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Transcontinental Gas Pipe Line Company, LLC

February 14, 2014

DRAFT VERSION - FOR DISCUSSION PURPOSES ONLY

As regulations and business practices evolve, Transco's tariff must be periodically updated to ensure that it remains current and relevant. This is a draft of updates to Transco's tariff that is being considered for filing with the FERC. Transco encourages customers to review and provide comments by the due date provided below. All comments and concerns will be considered prior to making the filing with the FERC.

Summary:

Changes to interruptible Rate Schedule LG-S are proposed including the following: (1) changing the criteria of valid requests for deliveries of LNG, including placing a cap on the quantity of LNG that may be requested by a customer, (2) specifying the procedures that customers with allocated LNG quantities must follow to schedule deliveries of such LNG, (3) detailing how Transco will allocate delivery requests if they exceed the loading capability of the LNG facility, and (4) updating language to conform with other sections of the Tariff.

Applicable Sections:

Part III - Rate Schedules, Section 7.1 - Rate Schedule LG-S

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Comments Due: 2/21/2014

RATE SCHEDULE LG-S
Liquefied Natural Gas Delivery - At Site
(Carlstadt, New Jersey)

1. AVAILABILITY

- 1.1 This rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") of liquefied natural gas ("LNG") delivery service on an interruptible basis to any person, company or agency (hereinafter referred to as "Buyer"), by transfer of LNG to a properly qualified transporting vehicle ("Truck") when:
- (a) Buyer has submitted a valid request in accordance with Section 4.2 hereof and Seller has notified Buyer that it is able to render LG-S service; and
 - (b) Buyer has executed a service agreement with Seller for service under this rate schedule.
- 1.2 Deliveries of LNG by transfer to a Truck shall be at Seller's loading platform located at Seller's liquefaction-storage plant located near Carlstadt, New Jersey.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to LNG delivered to Buyer into a Truck.
- 2.2 Deliveries hereunder shall be made at Seller's sole discretion based upon Seller's determination of quantities available in excess of those required by Seller to render its contracted firm service under the LNG and LG-A rate schedules.

3. RATES AND FUEL

- 3.1 The rate for service under this rate schedule is shown on the currently effective Statement of Rates and Fuel in Part II, Section 8.1 of this tariff.
- 3.2 Seller shall retain from Buyer's nominated storage injections (returns) a percentage or percentages as compensation for fuel and gas otherwise used, or lost and unaccounted for, in Seller's operations. Such percentage is specified in the currently effective Statement of Rates and Fuel in Part II, Section 8.1 of this tariff.

4. PROCEDURE TO REQUEST SERVICE AND ALLOCATION OF AVAILABLE QUANTITIES

- 4.1 No later than the 10th business day of May of any year, Seller shall post on 1Line the quantities of LNG, in dekatherms (dts), that Seller expects to be operationally available for service under this rate schedule ("estimated available quantities") and the time period during which such quantities are expected to be available. The posting shall specify the time period during which potential Buyers may submit requests for service ("initial request period").

- 4.2 Requests for service hereunder shall be considered valid when Buyer has completed and returned by email or facsimile Seller's LG-S Request Form (available on Seller's Informational Postings web page) prior to the close of the initial request period. Such request for service shall contain the information specified in Seller's LG-S Request Form, as such may be revised from time to time, and
- (a) Sufficient information to determine Buyer's creditworthiness in accordance with Section 32 of the General Terms and Conditions; and
 - (b) Buyer's requested LNG quantity in dekatherms. Buyer's requested quantity may not exceed the estimated available quantities as posted on 1Line.
- 4.3 Requests received during the initial request period shall be evaluated collectively by Seller. In the event the total of all such requests exceeds Seller's estimated available quantities, Seller shall allocate the available quantities among Buyers pro rata based on each Buyer's requested quantities.
- 4.4 Should Seller determine after the initial request period that additional quantities of LNG are available for deliveries under this rate schedule, Seller shall issue a posting on 1Line and use the procedures set forth in Sections 4.2 through 4.3 herein to allocate the available quantities to Buyers.
- 4.5 Nothing contained herein shall be construed as requiring Buyer or Seller to meet the estimated or allocated quantities or as precluding revisions to those quantities as conditions may require.
5. SCHEDULING AND ALLOCATION OF LNG DELIVERY REQUESTS

