

PART III - RATE SCHEDULES

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**SECTION 1
OPEN ACCESS FIRM TRANSPORTATION SERVICE**

RATE SCHEDULE FT
Firm Transportation Service

1. AVAILABILITY

Service under this rate schedule is available to any gas company or any other party (hereinafter referred to as "Buyer") for the transportation of natural gas by Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") on Seller's system when:

- 1.1 Buyer desires firm transportation service of gas under this rate schedule; and
 - (a) Buyer has converted from firm sales service under Seller's CD, G or OG rate schedules or Seller's non-jurisdictional direct industrial sales agreement to firm transportation service pursuant to this rate schedule; or
 - (b) Buyer has converted from firm sales service under Seller's PS or ACQ rate schedules to firm transportation service pursuant to this rate schedule; or
 - (c) Buyer and Seller have agreed to convert existing firm service to service under this rate schedule; or
 - (d) Buyer has submitted a valid request in accordance with Section 8 hereof for service under this rate schedule and Seller has available capacity to render such service; and
- 1.2 Buyer and Seller have executed a service agreement for service under this rate schedule.
- 1.3 Service under this rate schedule is also available for transportation when Buyer has obtained released firm capacity from a Rate Schedule FT Buyer releasing such firm capacity ("Releasing Shipper") pursuant to Section 42 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to all firm transportation service rendered by Seller for Buyer including firm transportation service released under this rate schedule pursuant to Section 42 of the General Terms and Conditions. Service shall be rendered pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.
- 2.2 Transportation service provided under the terms of this rate schedule shall be limited to the delivery by Seller of up to Buyer's Transportation Contract Quantity (TCQ) specified in the executed service agreement plus fuel attributable to Rate Schedule GSS injections, if applicable.
- 2.3 Transportation service provided under this rate schedule shall be on a firm basis and shall not be subject to reduction or interruption, except as provided in Section 11 or 42 of the General Terms and Conditions.
- 2.4 Transportation service available hereunder to a Buyer of capacity resulting from a conversion from Seller's PS Rate Schedule shall be limited to the period commencing on

December 1 of each year through the last day of February of the following year unless otherwise specified in the service agreement.

- 2.5 Transportation service available hereunder to a Buyer of capacity resulting from a conversion from Seller's ACQ Rate Schedule shall be limited to the period commencing on March 1 of each year through November 30 of the same year.
- 2.6 Except as otherwise agreed to by Buyer and approved by the Commission, Section 284.221(d)(1) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.
- 2.7 Transportation service available hereunder to a Buyer of capacity resulting from a conversion from Seller's Rate Schedules X-289 through X-313 ("Southern Expansion Capacity"), from the unbundling/conversion of Rate Schedule SS-1, or from a conversion from Rate Schedule SS-1 Section 7(c) Transportation Service shall be limited to the period commencing on November 1 of each year through March 31 of the following year. Further, Southern Expansion Capacity (certificated in Docket No. CP88-760) has a TCQ applicable to the peak winter months of December, January, and February and a lower TCQ applicable to the shoulder months of November and March.
- 2.8 In any zone for which Buyer pays a reservation charge to Seller under this rate schedule, Buyer shall have access, on a secondary basis, to receipt and delivery points within that zone which are (i) located on Seller's mainline system upstream of Station 85, which does not include points upstream of Station 30, (ii) located on Seller's Mobile Bay Lateral, or (iii) downstream of Station 85 but not located within Buyer's firm contract path, as defined by those receipt and delivery points specifically identified in Buyer's FT service agreement; provided however, Buyer shall not have access on a secondary basis to receipt or delivery points located on any of Seller's delivery laterals as enumerated in Section 21.2 of the General Terms and Conditions.

The quantities to be received or delivered on a secondary basis will be (i) those quantities in excess of Buyer's firm capacity entitlement at the respective point of receipt or delivery, and shall not exceed Buyer's total firm capacity entitlement for the zone in which the point of receipt or delivery is located, but not including quantities in excess of any maximum daily capacity entitlement specified in Buyer's service agreement hereunder at Buyer's traditional delivery points, as defined in Section 4.1 below, and within Buyer's total firm capacity entitlement for the zone in which the traditional delivery point is located, and (ii) quantities within Buyer's firm capacity entitlement at the respective point of receipt or delivery when Buyer's TCQ at those points consists entirely of secondary firm capacity entitlements obtained pursuant to Section 42 of the General Terms and Conditions. Notwithstanding anything to the contrary in the foregoing, the sum of all quantities that can be nominated in any segment in a zone by Buyer and by any and all Replacement Shippers that derive a firm capacity entitlement in that zone from Buyer shall be limited to Buyer's original firm capacity entitlement under this Rate Schedule FT in that segment of the zone. If the sum of all such nominated quantities exceeds Buyer's original firm capacity entitlement under this Rate Schedule FT in that segment of the zone, the nominations using capacity on a

secondary basis in any segment covered by the nomination shall be reduced on a pro rata basis, based upon nominated quantities in each segment. Nominations that are not using capacity on a secondary basis in any segment shall not be subject to reduction under this Section 2.8. Further, Reverse Path transportation, as defined in Section 2.9(b) herein, which results in the delivery of gas to a point downstream of the point of receipt will be scheduled on a secondary basis. Quantities received or delivered on a secondary basis shall have the priority set forth in Section 57 of the General Terms and Conditions and shall be subject to reduction or interruption as specified in Sections 59 and 60 of the General Terms and Conditions.

2.9 For transportation service under this rate schedule the following terms shall apply in order to indicate direction of flow:

(a) Primary Path

The transportation path established by the receipt and delivery points as set forth in Buyer's executed service agreement.

(b) Reverse Path

The transportation path that is in the opposite direction of the Primary Path as defined in Section 2.9(a) above.

3. RATES AND CHARGES

3.1 For transportation service rendered to Buyer each month under this rate schedule, Buyer shall pay to Seller the sum of Seller's Reservation and Commodity Charge(s) determined as follows:

(a) Reservation Charge: Buyer's applicable TCQ(s) multiplied by the applicable reservation rate(s) multiplied by the number of days in the month that capacity was held. If Buyer acquires capacity through a volumetric release, the reservation charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the quantities (dts) delivered each day (up to Buyer's TCQ); provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.

(b) Commodity Charge: The applicable FT commodity rate(s) multiplied by the quantities (dts) delivered.

3.2 For transportation service under this rate schedule, Seller's Reservation Charges shall be calculated as follows:

- (a) Except as otherwise provided in Section 3.2(c) below, the Reservation Charge each month for a Conversion Buyer (as defined in Section 7 of this rate schedule) shall be determined as the sum of the following:
 - (i) $17\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 1 (Station 30) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
 - (ii) $25\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 2 (Station 45) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
 - (iii) $19\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 3 (Station 50) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
 - (iv) $39\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 3 (Station 62) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
- (b) In addition to the above, Conversion Buyers electing firm capacity entitlements described in Section 7.4 of this rate schedule shall pay a Reservation Charge each month under this rate schedule determined by multiplying Buyer's TCQ attributable to the firm capacity so elected by the Zone 3-3 Reservation Rate for each day in the month that capacity was held.
- (c) Conversion Buyers with an executed service agreement reflecting telescoped capacity with stated quantities which do not equate to those percentages at the locations set forth in Section 7.3 hereof shall be billed based on the percentage of the Buyer's TCQ such stated quantities represent for each zone in lieu of the percentages listed in Section 3.2(a) above.
- (d) The Reservation Charge each month for all other Buyers under this rate schedule shall be determined by multiplying Buyer's TCQ by the applicable reservation rate for each day in the month that capacity was held.

3.3 If, under the provisions of Section 11.1 through 11.4 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer, then the Reservation Charge for the month in which such day or days occur shall be computed as follows: Determine for each such day the number of dt which Seller was unable to deliver, and multiply the sum of all such days' deficiencies by the reservation rate per dt of TCQ, and the result shall be subtracted from the Reservation Charge for such month as otherwise computed. No adjustment to the Reservation Charge shall be made as a result of a reduction or interruption of service under the provisions of Sections 11.5 or 11.6 of the General Terms and Conditions.

- 3.4 For transportation service under this rate schedule, the Commodity Charge shall consist of the applicable FT commodity rate multiplied by the quantities (dts) delivered.
- 3.5 The maximum and minimum reservation and commodity rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.1 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.
- 3.6 For purposes of capacity release, the Reservation Charges per TCQ payable by Buyer shall be as set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions. The maximum reservation rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.1 of this tariff, however, for releases that become effective on or after July 30, 2008, the maximum rate ceiling does not apply to such releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund. The minimum reservation rate applicable to capacity release transactions that are not permanent releases shall be zero unless otherwise specified in the capacity release offer. The maximum and minimum commodity rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.1 of this tariff.
- 3.7 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up. Such percentage(s) are specified on the effective Statement of Rates and Fuel in Part II, Section 12.1 of this tariff.
- 3.8 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.
- 3.9 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.10 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following commodity charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.

- (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
- (c) For deliveries in Zone 3 - see the effective Statement of Rates and Fuel in Part II, Section 1.1.1 of this tariff.

3.11 Any quantities pooled at Seller's Station 85 Zone 4 pool that are nominated and delivered in Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4 to Zone 4 commodity charges and fuel retention under this rate schedule.

Any quantities pooled at Seller's Station 85 Zone 4A pool that are nominated and delivered in zones other than Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4A to Zone 4A commodity charges and fuel retention under this rate schedule.

4. RECEIPTS AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.7 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) primary points of receipt which include the furthest upstream point(s) of receipt specified in the executed service agreement and all points of receipt within Buyer's firm contract path, or (ii) at secondary point(s) of receipt pursuant to Section 2.8 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to the provisions of Section 3.7 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement ("traditional delivery point(s)"), (ii) the point(s) of delivery within Buyer's firm contract path upstream of Buyer's traditional delivery point(s) ("non-traditional delivery points"), or (iii) secondary delivery points pursuant to Section 2.8 of this rate schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.
- 4.3 Seller's ability to receive gas under this rate schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) and to the availability of capacity after performance by Seller of any existing certificated firm service arrangements under other rate schedules between Seller and third parties at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall allocate available capacity in accordance with Section 59.1(b) of the General Terms and Conditions.

- 4.4 A Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 784.66 in Choctaw County, Alabama), may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 0.00 in Choctaw County, Alabama). Similarly, a Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool, may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool.
- 4.5 Each executed service agreement shall specify Buyer's traditional FT delivery point(s). In addition, all delivery point(s) upstream of such traditional FT delivery point(s) ("non-traditional delivery points") located within Buyer's TCQ entitlements, as specified in Sections 7.2 and 7.3 hereof, shall be made available to Buyer by Seller posting such delivery points on 1Line. Buyer's ability to nominate transportation service to such upstream non-traditional delivery point(s) will be subject to: (a) operating and tariff limitations at such point(s); (b) confirmation and acceptance by the delivery point operator; and further, may be subordinate to any firm services requested to such point(s) which are traditional FT, FTN, FTP or FT-G delivery points of another firm Buyer.

Additionally, a Buyer under this rate schedule may nominate quantities of gas for transportation to secondary delivery points pursuant to Section 2.8 of this rate schedule.

- 4.6 Transportation service under this rate schedule, from the receipt point(s) and to the delivery point(s) specified in this Section 4 shall be subject to any applicable tariff limitations and contract capacity entitlements. The sum of Buyer's deliveries through a given segment of Seller's pipeline shall be limited to Buyer's TCQ quantity as specified in the executed service agreement for such segment of capacity.
- 4.7 Buyers under this rate schedule shall schedule transportation service to valid delivery points from valid receipt points without restriction to the direction of flow, provided however, the sum of the volumes scheduled on any day (upstream and/or downstream) through a given segment of Seller's pipeline shall not exceed Buyer's TCQ quantity as specified in the executed service agreement for such segment of capacity. Reverse Path transportation, as defined in Section 2.9(b) hereof, is subject to the operating conditions of Seller's pipeline and will not be made available to Buyer if Seller, in Seller's sole discretion, determines that such transportation is operationally infeasible.

Subject to the foregoing and to other provisions of this rate schedule, Buyer, and any and all Replacement Shippers that derive a firm capacity entitlement from Buyer, may schedule on any day forwardhaul transportation up to Buyer's TCQ quantity and backhaul transportation up to Buyer's TCQ quantity, within or outside Buyer's firm contract path (as defined by those receipt and delivery points specifically identified in Buyer's FT service agreement), for delivery at the same valid delivery point at the same time; provided however, at a Swing Service Delivery Point, (1) the sum of Buyer's Primary Path scheduled quantities, as defined in Section 2.9(a) hereof, and Buyer's high burn limit values at such point, as provided by the delivery point operator's predetermined allocation (PDA) in accordance with Section 18.1(a)

of the General Terms and Conditions, shall not exceed Buyer's TCQ, and (2) Buyer's Reverse Path scheduled quantities shall not exceed Buyer's TCQ.

- 4.8 For capacity release transactions, receipt and delivery points will be established by the terms of the capacity release agreement. The rights of the Replacement Shipper at any particular point shall be those rights of the Releasing Shipper.

5. SCHEDULING AND BALANCING

- 5.1 Buyer shall nominate service under this rate schedule in accordance with the procedures set forth in Section 28.1 of the General Terms and Conditions subject to (a) and (b) below. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller, and confirmation by the upstream and downstream point operators as provided in Section 60 of the General Terms and Conditions. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same.

- (a) Buyer may request to renominate gas supplies from available alternative receipt point(s) during the day (subject to verification and confirmation by Seller) in accordance with Section 28.1 of the General Terms and Conditions in order to mitigate unexpected gas production outages. Seller will use all reasonable efforts to accommodate such requests, when operating conditions on Seller's system permit.
- (b) Buyer may take daily delivery, at the point(s) of delivery set forth in Buyer's service agreement hereunder (traditional delivery point(s)), of quantities greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the procedures outlined in Section 18.1(a) of the General Terms and Conditions governing designation of delivery point "swing" services at Swing Service Delivery Points; provided, however, nothing herein shall give Buyer the right to take delivery hereunder on any day of quantities in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions.

Notwithstanding the foregoing, if Seller determines in its sole opinion that it is operationally feasible to provide additional "swing" service for Buyer (i) at traditional delivery point(s) beyond that provided pursuant to the immediately preceding paragraph, and/or (ii) at non-traditional delivery point(s) and/or secondary delivery point(s) under Buyer's service agreement hereunder, then Buyer may take daily delivery at such point(s) of quantities that are greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the procedures outlined in Section 18.1(a) of the General Terms and Conditions governing designation of delivery point "swing" services at Swing Service Delivery Points; provided, however, that nothing herein shall give Buyer the right to take delivery at any such point of quantities in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General

Terms and Conditions. Seller shall have no obligation to allow such “swing” service and shall post on 1Line any limitations applicable to such “swing” service, subject to change if, in Seller’s sole discretion, operating conditions so require.

- 5.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement - estimates or actuals) and shall make such information available in accordance with Section 29 of the General Terms and Conditions. Seller shall install the appropriate equipment and facilities on its pipeline system as determined by Seller to accurately measure gas receipts and deliveries. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dth (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dth (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.
- 5.3 Each month imbalances shall be resolved in accordance with the provisions of Sections 25 and 37 of the General Terms and Conditions.

6. BYPASS OF A LOCAL DISTRIBUTION COMPANY

- 6.1 In the event Seller bypasses a Buyer that is a local distribution company to provide service directly to a gas burning facility that, prior to the date of such direct service, was served by that local distribution company, then the bypassed local distribution company will have certain options, as described below, related to such bypass provided the local distribution company meets the following conditions:
- (a) Buyer is a Conversion Buyer as defined in Section 7.1 of this rate schedule; and
 - (b) Buyer formerly contracted for sales service under Seller’s now-terminated Rate Schedule FS for a term of at least three (3) years.
- 6.2 If Seller is required to provide firm or interruptible transportation service directly to an existing gas burning facility that prior to the date of commencement of such direct service was receiving gas service from Buyer (Existing Facility), thereby excluding Buyer from such transaction:

Seller shall offer firm or interruptible transportation service, as applicable, to Buyer under the same terms and conditions (including rates) offered to the

Existing Facility for a volume of gas equal to the maximum daily transportation service provided directly to the Existing Facility by Seller.

- 6.3 If Seller voluntarily provides firm or interruptible transportation service directly to an Existing Facility thereby excluding Buyer from such transaction:
- (a) Seller shall offer firm or interruptible transportation service, as applicable, to Buyer under the same terms and conditions (including the lowest rates) offered to any facility served directly by Seller in Buyer's existing service territory for a volume of gas equal to the maximum daily transportation service provided directly to the Existing Facility by Seller, or
 - (b) Buyer shall have the right to elect, within six (6) months following receipt of notice that such direct service will be provided to an Existing Facility by Seller, to reduce its Rate Schedule FT entitlements. Buyer agrees to specify, at the time of such election, the date, which shall be a date no earlier than six (6) months following the date of Buyer's election and no later than thirty-six (36) months following the date of Buyer's election, on which such reductions will become effective. Such reductions in Rate Schedule FT service shall be no greater than the maximum daily transportation service provided directly by Seller to such Existing Facility.
 - (c) Transco will provide written notice to Buyer sixty (60) days prior to commencement of voluntary direct transportation service to an Existing Facility.
 - (d) For purposes of this Section 6.3, Seller shall be deemed to have voluntarily provided direct service to an Existing Facility if Seller voluntarily constructs facilities connecting its system to an Existing Facility or if Seller does not oppose a tap into its system by an Existing Facility or a third party the purpose of which, at the time the tap is constructed, is to bypass Buyer and serve an Existing Facility.

7. SERVICE RIGHTS OF CONVERSION BUYERS

- 7.1 A Conversion Buyer for purposes of this Section 7, is a Buyer that has converted a firm sales contract to service under this rate schedule or a Buyer that receives service under this rate schedule by virtue of a reallocation of firm daily sales or firm mainline transportation capacity on Seller's system.
- 7.2 A Conversion Buyer shall be allocated its full firm TCQ capacity through Seller's mainline facilities commencing at Seller's Station 65 and terminating downstream at the Conversion Buyer's market area delivery points.

7.3 Conversion Buyers shall be allocated capacity through Seller's mainline system upstream of Station 65 as follows: Each Conversion Buyer shall be allocated capacity equal to the quantity determined by multiplying (i) such Conversion Buyer's TCQ commencing at Station 65 by (ii) the following percentages as applicable to each of the following sections of Seller's system; provided however, if a Conversion Buyer's executed service agreement reflects stated capacity quantities which do not equate to the following percentages, the Conversion Buyer shall be allocated capacity through Seller's mainline system upstream of Station 65 in accordance with the capacities stated in the Conversion Buyer's executed service agreement.

<u>Section of Seller's Mainline System Upstream of Station 65 (Compressor Station to Compressor Station)</u>	<u>Cumulative Percentage</u>
30 - 45	17%
45 - 50	42%
50 - 65	61%
62 - 65	39%

Transportation service from an off mainline receipt point upstream of one of the above designated compressor stations to any such compressor station which is a firm receipt point for Buyer under this rate schedule shall be provided by Seller under an interruptible feeder arrangement as set forth in Section 3.9 of Rate Schedule IT.

7.4 In addition to the capacity entitlements specified in Section 7.3 hereof, Buyers converting from Rate Schedule PS to firm transportation service hereunder may elect to purchase a firm daily capacity entitlement on an annual basis from Seller's Station 54 to 65 equal to the difference between Buyer's Station 50-65 capacity entitlement as set forth in Section 7.3 hereof and 100% of Buyer's PS conversion TCQ.

