREEMENT

THIS AGREEMENT entered into this 1ST day of FEBRUARY, 1992, by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Seller", first party, and UNION GAS COMPANY, hereinafter referred to as "Buyer," second party,

W I T N E S S E T H

WHEREAS, Buyer and Seller desire to consolidate the existing limited term and long term firm transportation service agreements between Buyer and Seller into a single long term service agreement under Seller's Rate Schedule FT.

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, Buyer agrees to deliver or cause to be delivered to Seller gas for transportation and Seller agrees to receive, transport and redeliver natural gas to Buyer or for the account of Buyer, on a firm basis, up to the dekatherm equivalent of a Transportation Contract Quantity ("TCQ") of 10,350 Mcf 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.

SERVICE AGREEMENT
(Continued)

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 Seller's pipeline system at the varying pressures that may exist in such system from time to time; provided, however, that such pressure of the gas delivered or caused to be delivered by Buyer shall not exceed the maximum operating pressure(s) specified below. In the event the maximum operating pressure(s) of Seller's 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 to Seller at the point(s) of receipt shall be correspondingly increased or decreased upon written notification of Seller to Buyer. The point(s) of receipt for natural gas received for transportation pursuant to this agreement shall be:

SEE Exhibit A, attached hereto, for points of receipt.

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:

SEE Exhibit B, attached hereto, for points of delivery and pressures.

SERVICE AGREEMENT
(CONTINUED)

ARTICLE IV
TERM OF AGREEMENT

This agreement shall be effective as of February 1, 1992 and shall remain in force and effect until 8:00 a.m. Eastern Standard Time March 31, 2005 and thereafter until terminated by Seller or Buyer upon at least three (3) years written notice; 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 8.3 of Seller's Rate Schedule FT. As set forth in Section 8 of Article II of Seller's August 7, 1989 revised Stipulation and Agreement in Docket Nos. RP88-68 et al., (a) pregranted abandonment under Section 284.221 (d) of the Commission's Regulations shall not apply to any long term conversions from firm sales service to transportation service under Seller's Rate Schedule FT and (b) Seller shall not exercise its right to terminate this service agreement as it applies to transportation service resulting from conversions from firm sales service so long as Buyer is willing to pay rates no less favorable than Seller is otherwise able to collect from third parties for such service.

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 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 to Seller shall include the quantity of gas retained by Seller for applicable compressor fuel, line loss make-up (and injection fuel under Seller's Rate Schedule GSS, if applicable) 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. 44 of Volume No. 1 of this Tariff which relates to service under this agreement and which is incorporated herein.

SERVICE AGREEMENT
(Continued)

3. In addition to the applicable charges for firm transportation service pursuant to Section 3 of Seller's Rate Schedule FT, 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, to the extent such fees are imposed upon Seller by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction.

ARTICLE VI
MISCELLANEOUS

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

FT Service Agreement dated April 1, 1991, as amended August 1, 1991 (system contract 0.3692); FT (limited term) Service Agreement dated April 10, 1990, as amended April 1, 1991 and August 1, 1991 (system contract 0.3414/0.3452) the term of which Buyer and Seller hereby agree to extend until the effective date of service hereunder.

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.

SERVICE AGREEMENT
(Continued)

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: Director - Transportation Services

(b) If to Buyer:

Union Gas Company
55 South Third Street
Oxford, Pennsylvania 19363
Attention: Gas Controller

Such address 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: Thomas E. Skains *TSK*
Thomas E. Skains
Senior Vice President
Transportation and Customer Services *WAC*

UNION GAS COMPANY
(Buyer)

By: John H. ... *GH*
Title: President & C.E.O.

EXHIBIT "A"
(FT)

System Contract #.3692

Buyer's
Cumulative
Mainline Capacity
Entitlement
(Mcf/day)*Point(s) of Receipt

- | | | |
|----|---|-------|
| 1. | Suction Side of Seller's Compressor Station 30 at the Existing Point of Interconnection between Seller's Central Texas Lateral and Seller's Mainline at Wharton County, Texas. (Station 30 TP#7133) | 1,760 |
| 2. | Existing Point of Interconnection between Seller and Valero Transmission Company (Seller Meter No. 3396) at Wharton County, Texas. (Wharton Valero TP#6690) | 1,760 |
| 3. | Existing Point of Interconnection between Seller and Meter named Spanish Camp (Seller Meter No. 3365) Wharton County, Texas. (Spanish Camp-Delhi TP#6895) | 1,760 |
| 4. | Existing Point of Interconnection between Seller and Meter named Denton Cooley #1 (Seller Meter No. 3331), In Fort Bend County, Texas (Denton Cooley #1 -TP#1106) | 1,760 |
| 5. | Existing Point of Interconnection between Seller and Meter named Randon East (Fulshear) (Seller Meter No. 1427), in Fort Bend County, Texas. (Randon East (Fulshear) TP#299) | 1,760 |
| 6. | Existing Point of Interconnection between Seller and Houston Pipeline Company (Seller Meter No. 3364) At Fulshear, Fort Bend County, Texas. (Fulshear-HPL TP#6097) | 1,760 |
| 7. | Existing Point of Interconnection between Seller and Meter named White Oak Bayou-Exxon Gas System, Inc. (Seller Meter No. 3545), in Harris County, Texas. (White Oak Bayou-EGSI-TP#1036) | 1,760 |