Buyers allocated LNG quantities pursuant to Section 4 herein shall submit requests to take delivery of such quantities by transfer to a Truck(s), and Seller will schedule and allocate, if necessary, deliveries as set forth below:

- (a) Buyer shall provide request(s) electronically via email to Seller at least 72 hours in advance of each delivery, which request(s) must be provided on a Business Day. The request(s) shall state the time the Truck(s) will arrive at Seller's liquefaction-storage plant and the quantity of LNG to be received stated as the number of Trucks desired. Such requested delivery quantities may not exceed the loading capability of the liquefaction-storage plant, as posted on 1Line, or the number of Trucks available for Buyer, as defined herein. The number of Trucks available for a Buyer shall be calculated using an estimated dekatherm equivalent quantity of LNG per Truck which will be posted on 1Line. The number of Trucks available for a Buyer shall be the LNG quantity allocated to Buyer pursuant to Section 4 of this rate schedule, as reduced by the portion of such quantity already delivered or scheduled to be delivered to Buyer, divided by the posted dekatherm equivalent quantity of LNG per Truck.
- (b) Seller shall endeavor to deliver, on any day, as much of Buyer's requested LNG as operating conditions permit. If, however, for any day, the total of all Buyers' requests for delivery of LNG to a Truck under this rate schedule exceed the quantities that Seller is

operationally able to deliver on such day, then such quantities shall be allocated pro rata among the requesting Buyers under this rate schedule that met the request requirements of Section 5(a) herein based on each such Buyer's requested quantity.

- (c) Seller, in its sole judgment, may waive the 72-hour advance request period on a non-discriminatory basis. Buyer request(s) made less than 72 hours in advance shall be evaluated after all requests made pursuant to Section 5(a) herein are satisfied. Such requests shall be allocated on a first-come, first-served basis, as operating conditions permit.
- (d) Seller shall communicate via email the results of the allocation process set forth in Section 5(b) and, if applicable, Section 5(c) herein to the requesting Buyer(s). Nothing herein shall preclude revisions by Seller to such allocated quantities as operational conditions may require. Seller shall not be required to allocate or to deliver partial Trucks of LNG to Buyer.

6. BUYER RESPONSIBILITIES

- (a) It shall be Buyer's responsibility to ensure that Buyer's and/or its carrier company's Truck(s) are compatible with Seller's delivery facilities.
- (b) Buyer's and/or its carrier company's Truck(s) and drivers shall be in compliance with all codes and regulations pertaining to the design, construction and operation of containers for the transportation of LNG.
- (c) Buyer and/or its carrier company shall have proper insurance and shall, upon request, provide Seller with a certificate of insurance, satisfactory to Seller, prior to the movement of any Truck onto Seller's loading platform. Seller may refuse to load any Truck if satisfactory proof of insurance is not provided.
- (d) The size of Buyer's and/or its carrier company's Truck(s) shall not be in excess of a size that can safely negotiate the roads at Seller's liquefaction-storage plant.
- (e) After delivery of LNG to, or for the account of, Buyer at the outlet valve of Seller's loading facilities, Buyer shall be deemed to be in control and possession thereof, and Seller shall have no responsibility with respect to such LNG on account of anything which may be done, happen or arise with respect to such LNG after such delivery. Buyer shall indemnify and hold harmless Seller from any and all claims, suits or causes of action of any type arising out of the operations, including the operation of Truck(s), at Seller's Liquefaction-storage Plant or following delivery of such LNG that are under the control of Buyer, its carrier company, agents, representatives or contractors.
- (f) The LNG delivered by Seller shall not be odorized and Buyer agrees to indemnify Seller against any liability or claim arising out of, or in connection with, the delivery of unodorized LNG by Seller to Buyer.