8. OTHER CONDITIONS OF SERVICE

8.1 Requests for transportation hereunder shall be considered acceptable only if Buyer has completed and returned Seller's transportation service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
 Attention: Customer Services
 P. O. Box 1396
 Houston, Texas 77251

Such request for service shall contain the information specified in Seller's transportation service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and
 - (b) Sufficient information to determine Buyer's creditworthiness in accordance with Section 32 of the General Terms and Conditions.
- 8.2 Requests for transportation hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer and provides the following information to Seller in writing prior to or at the time that Buyer executes such service agreement.
- (a) If the transportation service is to be provided pursuant to Section 311(a) of the Natural Gas Policy Act (NGPA), certification including sufficient information to verify that Buyer's transportation service qualifies under Section 311(a) of the NGPA. Such certification shall include a statement by the intrastate pipeline or local distribution company on whose behalf such transportation service is to be performed that:
 - (i) The intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point; or
 - (ii) The intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time that the gas is being transported by the interstate pipeline, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company; or
 - (iii) The gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that the interstate pipeline is providing transportation service.
- 8.3 If the transportation service is to be provided under one service agreement for multiple affiliated Buyers ("Principals") that have designated an affiliate to act as agent on their behalf ("Agent"), Principals shall provide notice of such to Seller and shall also provide sufficient information to verify:
- (a) that Principals collectively meet the "shipper must have title" requirement as set forth in Section 13 hereof;
 - (b) that each Principal agrees that it is jointly and severally liable for all of the obligations of Buyer under the service agreement; and
 - (c) that Principals agree that they shall be treated collectively as one Buyer for nomination, allocation and billing purposes.

Agent shall be permitted to unilaterally amend the service agreement to remove a Principal or to add a Principal that satisfies the requirements of Section 8.1(b) of this rate schedule and of this Section 8.3 without using the procedures set forth in Section 42 of the General Terms and Conditions. No such amendment shall be binding on Seller prior to the date that notice thereof has been given to Seller.

8.4 Seller shall not be required to perform service under this rate schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made.

9. RESERVED FOR FUTURE USE

10. BUYER'S RESPONSIBILITIES

Buyer recognizes that, as between it and Seller, Buyer has sole control over its physical takes of gas from Seller's system and therefore has a duty to refrain from taking delivery of volumes in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions. Buyer further recognizes that Buyer may cause hardship and economic damage to other Buyers in the event Buyer takes delivery of volumes in excess of Buyer's TCQ, as adjusted, for which Buyer may be held accountable either through a direct cause of action by such other Buyers or as an impleaded or third party defendant in a suit by such other Buyers. In no event shall the payment of a penalty for an overrun quantity pursuant to Section 18 of the General Terms and Conditions be considered as giving Buyer the right to take such overrun quantity nor shall such payment be considered as a substitute for all other rights and remedies (including but not limited to consequential damages) available to any other Buyer against Buyer for failure to respect its obligation to stay within its TCQ, as adjusted.

11. SELLER'S RESPONSIBILITIES

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

12. PROCEDURES USED TO PROVIDE GENERAL INFORMATION TO BUYERS AND POTENTIAL BUYERS

12.1 Information regarding Seller's maximum and minimum rates for firm transportation services, general rate discounting advisories, gas scheduling or allocation procedures, available firm transportation capacity and other general announcements pertaining to transportation services will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis on 1Line.

12.2 Any general firm transportation service announcements will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis through 1Line. Overnight delivery of this information will be available to Buyers and potential Buyers upon written request provided that such overnight delivery services are prepaid.

13. WARRANTY OF TITLE TO GAS

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

14. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE FT-G
Firm Transportation Service

1. AVAILABILITY

Service under this rate schedule is available to any gas company or any other party (herein referred to as "Buyer") for the transportation of natural gas by Transcontinental Gas Pipe Line Company, LLC (herein referred to as "Seller") on Seller's system when:

- 1.1 Buyer has converted its remaining firm sales entitlement under Rate Schedules G & OG to firm transportation service under this rate schedule pursuant to the procedures set forth by the Commission in Seller's Order No. 636 restructuring proceeding in Docket No. RS92-86.
- 1.2 Buyer and Seller have executed a service agreement for service under this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to firm transportation service rendered by Seller for Buyer pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.
- 2.2 Transportation service under this rate schedule shall be limited to the delivery by Seller of up to Buyer's Transportation Contract Quantity (TCQ) specified in the executed service agreement.
- 2.3 Transportation service under this rate schedule shall be on a firm basis and shall not be subject to reduction or interruption, except as provided in Section 11 of the General Terms and Conditions.
- 2.4 Buyer shall be prohibited from transporting or receiving service under Seller's Rate Schedule IT (whether directly or from third parties), on any given day, until such time as Buyer has utilized its maximum Rate Schedule FT-G TCQ on such day.
- 2.5 Buyer shall be prohibited from participating in Seller's capacity release program as a replacement shipper (whether directly or from third parties), on any given day, until such time as Buyer has utilized its maximum Rate Schedule FT-G TCQ on such day.
- 2.6 Buyer shall be prohibited from releasing its Rate Schedule FT-G capacity under Seller's capacity release program.
- 2.7 Except as otherwise agreed to by Buyer and approved by the Commission, Section 284.221(d)(1) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.
- 2.8 In any zone for which Buyer pays a reservation charge to Seller under this rate schedule, Buyer shall have access, on a secondary basis, to receipt and delivery points within that zone

which are (i) located on Seller's mainline system upstream of Station 85, which does not include points upstream of Station 30, (ii) located on Seller's Mobile Bay Lateral, or (iii) downstream of Station 85 but not located within Buyer's firm contract path, as defined by those receipt and delivery points specifically identified in Buyer's FT-G service agreement; provided however, Buyer shall not have access on a secondary basis to receipt or delivery points located on any of Seller's delivery laterals as enumerated in Section 21.2 of the General Terms and Conditions.

The quantities to be received or delivered on a secondary basis will be those quantities in excess of Buyer's firm capacity entitlement at the respective point of receipt or delivery, and shall not exceed Buyer's total firm capacity entitlement for the zone in which the point of receipt or delivery is located, but not including quantities in excess of any maximum daily capacity entitlement specified in Buyer's service agreement hereunder at Buyer's traditional delivery points, as defined in Section 4.1 below, and within Buyer's total firm capacity entitlement for the zone in which the traditional delivery point is located. Further, Reverse Path transportation, as defined in Section 2.9(b) herein, which results in the delivery of gas to a point downstream of the point of receipt will be scheduled on a secondary basis. Quantities received or delivered on a secondary basis shall be subject to reduction or interruption as specified in Sections 59 and 60 of the General Terms and Conditions.

2.9 For transportation service under this rate schedule the following terms shall apply in order to indicate direction of flow:

(a) Primary Path

The transportation path established by the receipt and delivery points as set forth in Buyer's executed service agreement.

(b) Reverse Path

The transportation path that is in the opposite direction of the Primary Path as defined in Section 2.9(a) hereof.

3. RATES AND CHARGES

3.1 For transportation service rendered to Buyer under this rate schedule, Buyer shall pay to Seller the applicable rate multiplied by the quantities (dts) delivered.

3.2 RESERVED FOR FUTURE USE.

3.3 The maximum and minimum unit rates for FT-G transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.2 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.

- 3.4 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up. Such percentage(s) are specified on the effective Statement of Rates and Fuel in Part II, Section 12.1 of this tariff.
- 3.5 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.
- 3.6 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.7 To the extent that Buyer elects to utilize this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
 - (c) For deliveries in Zone 3 – see the effective Statement of Rates and Fuel in Part II, Section 1.2 of this tariff.
- 3.8 Any quantities pooled at Seller's Station 85 Zone 4 pool that are nominated and delivered in Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4 to Zone 4 commodity charges and fuel retention under this rate schedule.

Any quantities pooled at Seller's Station 85 Zone 4A pool that are nominated and delivered in zones other than Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4A to Zone 4A commodity charges and fuel retention under this rate schedule.

4. RECEIPT AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.4 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) primary points of receipt which include the furthest upstream point(s) of receipt specified in the executed service agreement and all points of receipt within Buyer's firm contract path, or (ii) at secondary point(s) of receipt pursuant to Section 2.8 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to the provisions of Section 3.4 hereof) by Seller to Buyer, or for

Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement ("traditional delivery point(s)"), (ii) the point(s) of delivery within Buyer's firm contract path upstream of Buyer's traditional delivery point(s) ("non-traditional delivery point(s)"), or (iii) secondary delivery points pursuant to Section 2.8 of this rate schedule.

- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.
- 4.3 Seller's ability to receive gas under this rate schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) and to the availability of capacity after performance by Seller of any existing certificated firm service arrangements under other rate schedules between Seller and third parties at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall allocate available capacity in accordance with Section 59.1(b) of the General Terms and Conditions.
- 4.4 A Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 784.66 in Choctaw County, Alabama), may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 0.00 in Choctaw County, Alabama). Similarly, a Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool, may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool.
- 4.5 Each executed service agreement shall specify Buyer's traditional FT-G delivery point(s). In addition, all delivery point(s) upstream of such traditional FT-G delivery point(s) ("non-traditional delivery points") located within Buyer's TCQ entitlements, as specified in Sections 7.2 and 7.3(a) hereof, shall be made available to Buyer by Seller posting such delivery points on 1Line. Buyer's ability to nominate transportation service to such upstream non-traditional delivery point(s) will be subject to: (a) operating and tariff limitations at such point(s); (b) confirmation and acceptance by the delivery point operator; and further, may be subordinate to any firm services requested to such point(s) which are traditional FT, FTN, FTP or FT-G delivery points of another firm Buyer.

Additionally, a Buyer under this rate schedule may nominate quantities of gas for transportation to secondary delivery points pursuant to Section 2.8 of this rate schedule.

- 4.6 Transportation service under this rate schedule, from the receipt point(s) and to the delivery point(s) specified in this Section 4 shall be subject to any applicable tariff limitations and contract capacity entitlements. The sum of Buyer's deliveries through a given segment of

Seller's pipeline shall be limited to Buyer's TCQ quantity as specified in the executed service agreement for such segment of capacity.

- 4.7 Buyers under this rate schedule shall schedule transportation service to valid delivery points from valid receipt points without restriction to the direction of flow, provided however, the sum of the volumes scheduled on any day (upstream and/or downstream) through a given segment of Seller's pipeline shall not exceed Buyer's TCQ quantity as specified in the executed service agreement for such segment of capacity. Reverse Path transportation, as defined in Section 2.9(b) hereof, is subject to the operating conditions of Seller's pipeline and will not be made available to Buyer if Seller, in Seller's sole discretion, determines that such transportation is operationally infeasible.

Subject to the foregoing and to other provisions of this rate schedule, Buyer may schedule on any day forwardhaul transportation up to Buyer's TCQ quantity and backhaul transportation up to Buyer's TCQ quantity, within or outside Buyer's firm contract path (as defined by those receipt and delivery points specifically identified in Buyer's FT-G service agreement), for delivery at the same valid delivery point at the same time; provided however, at a Swing Service Delivery Point, (1) the sum of Buyer's Primary Path scheduled quantities, as defined in Section 2.9(a) hereof, and Buyer's high burn limit value at such point, as provided by the delivery point operator's predetermined allocation (PDA) in accordance with Section 18.1(a) of the General Terms and Conditions, shall not exceed Buyer's TCQ and (2) Buyer's Reverse Path scheduled quantities shall not exceed Buyer's TCQ.

5. SCHEDULING AND BALANCING

- 5.1 Buyer shall nominate service under this rate schedule in accordance with the procedures set forth in Section 28.1 of the General Terms and Conditions subject to Sections 5.1(a) and (b) hereof. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller, and confirmation by the upstream and downstream point operators as provided in Section 60 of the General Terms and Conditions. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same.
- (a) Buyer may request to renominate gas supplies from available alternative receipt point(s) during the day (subject to verification and confirmation by Seller) in accordance with Section 28.1 of the General Terms and Conditions in order to mitigate unexpected gas production outages. Seller will use all reasonable efforts to accommodate such requests, when operating conditions on Seller's system permit.
- (b) Buyer may take daily delivery, at the point(s) of delivery set forth in Buyer's service agreement hereunder (traditional delivery point(s)), of quantities greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the

procedures outlined in Section 18.1(a) of the General Terms and Conditions governing designation of delivery point "swing" services at Swing Service Delivery Points; provided however nothing herein shall give Buyer the right to take delivery hereunder on any day of quantities in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions.

Notwithstanding the foregoing, if Seller determines in its sole opinion that it is operationally feasible to provide additional "swing" service for Buyer (i) at traditional delivery point(s) beyond that provided pursuant to the immediately preceding paragraph, and/or (ii) at non-traditional delivery point(s) and/or secondary delivery point(s) under Buyer's service agreement hereunder, then Buyer may take daily delivery at such point(s) of quantities that are greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the procedures outlined in Section 18.1(a) of the General Terms and Conditions governing designation of delivery point "swing" services at Swing Service Delivery Points, provided however, that nothing herein shall give Buyer the right to take delivery at any such point of quantities in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions. Seller shall have no obligation to allow such "swing" service and shall post on 1Line any limitations applicable to such "swing" service, subject to change if, in Seller's sole discretion, operating conditions so require.

5.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement - estimates or actuals) and shall make such information available in accordance with Section 29 of the General Terms and Conditions. Seller shall install the appropriate equipment and facilities on its pipeline system as determined by Seller to accurately measure gas receipts and deliveries. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dth (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dth (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.

5.3 Each month imbalances shall be resolved in accordance with the provisions of Sections 25 and 37 of the General Terms and Conditions.

6. THIS SECTION IS RESERVED FOR FUTURE USE.

7. SERVICE RIGHTS OF CONVERSION BUYERS

- 7.1 A Conversion Buyer for purposes of this Section 7, is a Buyer that has converted a firm sales contract to service under this rate schedule or a Buyer that receives service under this rate schedule by virtue of a reallocation of firm daily sales or firm mainline transportation capacity on Seller's system.
- 7.2 A Conversion Buyer shall be allocated its full firm TCQ capacity through Seller's mainline facilities commencing at Seller's Station 65 and terminating downstream at the Conversion Buyer's market area delivery points.

- 7.3 Conversion Buyers shall be allocated capacity through Seller's mainline system upstream of Station 65 as follows: Each Conversion Buyer shall be allocated capacity equal to the quantity determined by multiplying (i) such Conversion Buyer's TCQ commencing at Station 65 by (ii) the following percentages as applicable to each of the following sections of Seller's system:

<u>Section of Seller's Mainline System Upstream of Station 65 (Compressor Station to Compressor Station)</u>	<u>Cumulative Percentage</u>
30 - 45	17%
45 - 50	42%
50 - 65	61%
62 - 65	39%

Transportation service from an off mainline receipt point upstream of one of the above designated compressor stations to any such compressor station which is a firm receipt point for Buyer under this rate schedule shall be provided by Seller under an interruptible feeder arrangement as set forth in Section 3.9 of Rate Schedule IT.

8. OTHER CONDITIONS OF SERVICE

- 8.1 Requests for transportation hereunder shall be considered acceptable only if Buyer has completed and returned Seller's transportation service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's transportation service request form, as such may be revised from time to time, and

- (a) either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and
- (b) Sufficient information to determine Buyers credit worthiness in accordance with Section 32 of the General Terms and Conditions.

9. BUYER'S RESPONSIBILITIES

Buyer recognizes that, as between it and Seller, Buyer has sole control over its physical takes of gas from Seller's system and therefore has a duty to refrain from taking delivery of volumes in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions. Buyer further recognizes that Buyer may cause hardship and economic damage to other Buyers in the event Buyer takes delivery of volumes in excess of Buyer's TCQ, as adjusted, for which Buyer may be held accountable either through a direct cause of action by such other Buyers or as an impleaded or third party defendant in a suit by such other Buyers. In no event shall the payment of a penalty for an overrun quantity pursuant to Section 18 of the General Terms and Conditions be considered as giving Buyer the right to take such overrun quantity nor shall such payment be considered as a substitute for all other rights and remedies (including but not limited to consequential damages) available to any other Buyer against Buyer for failure to respect its obligation to stay within its TCQ, as adjusted.

10. SELLER'S RESPONSIBILITIES

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

11. PROCEDURES USED TO PROVIDE GENERAL INFORMATION TO BUYERS

11.1 Information regarding Seller's maximum and minimum rates for firm transportation services, general rate discounting advisories, gas scheduling or allocation procedures, available firm transportation capacity and other general announcements pertaining to transportation services will be made available to all Buyers by electronic means on a twenty-four hour basis on 1Line.

11.2 Any general firm transportation service announcements will be made available to all Buyers by electronic means on a twenty-four hour basis through 1Line. Overnight delivery of this information will be available to Buyers upon written request provided that such overnight delivery services are prepaid.

12. WARRANTY OF TITLE OF GAS

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

13. POSSESSION OF GAS

Refer to Section 9(b) of the General Terms and Conditions.

14. HEATING VALUE

Refer to Section 3(b) of the General Terms and Conditions.

15. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

16. QUALITY

Refer to Section 3 of the General Terms and Conditions.

17. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE FTN
Firm Transportation Notice Service

1. AVAILABILITY

Service under this rate schedule is available to any gas company or any other party (hereinafter referred to as "Buyer") for the transportation of natural gas by Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") on Seller's system when:

- 1.1 Buyer desires firm transportation service of gas under this rate schedule; and
 - (a) Buyer has elected, pursuant to the procedures set forth by the Commission in Seller's Order No. 636 restructuring proceeding in Docket No. RS92-86, to receive firm transportation service under this rate schedule for all or a portion of service originally rendered pursuant to Seller's Rate Schedule FT; or
 - (b) Buyer has submitted a valid request in accordance with Section 8 hereof for service under this rate schedule and Seller has available capacity to render such service; and
- 1.2 Buyer and Seller have executed a service agreement for service under this rate schedule.
- 1.3 Service under this rate schedule is also available for transportation when Buyer has obtained released firm capacity from a Rate Schedule FTN Buyer releasing such firm capacity ("Releasing Shipper") pursuant to Section 42 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to firm transportation "notice" service, as defined in Section 2.3 of this rate schedule, rendered by Seller for Buyer including firm transportation service released under this rate schedule pursuant to Section 42 of the General Terms and Conditions. Service shall be rendered pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.
- 2.2 Transportation service provided under the terms of this rate schedule shall be limited to the delivery by Seller of up to Buyer's Transportation Contract Quantity (TCQ) specified in the executed service agreement plus fuel attributable to Rate Schedule GSS injections, if applicable.
- 2.3 Transportation service provided under this rate schedule shall be on a firm basis and shall not be subject to reduction or interruption, except as provided in Section 11 of the General Terms and Conditions. Service under this rate schedule shall constitute "notice" service, subject to the daily scheduling penalties set forth in this rate schedule.
- 2.4 Section 284.221(d)(1) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.

- 2.5 In any zone for which Buyer pays a reservation charge to Seller under this rate schedule, Buyer shall have access, on a secondary basis, to receipt and delivery points within that zone which are (i) located on Seller's mainline system upstream of Station 85, which does not include points upstream of Station 30, (ii) located on Seller's Mobile Bay Lateral, or (iii) downstream of Station 85 but not located within Buyer's firm contract path, as defined by those receipt and delivery points specifically identified in Buyer's FTN service agreement; provided however, Buyer shall not have access on a secondary basis to receipt or delivery points located on any of Seller's delivery laterals as enumerated in Section 21.2 of the General Terms and Conditions.