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
8. Existing Point of Interconnection between Seller and Houston Pipeline Company (Seller Meter No. 4359) at Bammel, Harris County, Texas. (Bammel-HPL TP#6014)	1,760
9. Existing Point of Interconnection between Seller and Delhi Pipeline Company (Seller Meter No. 3346) at Hardin County, Texas. (Hardin-Delhi TP#6696)	1,760
10. Existing Point of Interconnection between Seller and Meter named Vidor Field Junction (Seller Meter No. 3554), in Jasper County, Texas. (Vidor Field Junction-TP#2337)	1,760
11. Existing Point of Interconnection between Seller and Meter named Starks McConathy (Seller Meter No. 3535), in Calcasieu Parish, Louisiana. (Starks McConathy-TP#7346)	1,760
12. Existing Point of Interconnection between Seller and Meter named DeQuincy Intercon (Seller Meter No. 2698), in Calcasieu Parish, Louisiana. (DeQuincy Intercon-TP#7035)	1,760
13. Existing Point of Interconnection between Seller and Meter named DeQuincy Great Scott (Seller Meter No. 3357), in Calcasieu Parish, Louisiana. (DeQuincy Great Scott-TP#6809)	1,760
14. Existing Point of Interconnection between Seller and Meter named Perkins-Phillips (Seller Meter No. 3532), in Calcasieu Parish, Louisiana. (Perkins-Phillips-TP#7508)	1,760
15. Existing Point of Interconnection between Seller and Meter named Perkins (Intercon) (Seller Meter No. 3395), in Calcasieu Parish, Louisiana. (Perkins (Intercon) -TP#7036)	1,760
16. Existing Point of Interconnection between Seller and Meter named Perkins East (Seller Meter No. 2369), in Beauregard Parish, Louisiana. (Perkins East-TP#139)	1,760

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
17. Discharge Side of Seller's Compressor Station 45 at the Existing point of Interconnection between Seller's Southwest Louisiana Lateral and Seller's Mainline Beauregard Parish, Louisiana. (Station 45 TP#7101)	4,347
18. Existing Point of Interconnection between Seller and Texas Eastern Transmission Corporation, (Seller Meter No. 4198) at Ragley, Beauregard Parish, Louisiana. (Ragley-TET TP#6217)	4,347
19. Existing Point of Interconnection between Seller and Trunkline Gas Company (Seller Meter No. 4215) at Ragley, Beauregard Parish, Louisiana. (Ragley-Trunkline TP#6218)	4,347
20. Existing Point of Interconnection between Seller and Tennessee Gas Transmission Company (Seller Meter No. 3371) at Kinder, Allen Parish, Louisiana. (Kinder TGT-TP#6149)**	4,347
21. Existing Point of Interconnection between Seller and Texas Gas Transmission Corporation (Seller Meter Nos. 3227, 4314, 4457) at Eunice, Evangeline Parish, Louisiana. (Eunice Mamou Tx. Gas TP#6923)	4,347
22. Suction Side of Seller's Compressor Station 50 at the Existing Point of Interconnection between Seller's Central Louisiana Lateral and Seller's Mainline Evangeline Parish, Louisiana. (Station 50 TP#6948)	6,314
23. Existing Point of Interconnection between Seller and Columbia Gulf Transmission Corporation (Seller Meter No. 3142) at Eunice, Evangeline Parish, Louisiana. (Eunice Evangeline Col. Gulf TP#6414)	6,314

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
24. Discharge Side of Seller's Compressor Station 54 at Seller's Washington Storage Field, St. Landry Parish, Louisiana (Station 54 TP#6768)	6,431 March- November 6,314 December- February
25. Existing Point of Interconnection between Seller and Acadian Pipeline (Seller Meter No. 3506) in Pointe Coupee Parish, Louisiana. (Morganza-Acadian Pipeline TP#7060)	6,314
26. Existing Point of Interconnection (Seller Meter No. 3272) at M.P. 566.92, Morganza Field, Pointe Coupee Parish, Louisiana. (Morganza Field - TP#576)	6,314
27. Existing Point of Interconnection between Seller and Meter named West Feliciana Parish-Creole (Seller Meter No. 4464), in West Feliciana Parish, Louisiana. (West Feliciana Parish-Creole TP#7165)	6,314
28. Existing Point of Interconnection between Seller and Mid-Louisiana Gas Company (Seller Meter Nos. 4137, 4184, 3229) at Ethel, East Feliciana Parish, Louisiana. (Ethel-Mid LA TP#6083)	6,314
29. Existing Point of Interconnection between Seller and Meter named Liverpool Northwest (Seller Meter No. 3390), in St. Helena Parish, Louisiana. (Liverpool Northwest-TP#6757)	6,314
30. Suction Side of Seller's Compressor Station 62 on Seller's Southeast Louisiana Lateral in Terrebonne Parish Louisiana. (Station 62 TP#7141)	4,037
31. Existing Point of Interconnection between Seller and Meter named Texas Gas - TLIPCO-Thibodeaux (Seller Meter No. 3533), in Lafourche Parish, Louisiana. (TXGT-TLIPCO-Thibodeaux-TP#7206)	4,037

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
32. Existing Point of Interconnection between Seller and Meter named Romeville-Monterey Pipeline (Seller Meter No. 4410), in St. James Parish, Louisiana. (Romeville-Monterey Pipeline-TP#580)	4,037
33. Existing Point of Interconnection between Seller and Meter named St. James CCIPC (Seller Meter No. 4462), in St. James Parish, Louisiana. (St. James CCIPC-TP#7164)**	4,037
34. Existing Point of Interconnection between Seller and Meter named St. James Faustina (St. Amelia)(Seller Meter No. 3328), in St. James Parish, Louisiana. (St. James Faustina (St. Amelia) TP#6268)**	4,037
35. Existing Point of Interconnection between Seller and Meter named St. James Acadian (Seller Meter No. 4366), in St. James Parish, Louisiana. (St. James Acadian-TP#6677)**	4,037
36. Existing Point of Interconnection between Seller and Meter Named Livingston-Flare (Seller Meter No. 3540), in Livingston Parish, Louisiana. (Livingston-Flare-TP#8739)	4,037
37. Existing Point of Interconnection between Seller and Florida Gas Transmission Company (Seller Meter No. 3217) at St. Helena, St. Helena Parish, Louisiana. (St. Helena FGT-TP#6267)	4,037
38. Existing Point of Interconnection between Seller and Meter named Beaver Dam Creek (Seller Meter No. 3536), in St. Helena Parish, Louisiana. (Beaver Dam Creek-TP#8218)	4,037
39. Suction Side of Seller's Compressor Station 65 at the Existing Point of Interconnection between Seller's Southeast Louisiana Lateral and Seller's Mainline St. Helena Parish, Louisiana. (Station 65 TP#6685)	10,350