7. DETERMINATION OF DELIVERED QUANTITIES

The quantity of LNG delivered by Seller to Buyer shall be determined by having the transportation vehicles weighed by Buyer or its carrier on certified scales before and after loading. Buyer shall have the responsibility of furnishing Seller with certified weights prior to, and within 48 hours after, loading with LNG. The weight of LNG so delivered shall be converted into dt in accordance with the American Gas Association Gas Measurement Committee Report No. 5 of Fuel Gas Energy Metering, as amended, expanded or superseded from time to time, applied in an appropriate manner.

8. BUYER'S RETURN TO SELLER

On each day Buyer receives LNG under this rate schedule, the quantity of LNG delivered, as determined in Section 7 above, shall be returned to Seller in the form of natural gas within ten (10) days, at Seller's liquefaction-storage plant located near Carlstadt, New Jersey, as a result of transportation services performed by Seller for Buyer or Buyer's designee. Seller, in its sole judgment, may extend this ten (10) day return requirement on a non-discriminatory basis. Seller may discontinue service hereunder if Buyer fails to meet the ten (10) day return requirement or such other return requirement as specified by Seller.

9. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Seller's Volume No. 1 Tariff, to the extent they are applicable to the deliveries of LNG as provided herein, are made a part of this rate schedule.

RATE SCHEDULE LG-S
Liquefied Natural Gas Delivery - At Site
(Carlstadt, New Jersey)

1. AVAILABILITY

~~1.1~~ ~~1.1~~—This rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as “Seller”) of liquefied natural gas liquefaction (“LNG”) delivery service on an interruptible basis to any gasperson, company or any other party agency (hereinafter referred to as “Buyer”), by transfer of LNG to a properly qualified transporting vehicle (“Truck”) when-:

(a) Buyer has submitted a valid request in accordance with Section 4.2 hereof and Seller has notified Buyer that it is able to render LG-S service; and

(b) Buyer has executed a service agreement with Seller for service under this rate schedule.

1.2 ~~Delivery~~Deliveries of liquefied natural gas (“LNG”) by transfer to a Truck shall be at Seller's loading platform located at Seller's liquefaction-storage plant located near Carlstadt, New Jersey.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This rate schedule shall apply to LNG delivered to Buyer into a ~~properly qualified transporting vehicle~~Truck.

2.2 Deliveries hereunder shall be made at Seller's sole discretion based upon Seller's determination of quantities available in excess of those required by Seller to render its contracted firm service under ~~Rate Schedules the LNG and LG-A and LNG~~rate schedules.

3. RATES AND FUEL

3.1 The ~~charge set forth in that portion of rate for service under this rate schedule is shown on the currently effective Statement of Rates and Fuel in Part II, Section 8.1, which is a charge per dt delivered of this tariff.~~

3.2 Seller shall retain from Buyer's nominated storage injections (returns) a percentage or percentages as compensation for fuel and gas otherwise used, or lost and unaccounted for, in Seller's operations. Such percentage is specified in the currently effective Statement of Rates and Fuel in Part II, Section 8.1 of this tariff.

4.

~~4.~~ PROCEDURE TO REQUEST SERVICE AND ESTIMATED ALLOCATION OF AVAILABLE QUANTITIES

4.1 ~~Buyers under this rate schedule shall furnish in writing to Seller a request for service hereunder which shall include: (1) estimated daily quantities, (2) estimated monthly~~

~~quantities, (3) estimated total quantities, and (4) the proposed delivery schedule for such quantities.~~

~~(a) Requests received by April 30~~No later than the 10th business day of May of any calendar year, Seller shall be evaluated collectively by Seller. In post on 1Line the event such requests exceed the quantities of LNG, in dekatherms (dts), that Seller expects to be operationally available, Seller shall allocate deliveries among Buyers pro rata based on each Buyer's total requested for service under this rate schedule ("estimated available quantities).