The quantities to be received or delivered on a secondary basis will be those quantities in excess of Buyer's firm capacity entitlement at the respective point of receipt or delivery, and shall not exceed Buyer's total firm capacity entitlement for the zone in which the point of receipt or delivery is located, but not including quantities in excess of any maximum daily capacity entitlement specified in Buyer's service agreement hereunder at Buyer's traditional delivery points, as defined in Section 4.1 below, and within Buyer's total firm capacity entitlement for the zone in which the traditional delivery point is located. Notwithstanding anything to the contrary in the foregoing, the sum of all quantities that can be nominated in any segment in a zone by Buyer and by any and all Replacement Shippers that derive a firm capacity entitlement in that zone from Buyer shall be limited to Buyer's original firm capacity entitlement under this Rate Schedule FTN in that segment of the zone. If the sum of all the nominated quantities exceeds Buyer's original firm capacity entitlement under this Rate Schedule FTN in that segment of the zone, the nominations using capacity on a secondary basis in any segment covered by the nomination shall be reduced on a pro rata basis, based upon nominated quantities in each segment. Nominations that are not using capacity on a secondary basis in any segment shall not be subject to reduction under the provisions of this section. Further, Reverse Path transportation, as defined in Section 2.6(b) herein, which results in the delivery of gas to a point downstream of the point of receipt will be scheduled on a secondary basis. Quantities received or delivered on a secondary basis shall have the priority set forth in Section 57 of the General Terms and Conditions and shall be subject to reduction or interruption as specified in Sections 59 and 60 of the General Terms and Conditions.

- 2.6 For transportation service under this rate schedule the following terms shall apply in order to indicate direction of flow:
- (a) Primary Path
The transportation path established by the receipt and delivery points as set forth in Buyer's executed service agreement.
 - (b) Reverse Path
The transportation path that is in the opposite direction of the Primary Path as defined in Section 2.6(a) hereof.

3. RATES AND CHARGES

3.1 For transportation service rendered to Buyer each month under this rate schedule, Buyer shall pay to Seller the sum of Seller's Reservation and Commodity Charge(s) determined as follows:

- (a) Reservation Charge: Buyer's applicable TCQ(s) multiplied by the applicable reservation rate(s) multiplied by the number of days in the month that capacity was held. If Buyer acquires capacity through a volumetric release, the reservation charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the quantities (dts) delivered each day (up to Buyer's TCQ); provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.
- (b) Commodity Charge: The applicable FTN commodity rate(s) multiplied by the quantities (dts) delivered.

3.2 For transportation service under this rate schedule, Seller's Reservation Charges shall be calculated as follows:

- (a) The Reservation Charge each month for a Conversion Buyer (as defined in Section 7 of this rate schedule) shall be determined as the sum of the following:
 - (i) $17\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 1 (Station 30) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
 - (ii) $25\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 2 (Station 45) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
 - (iii) $19\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 3 (Station 50) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
 - (iv) $39\% \times \text{Buyer's TCQ} \times \text{the applicable reservation rate from Zone 3 (Station 62) to Buyer's delivery zone} \times \text{the number of days in the month that capacity was held.}$
- (b) The Reservation Charge each month for non-conversion Buyers under this rate schedule shall be determined by multiplying Buyer's TCQ by the applicable reservation rate for each day in the month that capacity was held.

- 3.3 If, under the provisions of Section 11.1 through 11.4 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer, then the Reservation Charge for the month in which such day or days occur shall be computed as follows: Determine for each such day the number of dt which Seller was unable to deliver, and multiply the sum of all such days' deficiencies by the reservation rate per dt of TCQ, and the result shall be subtracted from the Reservation Charge for such month as otherwise computed. No adjustment to the Reservation Charge shall be made as a result of a reduction or interruption of service under the provisions of Sections 11.5 and 11.6 of the General Terms and Conditions.
- 3.4 For transportation service under this rate schedule, the Commodity Charge shall consist of the applicable FTN commodity rate multiplied by the quantities (dts) delivered.
- 3.5 The maximum and minimum reservation and commodity rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.3 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.
- 3.6 For purposes of capacity release, the Reservation Charges per TCQ payable by Buyer shall be as set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions. The maximum reservation rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.3 of this tariff, however, for releases that become effective on or after July 30, 2008, the maximum rate ceiling does not apply to such releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund. The minimum reservation rate applicable to capacity release transactions that are not permanent releases shall be zero unless otherwise specified in the capacity release offer. The maximum and minimum commodity rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.3 of this tariff.
- 3.7 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up. Such percentage(s) are specified on the effective Statement of Rates and Fuel in Part II, Section 12.1 of this tariff.
- 3.8 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.

- 3.9 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.10 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following commodity charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
 - (c) For deliveries in Zone 3 - see the effective Statement of Rates and Fuel in Part II, Section 1.3 of this tariff.
- 3.11 Any quantities pooled at Seller's Station 85 Zone 4 pool that are nominated and delivered in Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4 to Zone 4 commodity charges and fuel retention under this rate schedule.

Any quantities pooled at Seller's Station 85 Zone 4A pool that are nominated and delivered in zones other than Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4A to Zone 4A commodity charges and fuel retention under this rate schedule.

4. RECEIPTS AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ quantity (plus fuel retained pursuant to the provisions of Section 3.7 hereof and injection fuel under Seller's Rate Schedule GSS, if applicable) at (i) primary points of receipt which include the furthest upstream point(s) of receipt specified in the executed service agreement and all points of receipt within Buyer's firm contract path, or (ii) at secondary point(s) of receipt pursuant to Section 2.5 hereof; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to the provisions of Section 3.7 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement ("traditional delivery point(s)"), (ii) the point(s) of delivery within Buyer's firm contract path upstream of Buyer's traditional delivery point(s) ("non-traditional delivery points"), or (iii) secondary delivery points pursuant to Section 2.5 of this rate schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller,

and Buyer shall take from Seller, the scheduled daily quantities hereunder at uniform hourly rates.

- 4.3 Seller's ability to receive gas under this rate schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) and to the availability of capacity after performance by Seller of any existing certificated firm service arrangements under other rate schedules between Seller and third parties at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall allocate available capacity in accordance with Section 59.1(b) of the General Terms and Conditions.
- 4.4 A Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 784.66 in Choctaw County, Alabama), may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 0.00 in Choctaw County, Alabama). Similarly, a Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool, may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool.
- 4.5 Each executed service agreement shall specify Buyer's traditional FTN delivery point(s). In addition, all delivery point(s) upstream of such traditional FTN delivery point(s) ("non-traditional delivery points") located within Buyer's TCQ entitlements, as specified in Sections 7.2 and 7.3 hereof, shall be made available to Buyer by Seller posting such delivery points on 1Line. Buyer's ability to nominate transportation service to such upstream non-traditional delivery point(s) will be subject to: (a) operating and tariff limitations at such point(s); (b) confirmation and acceptance by the delivery point operator; and further, may be subordinate to any firm services requested to such point(s) which are traditional FT, FTN, FTP or FT-G delivery points of another firm Buyer.

Additionally, a Buyer under this rate schedule may nominate quantities of gas for transportation to secondary delivery points pursuant to Section 2.5 of this rate schedule.

- 4.6 Transportation service under this rate schedule, from the receipt point(s) and to the delivery point(s) specified in this Section 4 shall be subject to any applicable tariff limitations and contract capacity entitlements. The sum of Buyer's deliveries through a given segment of Seller's pipeline shall be limited to Buyer's TCQ quantity as specified in the executed service agreement for such segment of capacity.
- 4.7 Buyers under this rate schedule shall schedule transportation service to valid delivery points from valid receipt points without restriction to the direction of flow, provided however, the sum of the volumes scheduled on any day (upstream and/or downstream) through a given segment of Seller's pipeline shall not exceed Buyer's TCQ quantity as specified in the executed service agreement for such segment of capacity. Subject to the foregoing sentence and to other provisions of this rate schedule, Buyer, and any and all Replacement Shippers that derive a firm capacity entitlement from Buyer, may schedule on any day

forwardhaul transportation up to Buyer's TCQ quantity and backhaul transportation up to Buyer's TCQ quantity, within or outside Buyer's firm contract path (as defined by those receipt and delivery points specifically identified in Buyer's FTN service agreement), for delivery at the same valid delivery point at the same time. Further, Reverse Path transportation, as defined in Section 2.6(b) hereof, is subject to the operating conditions of Seller's pipeline and will not be made available to Buyer if Seller, in Seller's sole discretion, determines that such transportation is operationally infeasible.

- 4.8 For capacity release transactions, receipt and delivery points will be established by the terms of the capacity release agreement. The rights of the Replacement Shipper at any particular point shall be those rights of the Releasing Shipper.

5. SCHEDULING AND BALANCING

- 5.1 Buyer shall nominate service under this rate schedule in accordance with the procedures set forth in Section 28.1 of the General Terms and Conditions subject to Sections 5.1 (a) and (b) hereof. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller, and confirmation by the upstream and downstream point operators as provided in Section 60 of the General Terms and Conditions. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same.

- (a) Buyer may request to renominate gas supplies from available alternative receipt point(s) during the day (subject to verification and confirmation by Seller) in accordance to Section 28.1 of the General Terms and Conditions in order to mitigate unexpected gas production outages. Seller will use all reasonable efforts to accommodate such requests when operating conditions on Seller's system permit.
- (b) Buyer may not take delivery on any day of any quantities greater than 110% or less than 90% of the quantities scheduled in advance pursuant to this Section 5.1. Except for such ten percent (10%) variance, this service is not eligible as a "swing" service under Section 18.1 of the General Terms and Conditions.
- (i) If on any day Buyer takes from Seller a quantity of gas at a delivery point which exceeds Buyer's daily scheduled quantity by more than 10% at such delivery point, the quantity in excess of 110% of Buyer's daily scheduled quantity shall be deemed to be an "overtake". Buyer shall pay Seller a fee equal to Seller's Rate Schedule IT rate for all overtakes.
- (ii) If on any day Buyer takes from Seller a quantity of gas at a delivery point which is less than 90% of Buyer's daily scheduled quantity at such delivery point, the difference between 90% of the Buyer's daily scheduled quantity and

Buyer's actual takes shall be deemed an "undertake". Buyer shall pay Seller a fee equal to Seller's Rate Schedule IT rate for all undertakes.

(iii) The fees described above are in addition to any and all other charges due Seller hereunder.

(c) Nothing herein shall give Buyer the right to schedule or take delivery of quantities hereunder on any day in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions.

5.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement - estimates or actuals) and shall make such information available in accordance with Section 29 of the General Terms and Conditions. Seller shall install the appropriate equipment and facilities on its pipeline system as determined by Seller to accurately measure gas receipts and deliveries. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dth (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dth (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.

5.3 Each month imbalances shall be resolved in accordance with Sections 25 and 37 of the General Terms and Conditions.

6. THIS SECTION IS RESERVED FOR FUTURE USE.

7. SERVICE RIGHTS OF CONVERSION BUYERS

7.1 A Conversion Buyer for purposes of this Section 7, is a Buyer that has elected to receive firm transportation service under this rate schedule for service originally rendered:

(a) as a result of a conversion of a firm sales contract to service under Rate Schedule FT;
or

(b) as a service under Rate Schedule FT by virtue of a reallocation of firm daily sales or firm mainline transportation capacity on Seller's system.

- 7.2 A Conversion Buyer shall be allocated its full firm TCQ capacity through Seller's mainline facilities commencing at Seller's Station 65 and terminating downstream at the Conversion Buyer's market area delivery points.
- 7.3 Conversion Buyers shall be allocated capacity through Seller's mainline system upstream of Station 65 as follows: Each Conversion Buyer shall be allocated capacity equal to the quantity determined by multiplying (i) such Conversion Buyer's TCQ commencing at Station 65 by (ii) the following percentages as applicable to each of the following sections of Seller's system:

<u>Section of Seller's Mainline System Upstream of Station 65 (Compressor Station to Compressor Station)</u>	<u>Cumulative Percentage</u>
30 - 45	17%
45 - 50	42%
50 - 65	61%
62 - 65	39%

Transportation service from an off mainline receipt point upstream of one of the above designated compressor stations to any such compressor station which is a firm receipt point for Buyer under this rate schedule shall be provided by Seller under an interruptible feeder arrangement as set forth in Section 3.9 of Rate Schedule IT.

8. OTHER CONDITIONS OF SERVICE

- 8.1 Requests for transportation hereunder shall be considered acceptable only if Buyer has completed and returned Seller's transportation service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's transportation service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and

- (b) Sufficient information to determine Buyer's credit worthiness in accordance with the General Terms and Conditions.

8.2 Requests for transportation hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer and provides the following information to Seller in writing prior to or at the time that Buyer executes such service agreement.

If the transportation service is to be provided pursuant to Section 311(a) of the Natural Gas Policy Act (NGPA), certification including sufficient information to verify that Buyer's transportation service qualifies under Section 311(a) of the NGPA. Such certification shall include a statement by the intrastate pipeline or local distribution company on whose behalf such transportation service is to be performed that:

- (a) The intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point; or
- (b) The intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time that the gas is being transported by the interstate pipeline, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company; or
- (c) The gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that the interstate pipeline is providing transportation service.

8.3 Seller shall not be required to perform service under this rate schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made.

9. BUYER'S RESPONSIBILITIES

Buyer recognizes that, as between it and Seller, Buyer has sole control over its physical takes of gas from Seller's system and therefore has a duty to refrain from taking delivery of volumes in excess of or less than the downstream entity's scheduled daily quantities, for Buyer's account, and in no event in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions. Buyer further recognizes that Buyer may cause hardship and economic damage to other Buyers in the event Buyer takes delivery of volumes in excess of or less than Buyer's scheduled daily quantity or in excess of Buyer's TCQ, as adjusted, for which Buyer may be held accountable either through a direct cause of action by such other Buyers or as an impleaded or third party defendant in a suit by such other Buyers. In no event shall the payment of a scheduling penalty pursuant to Section 5.1(b) of this rate schedule, or the payment of a penalty for an overrun quantity pursuant to Section 18 of the General Terms and Conditions be considered as giving Buyer the right to take any undertake or overtake quantities as defined in Sections 5.1(b)(i) and (ii) hereof, or any such overrun quantity, nor shall such payments be considered as a substitute for all

other rights and remedies (including but not limited to consequential damages) available to any other Buyer against Buyer for failure to respect its obligation to stay within its scheduled daily quantity or its TCQ, as adjusted.

10. SELLER'S RESPONSIBILITIES

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

11. PROCEDURES USED TO PROVIDE GENERAL INFORMATION TO BUYERS AND POTENTIAL BUYERS

11.1 Information regarding Seller's maximum and minimum rates for firm transportation services, general rate discounting advisories, gas scheduling or allocation procedures, available firm transportation capacity and other general announcements pertaining to transportation services will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis on 1Line.

11.2 Any general firm transportation service announcements will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis through 1Line. Overnight delivery of this information will be available to Buyers and potential Buyers upon written request provided that such overnight delivery services are prepaid.

12. WARRANTY OF TITLE TO GAS

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

13. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE FDLS
Firm Delivery Lateral Service

1. AVAILABILITY

Service under this rate schedule is available to any gas company or any other party (hereinafter referred to as "Buyer") for the transportation of natural gas by Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") on Seller's system when:

- 1.1 Buyer desires firm transportation service under this rate schedule; and
 - (a) Buyer has submitted a valid request in accordance with Section 6 hereof; and
 - (b) Buyer and Seller have executed a service agreement for service under this rate schedule; and
 - (c) Seller has available or will make available to Buyer, capacity on the delivery lateral facilities to be utilized by Seller to provide the requested firm transportation.
- 1.2 Service under this rate schedule is only available on the delivery laterals enumerated in Section 21.2 of the General Terms and Conditions.
- 1.3 Service under this rate schedule is also available when Buyer has obtained released firm capacity from a Rate Schedule FDLS Buyer releasing such firm capacity ("Releasing Shipper") pursuant to Section 42 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to all firm delivery lateral service rendered by Seller for Buyer pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.
- 2.2 Seller has no obligation to construct or expand any facilities in order to provide transportation under this rate schedule.
- 2.3 Transportation service provided under the terms of this rate schedule shall be limited to the delivery by Seller of up to Buyer's Transportation Contract Quantity (TCQ) and Maximum Hourly Quantity (MHQ) specified in the executed service agreement.
- 2.4 Transportation service provided under this rate schedule shall be on a firm basis and shall not be subject to reduction or interruption, except as provided in Section 11 or 42 of the General Terms and Conditions.
- 2.5 Section 284.221(d)(1) of the Commission's regulations shall apply to service under this rate schedule at the expiration of the term stated in Article IV of the service agreement, subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.

- 2.6 A Buyer under this rate schedule shall have access, on a secondary basis, to only those receipt and delivery points outside of Buyer's transportation path, as established by the receipt and delivery points as set forth in Buyer's executed service agreement, that are located on the applicable delivery lateral used to provide service hereunder to Buyer.

The quantities to be received or delivered on a secondary basis will be those quantities in excess of Buyer's firm capacity entitlement at the respective point of receipt or delivery, and shall not exceed Buyer's total firm capacity entitlement on the applicable delivery lateral. Notwithstanding anything to the contrary in the foregoing, the sum of all quantities that can be nominated in any segment on a delivery lateral by Buyer and by any and all Replacement Shippers that derive a firm capacity entitlement on that delivery lateral from Buyer shall be limited to Buyer's original firm capacity entitlement under this Rate Schedule FDLS in that segment on a delivery lateral. If the sum of all such nominated quantities exceed Buyer's original firm capacity entitlement under this Rate Schedule FDLS in that segment on a delivery lateral, the nominations using capacity on a secondary basis in any segment covered by the nomination shall be reduced on a pro rate basis, based upon nominated quantities in each segment. Nominations that are not using capacity on a secondary basis in any segment shall not be subject to reduction under this Section 2.6. Further, Reverse Path transportation, as defined in Section 2.7(b) herein, which results in the delivery of gas to a point on the delivery lateral that is downstream of the point of receipt will be scheduled on a secondary basis. Quantities received or delivered on a secondary basis shall have the priority set forth in Section 57 of the General Terms and Conditions and shall be subject to reduction or interruption as specified in Sections 59 and 60 of the General Terms and Conditions.

- 2.7 For transportation service under this rate schedule, the following terms shall apply in order to indicate direction of flow:
- (a) Primary Path
The transportation path established by the receipt and delivery points as set forth in Buyer's executed service agreement.
 - (b) Reverse Path
The transportation path that is in the opposite direction of the Primary Path as defined in Section 2.7(a) hereof.

3. RATES AND CHARGES

- 3.1 For transportation service rendered to Buyer each month under this rate schedule, Buyer shall pay to Seller the sum of Seller's Reservation and Commodity Charge(s) determined as follows:
- (a) Reservation Charge: Buyer's applicable TCQ(s) multiplied by the applicable reservation rate(s) multiplied by the number of days in the month that capacity was held. If Buyer acquires capacity through a volumetric release, the reservation charge shall be the rate set forth in the applicable capacity release award posted on 1Line

multiplied by the quantities (dt) delivered each day (up to Buyer's TCQ); provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.

(b) Commodity Charge: The applicable FDLS commodity rate(s) multiplied by the quantities (dt) delivered.