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
40. Existing Point of Interconnection between Seller and Meter named Amite County/Koch (Seller Meter No. 3332), in Amite County, Mississippi (Amite County/Koch-TP#6701)	10,350
41. Existing Point of Interconnection between Seller and Meter named McComb (Seller Meter No. 3461), in Pike County, Mississippi. (McComb-TP#6446)	10,350
42. Existing Point of Interconnection between Seller and United Gas Pipe Line Company at Holmesville (Seller Meter No. 3150), Pike County, Mississippi. (Holmesville-United TP#6128)	10,350
43. Discharge Side of Seller's Compressor Station 70 at M.P. 661.77 in Walthall County, Mississippi. (M.P. 661.77-Station 70 Discharge-TP#7142)	10,350
44. Existing Point of Interconnection between Seller and United Gas Pipe Line Company at Walthall (Seller Meter No. 3095), Walthall County, Mississippi. (Walthall-UGPL TP#6310)	10,350
45. Existing Point of Interconnection between Seller and Meter named Darbun-Pruett 34-10 (Seller Meter No. 3446) at M.P. 668.46 on Seller's Main Transmission Line, Darbun Field, Walthall County, Mississippi. (Darbun Pruett TP#6750)	10,350
46. Existing Point of Interconnection between Seller and Meter named Ivy Newsome (Seller Meter No. 3413) in Marion County, Mississippi. (Ivy Newsome-TP#6179)	10,350
47. Existing Point of Interconnection between Seller and West Oakvale Field at M.P. 680.47-Marion County, Mississippi. (M.P. 680.47-West Oakvale Field-TP#7144)	10,350

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
48. Existing Point of Interconnection between Seller and East Morgantown Field at M.P. 680.47 in Marion County, Mississippi. (M.P. 680.47-E. Morgantown Field-TP#7145)	10,350
49. Existing Point of Interconnection between Seller and Greens Creek Field, at M.P. 681.84 Marion County, Mississippi. (M. P. 681.84 Greens Creek Field TP#7146)	10,350
50. Existing Point of Interconnection between Seller and Meter named M.P.685.00-Oakvale Unit 6-6 in Jefferson Davis County, Mississippi. (M.P. 685.00-Oakvale Unit 6-6 -TP#1376)	10,350
51. Existing Point of Interconnection between Seller and Meter named M.P. 687.23-Oakvale Field in Marion County, Mississippi. (M.P. 687.23-Oakvale Field-TP#7147)	10,350
52. Existing Point of Interconnection between Seller and Bassfield at named M.P. 696.40 in Marion County, Mississippi. (M.P. 696.40 Bassfield-TP#9439)	10,350
53. Existing Point of Interconnection between Seller and Meter named Lithium/Holiday Creek -Frm (Seller Meter No. 3418), in Jefferson Davis County, Mississippi. (Lithium/Holiday Creek-Frm-TP#7041)	10,350
54. Existing Point of Interconnection between Seller and S. W. Sumrall Field and Holiday Creek at M.P. 692.05-Holiday Creek in Jefferson Davis, Mississippi. (M.P. 692.05 -Holiday Creek-TP#7159)	10,350
55. Existing Point of Interconnection between Seller and ANR Pipe Line Company at Holiday Creek (Seller Meter No. 3241), Jefferson David County, Mississippi. (Holiday Creek-ANR TP#398)	10,350

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
56. Existing Point of Interconnection between Seller and Mississippi Fuel Company at Jeff Davis (Seller Meter No. 3252), Jefferson Davis County, Mississippi. (Jefferson Davis County-Miss Fuels TP#6579)	10,350
57. Existing Point of Interconnection between Seller and Meter named Jefferson Davis-Frm (Seller Meter No. 4420), in Jefferson Davis County, Mississippi. (Jefferson Davis-Frm-TP#7033)	10,350
58. Existing Point of Interconnection between Seller and Carson Dome Field M.P. 696.41, in Jefferson Davis County, Mississippi. (M.P. 696.41-Carson Dome Field-TP#7148)	10,350
59. Existing Point of Interconnection between Seller and Meter Station named Bassfield-ANR Company at M.P. 703.17 on Seller's Main Transmission Line (Seller Meter No. 3238), Covington County, Mississippi. (Bassfield-ANR TP#7029)	10,350
60. Existing Point of Interconnection between Seller and Meter named Patti Bihm #1 (Seller Meter No. 3468), in Covington County, Mississippi. (Patti Bihm #1-TP#7629)	10,350
61. Discharge Side of Seller's Compressor at Seller's Eminence Storage Field (Seller Meter No. 4166 and 3160) Covington County, Mississippi. (Eminence Storage TP#5561)	10,350
62. Existing Point of Interconnection between Seller and Dont Dome Field at M.P. 713.39 in Covington, County, Mississippi. (M.P. 713.39-Dont Dome-TP#1396)	10,350
63. Existing Point of Interconnection between Seller and Endevco in Covington County, Mississippi. (Hattiesburg-Interconnect storage TP#1686)	10,350