~~(b) Requests received after April 30 of any calendar year shall be allocated on a first-come first-served basis if, after fulfilling requests pursuant to Section 4.1(a) hereof,") and the time period during which such quantities are expected to be operationally available. However, requests received on the same day~~The posting shall be allocated among~~specify the time period during which potential Buyers on a pro rata basis may submit requests for service ("initial request period").~~

~~4.2~~ 4.2 Requests for service hereunder shall be considered valid when Buyer has completed and returned by email or facsimile Seller's LG-S Request Form (available on Seller's Informational Postings web page) prior to the close of the initial request period. Such request for service shall contain the information specified in Seller's LG-S Request Form, as such may be revised from time to time, and

~~(a) Sufficient information to determine Buyer's creditworthiness in accordance with Section 32 of the General Terms and Conditions; and~~

~~(b) Buyer's requested LNG quantity in dekatherms. Buyer's requested quantity may not exceed the estimated available quantities as posted on 1Line.~~

~~4.3~~ Requests received during the initial request period shall be evaluated collectively by Seller. In the event the total of all such requests exceeds Seller's estimated available quantities, Seller shall allocate the available quantities among Buyers pro rata based on each Buyer's requested quantities.

~~4.4~~ Should Seller determine after the initial request period that additional quantities of LNG are available for deliveries under this rate schedule, Seller shall issue a posting on 1Line and use the procedures set forth in Sections 4.2 through 4.3 herein to allocate the available quantities to Buyers.

~~4.5~~ Nothing contained herein shall be construed as requiring Buyer or Seller to meet the estimated or allocated quantities or as precluding revisions ~~in such estimates to those quantities~~ as conditions may require.

~~4.3~~ The conditions of delivery are as follows:

~~(a)~~ _____

5. SCHEDULING AND ALLOCATION OF LNG DELIVERY REQUESTS

Buyers allocated LNG quantities pursuant to Section 4 herein shall submit requests to take delivery of such quantities by transfer to a Truck(s), and Seller will schedule and allocate, if necessary, deliveries as set forth below:

- (a) Buyer shall ~~give~~provide request(s) electronically via email to Seller at least ~~24~~72 hours ~~notice prior to~~in advance of each delivery; ~~such notice, which request(s) must be provided on a Business Day.~~ The request(s) shall state the time the ~~carrier~~Truck(s) will arrive at Seller's liquefaction-storage plant, and the quantity of LNG to be received stated as the number of Trucks desired. Such requested delivery quantities may not exceed the loading capability of the liquefaction-storage plant, as posted on 1Line, or the number of Trucks available for Buyer, as defined herein. The number of Trucks available for a Buyer shall be calculated using an estimated dekatherm equivalent quantity of LNG per Truck which will be posted on 1Line. The number of Trucks available for a Buyer shall be the LNG quantity allocated to Buyer pursuant to Section 4 of this rate schedule, as reduced by the portion of such quantity already delivered or scheduled to be delivered to Buyer, divided by the posted dekatherm equivalent quantity of LNG per Truck.
- (b) ~~—————~~ (b) Seller shall endeavor to deliver, on any day, as much of Buyer's requested LNG as operating conditions permit. If, however, for any day, the total of all Buyers' requests for delivery of LNG to a Truck under this rate schedule exceed the quantities that Seller is operationally able to deliver on such day, then such quantities shall be allocated pro rata among the requesting Buyers under this rate schedule that met the request requirements of Section 5(a) herein based on each such Buyer's requested quantity.
- (c) Seller, in its sole judgment, may waive the 72-hour advance request period on a non-discriminatory basis. Buyer request(s) made less than 72 hours in advance shall be evaluated after all requests made pursuant to Section 5(a) herein are satisfied. Such requests shall be allocated on a first-come, first-served basis, as operating conditions permit.
- (d) Seller shall communicate via email the results of the allocation process set forth in Section 5(b) and, if applicable, Section 5(c) herein to the requesting Buyer(s). Nothing herein shall preclude revisions by Seller to such allocated quantities as operational conditions may require. Seller shall not be required to allocate or to deliver partial Trucks of LNG to Buyer.