3.2 If, under the provisions of Section 11.1 through 11.4 of the General Terms and Conditions, Seller orders interruption of service to Buyer on a day or days, then Seller shall credit Buyer's Reservation Charge for the month(s) in which such interruption or reduction occurs; provided, however, Seller shall not be obligated to credit Buyer's Reservation Charge (up to Buyers TCQ):

(a) for the first ten (10) days of interruption or reduction of service due to an event of Force Majeure declared by Seller, as defined in Sections 11.1 through 11.4 of the General Terms and Conditions,

(b) when Seller's failure to deliver Buyer's nominated quantity is a result of (i) the conduct of Buyer or the third party operator of the facilities at the Point of Delivery, or (ii) a reduction or interruption of service under the provisions of Sections 11.5 or 11.6 of the General Terms and Conditions.

3.3 If, under the provisions of Section 3.2 hereof, Seller is required to provide a Reservation Charge credit to Buyer, then Buyer's Reservation Charge for the month shall be computed as follows: Determine for each such day or days the number of dts of Buyer's nominated quantity that Seller was unable to deliver, and multiply the sum of all such days' deficiencies by the reservation rate per dt of TCQ, and the result shall be subtracted from the Reservation Charge for that month as otherwise computed.

No adjustment to the Reservation Charge shall be made as a result of a reduction or interruption of service under the provisions of Sections 11.5 or 11.6 of the General Terms and Conditions.

3.4 The maximum and minimum reservation and commodity rates for the applicable firm delivery lateral service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.4 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.

3.5 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up as specified on the effective Statement of Rates and Fuel in Part II, Section 12.2 of this tariff.

- 3.6 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.
- 3.7 For purposes of capacity release, the Reservation Charges per TCQ payable by Buyer shall be as set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions. The maximum reservation rates for firm delivery lateral service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.4 of this tariff, however, the maximum rate ceiling does not apply to capacity releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund. The minimum reservation rate applicable to capacity release transactions that are not permanent releases shall be zero unless otherwise specified in the capacity release offer. The maximum and minimum commodity rates for firm delivery lateral service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.4 of this tariff.

4. RECEIPTS AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer up to Buyer's TCQ (plus quantities retained pursuant to the provisions of Section 3.5 hereof) at (i) primary points of receipt which include the furthest upstream point(s) of receipt specified in the executed service agreement and all points of receipt within Buyer's firm contract path, or (ii) at secondary point(s) of receipt pursuant to Section 2.6 hereof; (b) the transportation of gas through the applicable delivery lateral; (c) the delivery of equivalent quantities (dt) of natural gas (less quantities retained pursuant to the provisions of Section 3.5 hereof) by Seller to Buyer, or for Buyer's account, at (i) the point(s) of delivery specified in the executed service agreement ("traditional delivery points"), (ii) the point(s) of delivery within Buyer's firm contract path upstream of Buyer's traditional delivery point(s) ("non-traditional delivery points"), or (iii) secondary delivery points pursuant to Section 2.6 of this rate schedule.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller.
- 4.3 Maximum Hourly Quantity ("MHQ") shall mean the maximum quantity of gas in dt specified in an executed service agreement that Seller is obligated to deliver to Buyer and that Buyer is entitled to take from Seller during any hour at the point(s) of delivery specified in the executed service agreement, at delivery point(s) located within Buyer's primary path pursuant to Section 4.5 of this rate schedule and at secondary delivery points pursuant to Section 2.6 of this rate schedule; however, in no event shall the total quantity

delivered on a day exceed Buyer's TCQ. Such TCQ and MHQ quantities shall be specified in the executed Rate Schedule FDLS service agreement. Buyer shall be entitled to take delivery of gas from Seller pursuant to this rate schedule at the point(s) of delivery, at delivery point(s) located within Buyer's primary path and at secondary delivery points at an hourly gas flow rate not to exceed the MHQ.

- 4.4 Seller's ability to receive gas under this rate schedule at specific point(s) of receipt is subject to the operating limitations of Seller and the upstream party at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall allocate available capacity in accordance with Section 59.1(b) of the General Terms and Conditions.
- 4.5 Each executed service agreement shall specify Buyer's traditional FDLS delivery point(s). In addition, all delivery point(s) upstream of such traditional FDLS delivery point(s) ("non-traditional delivery points") located within Buyer's primary path shall be made available to Buyer by Seller posting such delivery points on 1Line. Buyer's ability to nominate transportation service to such upstream non-traditional delivery point(s) will be subject to: (a) operating and tariff limitations at such point(s); and (b) confirmation and acceptance by the party responsible for operation of such point(s); and further, may be subordinate to any firm services requested to such point(s) which are FDLS delivery point(s) of another firm Buyer.

Additionally, a Buyer under this rate schedule may nominate quantities of gas for transportation to secondary delivery points pursuant to Section 2.6 of this rate schedule.

- 4.6 Transportation service under this rate schedule, from the receipt point(s) and to the delivery point(s) specified in this Section 4 shall be subject to any applicable tariff limitations and contract capacity entitlements. The sum of Buyer's deliveries through a given segment of the applicable delivery lateral shall be limited to Buyer's TCQ as specified in the executed service agreement for such segment of capacity.
- 4.7 Buyers under this rate schedule shall schedule transportation service to valid delivery points from valid receipt points without restriction to the direction of flow, provided however, the sum of the volumes scheduled on any day (upstream and/or downstream) through a given segment of Seller's delivery lateral shall not exceed Buyer's TCQ as specified in the executed service agreement for such segment of capacity. Reverse Path transportation, as defined in Section 2.7(b) hereof, is subject to the operating conditions of Seller's pipeline and will not be made available to Buyer if Seller, in Seller's sole discretion, determines that such transportation is operationally infeasible.

Subject to the foregoing and to other provisions of this rate schedule, Buyer, and any and all Replacement Shippers that derive a firm capacity entitlement from Buyer, may schedule on any day forward haul transportation up to Buyer's TCQ and backhaul transportation up to Buyer's TCQ, within or outside Buyer's firm contract path (as defined by those receipt and delivery points specifically identified in Buyer's FDLS service agreement), for delivery at the same valid delivery point at the same time; provided however, at a Swing Service Delivery Point, (1) the sum of Buyer's Primary Path scheduled quantities, as defined in

Section 2.7(a) hereof, and Buyer's high burn limit value at such point, as provided by the delivery point operator's predetermined allocation (PDA) in accordance with Section 18.1(a) of the General Terms and Conditions, shall not exceed Buyer's TCQ, and (2) Buyer's Reverse Path scheduled quantities shall not exceed Buyer's TCQ.

- 4.8 For capacity release transactions, receipt and delivery points will be established by the terms of the capacity release agreement. The rights of the Replacement Shipper at any particular point shall be those rights of the Releasing Shipper.

5. SCHEDULING AND BALANCING

- 5.1 Buyer shall nominate service under this rate schedule in accordance with the procedures set forth in Section 28.1 of the General Terms and Conditions subject to Sections 5.1(a) and (b) hereof. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller, and confirmation by the upstream and downstream point operators as provided in Section 60 of the General Terms and Conditions. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same.

- (a) Buyer may request to re-nominate gas supplies from available alternative receipt point(s) during the day (subject to verification and confirmation by Seller) in accordance with Section 28.1 of the General Terms and Conditions in order to mitigate unexpected gas production outages. Seller will use all reasonable efforts to accommodate such requests, when operating conditions on Seller's system permit.
- (b) Buyer may take daily delivery, at the point(s) of delivery set forth in Buyer's service agreement hereunder (traditional delivery point(s)), of quantities greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services at Swing Service Delivery Points; provided, however, nothing herein shall give Buyer the right to take delivery hereunder on any day of quantities in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions.

Notwithstanding the foregoing, if Seller determines in its sole opinion that it is operationally feasible to provide additional "swing" service for Buyer (i) at traditional delivery point(s) beyond that provided pursuant to the immediately preceding paragraph, and/or (ii) at non-traditional delivery point(s) and/or secondary delivery point(s) under Buyer's service agreement hereunder, then Buyer may take daily delivery at such point(s) of quantities that are greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the procedures outlined in Section 18.1(a) of the General Terms and Conditions governing

designation of delivery point "swing" services at Swing Service Delivery points; provided, however, that nothing herein shall give Buyer the right to take delivery at any such point of quantities in excess of Buyer's TCQ, as adjusted pursuant to Section 11 of the General Terms and Conditions. Seller shall have no obligation to allow such "swing" service and shall post on 1Line any limitations applicable to such "swing" service subject to change if, in Seller's sole discretion, operating conditions so require.

- 5.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement - estimates or actuals) and shall make such information available in accordance with Section 29 of the General Terms and Conditions. Seller shall install the appropriate equipment and facilities on its pipeline system as determined by Seller to accurately measure gas receipts and deliveries. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dt (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dt (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.
- 5.3 Each month imbalances shall be resolved in accordance with the provisions of Sections 25 and 37 of the General Terms and Conditions.

6. OTHER CONDITIONS OF SERVICE

- 6.1 Requests for transportation hereunder shall be considered acceptable only if Buyer has completed and returned Seller's transportation service request form (which is available to all Buyers and potential Buyers on request electronically via 1Line) to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's transportation service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and

(b) Sufficient information to determine Buyer's credit worthiness in accordance with Section 32 of the General Terms and Conditions.

6.2 Requests for transportation hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer.

6.3 Seller shall not be required to perform service under this rate schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made.

7. PROCEDURES USED TO PROVIDE GENERAL INFORMATION TO BUYERS AND POTENTIAL BUYERS

7.1 Information regarding Seller's maximum and minimum rates for firm transportation services, general rate discounting advisories, gas scheduling or allocation procedures, available firm transportation capacity and other general announcements pertaining to transportation services will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis on 1Line.

7.2 Any general firm transportation service announcements will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis through 1Line. Overnight delivery of this information will be available to Buyers and potential Buyers upon written request provided that such overnight delivery services are prepaid.

8. WARRANTY OF TITLE TO GAS

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

9. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE FTP
Firm Transportation Service – Production Area

1. AVAILABILITY

1.1 Service under this rate schedule is available on Transcontinental Gas Pipe Line Company LLC's (hereinafter referred to as "Seller") Mobile Bay Lateral in Rate Zones 4A and 4B to any party (hereinafter referred to as "Buyer") that has made a commitment in accordance with Section 1.3 of this rate schedule; requested firm transportation service pursuant to Section 6 of this rate schedule; and, after review and acceptance of such request by Seller, has executed a service agreement with Seller for service under this rate schedule. Such service agreement shall be in the form contained in Seller's FERC Gas Tariff, of which this Rate Schedule FTP is a part.

1.2 Service under this rate schedule is also available when Buyer has obtained released firm capacity from a Rate Schedule FTP Buyer releasing such firm capacity ("Releasing Shipper") pursuant to Section 42 of the General Terms and Conditions.

1.3 Commitment – Every request for service under this rate schedule shall include Buyer's commitment to deliver into and transport or cause to be transported through Seller's pipeline facilities for the term of the service agreement, all gas produced by or for the account of Buyer, or any affiliate thereof, attributable to Buyer's Leasehold Interests in specifically identified Outer Continental Shelf (OCS) Blocks (Committed Properties). Such Committed Properties shall be listed on Exhibit A to Buyer's Rate Schedule FTP service agreement, as Exhibit A may be amended from time to time.

Buyer's commitment of the Committed Properties shall be binding upon Buyer's successors and permitted assigns, and any sale, transfer, assignment, or other disposition of the Committed Properties or the right, title, or interest in the Committed Properties shall be subject to the terms of this rate schedule.

Buyer shall demonstrate to Seller's reasonable satisfaction the estimated proven recoverable reserves by submitting a production profile attributable to Buyer's interest in the Committed Properties. As part of the production profile, Buyer shall designate a Transportation Contract Quantity (TCQ) to be in effect during each month of each calendar year quarter (Contract Quarter) throughout the term of its Rate Schedule FTP service agreement. Buyer shall be obligated to transport or cause to be transported all of the production of the Committed Properties under this rate schedule or Rate Schedule IT during the term of the Rate Schedule FTP service agreement; provided however, any production of the Committed Properties used or consumed for lease or production purposes shall not be included in the TCQ. Buyer's production profile shall exclude such production used or consumed for lease or production purposes.

1.4 Seller shall have no obligation to accept any gas for transportation under this rate schedule other than gas produced from Buyer's Leasehold Interests in the Committed Properties as listed on Exhibit A to Buyer's Rate Schedule FTP service agreement.

- 1.5 In the event Buyer does not comply with the terms of this rate schedule to transport or cause to be transported all gas from the Committed Properties listed on Exhibit A to Buyer's Rate Schedule FTP service agreement as required in Section 1.3 herein, Buyer nonetheless will be obligated to pay Seller the product of (i) 100% of the TCQ in effect during the month times (ii) the Conditional Reservation rate for the period of time Buyer is not in compliance with this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to all firm transportation service rendered by Seller of gas produced from Buyer's Leasehold Interests in the Committed Properties including firm transportation service released under this rate schedule pursuant to Section 42 of the General Terms and Conditions. Service shall be rendered pursuant to Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.
- 2.2 Transportation service provided under the terms of this rate schedule shall be limited to the delivery by Seller of up to Buyer's TCQ specified in the executed service agreement. Any quantities of gas from the Committed Properties that Buyer desires to transport in excess of Buyer's TCQ shall be scheduled on an interruptible basis pursuant to a Rate Schedule IT Service Agreement.
- 2.3 Transportation service provided under this rate schedule shall be on a firm basis and shall not be subject to reduction or interruption, except as provided in Section 11 or 42 of the General Terms and Conditions.
- 2.4 Except as otherwise agreed to by Buyer and approved by the Commission, Section 284.221(d)(1) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.
- 2.5 A Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into Seller's Station 85 Zone 4A pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 0.00 in Choctaw County, Alabama), may also nominate quantities of gas for delivery into Seller's Station 85 Zone 4 pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 784.66 in Choctaw County, Alabama).
- 2.6 Buyer shall have access to secondary points of delivery as set forth in Section 4.2 of this rate schedule.
- 2.7 Throughput Commitment – Buyer shall transport or otherwise deliver through Seller's pipeline facilities under this rate schedule at least Buyer's Throughput Commitment, which Throughput Commitment shall equal eighty percent (80%) of the sum of Buyer's TCQ in effect during each day of the relevant Contract Quarter as set forth on Exhibit B to Buyer's Rate Schedule FTP service agreement. Failure to transport or otherwise

deliver through Seller's pipeline facilities under this rate schedule the Throughput Commitment for the relevant Contract Quarter will subject Buyer to the payment of the Conditional Reservation Charge under Section 3.2 of this rate schedule.

In the event Buyer or Seller provides notice of force majeure or operating conditions pursuant to the provisions of Section 11 of the General Terms and Conditions and the event requiring such notice affects Buyer's or Seller's ability to perform its obligations under this rate schedule on any day(s), then those day(s) on which Buyer or Seller is unable to perform its obligations shall be excluded from the calculation of the Conditional Reservation Charge under Section 3.2 of this rate schedule. For purposes of this Section 2.7 only, the term "operating conditions", as defined in Section 11.1 of the General Terms and Conditions, shall apply to such events affecting either Seller's or Buyer's facilities, subject to Seller's or Buyer's, as applicable, compliance with further provisions of Section 11 of the General Terms and Conditions.

- 2.8 Reduction in TCQ – Buyer may request a reduction in its quarterly TCQs for any or all future Contract Quarters by giving Seller written notice at least thirty (30) days prior to the beginning of any Contract Quarter. If the average of Buyer's requested quarterly TCQ(s) is less than eighty percent (80%) of the average of the quarterly TCQ(s) in effect at the time of the request, then Seller may request and Buyer shall provide documentation to support the requested reduction. If Seller does not request documentation for the revised production profile or otherwise agrees to the reduction in TCQ(s), Buyer's proposed reduction will become effective as requested, but no earlier than the beginning of the Contract Quarter that occurs at least thirty (30) days after Buyer's notice. In the event Seller and Buyer, within thirty (30) days of Buyer's requested reduction, cannot agree on the requested reduction, a mutually agreeable independent reservoir engineering firm shall be hired to evaluate the requested reduction and provide an opinion on such reduction, which opinion shall be binding on Seller and Buyer. The change in TCQ's, as determined by such binding opinion, shall become effective no earlier than the beginning of the Contract Quarter that occurs at least thirty (30) days after the date of the binding opinion issued by the independent reservoir engineering firm. The costs of the reservoir engineering firm shall be borne equally by Seller and Buyer.
- 2.9 Increase in TCQ – Buyer may, upon no less than ten (10) business days' advance written notice to Seller, request an increase in its TCQ under its existing Rate Schedule FTP service agreement to become effective on the first day of any subsequent Contract Quarter. Requests for additional TCQ shall be subject to Seller having the requested capacity available on a firm basis and, when applicable, subject to Section 49 of the General Terms and Conditions of Seller's tariff.
- 2.10 In the event Seller is not able to receive on any gas day Buyer's TCQ under this rate schedule (which excludes fuel and line loss make up retention), Buyer may redirect the quantities that Seller is unable to receive on such gas day to a facility upstream of Seller. The quantities that Seller is not able to receive on any gas day under this rate schedule will be deducted from Buyer's TCQ; provided, however, the deduction shall not exceed Buyer's TCQ on that day. Buyer shall substantiate to Seller's reasonable satisfaction the

quantities of gas that were redirected and documentation of such quantities shall be provided to Seller by the next day or as soon thereafter as possible. The sum of the redirected quantities and the quantities delivered under this rate schedule shall not exceed Buyer's gas produced from Buyer's Leasehold Interests in the Committed Properties. Buyer may deliver redirected quantities to upstream facilities for the duration of Seller's inability on any gas day to receive Buyer's TCQ; provided however, Seller will not require that Buyer cease the redirection of production from Committed Properties any earlier than 10 days, or if the next month begins within the ten days, the first day of the following month, after written notification by Seller to Buyer that the conditions which resulted in the redirection of quantities have been resolved.

3. RATES AND CHARGES

3.1 The daily Volumetric Charge under this Rate Schedule FTP shall be comprised of the sum of a daily reservation charge and a commodity charge, each of which is calculated as follows:

Reservation charge – the product of the applicable daily reservation rate based on the zones in which capacity has been reserved by Buyer and the quantity of gas delivered each day, up to Buyer's TCQ.

Commodity charge – the product of the applicable commodity rate based on the zone of receipt and zone of delivery and the quantity of gas delivered each day, up to Buyer's TCQ.

3.2 Conditional Reservation Charge – For any Contract Quarter in which Buyer does not satisfy the Throughput Commitment of Section 2.7 of this rate schedule, the Conditional Reservation Charge shall be equal to the Conditional Reservation rate multiplied by a quantity of gas equal to the difference between the quantity of gas that would have been transported by Buyer under its Rate Schedule FTP service agreement had Buyer transported eighty percent (80%) of its TCQ in effect on each day of such Contract Quarter (and the TCQ(s) of any and all Replacement Shipper(s) under this rate schedule that derive a firm capacity entitlement from Buyer) and the actual quantity of gas transported by Buyer (and any and all Replacement Shipper(s) under this rate schedule that derive a firm capacity entitlement from Buyer) under its Rate Schedule FTP service agreement in such Contract Quarter. The Conditional Reservation rate for a Contract Quarter shall be the daily reservation rate payable by Buyer as of the last day of the Contract Quarter. Notwithstanding the foregoing, Buyer shall not be charged a Conditional Reservation Charge for the initial Contract Quarter of the term set forth in Article IV of the executed service agreement. Further, a Replacement Shipper under this rate schedule shall not be subject to the Conditional Reservation Charge.

3.3 The maximum and minimum reservation and commodity rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.5 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General

Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.