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*</u>
64. Existing Point at M.P. 719.58 on Seller's Main Transmission Line (Seller Meter No. 3544), Centerville Dome Field, Jones County, Mississippi. (Centerville Dome Field-TP#1532)	10,350
65. Existing Point of Interconnection between Seller and Meter named Calhoun (Seller Meter No. 3404), in Jones County, Mississippi. (Calhoun-TP#378)	10,350
66. Existing Point at M.P. 727.78 on Seller's Main Transmission Line, Jones County, Mississippi. (Jones County-Gitano TP#7166)	10,350
67. Existing Point of Interconnection between Seller and a Meter named Koch Reedy Creek (Seller Meter No. 3333), Jones County, Mississippi. (Reedy Creek-Koch TP#670)	10,350
68. Existing Point of Interconnection between Seller and Meter named Sharon Field (Seller Meter No. 3000), in Jones County, Mississippi. (Sharon Field-TP#419)	10,350
69. Existing Point of Interconnection between Seller and Tennessee Gas Transmission Company at Heidelberg (Seller Meter No. 3109), Jasper County, Mississippi. (Heidelberg-Tennessee TP#6120)	10,350
70. Existing Point of Interconnection between Seller and Mississippi Fuel Company at Clarke (Seller Meter No. 3254), Clarke County, Mississippi. (Clarke County-Miss Fuels TP#6047)	10,350
71. Existing Point of Interconnection between Seller and Meter named Clarke County-Koch at M.P. 757.29 in Clarke County, Mississippi. (Clarke County-Koch-TP#5566)	10,350

<u>Point(s) of Receipt</u>	Buyer's Cumulative Mainline Capacity Entitlement (Mcf/day)*
72. Existing Point of Interconnection between Seller's mainline and Mobile Bay Lateral at M.P. 784.66 in Choctaw County, Alabama. (Station 85 - Mobile Bay Pool TP#8244)	10,350
73. Existing Point of Interconnection between Seller's mainline and Mobile Bay Lateral at M.P. 784.66 in Choctaw County, Alabama. (Station 85 - Mainline Pool TP#6971)	10,350
74. Existing Point of Interconnection between Seller and Magnolia Pipeline in Chilton County, Alabama. (Magnolia Pipeline Interconnect-TP#1808)	10,350
75. Existing Point of Interconnection between Seller and Southern Natural Gas Company, (Seller Meter No. 4087) at Jonesboro, Clayton County, Georgia. (Jonesboro-SNG-TP#6141)	10,350
76. Existing Point of Interconnection between Seller and Columbia Gas Transmission (Seller Meter No. 7157) at Dranesville, Fairfax County, Virginia. (Dranesville-Colgas-TP#6068)**	10,350
77. Existing Point of Interconnection between Seller and Columbia Gas Transmission (Seller Meter No. 4080) at Rockville, Baltimore County, Maryland. (Rockville-Colgas-TP#6227)**	10,350
78. Existing Point of Interconnection between Seller and Columbia Gas Transmission (Seller Meter No. 3088) at Downingtown, Chester County, Pennsylvania. (Downingtown-Colgas-TP#6067)**	10,350
79. Existing Point of Interconnection between Seller and Texas Eastern Transmission Corporation (Seller Meter No. 4133) at Skippack, Montgomery County, Pennsylvania. (Skippack-TET-TP#6249)**	10,350

Buyer shall not tender, without the prior consent of Seller, at any point(s) of receipt on any day a quantity in excess of the applicable Buyer's Cumulative Mainline Capacity Entitlement for such point(s) of receipt.

-
- * These quantities do not include the additional quantities of gas retained by Seller for applicable compressor fuel and line loss make-up provided for in Article V, 2 of this Service Agreement, which are subject to change as provided for in Article V, 2 hereof.
 - ** Receipt of gas by displacement only.

Exhibit B

<u>Point(s) of Delivery</u>	<u>Pressure(s)</u>
1. Station 54*	Not Applicable
2. Seller's Eminence Storage Field Covington County, Mississippi.	Prevailing pressure in Seller's pipeline system not to exceed maximum allowable operating pressure.
3. Palmerton Meter Station, located on Seller's Leidy Transmission line near Wind Gap, Monroe County, Pennsylvania.	Not less than fifty (50) pounds per square inch gauge or at such other pressure as may be agreed upon in the day to day operations of Buyer and Seller.
4. Wind Gap Meter Station, located at the intersection of Seller's Leidy Line and the east side of Highway No. 512 in Northampton County, Pennsylvania.	Not less than fifty (50) pounds per square inch gauge or at such other pressure as may be agreed upon in the day to day operations of Buyer and Seller.
5. Avis Meter Station, located at milepost 159.94 on Seller's Leidy Line in Clinton County, Pennsylvania.	Not less than fifty (50) pounds per square inch gauge or at such other pressure as may be agreed upon in the day to day operations of Buyer and Seller.
6. Hughesville Meter Station, located at milepost 129.52 on Seller's Leidy Line near Picture Rock, Lycoming County, Pennsylvania.	Not less than fifty (50) pounds per square inch gauge or at such other pressure as may be agreed upon in the day to day operations of Buyer and Seller.

* Delivery to Seller's Washington Storage Field for injection into storage is subject to the terms, conditions and limitations of Seller's WSS Rate Schedule.

Exhibit B (Continued)Point(s) of DeliveryPressure(s)

7. Wyoming Meter Station, located at milepost 83.60 on Seller's Leidy Line in Luzerne County, Pennsylvania.

Not less than fifty (50) pounds per square inch gauge or at such other pressure as may be agreed upon in the day to day operations of Buyer and Seller.

AMENDMENT TO SERVICE AGREEMENT

THIS AMENDMENT ("Amendment") is entered into this 1st day of April, 2005 by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Seller," first party, and PPL GAS UTILITIES CORPORATION, hereinafter referred to as "Buyer," second party.