6. BUYER RESPONSIBILITIES

- (a) It shall be Buyer's responsibility to ~~assure~~ensure that Buyer's ~~receiving facilities and/or its carrier company's Truck(s)~~ are compatible with Seller's delivery facilities.
- (b) ~~—————~~ (c) The ~~transportation vehicle~~Buyer's and/or its carrier company's Truck(s) and drivers shall be in ~~complete~~ compliance with all codes and regulations pertaining to the design, construction and operation of containers for the transportation of LNG.
- (c) ~~—————~~ (d) Buyer and/or its carrier company shall have proper insurance and ~~Buyer~~shall, upon request, provide Seller with a certificate of insurance, satisfactory to Seller, prior to the movement of any ~~vehicle onto Seller's property~~Truck onto Seller's

loading platform. Seller may refuse to load any Truck if satisfactory proof of insurance is not provided.

(d) _____ (e) —The size of a transportation vehicleBuyer's and/or its carrier company's Truck(s) shall not be in excess of a size that can safely negotiate the roads at Seller's liquefaction-storage plant.

(e) 5After delivery of LNG to, or for the account of, Buyer at the outlet valve of Seller's loading facilities, Buyer shall be deemed to be in control and possession thereof, and Seller shall have no responsibility with respect to such LNG on account of anything which may be done, happen or arise with respect to such LNG after such delivery. Buyer shall indemnify and hold harmless Seller from any and all claims, suits or causes of action of any type arising out of the operations, including the operation of Truck(s), at Seller's Liquefaction-storage Plant or following delivery of such LNG that are under the control of Buyer, its carrier company, agents, representatives or contractors.

(f) The LNG delivered by Seller shall not be odorized and Buyer agrees to indemnify Seller against any liability or claim arising out of, or in connection with, the delivery of unodorized LNG by Seller to Buyer.

7. DETERMINATION OF ~~DELIVERIES~~DELIVERED QUANTITIES

The quantity of LNG delivered by Seller to Buyer shall be determined by having the transportation vehicles weighed by Buyer or its carrier on certified scales before and after loading. The carrierBuyer shall have the responsibility of furnishing Seller with certified weights prior to, and within 48 hours after, loading with LNG. The weight of LNG so delivered shall be converted into dt in accordance with the American Gas Association Gas Measurement Committee Report No. 5 of Fuel Gas Energy Metering, as amended, expanded or superseded from time to time, applied in an appropriate manner.

68. BUYER'S RETURN TO SELLER

On each day Buyer receives LNG under this rate schedule, gasthe quantity of LNG delivered, as determined in Section 7 above, shall be made available returned to Seller in the form of natural gas within ten (10) days, unless otherwise required by Seller for operational reasons, at Seller's liquefaction-storage plant located near Carlstadt, New Jersey, as a result of transportation services performed by Seller for Buyer or Buyer's designee. The quantity of natural gas to be delivered to Seller shall be the dt delivered by Seller to Buyer under this rate schedule, multiplied by a fuel retention factor to compensate for fuel and shrinkage at the liquefaction-storage plant. Seller's fuel and shrinkage factor is specified in the currently effective Statement of Rates and Fuel in Part II, Section 8.1 of this tariffSeller, in its sole judgment, may extend this ten (10) day return requirement on a non-discriminatory basis. Seller may discontinue service hereunder if Buyer fails to meet the ten (10) day return requirement or such other return requirement as specified by Seller.

7. —QUALITY

—Refer to Section 3 of the General Terms and Conditions.

~~8. MEASUREMENT~~

~~— Refer to Section 4 of the General Terms and Conditions.~~

9. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Seller's Volume No. 1 Tariff, to the extent they are applicable to the deliveries of LNG as provided herein, are made a part of this rate schedule.

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