- 3.4 Capacity Release – The reservation rate payable by a Replacement Shipper shall be as set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions. The maximum reservation rates for firm transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 1.5 of this tariff; however, the maximum rate ceiling does not apply to such releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund. The minimum reservation rate applicable to capacity release transactions that are not permanent releases shall be zero unless otherwise specified in the capacity release offer.

In the event that Buyer releases firm capacity entitlements under this Rate Schedule FTP pursuant to Section 42 of the General Terms and Conditions, the Reservation charge payable by Buyer under this rate schedule shall be calculated based on the quantity of gas delivered each day to or for the account of Buyer and any and all Replacement Shipper(s) under this rate schedule that derive a firm capacity entitlement from Buyer, up to Buyer's TCQ. All quantities of gas delivered by such Replacement Shipper(s) shall be included in the calculation of Buyer's satisfaction of its Throughput Commitment under Section 2.7 of this rate schedule.

A Replacement Shipper under this rate schedule is prohibited from releasing Rate Schedule FTP capacity that it acquires pursuant to Section 42 of the General Terms and Conditions unless, pursuant to the terms of such release, the Replacement Shipper has agreed to a minimum volumetric obligation.

- 3.5 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up. Such percentage(s) are specified on the effective Statement of Rates and Fuel in Part II, Section 12.1 of this tariff.
- 3.6 Any quantities pooled at Seller's Station 85 Zone 4A pool that are nominated and delivered to Seller's Station 85 Zone 4 pool under this Rate Schedule FTP will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4A to Zone 4A commodity charge and fuel retention under this rate schedule.
- 3.7 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.

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

4. RECEIPTS AND DELIVERIES

- 4.1 Points of Receipt – Buyer may designate in the service agreement multiple points of receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Buyer's MDRO(s) do not include the additional quantities of gas retained by Seller for applicable compressor fuel and line loss make-up. Buyer's TCQ shall equal the sum of the MDROs at Buyer's point(s) of receipt. Points of receipt are restricted to points specified on Exhibit B associated with Committed Properties identified on Exhibit A to Buyer's Rate Schedule FTP service agreement.
- 4.2 Points of Delivery – Buyer may designate in the service agreement multiple points of delivery, each of which will have a Maximum Daily Capacity Entitlement. Buyer's TCQ shall equal the sum of the Maximum Daily Capacity Entitlements at Buyer's points of delivery.

In any zone for which Buyer pays a reservation charge to Seller under this rate schedule, Buyer shall have access, on a secondary basis, to delivery points within that zone not located within Buyer's firm contract path, as defined by those receipt and delivery points specifically identified in Buyer's Rate Schedule FTP service agreement. The quantities to be delivered on a secondary basis will be those quantities in excess of Buyer's Maximum Daily Capacity Entitlement at the respective point of delivery, and shall not exceed Buyer's TCQ for the zone in which the point of delivery is located.

Notwithstanding anything to the contrary in the foregoing, the sum of all quantities that can be nominated in any segment in a zone by Buyer and by any and all Replacement Shippers that derive a firm capacity entitlement in that zone from Buyer shall be limited to Buyer's applicable firm capacity entitlement under this Rate Schedule FTP in that segment of the zone. If the sum of all such nominated quantities exceeds Buyer's applicable firm capacity entitlement under this Rate Schedule FTP in that segment of the zone, the nominations using capacity on a secondary basis in any segment covered by the nomination shall be reduced on a pro rata basis, based upon nominated quantities in each segment. Nominations that are not using capacity on a secondary basis in any segment shall not be subject to reduction under this Section 4.2. Quantities delivered on a secondary basis shall have the priority set forth in Section 28 of the General Terms and Conditions and shall be subject to reduction or interruption as specified in Sections 11 and 28 of the General Terms and Conditions.

- 4.3 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or

cause to be delivered to Seller, the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.

- 4.4 Seller's ability to receive gas under this rate schedule at specific point(s) of receipt is subject to operating limitations of Seller and the upstream party at such point(s) of receipt. If an allocation of capacity at a point of receipt is required by Seller, Seller shall prorate quantities scheduled at that point among all Buyers under this rate schedule and all other shippers requesting firm service on that day based upon the relative priority of scheduled quantities at the specific point(s) of receipt on Seller's pipeline system. Scheduled quantities will be reduced based upon relative TCQ quantities on that segment of Seller's pipeline system.
- 4.5 Each executed service agreement shall specify Buyer's traditional FTP delivery point(s). In addition, all delivery point(s) upstream of such traditional FTP delivery point(s) ("non-traditional delivery points") located within Buyer's TCQ entitlements shall be made available to Buyer by Seller posting such delivery points on 1Line. Buyer's ability to nominate transportation service to such upstream non-traditional delivery point(s) will be subject to: (a) operating and tariff limitations at such point(s); (b) confirmation and acceptance by the delivery point operator; and further, may be subordinate to any firm services scheduled to such point(s) which are traditional delivery points specified in the executed service agreement of another firm Buyer.
- 4.6 Transportation service under this rate schedule shall be scheduled from valid receipt point(s) to valid delivery point(s) specified in this Section 4 and shall be subject to any applicable tariff limitations and contract capacity entitlements. The sum of Buyer's deliveries through a given segment of Seller's pipeline shall be limited to Buyer's TCQ as specified in the executed service agreement for such segment of capacity.
- 4.7 For capacity release transactions, receipt and delivery points will be established by the terms of the capacity release agreement. The rights of the Replacement Shipper at any particular point shall be those rights of the Releasing Shipper.

5. SCHEDULING AND BALANCING

- 5.1 Buyer shall nominate service under this rate schedule in accordance with the procedures set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same.
- 5.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have

the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement - estimates or actuals) and shall make such information available in accordance with Section 29 of the General Terms and Conditions. Seller shall install the appropriate equipment and facilities on its pipeline system as determined by Seller to accurately measure gas receipts and deliveries. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dth (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dth (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.

- 5.3 Each month imbalances shall be resolved in accordance with the provisions of Sections 25 and 37 of the General Terms and Conditions

6. OTHER CONDITIONS OF SERVICE

- 6.1 Requests for transportation hereunder shall be considered acceptable only if Buyer has completed and returned Seller's transportation service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's transportation service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and
- (b) Sufficient information to determine Buyer's creditworthiness in accordance with Section 32 of the General Terms and Conditions.
- 6.2 Requests for transportation hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer.

- 6.3 Seller shall not be required to perform service under this rate schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made.

7. PROCEDURES USED TO PROVIDE GENERAL INFORMATION TO BUYERS AND POTENTIAL BUYERS

- 7.1 Information regarding Seller's maximum and minimum rates for firm transportation services, general rate discounting advisories, gas scheduling or allocation procedures, available firm transportation capacity and other general announcements pertaining to transportation services will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis on 1Line.
- 7.2 Any general firm transportation service announcements will be made available to all Buyers and potential Buyers by electronic means on a twenty-four hour basis through 1Line. Overnight delivery of this information will be available to Buyers and potential Buyers upon written request provided that such overnight delivery services are prepaid.

8. WARRANTY OF TITLE TO GAS

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

9. GENERAL TERMS AND CONDITIONS

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

PART III – RATE SCHEDULES

**SECTION 2
OPEN ACCESS INTERRUPTIBLE TRANSPORTATION SERVICE**

RATE SCHEDULE IT
Interruptible Transportation Service

1. AVAILABILITY

Service under this rate schedule is available to any gas company or any other party (hereinafter referred to as "Buyer") subject to available capacity for the transportation of natural gas in accordance with Section 6 hereof, by Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") on Seller's system when:

- (a) Buyer desires interruptible transportation service of gas under this rate schedule; and
- (b) Buyer has submitted a valid request in accordance with Section 7 hereof for service under this rate schedule and Seller has available capacity to render such service; and
- (c) Buyer and Seller have executed a service agreement for service under this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to all interruptible transportation service rendered by Seller for Buyer pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule. In that regard, if any provision of an executed service agreement under this rate schedule specifies a "Maximum Daily Quantity," such specified Maximum Daily Quantity shall not be used in the determination of the level of transportation service to be allocated on any day to the Buyer under that service agreement.

3. RATES AND CHARGES

- 3.1 For interruptible transportation service rendered to Buyer each month under this rate schedule, Buyer shall pay to Seller the applicable rate multiplied by the quantities (dts) delivered.
- 3.2 RESERVED FOR FUTURE USE.
- 3.3 The maximum and minimum unit rates for interruptible transportation service are shown on the effective Statement of Rates and Fuel in Part II, Section 2.1 of this tariff. Buyer shall pay the maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer under this rate schedule. The rate or rates for service under this rate schedule shall not be discounted below the minimum rate, it being understood that each Buyer shall pay the maximum rates unless such rates are discounted to such specific customer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.

- 3.4 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up. Such percentage(s) are specified on the effective Statement of Rates and Fuel in Part II, Section 12.1 of this tariff.
- 3.5 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.
- 3.6 THIS SECTION RESERVED FOR FUTURE USE.
- 3.7 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to receive, measure, transport or deliver gas to or for the account of Buyer.
- 3.8 To the extent that Buyer elects to use this rate schedule to transport withdrawal quantities from Seller's Washington Storage Field, the following charges shall apply:
- (a) For deliveries downstream of Zone 3 - transportation charges commence in Zone 4 and end in the zone of delivery.
 - (b) For deliveries upstream of Zone 3 - transportation charges commence in Zone 2 and end in the zone of delivery.
 - (c) For deliveries in Zone 3 - see the effective Statement of Rates and Fuel in Part II, Section 2.1 of this tariff.
- 3.9 Transportation for a Buyer under this rate schedule shall be considered an interruptible feeder when such transportation feeds a firm receipt point where Seller provides Buyer firm transportation service to Buyer or another Buyer.
- 3.10 Any quantities pooled at Seller's Station 85 Zone 4 pool that are nominated and delivered in Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4 to Zone 4 commodity charges and fuel retention under this rate schedule.

Any quantities pooled at Seller's Station 85 Zone 4A pool that are nominated and delivered in zones other than Zone 4A or Zone 4B will be assessed, as a component of the total commodity charges and fuel retention applicable to such deliveries, the Zone 4A to Zone 4A commodity charges and fuel retention under this rate schedule.

4. RECEIPT AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer (plus fuel retained pursuant to the provisions of Section 3.4 hereof) at any

available point(s) of receipt on Seller's system as posted by electronic means on 1Line; (b) the transportation of gas through Seller's pipeline; (c) the delivery of equivalent quantities (dts) of natural gas (less fuel retained pursuant to the provisions of Section 3.4 hereof) by Seller to Buyer, or for Buyer's account, at any available point(s) of delivery as posted by electronic means on 1Line.

- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.
- 4.3 A Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 784.66 in Choctaw County, Alabama), may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool (located at the point of interconnection between Seller's mainline and Mobile Bay Lateral at milepost 0.00 in Choctaw County, Alabama). Similarly, a Buyer under this rate schedule that has rights to nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4A pool, may also nominate quantities of gas for delivery into or receipt from Seller's Station 85 Zone 4 pool.

5. SCHEDULING AND BALANCING

- 5.1 Buyer shall nominate service under this rate schedule in accordance with the procedures set forth in Section 28.1 of the General Terms and Conditions subject to Sections 5.1(a) and (b) hereof. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller, and confirmation by the upstream and downstream point operators as provided in Section 60 of the General Terms and Conditions. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same.
- (a) Buyer may request to re-nominate gas supplies from available alternative receipt point(s) during the day (subject to verification and confirmation by Seller) in accordance to Section 28.1 of the General Terms and Conditions in order to mitigate unexpected gas production outages. Seller will use all reasonable efforts to accommodate such requests, when operating conditions on Seller's system permit.
- (b) Buyer may take daily delivery, at the point(s) of delivery set forth in Buyer's service agreement hereunder, of quantities greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery

point "swing" services at Swing Service Delivery Points; provided however in no event shall Buyer take delivery of quantities hereunder (or allocate "swing" quantities to service under this rate schedule) greater than the Scheduled Daily Delivery Quantity, as defined in Section 2(g) of the General Terms and Conditions on a day when interruptible capacity on Seller's system is restricted or when service hereunder is limited pursuant to the provisions of Section 11.3(d) of Seller's General Terms and Conditions.

- 5.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement - estimates or actuals) and make such information available in accordance with Section 29 of the General Terms and Conditions. Seller shall install the appropriate equipment and facilities on its pipeline system as determined by Seller to accurately measure gas receipts and deliveries. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dth (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dth (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.
- 5.3 Each month imbalances shall be resolved in accordance with the provisions of Sections 25 and 37 of the General Terms and Conditions.

6. ALLOCATION OF AVAILABLE CAPACITY

- 6.1 Requests for service under this rate schedule will be received by Seller, and capacity will be made available in accordance with the provisions of Sections 28 and 59 of the General Terms and Conditions.

7. OTHER CONDITIONS OF SERVICE

- 7.1 Requests for transportation hereunder shall be considered acceptable only if Buyer has completed and returned Seller's transportation service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line.

Such request for service shall contain the information specified in Seller's transportation service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements.

- (b) Sufficient information to determine Buyer's credit worthiness in accordance with Section 32 of the General Terms and Conditions.

7.2 Requests for transportation hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer and provides the following information to Seller prior to or at the time that Buyer executes such service agreement.

If the transportation service is to be provided pursuant to Section 311(a) of the Natural Gas Policy Act (NGPA), certification including sufficient information to verify that Buyer's transportation service qualifies under Section 311(a) of the NGPA. Such certification shall include a statement by the intrastate pipeline or local distribution company on whose behalf such transportation service is to be performed that:

- (a) The intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point; or
- (b) The intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time that the gas is being transported by the interstate pipeline, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company; or
- (c) The gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that the local distribution company or intrastate pipeline certifies that it is on its behalf that the interstate pipeline is providing transportation service.

7.3 If the transportation service is to be provided under one Service Agreement for multiple Buyers ("Principals") that have designated a party to act as agent on their behalf ("Agent"), Principals shall provide notice of such to Seller and shall also provide sufficient information to verify:

- (a) that Principals collectively meet the "shipper must have title" requirement as set forth in Section 9 hereof;
- (b) that each Principal agrees that it is jointly and severally liable for all of the obligations of Buyer under the Service Agreement; and
- (c) that Principals agree that they shall be treated collectively as one Buyer for nomination, allocation and billing purposes.

Agent shall be permitted to unilaterally amend the Service Agreement to remove a Principal or to add a Principal that satisfies the requirements of Section 7.1(b) of this rate schedule and of this Section 7.3. No such amendment shall be binding on Seller prior to the date that notice thereof has been given to Seller.

7.4 Seller shall not be required to perform service under this rate schedule in the event all necessary permits and facilities necessary to render the requested service do not exist at the time the request is made.

8. RESERVED FOR FUTURE USE.

9. WARRANTY OF TITLE TO GAS

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

10. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE IDLS
Interruptible Delivery Lateral Service

1. AVAILABILITY

Service under this rate schedule is available to any gas company or any other party (hereinafter referred to as "Buyer") subject to available capacity for the transportation of natural gas in accordance with Section 6 hereof, by Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") on Seller's system when:

1.1 Buyer desires interruptible transportation service under this rate schedule; and

- (a) Buyer has submitted a valid request in accordance with Section 7 hereof for service under this rate schedule and Seller has available capacity to render such service; and
- (b) Buyer and Seller have executed a service agreement for service under this rate schedule.

1.2 Service under this rate schedule is only available on the delivery laterals enumerated in Section 21.2 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to all interruptible delivery lateral service rendered by Seller for Buyer pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule. In that regard, if any provision of an executed service agreement under this rate schedule specifies a "Maximum Daily Quantity," such specified Maximum Daily Quantity shall not be used in the determination of the level of transportation service to be allocated on any day to the Buyer under that service agreement.

3. RATES AND CHARGES

3.1 For interruptible delivery lateral service rendered to Buyer each month under this rate schedule, Buyer shall pay to Seller the applicable rate multiplied by the quantities (dt) delivered.

3.2 The maximum and minimum unit rates for interruptible delivery lateral service are shown on the effective Statement of Rates and Fuel in Part II, Section 2.2 of this tariff. Buyer shall pay the maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer under this rate schedule. The rate or rates for service under this rate schedule shall not be discounted below the minimum rate, it being understood that each Buyer shall pay the maximum rates unless such rates are discounted to such specific customer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.

- 3.3 Seller shall retain from the quantities of gas delivered by Buyer at the point(s) of receipt for transportation under this rate schedule a percentage(s) of such gas for compressor fuel and line loss make-up as specified on the effective Statement of Rates and Fuel in Part II, Section 12.2 of this tariff.
- 3.4 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees.

4. RECEIPT AND DELIVERIES

- 4.1 Transportation service under this rate schedule shall consist of: (a) the receipt of gas on behalf of Buyer (plus fuel retained pursuant to the provisions of Section 3.3 hereof) at any available point(s) of receipt on any of Seller's delivery laterals as posted by electronic means on 1Line; (b) the transportation of gas through Seller's delivery lateral; (c) the delivery of equivalent quantities (dts) of natural gas (less quantities retained pursuant to the provisions of Section 3.3 hereof) by Seller to Buyer, or for Buyer's account, at the point(s) of delivery as posted by electronic means on 1Line.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the point(s) of receipt and receive gas at the point(s) of delivery where Seller delivers gas after transportation; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. As nearly as practicable, Buyer shall deliver and receive gas in uniform hourly quantities during any day. Subject to Seller's operating conditions, during any given day Seller may allow Buyer to deliver or receive gas at an hourly rate that may exceed 1/24th of Buyer's scheduled quantities.

5. SCHEDULING AND BALANCING

- 5.1 Buyer shall nominate service under this rate schedule in accordance with the procedures set forth in Section 28.1 of the General Terms and Conditions subject to Sections 5.1(a) and (b) hereof. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate receipt point quantities for delivery to the nominated points of delivery. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller, and confirmation by the upstream and downstream point operators as provided in Section 60 of the General Terms and Conditions. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the operators at the point(s) of receipt and delivery to do the same.
- (a) Buyer may request to re-nominate gas supplies from available alternative receipt point(s) during the day (subject to verification and confirmation by Seller) in

accordance to Section 28.1 of the General Terms and Conditions in order to mitigate unexpected gas production outages. Seller will use all reasonable efforts to accommodate such requests, when operating conditions on Seller's system permit.

- (b) Buyer may take daily delivery, at the point(s) of delivery set forth in Buyer's service agreement hereunder, of quantities greater than or less than the quantities scheduled in advance pursuant to this Section 5.1, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services at Swing Service Delivery Points; provided however in no event shall Buyer take delivery of quantities hereunder greater than the Scheduled Daily Delivery Quantity, as defined in Section 2(g) of the General Terms and Conditions on a day when interruptible capacity on Seller's system is restricted or when service hereunder is limited pursuant to the provisions of Section 11.3(d) of the General Terms and Conditions.

5.2 Buyer shall have the responsibility to adjust and maintain a concurrent balance between receipts and deliveries based on the best information available to Buyer. Seller shall have the responsibility to monitor daily receipts and daily deliveries during the month based on the best operating information available to Seller (including electronic gas measurement - estimates or actuals) and make such information available in accordance with Section 29 of the General Terms and Conditions. Seller shall install the appropriate equipment and facilities on its pipeline system as determined by Seller to accurately measure gas receipts and deliveries. Any imbalances between Buyer's deliveries of gas for transportation and Seller's redeliveries shall be kept to a minimum. For daily imbalances between receipts and deliveries exceeding 10 percent or 1,000 dt (whichever is greater) or cumulative imbalances exceeding 5 percent or 1,000 dt (whichever is greater) Seller, upon notice to Buyer, which notice shall be given at least 24 hours in advance, unless exigent circumstances dictate otherwise, may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of receipts or deliveries over a reasonable period of time to maintain a concurrent balance when the operational integrity of Seller's pipeline system would otherwise be threatened.