WITNESSETH

WHEREAS, Seller and Buyer are parties to that certain Service Agreement, dated February 1, 1992, under Seller's Rate Schedule FT ("Service Agreement") number 0.3692 pursuant to which Seller provides firm transportation service for Buyer up to a Transportation Contract Quantity of 10,350 Mcf of natural gas per day; and

WHEREAS, Seller and Buyer now desire to extend the primary term of the Service Agreement from and after March 31, 2005.

NOW THEREFORE, Seller and Buyer hereby agree to amend the Service Agreement as follows:

- 1. Article IV of the Service Agreement is hereby deleted in its entirety and replaced by the following:

ARTICLE IV
TERM OF AGREEMENT

This agreement shall be effective as of April 1, 2005 and shall remain in force and effect until 9:00 a.m. Central Clock Time March 31, 2008 and thereafter until terminated by Seller or Buyer upon at least one year(s) written notice; 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 judgement fails to demonstrate credit worthiness, and (b) Buyer fails to provide adequate security in accordance with Section 32 of the General Terms and Conditions of Seller's Volume No. 1 Tariff. As set forth in Section 8 of Article II of Seller's August 7, 1989 revised Stipulation and Agreement in Docket Nos. RP88-68 et al., (a) pregranted abandonment under Section 284.221(d) of the Commission's Regulations shall not apply to any long term conversions from firm sales service to transportation service under Seller's Rate Schedule FT and (b) Seller shall not exercise its right to terminate this service agreement as it applies to transportation service resulting from conversions from firm sales service so long as Buyer is willing to pay rates no less favorable than Seller is otherwise able to collect from third parties for such service.

- 2. This Amendment shall be effective as of the date first above written.
- 3. Except as herein amended, the Service Agreement shall remain in full force and effect pursuant to the terms thereof.

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

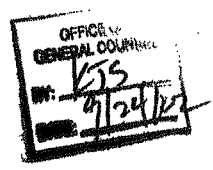
TRANSCONTINENTAL GAS PIPE LINE CORPORATION ("SELLER")

PPL GAS UTILITIES CORPORATION ("BUYER")

*Law
GHT
JPC*

By Paul F. Egner III
Paul F. Egner III
Director of Marketing Services

By Robert M. Hennecke
Title PRESIDENT - PPL GAS UTILITIES



JS

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CORPORATE RECORDS

AMENDMENT TO SERVICE AGREEMENT

THIS AMENDMENT ("Amendment") entered into this 18th day of August, 2006 by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as Seller, first party, and PPL Gas Utilities Corporation, hereinafter referred to as Buyer, second party.

WITNESSETH:

WHEREAS, Seller and Buyer entered into that certain Service Agreement dated February 1, 1992, as amended April 1, 2005, under Seller's Rate Schedule FT pursuant to which Seller provides firm transportation service for Buyer of a Transportation Contract Quantity of 10,350 Mcf per day ("Contract No. 1003692"); and

WHEREAS, effective October 1, 1996, Seller implemented tariff provisions in compliance with FERC Order No. 582 providing for the restatement of transportation and storage quantities from Mcfs to dts; and

WHEREAS, Seller and Buyer have agreed to amend Contract No. 1003692 to restate the Transportation Contract Quantity in Dts effective as of October 1, 1996, consistent with the dts used by Seller and Buyer under Contract No. 1003692 since Seller's implementation of FERC Order No. 582.

NOW, THEREFORE, Seller and Buyer agree as follows:

1. Effective 9:00 a.m. Central Clock Time on October 1, 1996 (the "Effective Date"), Article I of Contract No. 1003692 is hereby deleted in its entirety and replaced by the following:

**"ARTICLE I
GAS TRANSPORTATION SERVICE**

1. Subject to the terms and provisions of this agreement and of Seller's Rate Schedule FT, Buyer agrees to deliver or cause to be delivered to Seller gas for transportation 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 10,712 dt per day.

2. Transportation service rendered hereunder shall not be subject to curtailment or interruption except as provided in Section 11 and, if applicable, Section 42 of the General Terms and Conditions of Seller's FERC Gas Tariff."

AMENDMENT TO SERVICE AGREEMENT
(continued)

2. Effective 9:00 a.m. Central Clock Time on the Effective Date, Exhibit A of Contract No. 1003692 is hereby deleted in its entirety and replaced by the Exhibit A attached hereto.

3. Except as amended hereby, the terms and conditions of Contract No. 1003692 shall remain in full force and effect.

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

TRANSCONTINENTAL GAS PIPE
LINE CORPORATION ("Seller")

PPL GAS UTILITIES ("Buyer")