5.3 Each month imbalances shall be resolved in accordance with the provisions of Sections 25 and 37 of the General Terms and Conditions.

6. ALLOCATION OF AVAILABLE CAPACITY

Requests for service under this rate schedule will be received by Seller, and capacity will be made available in accordance with the provisions of Sections 28 and 59 of the General Terms and Conditions.

7. OTHER CONDITIONS OF SERVICE

7.1 Requests for transportation hereunder shall be considered acceptable only if Buyer has completed and returned Seller's transportation service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line.

Such request for service shall contain the information specified in Seller's transportation service request form, as such may be revised from time to time, and

(a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements.

(b) Sufficient information to determine Buyer's credit worthiness in accordance with Section 32 of the General Terms and Conditions.

7.2 Requests for transportation hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer.

7.3 Seller shall not be required to perform service under this rate schedule in the event all necessary permits and facilities necessary to render the requested service do not exist at the time the request is made.

8. THIS SECTION IS RESERVED FOR FUTURE USE.

9. WARRANTY OF TITLE TO GAS

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

10. GENERAL TERMS AND CONDITIONS

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

PART III – RATE SCHEDULES

**SECTION 3
OPEN ACCESS FIRM STORAGE SERVICE**

RATE SCHEDULE WSS-OPEN ACCESS
Washington Storage Service-Open Access

1. AVAILABILITY

- 1.1 This open-access rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) of Washington Storage Service by any person, company or agency (hereinafter referred to as Buyer), when Buyer and Seller execute a service agreement for Washington Storage Service under this rate schedule.
- 1.2 Service under this rate schedule is also available when Buyer has obtained released firm capacity from a Rate Schedule WSS-Open Access Buyer releasing such firm capacity ("Releasing Shipper") pursuant to Section 42 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability

This rate schedule shall apply to storage service rendered from the Washington Storage Field by Seller to Buyer including service released under this rate schedule pursuant to Section 42 of the General Terms and Conditions. Service shall be rendered pursuant to the service agreement executed for service hereunder and subject to Part 284 of the Commission's regulations. Service rendered under this rate schedule, within the limitations described in Sections 6 and 7 hereof, shall not be subject to curtailment or interruption except that caused by force majeure or by operating conditions beyond Seller's or Buyer's control.

2.2 Pregranted Abandonment and Right of First Refusal

Section 284.221(d) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.

3. RATES AND CHARGES

- 3.1 The maximum and minimum rates for service under this rate schedule are shown on the currently effective Statement of Rates and Fuel in Part II, Section 3.1 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.
- 3.2 For purposes of capacity release, the Demand and Storage Capacity Quantity charges payable by Buyer shall be at a rate set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions.

The maximum and minimum rates for service are shown on the effective Statement of Rates and Fuel in Part II, Section 3.1 of this tariff, however, for releases that become effective on or after July 30, 2008, the maximum rate ceiling does not apply to such releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund.

3.3 For natural gas storage service rendered to Buyer under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:

- (a) Demand Charge: A charge per day per dt of Storage Demand. If Buyer acquires storage capacity through a volumetric storage release, the demand charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the allocated withdrawal quantity (up to the contract maximum daily withdrawal quantity for each day); provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.
- (b) Storage Capacity Quantity Charge: A charge per day per dt of Storage Capacity Quantity. If Buyer acquires storage capacity through a volumetric storage release, the Storage Capacity Quantity Charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the end of day storage balance.
- (c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.
- (d) Quantity Withdrawal Charge: A charge per dt for gas withdrawn from storage for Buyer's account.

3.4 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Demand Charge and Storage Capacity Quantity Charge in accordance with the provisions of Sections 3.6 and 3.7 of this rate schedule for the day(s) on which such interruption or reduction occurs. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section 6.1(b) and/or 7.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.

3.5 Determination of Service Reduction Quantities

- (a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:
 - (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however,

the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand, subject to the provisions set forth in Sections 7.2 and 7.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.

- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand, subject to the provisions set forth in Sections 7.2 and 7.3 hereof) and the quantity scheduled in accordance with Section 3.5(a)(i) is Buyer's Storage Demand Reduction Quantity.
- (b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Capacity Quantity in the following manner:
- (i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination, subject to the provisions set forth in Sections 6.2 and 6.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.
 - (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (subject to the provisions set forth in Sections 6.2 and 6.3 hereof) and the quantity scheduled in accordance with Section 3.5(b)(i) is Buyer's Storage Injection Reduction Quantity.

3.6 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.5(a)(ii) multiplied by the return on equity and associated income tax component of Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.5(b)(ii) multiplied by the return on equity and associated income tax component of Buyer's Storage Capacity Quantity Charge.

3.7 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.5(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.5(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

4. DEFINITIONS

4.1 Storage Demand

The Storage Demand shall be that quantity set forth in the executed service agreement and shall be utilized to determine the Demand Charges payable by Buyer hereunder.

4.2 Storage Capacity Quantity

The Storage Capacity Quantity shall be specified in the executed service agreement and shall be utilized to determine the Storage Capacity Quantity Charges payable by Buyer hereunder.

4.3 Storage Gas Balance

The Storage Gas Balance of Buyer at any particular time shall be the quantity of gas in storage for Buyer's account at such time.

5. GENERAL DESCRIPTION OF OPERATION

Subject to the limitations described in Sections 6 and 7 hereof, Buyer shall provide Seller with a quantity of gas up to Buyer's Storage Capacity Quantity plus a percentage or percentages of such quantity as compensation for compressor fuel and gas otherwise used, or lost and unaccounted for, in Seller's operations. Such percentage(s) is specified in the currently effective Statement of Rates and Fuel in Part II, Section 3.1 of this tariff and does not include the fuel to be retained by Seller under Seller's firm and interruptible transportation rate schedules to transport gas to and from the Washington Storage Field.

6. INJECTIONS INTO STORAGE

6.1 General Procedure

- (a) When Buyer desires Seller to store gas for its account under this rate schedule, Buyer or Buyer's designee shall nominate quantities to be delivered for injection in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller. Such confirmed quantity shall be deemed the scheduled quantity. Buyer shall make available such scheduled quantity, plus fuel as determined in accordance with Section 5 hereof, and Seller shall thereupon inject the scheduled quantity into storage for Buyer's account on such day, subject to the provisions of Section 6.1(b) hereof. Gas for injection hereunder shall be made available by Buyer at the receipt point set forth in the executed WSS-Open Access service agreement as a result of transportation services performed for Buyer or Buyer's designee.
- (b) Buyer may cause Seller to inject quantities of gas into storage for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 6.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to inject on any day a quantity of gas into storage under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to inject under the terms of this rate schedule on such day.

6.2 Daily Injection Quantity

The maximum quantity of gas which Seller can inject into storage on any one day is dependent in part upon operating conditions at the particular time. Seller shall endeavor to inject on any one day, as much of Buyer's storage nomination for such day as operating conditions will permit. If, however, the total of all nominations for such day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be reduced in an equitable manner; provided, however, that Seller shall be obligated to inject into storage on any one day for Buyer at Buyer's request, at least one-one hundred eightieth (1/180) of Buyer's Storage Capacity Quantity until such time as Buyer's Storage Gas Balance is equal to one-half (1/2) of Buyer's Storage Capacity Quantity and thereafter at least one-two hundred fourteenth (1/214) of Buyer's Storage Capacity Quantity. Seller shall provide notice on 1Line of the availability of daily injection quantities in excess of the foregoing daily injection obligations.

6.3 Limitation Upon Total Injection

Seller shall be obligated to inject gas into storage for Buyer's account in accordance with the above procedures only when Buyer's Storage Gas Balance is less than Buyer's Storage Capacity Quantity by an amount greater than or equal to Buyer's nominated injection quantity.

7. WITHDRAWALS FROM STORAGE

7.1 General Procedure

- (a) When Buyer desires the withdrawal or delivery of gas stored for Buyer's account under this rate schedule, Buyer or Buyer's designee shall nominate quantities to be received subsequent to withdrawal in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller. Such confirmed quantity shall be deemed the scheduled quantity. Seller shall thereupon withdraw or deliver for Buyer or Buyer's designee the quantity of gas scheduled and Buyer's Storage Gas Balance shall be reduced by the quantity of gas scheduled for withdrawal on such day, subject to Section 7.1(b) hereof. Gas for withdrawal hereunder shall be made available by Seller at the delivery point set forth in the executed WSS-Open Access service agreement for subsequent transportation service for Buyer or Buyer's designee.
- (b) Buyer may cause Seller to withdraw quantities from storage for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 7.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to

take delivery on any day of a quantity of gas under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to take under the terms of this rate schedule on such day.

7.2 Daily Withdrawal Quantity

The maximum quantity of gas which Seller can withdraw from storage on any day is dependent upon operating conditions in the Washington Storage Field and on Seller's system at the particular time. Seller shall endeavor to withdraw and deliver on any one day, as much of Buyer's nomination for such day as operating conditions will permit.

If, however, the total of all of the nominations exceed the total quantity which Seller can withdraw from storage on such day, each Buyer's storage withdrawal on such day shall be prorated in proportion to each Buyer's current Storage Gas Balance utilizing Seller's records, provided that on any day Buyer shall be entitled to withdraw the following daily quantity:

Buyer's Storage Gas Balance As a Percent of Buyer's <u>Storage Capacity Quantity</u>	Buyer's Daily Withdrawal Entitlement As A Factor of Buyer's <u>Storage Capacity Quantity</u>
20- 0	1/173
40-21	1/140
60-41	1/117
80-61	1/106
100-81	1/95

Seller shall provide notice on 1Line of the availability of daily withdrawal quantities in excess of the foregoing daily withdrawal entitlements.

7.3 Limitation Upon Total Withdrawal

Seller shall not withdraw gas for Buyer in excess of Buyer's Storage Gas Balance existing at any time.

8. BASE GAS

This provision shall not apply to releases of capacity under Section 42 of the General Terms and Conditions that are not permanent releases for the remaining term of the service agreement.

8.1 Seller's Obligation to Provide Base Gas

Seller is obligated to maintain sufficient base gas to support total top gas capacity entitlements of its customers.

8.2 Right to Certain Buyers to Purchase Base Gas

Seller shall be the owner of Base Gas injected into the Washington Storage Field; however, Buyers who are former Rate Schedule WSS customers, that have converted to service under this rate schedule, shall be entitled to purchase and receive the quantity of Base Gas as shown below, when such Buyer no longer receives service from the Washington Storage Field, less two (2) percent of such quantity for injection and withdrawal fuel. Buyer shall pay Seller for such gas received a charge per dt equal to the sum of (1) the average demand charge per dt credited to Buyer's bill at the time gas was injected into storage as Base Gas, (2) the average commodity charge in effect under the applicable rate schedule for each Buyer at the time gas was injected into storage as Base Gas, and (3) the Quantity Withdrawal Charge in effect at the time of withdrawal.

Base Gas attributable to each Buyer is as follows:

MCF @ 14.73 PSIA

Atlanta Gas Light Company	2,329,800
Brooklyn Union Gas Company	5,798,096
Chesapeake Utilities Corp. d/b/a Delaware Division	53,585
Chesapeake Utilities Corp. d/b/a Maryland Division	12,426
Clinton-Newberry Natural Gas Authority	155,320
City of Greenwood, South Carolina	23,298
City of Laurens, South Carolina	33,471
City of Shelby, North Carolina	9,708
City of Union, South Carolina	17,862
Consolidated Edison Company of N.Y. Inc.	4,629,190
Delmarva Power & Light Company	432,212
Elizabethtown Gas Company	1,183,242
Fort Hill Natural Gas Authority	77,660
KeySpan Energy Delivery Long Island	1,672,962
Liberty Utilites (Peach State Natural Gas) Corp.	149,718
Owens-Corning Sales, LLC	291,225
Patriots Energy Group	317,323
PECO Energy Company	1,383,433
Philadelphia Gas Works	1,251,530
Piedmont Natural Gas Company, Inc.	3,521,080
Public Service Company of North Carolina	1,048,410
South Carolina Electric & Gas Co.	168,052
Virginia Natural Gas, Inc.	271,810
WGL Midstream, Inc.	723,706

The Base Gas purchase rights shall apply to Rate Schedule WSS-Open Access Buyers receiving service from Seller as of November 1, 1998 or to Rate Schedule WSS Buyers receiving service from Seller as of November 1, 1998 that subsequently convert to service under this rate schedule. If a Buyer under this rate schedule exercises its right to purchase Base Gas as shown above, such right must be exercised upon the termination of service hereunder; however, with respect to a permanent release under Section 42.14 of the General Terms and Conditions, Buyer may exercise its right to purchase Base Gas as shown above at the time of such permanent release or may assign such right to a Replacement Shipper.

8.3 Seller's Replenishment of Base Gas

If a Buyer exercises the right to purchase Base Gas pursuant to Section 8.2 of this rate schedule and Seller replenishes all, or any portion, of the Base Gas in order to support the top gas capacity entitlements of a new Buyer(s) under this rate schedule that contracts for capacity vacated by the terminating Buyer, then Seller shall either make a limited Section 4 rate filing to recover from the new Buyer(s) any increase in the cost of service attributable to Seller's replenishment of Base Gas to serve the new Buyer(s) or make an informational filing detailing the volume of replenishment base gas purchased and the cost of that gas. Subject to Seller demonstrating that the cost of the base gas included in the limited Section 4 rate filing is the actual cost incurred by Seller to replenish the Base Gas, the level of such costs shall not be subject to challenge. Seller's purchase of additional base gas quantities will be conducted pursuant to a posting and bidding process consistent with the procedures set forth in Section 43 of the General Terms and Conditions.

9. TRANSFERS OF STORAGE INVENTORY

Refer to Section 47 of the General Terms and Conditions.

10. RIGHT OF FIRST REFUSAL PROCEDURES

Refer to Section 48 of the General Terms and Conditions.

11. PROCEDURES FOR ALLOCATING AVAILABLE CAPACITY

Refer to Section 49 of the General Terms and Conditions.

12. REQUEST FOR SERVICE

12.1 Requests for service hereunder shall be considered acceptable only if Buyer has completed and returned Seller's storage service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's storage service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and
- (b) Sufficient information to determine Buyer's credit worthiness in accordance with Section 32 of the General Terms and Conditions.

12.2 Requests for service hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer.

13. RECORDS OF INJECTION, WITHDRAWAL AND STORAGE GAS BALANCES

Seller shall keep accurate records of quantities injected to or withdrawn from Buyer's account, and of Buyer's Storage Gas Balance, which records shall be made available to Buyer at its request.

14. GENERAL TERMS AND CONDITIONS

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

Reserved For Future Use

RATE SCHEDULE ESS
Eminence Storage Service

1. AVAILABILITY

- 1.1 This open-access rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) of Eminence Storage Service by any person, company or agency (hereinafter referred to as Buyer), when Buyer and Seller execute a service agreement for storage service under this rate schedule.
- 1.2 Service under this rate schedule is also available when Buyer has obtained released firm capacity from a Rate Schedule ESS Buyer releasing such firm capacity ("Releasing Shipper") pursuant to Section 42 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability

This rate schedule shall apply to storage service rendered from the Eminence Storage Field by Seller to Buyer including service released under this rate schedule pursuant to Section 42 of the General Terms and Conditions. Service shall be rendered pursuant to the service agreement executed for service hereunder and Part 284 of the Commission's regulations. Service rendered under this rate schedule, within the limitations described in Sections 5 and 6 hereof, shall not be subject to curtailment or interruption except that caused by force majeure or by operating conditions beyond Seller's or Buyer's control.

2.2 Pregranted Abandonment and Right of First Refusal

Section 284.221(d) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.

3. RATES AND CHARGES

- 3.1 The maximum and minimum demand and quantity rates for service under this rate schedule are shown on the currently effective Statement of Rates and Fuel in Part II, Section 3.3 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate, pursuant to the provisions of Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.

- 3.2 For purposes of capacity release, the Demand Charge, Storage Capacity Quantity Charge, and, if applicable, the Injection Demand Charge payable by Buyer shall be at the rates set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions. The maximum and minimum rates for

service under this rate schedule are shown on the effective Statement of Rates and Fuel in Part II, Section 3.3 of this tariff, however, for releases that become effective on or after July 30, 2008, the maximum rate ceiling does not apply to such releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund.

3.3 For natural gas storage service rendered to Buyer under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:

- (a) Demand Charge: A charge per day per dt of Storage Demand. If Buyer acquires storage capacity through a volumetric storage release, the demand charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the allocated withdrawal quantity (up to the contract maximum daily withdrawal quantity for each day); provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.
- (b) Storage Capacity Quantity Charge: A charge per day per dt of Storage Capacity Quantity. If Buyer acquires storage capacity through a volumetric storage release, the Storage Capacity Quantity Charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the end of day storage balance.
- (c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.
- (d) Quantity Withdrawal Charge: A charge per dt for gas withdrawn from storage for Buyer's account.

3.4 In addition to the charges identified in Section 3.3 hereof, a Buyer contracting for service provided pursuant to Seller's Eminence Enhancement Project in Docket No. CP08-430 shall pay Seller for each day of each month the following amount:

Injection Demand Charge: A charge per day per dt of Storage Injection Quantity. If Buyer acquires storage capacity through a volumetric storage release, the injection demand charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the allocated injection quantity (up to the contract maximum daily injection quantity for each day); provided however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.

3.5 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Demand Charge, Storage Capacity Quantity Charge and Injection Demand Charge in accordance with the provisions of Sections 3.7 and 3.8 of this rate schedule for the day(s) on which such interruption or reduction occurs. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section 5.1(b)

and/or 6.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.

3.6 Determination of Service Reduction Quantities

- (a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:
 - (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.
 - (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand) and the quantity scheduled in accordance with Section 3.6 (a)(i) is Buyer's Storage Demand Reduction Quantity.
- (b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Capacity Quantity and Storage Injection Quantity (where applicable) in the following manner:
 - (i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Injection Quantity. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.
 - (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Injection Quantity) and the quantity scheduled in accordance with Section 3.6 (b)(i) is Buyer's Storage Injection Reduction Quantity.

3.7 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit, Storage Capacity Quantity Charge credit and Injection Demand Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.6(a)(ii) multiplied by the return on equity and associated income tax component of Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by the return on equity and associated income tax component of Buyer's Storage Capacity Quantity Charge.

(c) Injection Demand Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by the return on equity and associated income tax component of Buyer's Injection Demand Charge, where applicable.

3.8 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit, Storage Capacity Quantity Charge credit and Injection Demand Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.6(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

(c) Injection Demand Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by Buyer's Injection Demand Charge, where applicable.

4. DEFINITIONS

4.1 Storage Demand

The Storage Demand shall be that quantity set forth in the executed service agreement, as adjusted in accordance with Section 23 of the General Terms and Conditions, and shall be used to determine the Demand Charges payable by Buyer hereunder.

4.2 Reserved for Future Use

4.3 Storage Injection Quantity

The Storage Injection Quantity specified in the executed service agreement, as adjusted in accordance with Section 23 of the General Terms and Conditions, shall be the maximum quantity Seller shall be obligated to inject into storage for Buyer's account and Buyer shall be entitled to inject into storage on any one day, subject to the provisions set forth in Section 5 hereof.

4.4 Reserved for Future Use

4.5 Storage Capacity Quantity

The Storage Capacity Quantity shall be specified in the executed service agreement, as adjusted in accordance with Section 23 of the General Terms and Conditions, and shall be used to determine the Storage Capacity Quantity Charges payable by Buyer hereunder.

4.6 Reserved for Future Use

4.7 Storage Gas Balance

The Storage Gas Balance of Buyer at any particular time shall be the quantity of gas in storage for Buyer's account at such time.

5. INJECTIONS INTO STORAGE

5.1 General Procedure

- (a) When Buyer desires Seller to store gas for its account under this rate schedule, Buyer shall nominate quantities for injection according to Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines operating conditions permit. Buyer shall make available such scheduled quantity and Seller shall thereupon inject the scheduled quantity into storage for Buyer's account on such day, subject to the provisions set forth below in this section. Gas for injection hereunder shall be made available by Buyer to Seller at the receipt point set forth in the executed ESS service agreement as a result of transportation services performed by Seller for Buyer or Buyer's designee.

- (b) Buyer may cause Seller to inject quantities of gas into storage for Buyer's account under this rate schedule which are greater than or less than the quantities scheduled in advance pursuant to Section 5.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to inject on any day a quantity of gas into storage under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to inject under the terms of this rate schedule on such day.

5.2 Daily Injection Quantity

The maximum quantity of gas which Seller can inject into storage on any one day is dependent in part upon operating conditions in the Eminence Storage Field and on Seller's system at the particular time. Seller shall endeavor to inject on any one day, as much of Buyer's storage nomination for such day as operating conditions will permit. If, however, the total of all nominations for such day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated based upon Buyer's proportionate share of the total Storage Capacity Quantities of the Eminence Storage Field, but in no event shall Buyer be allocated less than its Storage Injection Quantity.

5.3 Limitation Upon Total Injection

Seller shall be obligated to inject gas into storage for Buyer's account in accordance with the above procedures only when Buyer's Storage Gas Balance is less than Buyer's Storage Capacity Quantity by an amount greater than or equal to Buyer's nominated injection quantity.

6. WITHDRAWALS FROM STORAGE

6.1 General Procedure

- (a) When Buyer desires the withdrawal or delivery of gas stored for Buyer's account under this rate schedule, Buyer shall nominate quantities for withdrawal according to Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines operating conditions permit. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled and Buyer's Storage Gas Balance shall be reduced by the quantity of gas scheduled for withdrawal on such day, subject to the provisions set forth below in this section. Gas for withdrawal hereunder shall be made available to Buyer at the delivery point set forth in the executed ESS service agreement as a result of transportation services performed by Seller for Buyer or Buyer's designee.
- (b) Buyer may cause Seller to withdraw quantities from storage for Buyer's account under this rate schedule which are greater than or less than the quantities scheduled in advance pursuant to Section 6.1(a) hereof, pursuant to the procedures outlined in

Section 18.1 of the General Terms & Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to take delivery on any day of a quantity of gas under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to take under the terms of this rate schedule on such day.

6.2 Daily Withdrawal Quantity

The maximum quantity of gas which Seller can withdraw from storage on any day is dependent in part upon operating conditions in the Eminence Storage Field and on Seller's system at the particular time. Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for such day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated based upon Buyer's proportionate share of the total Storage Capacity Quantities of the Eminence Storage Field, but in no event shall Buyer be allocated less than its Storage Demand.

6.3 Limitation Upon Total Withdrawal

Seller shall not withdraw gas for Buyer in excess of Buyer's Storage Gas Balance existing at any time.

7. TRANSFERS OF STORAGE INVENTORY

Refer to Section 47 of the General Terms and Conditions.

8. RIGHT OF FIRST REFUSAL PROCEDURES

Refer to Section 48 of the General Terms and Conditions.

9. PROCEDURES FOR ALLOCATING AVAILABLE CAPACITY

Refer to Section 49 of the General Terms and Conditions.

10. REQUEST FOR SERVICE

10.1 Requests for service hereunder shall be considered acceptable only if Buyer has completed and returned Seller's storage service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's storage service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and
- (b) Sufficient information to determine Buyer's credit worthiness in accordance with the General Terms and Conditions.

10.2 Requests for service hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer.

11. RECORDS OF INJECTION, WITHDRAWAL AND STORAGE GAS BALANCES

Seller shall keep accurate records of quantities injected and withdrawn from, or transferred to or from Buyer's account, and of Buyer's Storage Gas Balance, which records shall be made available to Buyer at its request.

12. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE EESWS
Emergency Eminence Storage Withdrawal Service

1. AVAILABILITY

- 1.1 This open-access rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) of Emergency Eminence Storage Withdrawal Service by any person, company or agency (hereinafter referred to as Buyer), when Buyer and Seller execute a service agreement for service under this rate schedule.
- 1.2 Service under this rate schedule is also available when Buyer has obtained released firm capacity from a Rate Schedule EESWS Buyer releasing such firm capacity ("Releasing Shipper") pursuant to Section 42 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Service under this rate schedule shall be made available to Buyer(s) as backup supply during force majeure events as defined in Section 11.1 of the General Terms and Conditions. Service shall be rendered pursuant to the service agreement executed for service hereunder and Part 284 of the Commission's regulations, within the limitations described in Sections 5 and 6 hereof, and shall not be subject to curtailment or interruption except that caused by force majeure or by operating conditions.
- 2.2 Unless Seller has posted on 1Line that service under this rate schedule is available to Buyers, a Buyer that requires backup supply under this rate schedule as a result of a force majeure event shall request service by providing written notice and full particulars of such force majeure event to Seller.
- 2.3 Service under this rate schedule is limited to an aggregate daily withdrawal quantity, for the duration of the force majeure event, equal to the combined Storage Demand quantities set forth in the executed service agreements of all Buyers under this rate schedule, but not more than a cumulative withdrawal quantity equal to the combined Storage Capacity Quantities of all Buyers under this rate schedule.
- 2.4 Section 284.221(d) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, set forth in Section 48 of the General Terms and Conditions.

3. RATES AND CHARGES

- 3.1 The maximum and minimum rates for service under this rate schedule are shown on the currently effective Statement of Rates and Fuel in Part II, Section 3.4 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions. Further, Buyer and Seller may mutually agree to a negotiated rate, pursuant to the provisions of

Section 53 of the General Terms and Conditions. Such negotiated rate shall be set forth in the executed service agreement.

- 3.2 For purposes of capacity release, the Demand and Storage Capacity Quantity charges payable by Buyer shall be at a rate set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions. The maximum and minimum rates for service under this rate schedule are shown on the effective Statement of Rates and Fuel in Part II, Section 3.4 of this tariff, however, for releases that become effective on or after July 30, 2008, the maximum rate ceiling does not apply to such releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund.
- 3.3 For natural gas storage withdrawal service rendered to Buyer under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:
- (a) Storage Demand Charge: A charge per day per dt of Storage Demand Quantity. If Buyer acquires storage capacity through a volumetric storage release, the Storage Demand Charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the allocated withdrawal quantity; provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.
 - (b) Storage Capacity Quantity Charge: A charge per day per dt of Storage Capacity Quantity. If Buyer acquires storage capacity through a volumetric storage release, the Storage Capacity Quantity Charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the allocated withdrawal quantity; provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.
 - (c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.
 - (d) Quantity Withdrawal Charge: A charge per dt for gas withdrawn from storage for Buyer's account.
- 3.4 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Storage Demand Charge in accordance with the provisions of Sections 3.6 and 3.7 of this rate schedule for the day(s) on which such interruption or reduction occurs.
- 3.5 Determination of Service Reduction Quantities

For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:

- (a) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.
- (b) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand) and the quantity scheduled in accordance with Section 3.5(a) is Buyer's Storage Demand Reduction Quantity.

3.6 For each Service Reduction Day due to a force majeure event, Buyer's Storage Demand Charge credit shall be computed by multiplying Buyer's Storage Demand Reduction Quantity calculated in Section 3.5(b) by the return on equity and associated income tax component of Buyer's Storage Demand Charge.

3.7 For each Service Reduction Day due to a non-force majeure event, Buyer's Storage Demand Charge credit shall be computed by multiplying Buyer's Storage Demand Reduction Quantity calculated in Section 3.5(b) by Buyer's Storage Demand Charge.

4. DEFINITIONS

4.1 Storage Demand Quantity

The Storage Demand Quantity shall be that quantity set forth in the executed service agreement and shall be used to determine the Demand Charges payable by Buyer hereunder.

4.2 Storage Capacity Quantity

The Storage Capacity Quantity shall be specified in the executed service agreement and shall be used to determine the Storage Capacity Quantity Charges payable by Buyer hereunder.

4.3 Storage Injection Quantity

The Storage Injection Quantity specified in the executed service agreement shall be the maximum quantity Seller shall be obligated to inject into storage for Buyer's account and Buyer shall be entitled to inject into storage on any one day, subject to the provisions set forth in Section 6 hereof.

5. WITHDRAWALS FROM STORAGE

- 5.1 Emergency Eminence Storage Withdrawal Service is limited to an aggregate daily withdrawal quantity equal to the combined Storage Demand Quantities of all Buyers under this rate schedule. Should operating conditions permit, the daily withdrawal capability shall be increased by Seller. Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit, and in no event shall Buyer be allocated less than its Storage Demand. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the total nominations for such day shall be allocated pro rata among the nominating Buyers based on Storage Demand.
- 5.2 The total aggregate quantity available for withdrawal during any force majeure event may be adjusted downward to the extent that withdrawals from prior force majeure events have not been returned. Withdrawal quantities may be adjusted to the extent that the capacity or deliverability of the Eminence storage field varies with factors unrelated to the level of inventory, such as force majeure or operating conditions.
- 5.3 When Buyer withdraws gas under this rate schedule, Buyer shall nominate quantities for withdrawal according to Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines operating conditions permit. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled. Gas for withdrawal hereunder shall be made available to Buyer at the delivery point set forth in the executed EESWS service agreement.

6. INJECTIONS INTO STORAGE

- 6.1 Upon the termination of the force majeure event applicable to Buyer or the depletion of quantities available under this rate schedule, whichever occurs first, Buyer will be required to schedule injection returns plus fuel at a daily rate such that the quantities withdrawn will be replaced within 30 days, or such longer period that may be required as a result of injection limitations. Seller shall have the right to limit Buyer's daily injection rate to the Storage Injection Quantity specified in Buyer's service agreement unless operating conditions permit a greater injection quantity. If Buyer fails to meet the injection return deadline, Buyer shall be charged a penalty on the unreturned quantities of two times the Zone 4 Reference Spot Price "Sell," as set forth in Section 37.1(a) of the General Terms and Conditions for the month(s) in which all quantities should have been replaced. The unreturned quantity multiplied by one times the Zone 4 Reference Spot Price "Sell" will be considered the penalty revenue that will be distributed pursuant to Section 54 of the General Terms and Conditions. The remaining penalty dollars (the unreturned quantity multiplied by the Zone 4 Reference Spot Price "Sell"), which is representative of Seller's cost to replenish the gas in the Eminence storage field, shall be accounted for as part of Seller's Cash Out program pursuant to Section 15 of the General Terms and Conditions.

6.2 When Buyer returns gas under this rate schedule, Buyer shall nominate quantities for injection according to Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines operating conditions permit. Buyer shall make available such scheduled quantity and Seller shall thereupon inject the scheduled quantity into storage for Buyer's account. Gas for injection hereunder shall be made available by Buyer to Seller at the receipt point set forth in the executed EESWS service agreement.

6.3 In the event that Buyer has obtained released firm capacity under this rate schedule pursuant to Section 42 of the General Terms and Conditions and the term of that release ends prior to Buyer's injection return deadline, as determined under Section 6.1 hereof, for quantities withdrawn under this rate schedule, then the Releasing Shipper shall be deemed to appoint Buyer as its agent under the Releasing Shipper's applicable service agreement under this rate schedule for purposes of scheduling injection returns plus fuel in order to permit replacement of the quantities withdrawn within the period prescribed for Buyer's return of such quantities. If Buyer fails to meet the injection return deadline, Buyer shall be charged the penalty specified in Section 6.1 hereof on the unreturned quantities.

7. RIGHT OF FIRST REFUSAL PROCEDURES

Refer to Section 48 of the General Terms and Conditions.

8. PROCEDURES FOR ALLOCATING AVAILABLE CAPACITY

Refer to Section 49 of the General Terms and Conditions.

9. REQUEST FOR SERVICE

9.1 Requests for service hereunder shall be considered acceptable only if Buyer has completed and returned Seller's storage service request form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's storage service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and
- (b) Sufficient information to determine Buyer's creditworthiness in accordance with the General Terms and Conditions.

- 9.2 Requests for service hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer.

10. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE LNG
Liquefied Natural Gas Storage Service

1. AVAILABILITY

1.1 This open access rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") of a storage service consisting of the liquefaction of natural gas, the storage of such liquefied natural gas ("LNG"), and the delivery of such gas to any person, company or agency (hereinafter referred to as "Buyer"), by Seller's pipeline or by transfer of LNG to a properly qualified transporting vehicle ("Truck") when:

- (a) The Primary Points for receipt and/or delivery of natural gas by Seller's pipeline to Buyer or for Buyer's account of gas stored under this rate schedule is at, or upstream of, the point where Seller's liquefaction-storage plant connects with Seller's main line system near Carlstadt, New Jersey; and
- (b) Buyer and Seller have executed a service agreement for service under this rate schedule.

1.2 Service under this rate schedule is also available when Buyer has obtained released firm capacity from a Rate Schedule LNG Buyer releasing such firm capacity (hereinafter referred to as "Releasing Shipper") from the existing Primary receipt/delivery point of Releasing Shipper pursuant to Section 42 of the General Terms and Conditions.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability

This rate schedule shall apply to the liquefaction and storage service rendered by Seller to Buyer including service released under this rate schedule pursuant to Section 42 of the General Terms and Conditions. Service shall be rendered pursuant to the service agreement executed for service hereunder and subject to Part 284 of the Commission's regulations.

Delivery of natural gas by Seller's pipeline rendered under this rate schedule, within the limitations described in Section 6 hereof, shall be considered to be firm, and shall not be subject to curtailment or interruption except that caused by force majeure or operating conditions beyond Seller's or Buyer's control.

Buyer's requests for delivery of LNG by transfer to a Truck shall be considered to be firm, subject to the loading capacity at Seller's liquefaction-storage plant, the availability of personnel to load the Truck(s) and other operating conditions that may exist from time to time.

2.2 Pre-granted Abandonment and Right of First Refusal

Section 284.221(d) of the Commission's regulations shall apply to service under this rate schedule subject to the right of first refusal procedures, if applicable, as set forth in Section 48 of the General Terms and Conditions.

2.3 Primary Points - Buyer's service agreement under this rate schedule shall identify the points of receipt and delivery, which points will be Primary Points.

2.4 Secondary Points - For service under this rate schedule, Buyer may make withdrawals from storage or make quantities available for storage returns at locations other than a Primary Point. Such locations shall be deemed Secondary Points. Secondary Points must be located in the same zone as Buyer's Primary Point, but may not be at points of interconnection with interstate or intrastate pipelines or at locations on Seller's system where measurement facilities do not exist. In addition, the delivery point for transfer of LNG to a Truck at the outlet valve of Seller's loading facilities at its liquefaction-storage plant near Carlstadt, New Jersey is a Secondary Point for service under this rate schedule.

2.5 For capacity release transactions, receipt and delivery points will be established by the terms of the capacity release agreement. The rights of the Replacement Shipper at any particular point shall be those rights of the Releasing Shipper.

3. RATES, CHARGES, AND FUEL

3.1 The maximum and minimum rates for service under this rate schedule are shown on the currently effective Statement of Rates and Fuel in Part II, Section 3.5 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rate to Buyer; provided however, Buyer and Seller may mutually agree to a negotiated rate, which rate shall be less than, equal to, or greater than Seller's maximum rate, shall not be less than the minimum rate, and may be based upon a rate design other than Straight Fixed Variable (SFV). Such negotiated rate shall be set forth in the executed service agreement.

3.2 For purposes of capacity release, the Demand and Capacity Quantity charges payable by Buyer shall be at a rate set forth in the applicable capacity release award posted on 1Line consistent with the provisions of Section 42 of the General Terms and Conditions. The maximum and minimum rates for service are shown on the effective Statement of Rates and Fuel in Part II, Section 3.5 of this tariff; however, for releases that become effective on or after July 30, 2008, the maximum rate ceiling does not apply to such releases provided the release is for a term of one year or less and the release is to take effect on or before one year from the date on which the pipeline is notified of the release. The rate paid in any capacity release transaction not subject to the maximum rate ceiling will not be subject to refund.

3.3 For natural gas storage service rendered by Seller under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:

- (a) Demand Charge: A charge per day per dt of Storage Demand. If Buyer acquires storage capacity through a volumetric storage release, the demand charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the allocated withdrawal quantity (up to the contract maximum daily withdrawal quantity for each day); provided, however, Buyer's monthly bill may be subject to adjustment to account for any minimum volumetric commitment specified in such capacity release award.
 - (b) Capacity Charge: A charge per day per dt of Liquefaction Capacity Quantity. If Buyer acquires storage capacity through a volumetric storage release, the Capacity Charge shall be the rate set forth in the applicable capacity release award posted on 1Line multiplied by the end of day storage balance.
 - (c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.
 - (d) Quantity Withdrawn Charge: A charge per dt for gas withdrawn from storage for Buyer's account.
- 3.4 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(s) is specified in the currently effective Statement of Rates and Fuel in Part II, Section 3.5 of this tariff.
- 3.5 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Demand Charge and Capacity Charge in accordance with the provisions of Sections 3.7 and 3.8 of this rate schedule for the day(s) on which such interruption or reduction occurs. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section 6.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.
- 3.6 Determination of Service Reduction Quantities
- (a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:
 - (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand, subject to the provisions set forth in Section 6.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal

quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.

(ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand, subject to the provisions set forth in Section 6.3 hereof) and the quantity scheduled in accordance with Section 3.6(a)(i) is Buyer's Storage Demand Reduction Quantity.

(b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Liquefaction Capacity Quantity in the following manner:

(i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination, subject to the provisions set forth in Section 7 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.

(ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (subject to the provisions set forth in Section 7 hereof) and the quantity scheduled in accordance with Section 3.6(b)(i) is Buyer's Liquefaction Capacity Reduction Quantity.

3.7 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit and Capacity Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.6(a)(ii) multiplied by the return on equity and associated income tax component of Buyer's Demand Charge.

(b) Capacity Charge credit:

Buyer's Liquefaction Capacity Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by the return on equity and associated income tax component of Buyer's Capacity Charge.

3.8 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit and Capacity Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.6(a)(ii) multiplied by Buyer's Demand Charge.

(b) Capacity Charge credit:

Buyer's Liquefaction Capacity Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by Buyer's Capacity Charge.

4. DEFINITIONS

4.1 Storage Demand

The Storage Demand shall be that quantity set forth in the service agreement and shall be used to determine the Demand Charges payable by Buyer hereunder.

4.2 Liquefaction Capacity Quantity

The Liquefaction Capacity Quantity shall be that quantity set forth in the service agreement and shall be used to determine Capacity Charges payable by Buyer hereunder.

4.3 Liquefied Gas Balance

The Liquefied Gas Balance of Buyer at any particular time shall be the quantity of gas in storage in liquid form for Buyer's account at such time.

4.4 Withdrawal Period

The Withdrawal Period shall be the five consecutive months beginning on November 1 of any year and extending through the next succeeding March 31. However, nothing in this section shall be construed as limiting Buyer's right to withdraw gas outside of the Withdrawal Period as set forth in this rate schedule.