By Paul F. Egner III
Paul F. Egner III
Director
Marketing Services
KM
224
JIS

By Robert F. Beard
Name: Robert F. Beard
Title: Director - Operations

OFFICE OF
GENERAL COUNSEL
BY: EW
DATE: 7/19/00

EXHIBIT A
TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER, AND
PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Dt/day)*</u>
1. Suction Side of Seller's Compressor Station 30 at the Existing Point of Interconnection between Seller's Central Texas Lateral and Seller's Mainline at Wharton County, Texas. (Station 30 TP#7133)	1,822
2. Existing Point of Interconnection between Seller and Valero Transmission Company (Seller Meter No. 3396) in Wharton County, Texas. (Wharton Valero TP#6690)	1,822
3. Existing Point of Interconnection between Seller and Meter named Spanish Camp (Seller Meter No. 3365) in Wharton County, Texas. (Spanish Camp-Delhi TP#6895)	1,822
4. Existing Point of Interconnection between Seller and Meter named Denton Cooley #1 (Seller Meter No. 3331) in Fort Bend County, Texas. (Denton Cooley #1 TP#1106)	1,822
5. Existing Point of Interconnection between Seller and Meter named Randon East (Fulshear) (Seller Meter No. 1427) in Fort Bend County, Texas. (Randon East (Fulshear) TP#299)	1,822
6. Existing Point of Interconnection between Seller and Houston Pipeline Company (Seller Meter No. 3364), at Fulshear, Fort Bend County, Texas. (Fulshear-HPL TP#6097)	1,822
7. Existing Point of Interconnection between Seller and Meter named White Oak Bayou-Exxon Gas System, Inc. (Seller Meter No. 3545) in Harris County, Texas. (White Oak Bayou-EGSI-TP#1036)	1,822
8. Existing Point of Interconnection between Seller and Houston Pipeline Company (Seller Meter No. 4359) at Bammel, Harris County, Texas. (Bammel-HPL TP#6014)	1,822

Exhibit A (continued)
TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER, AND
PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Dt/day)*</u>
9. Existing Point of Interconnection between Seller and Delhi Pipeline Company (Seller Meter No. 3346) at Hardin County, Texas. (Hardin-Delhi TP#6696)	1,822
10. Existing Point of Interconnection between Seller and Meter named Vidor Field Junction (Seller Meter No. 3554) in Jasper County, Texas. (Vidor Field Junction TP#2337)	1,822
11. Existing Point of Interconnection between Seller and Meter named Starks McConathy (Seller Meter No. 3535) in Calcasieu Parish, Louisiana. (Starks McConathy TP#7346)	1,822
12. Existing Point of Interconnection between Seller and Meter named DeQuincy Intercon (Seller Meter No. 2698) in Calcasieu Parish, Louisiana. (DeQuincy Intercon TP#7035)	1,822
13. Existing Point of Interconnection between Seller and Meter named DeQuincy Great Scott (Seller Meter No. 3357) in Calcasieu Parish, Louisiana. (DeQuincy Great Scott TP#6809)	1,822
14. Existing Point of Interconnection between Seller and Meter named Perkins-Phillips (Seller Meter No. 3532) in Calcasieu Parish, Louisiana. (Perkins-Phillips TP#7508)	1,822
15. Existing Point of Interconnection between Seller and Meter named Perkins (Intercon) (Seller Meter No. 3395) in Calcasieu Parish, Louisiana. (Perkins (Intercon) TP#7036)	1,822
16. Existing Point of Interconnection between Seller and Meter named Perkins East (Seller Meter No. 2369) in Beauregard Parish, Louisiana. (Perkins East TP#139)	1,822
17. Discharge Side of Seller's Compressor Station 45 at the Existing Point of Interconnection between Seller's Southwest Louisiana Lateral and Seller's Mainline Beauregard Parish, Louisiana. (Station 45 TP#7101)	4,500

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER, AND
PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
FT – Contract 1003692

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Dt/day)*</u>
18. Existing Point of Interconnection between Seller and Texas Eastern Transmission Corporation (Seller Meter No. 4198) at Ragley, Beauregard Parish, Louisiana. (Ragley-TET TP#6217)	4,500
19. Existing Point of Interconnection between Seller and Trunkline Gas Company (Seller Meter No. 4215) at Ragley, Beauregard Parish, Louisiana. (Ragley-Trunkline TP#6218)	4,500
20. Existing Point of Interconnection between Seller and Tennessee Gas Transmission Company (Seller Meter No. 3371) at Kinder, Allen Parish, Louisiana. (Kinder TGT TP#6149)**	4,500
21. Existing Point of Interconnection between Seller and Texas Gas Transmission Corp. (Seller Meter Nos. 3227, 4314, 4557) at Eunice, Evangeline Parish, Louisiana. (Eunice Mamou Tx. Gas TP#6923)	4,500
22. Suction Side of Seller's Compressor Station 50 at the Existing Point of Interconnection Between Seller's Central Louisiana Lateral and Seller's Mainline Evangeline Parish, Louisiana. (Station 50 TP#6948)	6,535
23. Existing Point of Interconnection between Seller and Columbia Gulf Transmission Corporation (Seller Meter No. 3142) at Eunice, Evangeline Parish, Louisiana. (Eunice Evangeline Columbia Gulf TP#6414)	6,535
24. Discharge Side of Seller's Compressor Station 54 at Seller's Washington Storage Field, St. Landry Parish, Louisiana (Station 54 TP#6768)	6,656 March - 6,535 November - February
25. Existing Point of Interconnection between Seller and Acadian Pipeline (Seller Meter No. 3506) in Pointe Coupee Parish, Louisiana. (Morganza-Acadian Pipeline TP#7060)	6,535

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER,
AND PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
FT – Contract 1003692

<u>Point(s) of Receipt</u>	Buyer's Cumulative Mainline Capacity Entitlement <u>(Dt/day)*</u>
26. Existing Point of Interconnection (Seller Meter No. 3272) M.P. 566.92 Morganza Field, Pointe Coupee Parish, Louisiana. (Morganza Field TP#576)	6,535
27. Existing Point of Interconnection between Seller and Meter named West Feliciana Parish-Creole (Seller Meter No. 4464) in West Feliciana Parish, Louisiana. (West Feliciana Parish-Creole TP#7165)	6,535
28. Existing Point of Interconnection between Seller and Mid-Louisiana Gas Company (Seller Meter Nos. 4137, 4184, 3229) at Ethel, East Feliciana Parish, Louisiana. (Ethel-Mid LA TP#6083)	6,535
29. Existing Point of Interconnection between Seller and Meter named Liverpool Northwest (Seller Meter No. 3390) in St. Helena Parish, Louisiana. (Liverpool Northwest TP#6757)	6,535
30. Suction Side of Seller's Compressor Station 62 on Seller's Southeast Louisiana Lateral in Terrebonne Parish, Louisiana. (Station 62 TP#7141)	4,177
31. Existing Point of Interconnection between Seller and Meter named Texas Gas – TLIPCO - Thibodeaux (Seller Meter No. 3533) in LaFourche Parish, Louisiana. (TGT – TLIPCO - Thibodeaux TP#7206)	4,177
32. Existing Point of Interconnection between Seller and Meter named Romeville-Monterey Pipeline(Seller Meter No. 4410) in St. James Parish, Louisiana. (Romeville-Monterey Pipeline TP#580)	4,177
33. Existing Point of Interconnection between Seller and Meter named St. James CCIPC (Seller Meter No. 4462) in St. James Parish, Louisiana. (St. James CCIPC TP#7164)**	4,177

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER,
 AND PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	Buyer's Cumulative Mainline Capacity Entitlement (Dt/day)*
34. Existing Point of Interconnection between Seller and Meter named St. James Faustina (St. Amelia) (Seller Meter No. 3328) in St. James Parish, Louisiana. (St. James Faustina (St. Amelia) TP#6268) **	4,177
35. Existing Point of Interconnection between Seller and Meter named St. James Acadian (Seller Meter No. 4366) in St. James Parish, Louisiana. (St. James Acadian TP#6677)**	4,177
36. Existing Point of Interconnection between Seller and Meter named Livingston-Flare (Seller Meter No. 3540) in Livingston, Parish, Louisiana. (Livingston-Flare TP#8739)	4,177
37. Existing Point of Interconnection between Seller and Florida Gas Transmission Company (Seller Meter No. 3217) at St. Helena, St. Helena Parish, Louisiana. (St. Helena FGT TP#6267)	4,177
38. Existing Point of Interconnection between Seller and Meter named Beaver Dam Creek (Seller Meter No. 3536) in St. Helena Parish, Louisiana. (Beaver Dam Creek TP#8218)	4,177
39. Suction Side of Seller's Compressor Station 65 at Existing Point of Interconnection between Seller's Southeast Louisiana Lateral and Seller's Mainline St. Helena Parish, Louisiana. (Station 65 TP#6685)	10,712
40. Existing Point of Interconnection between Seller and Meter named Amite County/Koch (Seller Meter No. 3332) in Amite County, Mississippi. (Amite County/Koch TP#6701)	10,712
41. Existing Point of Interconnection between Seller and Meter named McComb (Seller Meter No. 3461) in Pike County, Mississippi (McComb TP#6446)	10,712

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER,
 AND PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	Buyer's Cumulative Mainline Capacity Entitlement <u>(Dt/day)*</u>
42. Existing Point of Interconnection between Seller and United Gas Pipeline Company at Holmesville (Seller Meter No. 3150) Pike County, Mississippi. (Holmesville-United TP#6128)	10,712
43. Discharge Side of Seller's Compressor Station 70 at M.P. 661.77 in Walthall County, Mississippi. (M.P. 661.77-Station 70 Discharge TP#7142)	10,712
44. Existing Point of Interconnection between Seller and United Gas Pipeline Company at Walthall (Seller Meter No. 3095) Walthall County, Mississippi. (Walthall-UGPL TP#6310)	10,712
45. Existing Point of Interconnection between Seller and Meter named Darbun-Pruett 34-10 (Seller Meter No. 3446) at M.P.668.46 on Seller's Main Transmission Line, Darbun Field, Walthall County, Mississippi. (Darbun-Pruett TP#6750)	10,712
46. Existing Point of Interconnection between Seller and Meter named Ivey Newsome (Seller Meter No. 3413) in Marion County, Mississippi. (Ivy Newsome TP#6179)	10,712
47. Existing Point of Interconnection between Seller and West Oakvale Field at M.P. 680.47-Marion County, Mississippi. (M.P. 680.47-West Oakvale Field TP#7144)	10,712
48. Existing Point of Interconnection between Seller and East Morgantown Field at M.P. 680.47 in Marion County, Mississippi. (M.P. 680.47-Morgantown Field TP#7145)	10,712
49. Existing Point of Interconnection between Seller and Greens Creek Field at M.P. 681.84 in Marion County, Mississippi. (Greens Creek TP#7146)	10,712

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER,
 AND PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	Buyer's Cumulative Mainline Capacity Entitlement <u>(Dt/day)*</u>
50. Existing Point of Interconnection between Seller and Meter named M.P. 685.00-Oakville Unit 6-6 in Jefferson Davis County, Mississippi. (M.P. 685.00-Oakville Unit 6-6 TP#1376)	10,712
51. Existing Point of Interconnection between Seller and Meter named M.P. 687.23-Oakville Field in Marion County, Mississippi. (M.P. 687.23-Oakville Field TP#7147)	10,712
52. Existing Point of Interconnection between Seller at Bassfield at named M.P. 696.40-Marion County, Mississippi. (M.P. 696.40 Bassfield TP#9439)	10,712
53. Existing Point of Interconnection between Seller and Meter named Lithium/Holiday Creek Frm (Seller Meter No. 3418) in Jefferson Davis County, Mississippi. (Lithium/Holiday Creek-Frm TP#7041)	10,712
54. Existing Point of Interconnection between Seller and S.W. Sumrall Field and Holiday Creek at M.P. 692.05-Holiday Creek in Jefferson Davis County, Mississippi. M.P. 692.05-Holiday Creek TP#7159)	10,712
55. Existing Point of Interconnection between Seller and ANR Pipe Line Company at Holiday Creek (Seller Meter No. 3241) Jefferson Davis County, Mississippi. (Holiday Creek-ANR TP#398)	10,712
56. Existing Point of Interconnection between Seller and Mississippi Fuel Company at Jeff Davis (Seller Meter No. 3252) Jefferson Davis County, Mississippi. (Jefferson Davis County-Miss Fuels TP#6579	10,712
57. Existing Point of Interconnection between Seller and Meter named Jefferson Davis-Frm (Seller Meter No. 4420) in Jefferson Davis County, Mississippi. (Jefferson Davis-Frm TP#7033)	10,712

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER,
 AND PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	Buyer's Cumulative Mainline Capacity Entitlement (Dt/day)*
58. Existing Point of Interconnection between Seller and Carson Dome Field M.P. 696.41 in Jefferson Davis County, Mississippi. (M.P. 696.41 Carson Dome Field TP#7148)	10,712
59. Existing Point of Interconnection between Seller and Meter Station named Bassfield-ANR Company at M.P. 703.17 on Seller's Main Transmission Line (Seller Meter No. 3238) Covington County, Mississippi. (Bassfield-ANR TP#7029)	10,712
60. Existing Point of Interconnection between Seller and Meter named Patti Bihm #1 (Seller Meter No. 3468) in Covington County, Mississippi. (Patti Bihm #1 TP#7629)	10,712
61. Discharge Side of Seller's Compressor at Seller's Eminence Storage Field (Seller Meter Nos. 4166 and 3160) Covington County, Mississippi. (Eminence Storage TP#5561)	10,712
62. Existing Point of Interconnection between Seller and Dont Dome Field at M.P. 713.39 in Covington County, Mississippi. (M.P. 713.39-Dont Dome TP#1396)	10,712
63. Existing Point of Interconnection between Seller and Endevco in Covington County, Mississippi. (Hattiesburg-Interconnect Storage TP#1686)	10,712
64. Existing Point at M.P. 719.58 on Seller's Main Transmission Line (Seller Meter No. 3544) Centerville Dome Field, Jones County, Mississippi. (Center Dome Field TP#1532)	10,712
65. Existing Point of Interconnection between Seller and Meter named Calhoun (Seller Meter No. 3404) in Jones County, Mississippi. (Calhoun TP #378)	10,712

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER,
 AND PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	<u>Buyer's Cumulative Mainline Capacity Entitlement (Dt/day)*</u>
66. Existing Point at M.P. 727.78 on Seller's Main Transmission Line, Jones County, Mississippi. (Jones County Gitano TP#7166)	10,712
67. Existing Point of Interconnection between Seller and Meter named Koch Reedy Creek (Seller Meter No. 3333) Jones County, Mississippi. (Reedy Creek-Koch TP#670)	10,712
68. Existing Point of Interconnection between Seller and Meter named Sharon Field (Seller Meter No. 3000) in Jones County, Mississippi. (Sharon Field TP#419)	10,712
69. Existing Point of Interconnection between Seller and Tennessee Gas Transmission Company at Heidelberg (Seller Meter No. 3109) Jasper County, Mississippi. (Heidelberg-Tennessee TP#6120)	10,712
70. Existing Point of Interconnection between Seller and Mississippi Fuel Company at Clarke (Seller Meter No. 3254) Clarke County, Mississippi. (Clarke County-Miss Fuels TP#6047)	10,712
71. Existing Point of Interconnection between Seller and Meter named Clarke County-Koch at M.P. 757.29 in Clarke County, Mississippi. (Clarke County-Koch TP#5566)	10,712
72. Existing Point of Interconnection between Seller's Mainline and Mobile Bay Lateral at M.P. 784.66 in Choctaw County, Alabama. (Station 85-Mainline Pool TP#8244)	10,712
73. Existing Point of Interconnection between Seller's Mainline and Mobile Bay Lateral at M.P. 784.66 in Choctaw County, Alabama. (Station 85-Mainline Pool TP#6971)	10,712

Exhibit A (continued)
**TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER,
 AND PPL GAS UTILITIES, AS BUYER, EFFECTIVE OCTOBER 1, 1996**
 FT – Contract 1003692

<u>Point(s) of Receipt</u>	Buyer's Cumulative Mainline Capacity Entitlement <u>(Dt/day)*</u>
74. Existing Point of Interconnection between Seller and Magnolia Pipeline in Chilton County, Alabama. (Magnolia Pipeline Interconnect TP#1808)	10,712
75. Existing Point of Interconnection between Seller and Southern Natural Gas Company (Seller Meter No. 4087) at Jonesboro, Clayton County, Georgia. (Jonesboro-SNG TP#6141)	10,712
76. Existing Point of Interconnection between Seller and Columbia Gas Transmission (Seller Meter No. 7157) at Dranesville, Fairfax County, Virginia. (Dranesville-Colgas-TP#6068) **	10,712
77. Existing Point of Interconnection between Seller and Columbia Gas Transmission (Seller Meter No. 4080) at Rockville, Baltimore County, Maryland. (Rockville-Colgas-TP#6227) **	10,712
78. Existing Point of Interconnection between Seller and Columbia Gas Transmission (Seller Meter No. 3088) at Downingtown, Chester County, Pennsylvania. (Downingtown-Colgas-TP#6067) **	10,712
79. Existing Point of Interconnection between Seller and Texas Eastern Transmission Corporation (Seller Meter No. 4133) at Skippack, Montgomery County, Pennsylvania. (Skippack-TET-TP#6249) **	10,712

Buyer shall not tender, without the prior consent of Seller, at any point(s) of receipt on any day a quantity in excess of the applicable Buyer's Cumulative Mainline Capacity Entitlement for such point(s) of receipt.

* These quantities do not include the additional quantities of gas retained by Seller for applicable compressor fuel and line loss make-up provided for in Article V, 2 of this Service Agreement, which are subject to change as provided for in Article V, 2 hereof.

** Receipt of gas by displacement only.