4.5 Injection Period

The Injection Period shall be the seven consecutive months beginning on April 1 and extending through the succeeding October 31. However, nothing in this section shall be construed as limiting Buyer's right to inject gas outside of the Injection Period as set forth in this rate schedule.

5. GENERAL DESCRIPTION OF OPERATION

Service agreements for service hereunder shall become effective at the beginning of a Withdrawal Period. The initial liquefaction and filling of Seller's liquid storage tank shall be with Seller's gas. Seller shall deliver to Buyer quantities of gas stored hereunder for Buyer in accordance with Buyer's requests made within the limitations provided in this rate schedule. Buyer shall be obligated to return to Seller all quantities of gas delivered during a Withdrawal Period or delivered pursuant to

Section 11 of this rate schedule, plus quantities retained pursuant to Section 3.4 hereof. Subject to Section 6.4 of this rate schedule, all such delivered quantities shall be returned by Buyer to Seller no later than the last day of the Injection Period that immediately succeeds the preceding Withdrawal Period.

6. WITHDRAWALS FROM STORAGE

6.1 Withdrawals of Natural Gas by Seller's Pipeline

- (a) When Buyer desires the gasification and delivery by Seller's pipeline of natural gas stored under this rate schedule for its account, it shall nominate with Seller in accordance with Section 28 of the General Terms and Conditions specifying the delivery point and the daily quantity of gas it desires delivered under this rate schedule. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall deliver to Buyer the quantity of gas so nominated, subject to the limitations set forth in this section.
- (b) Buyer may take delivery of quantities of gas nominated pursuant to Section 6.1(a) hereof at Buyer's Primary Points for its account which are greater than or less than the quantity scheduled in advance, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" service.
- (c) Buyer may take delivery of quantities of gas stored under this rate schedule and nominated and scheduled pursuant to Section 6.1(a) hereof at Buyer's Secondary Points for its account, subject to the provisions in Section 6.5 of this rate schedule.

6.2 Withdrawals as LNG by Transfer to a Truck

- (a) Buyer may request delivery under this rate schedule by transfer of LNG to a Truck at the outlet valve of Seller's loading facilities at Seller's liquefaction-storage plant located near Carlstadt, New Jersey. The outlet valve of Seller's loading facilities is a Secondary Point under this rate schedule and deliveries at this point are subject to the provisions in Section 6.5 of this rate schedule.
- (b) Buyer shall provide request(s) electronically via email to Seller at least 48 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 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 daily quantity may not exceed the loading capability of the liquefaction-storage plant, as posted on 1Line.
- (c) 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 by 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 48-hour advance request requirement of Section 6.2(b) herein based on each such Buyer's Storage Demand quantity. Buyers will not be allocated partial Trucks of LNG.

- (d) Seller, in its sole judgment, may waive the 48-hour advance request period on a non-discriminatory basis. Buyer request(s) made less than 48 hours in advance shall be evaluated after all requests made pursuant to Section 6.2(b) are satisfied. Such requests shall be allocated on a first-come, first-served basis, as operating conditions permit.
- (e) Seller shall communicate via email the results of the allocation process set forth in Section 6.2(c) and, if applicable, Section 6.2(d) to the requesting Buyer(s). Nothing herein shall preclude revisions by Seller to such allocated quantities as operational conditions may require.
- (f) Upon Buyer's receipt of Seller's communication of the number of Trucks allocated to Buyer for a given day, Buyer shall nominate with Seller in accordance with Section 28 of the General Terms and Conditions specifying the daily quantity of LNG expressed in dekatherms that Seller has agreed to deliver to Buyer. For nomination purposes, each Truck shall be deemed to contain an estimated dekatherm equivalent quantity of LNG, which estimated dekatherm equivalent shall be posted on 1Line. Only nominations expressed as an integer multiple of this posted dekatherm quantity will be accepted by Seller. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis if Seller determines that operating conditions permit. Seller shall deliver to Buyer the quantity of LNG so nominated, subject to the limitations set forth in this section.
- (g) 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.
- (h) 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.
- (i) 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.
- (j) 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.
- (k) The natural gas delivered by Seller to Buyer in the liquid phase shall be at the pressure developed by the force of gravity on the liquid head contained in Seller's storage tank or at the pressure developed by auxiliary equipment that may be in operation at the time of delivery. The minimum pressure shall be that which is developed by the force of gravity with a 23-foot head of liquid natural gas.

- (l) The quantity of LNG delivered by Seller to Buyer shall be determined by having the Trucks weighed on certified scales before and after loading. Buyer shall have the responsibility of furnishing Seller with certified weights prior to, and after, loading with LNG. The weight of LNG so delivered shall be converted into dekatherms 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.
- (m) 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.
- (n) 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.
- (o) Quantities nominated pursuant to Section 6.2(f) hereof shall be adjusted by Seller to equal the dekatherm equivalent quantities calculated pursuant to Section 6.2(l) hereof. Buyer's Liquefied Gas Balance under this rate schedule shall be reduced by such calculated dekatherm equivalent quantities of LNG.

6.3 Quantity Limitations

Seller is not obligated to deliver on any day quantities in excess of Buyer's Storage Demand. However, Buyer may nominate for delivery quantities in excess of Buyer's Storage Demand in accordance with Section 9 hereof. Buyer's withdrawals on any day shall not exceed Buyer's Liquefied Gas Balance on such day.

6.4 Injections during Withdrawal Period

Upon request of Buyer, Seller shall permit Buyer to nominate gas for injection into storage tanks during a Withdrawal Period in replacement of gas withdrawn. Seller shall be obligated to accept gas for return only when Buyer's Liquefied Gas Balance is less than Buyer's Liquefaction Capacity Quantity. Buyer's nominations for injection tendered to Seller at Secondary Points shall be consistent with Seller's nomination and scheduling timelines as set forth in Section 28 of the General Terms and Conditions and shall be subject to Seller's operational capability to accept returns at the nominated Secondary points.

6.5 Deliveries to Secondary Points

Deliveries to Secondary Points by Seller's pipeline and by transfer of LNG to a Truck shall be deemed "first through the meter" and will not be available for "swing" service pursuant to Section 18.1 of the General Terms and Conditions. Nothing herein shall give Buyer the right to take total delivery at Primary Points and Secondary Points of a quantity of gas in excess of the quantity which Buyer would otherwise be entitled to take under the terms of this rate schedule on any gas day.

7. RETURN OF GAS DURING INJECTION PERIOD

7.1 General Procedure

Buyer shall, during any Injection Period, return to Seller a quantity of gas equal to the quantity delivered hereunder to Buyer less any injections during the immediately preceding Withdrawal Period plus the quantities retained pursuant to Section 3.4 hereof. Returns shall be made daily in accordance with the procedure set forth below in this section, unless other mutually satisfactory operating arrangements are made by Seller and Buyer. Gas for returns hereunder shall be made available by Buyer to Seller from gas available to Buyer at any Primary and/or Secondary Points as a result of transportation services performed by Seller for Buyer.

7.2 Returns

Commencing on the first day of an Injection Period, unless otherwise agreed upon, Buyer shall be obligated to nominate a quantity of gas (including quantities retained pursuant to Section 3.4 hereof) for return to Seller and Seller shall be obligated to accept at Buyer's Primary Point for return each day at least 1/200th of Buyer's Liquefaction Capacity Quantity, except for the final day return when the quantity shall be that which is required to balance with the total withdrawals less any injections during the immediately preceding Withdrawal Period plus the quantities retained pursuant to Section 3.4 hereof. Buyer's nominations for returns tendered to Seller at Secondary Points shall be consistent with Seller's nomination and scheduling timelines as set forth in Section 28 of the General Terms and Conditions and shall be subject to Seller's operational capability to accept returns at the nominated Secondary Points.

7.3 Limitation Upon Total Returns

Seller shall be obligated to accept gas for return in accordance with the above procedure only when Buyer's Liquefied Gas Balance is less than Buyer's Liquefaction Capacity Quantity.

8. RECORDS OF DELIVERIES, RETURNS AND STORAGE GAS BALANCES

Seller shall keep accurate records of gas delivered and returned to or from Buyer's account, and of Buyer's Liquefied Gas Balance, which records shall be made available to Buyer at its request.

9. DELIVERIES IN EXCESS OF FIRM ENTITLEMENT

Buyer may request Seller to deliver total quantities of gas by pipeline and/or as LNG by transfer to a Truck on any day in excess of Buyer's Storage Demand for such day. Seller shall make such excess delivery to Buyer if, in Seller's judgment, such delivery can be made without adverse effect on Seller's operations and if such delivery does not reduce the Liquefied Gas Balance of Buyer under this rate schedule below zero.

Buyer shall pay Seller for any such delivery in excess of Buyer's Storage Demand the applicable per dt charges set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 3.5 of this tariff.

10. EXCESS INJECTIONS

Buyer may nominate gas for injection into storage tanks in excess of 1/200th of Buyer's Liquefaction Capacity Quantity on any day when Buyer's Liquefied Gas Balance is less than Buyer's Liquefaction Capacity Quantity. Seller shall permit such excess injection if, in Seller's judgment, such injection can be made without adverse effect on Seller's operations.

11. REQUESTS FOR DELIVERIES OUTSIDE OF WITHDRAWAL PERIOD

Buyer may request Seller to deliver gas by pipeline and/or as LNG by transfer to a Truck on any day during the Injection Period, pursuant to the terms of Section 6 of this rate schedule. Seller shall make such requested delivery to Buyer if such delivery does not reduce the Liquefied Gas Balance of Buyer under this rate schedule below zero.

Buyer shall pay Seller the currently effective charge set forth in Section 9 of this rate schedule for each dt of such gas delivered by pipeline and the currently effective charge set forth in Section 3.3(d) of this rate schedule for such gas delivered as LNG by transfer to a Truck.

12. CAPACITY RELEASE

Refer to Section 42 of the General Terms and Conditions.

13. TRANSFERS OF STORAGE INVENTORY

Refer to Section 47 of the General Terms and Conditions.

14. RIGHT OF FIRST REFUSAL PROCEDURES

Refer to Section 48 of the General Terms and Conditions.

15. PROCEDURES FOR ALLOCATING AVAILABLE CAPACITY

Refer to Section 49 of the General Terms and Conditions

16. REQUEST FOR SERVICE

- 16.1 Requests for service hereunder shall be considered acceptable only if Buyer has completed and returned Seller's Firm Service Request Form (which is available to all Buyers and potential Buyers on request) electronically via 1Line or to the following address:

Transcontinental Gas Pipe Line Company, LLC
Attention: Customer Services
P. O. Box 1396
Houston, Texas 77251

Such request for service shall contain the information specified in Seller's Firm Service Request Form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information, in writing, as is required to comply with regulatory reporting or filing requirements; and
 - (b) Sufficient information to determine Buyer's creditworthiness in accordance with Section 32 of the General Terms and Conditions.
- 16.2 Requests for service hereunder shall be void unless Buyer executes a service agreement for service under this rate schedule within thirty (30) days after Seller has tendered such agreement to Buyer.

17. GENERAL TERMS AND CONDITIONS

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

PART III – RATE SCHEDULES

**SECTION 4
OPEN ACCESS INTERRUPTIBLE STORAGE SERVICE**

RATE SCHEDULE ISS
Interruptible Storage Service

1. AVAILABILITY

1.1 This open-access rate schedule is available for the purchase of natural gas storage service on an interruptible basis from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) by any person, company or agency (hereinafter referred to as Buyer); when:

- (a) Seller determines, at Seller's sole discretion on a non-discriminatory basis, that capacity is available to provide service under this rate schedule; and
- (b) Buyer and Seller execute a service agreement for interruptible storage service under this rate schedule.

Seller shall provide notice on 1Line of the availability of service under this rate schedule.

1.2 Seller shall utilize its Eminence Storage Field or the portion of the Washington Storage Field dedicated to Part 284 service to provide service under this rate schedule.

1.3 Buyer shall arrange separately with Seller or others as necessary for any transportation attendant to the interruptible storage service provided hereunder and shall pay separately for such transportation service.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This rate schedule shall apply to interruptible storage service rendered from Seller's Eminence or Washington Storage Fields pursuant to the service agreement executed for service hereunder and Part 284 of the Federal Energy Regulatory Commission's regulations.

2.2 Service hereunder may be interrupted whenever Seller, in its sole judgment on a non-discriminatory basis, deems such interruption necessary due to operating conditions or system requirements, or to maintain the integrity of the system or to assure that Seller can render service to higher priority customers including firm storage customers. Seller shall provide notice on 1Line when service under this rate schedule is interrupted.

2.3 In the event Seller notifies Buyer of an interruption of service under this rate schedule, Seller may cease deliveries to or receipts of gas from Buyer, in whole or in part, as directed by Seller. Seller may also require Buyer within the time period specified by Seller, which period shall be no less than three (3) days, to withdraw all, or any part, of its stored volume under this Rate Schedule ISS consistent with Seller's withdrawal capabilities as communicated in Seller's notification to Buyer.

2.4 Buyer indemnifies and holds Seller harmless from and against any and all losses, damages, or expenses of every kind and character which Buyer may suffer, sustain, or be liable for as the result of any interruption or reduction of service pursuant to this Rate Schedule ISS.

The foregoing shall not apply if such interruption or reduction of service pursuant to this Rate Schedule ISS is caused by Seller's negligence or willful misconduct.

3. RATES AND CHARGES

3.1 The maximum and minimum rates for service under this rate schedule are shown on the currently effective Statement of Rates and Fuel in Part II, Section 4.1 of this tariff. Buyer shall pay such maximum rates for service under this rate schedule unless Seller, in its sole judgment on a non-discriminatory basis, agrees to discount its rate to Buyer. Such discount may be granted consistent with the applicable provisions of Section 40 of the General Terms and Conditions.

3.2 For interruptible storage service rendered to Buyer under this rate schedule, Buyer shall pay Seller each month the sum of the following amounts:

(a) Inventory Charge:

A charge per dt of the daily ISS quantity stored.

(b) Quantity Injected Charge:

A charge per dt for gas delivered into storage for Buyer's account.

(c) Quantity Withdrawn Charge:

A charge per dt for gas withdrawn from storage for Buyer's account.

(d) Unauthorized Storage Charge:

If Buyer fails to withdraw from storage a quantity of gas equal to or greater than the quantity specified in Seller's notification to Buyer pursuant to Section 2.3 hereof by the date stated in such notification, then Buyer shall pay to Seller an Unauthorized Storage Charge. The Unauthorized Storage Charge shall be computed by multiplying \$25/dt per day times each dt remaining in storage until such time that Buyer withdraws the dt's necessary to be in compliance with Seller's notification. From the Unauthorized Storage Charge collected, Seller shall retain the maximum rate inventory charge per day times each dt remaining in storage until such time that Buyer withdraws the quantity necessary to be in compliance with Seller's notification. The amount being retained represents Seller's cost to store the gas for the Buyer. The remaining portion of the Unauthorized Storage Charge shall be considered the penalty revenue to be distributed pursuant to Section 54 of the General Terms and Conditions.

3.3 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of

Seller's invoice detailing the amount of such fees. Seller shall not use the amounts so collected either as revenues or costs in establishing its general system rates.

4. INJECTIONS INTO STORAGE

4.1 In advance of any day that Seller makes interruptible storage injection service available under this rate schedule and Buyer desires Seller to store gas for its account under this rate schedule, Buyer shall nominate quantities for injection according to Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines operating conditions permit. Buyer shall make available such scheduled quantity and Seller shall thereupon inject the scheduled quantity into storage for Buyer's account on such day. Gas for injection hereunder shall be made available by Buyer or Buyer's designee to Seller at the receipt point set forth in the executed ISS service agreement.

4.2 Buyer may cause Seller to inject quantities of gas into storage for Buyer's account under this rate schedule which are greater than or less than the quantities scheduled in advance pursuant to Section 4.1 hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services.

5. WITHDRAWALS FROM STORAGE

5.1 For any day that Seller makes interruptible storage withdrawal service available under this rate schedule and Buyer desires the delivery of gas stored for Buyer's account under this rate schedule, Buyer shall nominate quantities for withdrawal according to Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines operating conditions permit. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled and Buyer's storage gas balance shall be reduced by the quantity of gas scheduled for withdrawal on such day. Gas for withdrawal hereunder shall be made available to Buyer or Buyer's designee at the delivery point set forth in the executed ISS service agreement.

5.2 Buyer may cause Seller to withdraw quantities from storage for Buyer's account under this rate schedule which are greater than or less than the quantities scheduled in advance pursuant to Section 5.1 hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services.

6. TRANSFERS OF STORAGE INVENTORY

Refer to Section 47 of the General Terms and Conditions.

7. FUEL ALLOWANCE

Seller will retain from Buyer's nominated storage injections a percentage or percentages of gas as compensation for compressor fuel and gas otherwise used, lost or unaccounted for in Seller's operations. Such percentage(s), if any, are specified on the currently effective Statement of Rates and Fuel in Part II, Section 4.1 of this tariff.

8. THIS SECTION IS RESERVED FOR FUTURE USE.

9. PROCEDURES FOR ALLOCATING AVAILABLE CAPACITY

9.1 In allocating capacity or curtailing service among Buyers under this rate schedule, Seller shall give interruptible priority based on Buyer's willingness to pay the highest unit rate for such service (not to exceed the maximum rate for such service) with Buyers paying the highest unit rate, or Buyers, which when given notice of interruption are willing to pay the highest unit rate, receiving first priority and so on (with capacity allocated on a pro rata basis among Buyers willing to pay the same unit rate for such service).

9.2 In no event shall the quantity to be injected or withdrawn hereunder exceed the quantity of gas scheduled under the applicable transportation rate schedule used to deliver Rate Schedule ISS gas for injection or to receive gas for withdrawal.

10. RECORDS OF INJECTION AND WITHDRAWAL

Seller shall keep accurate records of quantities injected and withdrawn from Buyer's account, and of Buyer's stored volume, which records shall be made available to Buyer at its request.

11. QUALITY

Refer to Section 3 of the General Terms and Conditions.

12. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

13. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Seller's Volume No. 1 Tariff which are applicable to this rate schedule are made a part hereof. However, in the event of any inconsistencies between the General Terms and Conditions and this Rate Schedule ISS, the terms and conditions of this Rate Schedule ISS shall control.

PART III – RATE SCHEDULES

SECTION 5
RESERVED FOR FUTURE USE

Reserved For Future Use

PART III – RATE SCHEDULES

**SECTION 6
FIRM 7(c) STORAGE SERVICE**

RATE SCHEDULE GSS
General Storage Service

1. AVAILABILITY

This rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter called Seller) of natural gas storage service by any utility or gas distribution agency (hereinafter referred to as Buyer), when Buyer and Seller execute a service agreement for storage service under this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to storage service rendered by Seller to Buyer under the service agreement executed for service hereunder. Service rendered under this rate schedule, within the limitations described in Sections 6 and 7 hereof, shall be considered to be firm, and shall not be subject to curtailment or interruption except that caused by force majeure or by operating conditions beyond Seller's or Buyer's control.

3. RATES, CHARGES, AND FUEL

3.1 The applicable charges set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.1 of this tariff.

3.2 For natural gas storage service rendered to Buyer under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:

- (a) Demand Charge: A charge per day per dt of Storage Demand.
- (b) Storage Capacity Quantity Charge: A charge per day per dt of Storage Capacity Quantity.
- (c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.
- (d) Quantity Withdrawn Charge: A charge per dt for gas withdrawn from storage for Buyer's account.
- (e) Excess Delivery from Buyer's Storage Gas Balance Charge: A charge per dt for all gas withdrawn from storage for Buyer in excess of Buyer's firm withdrawal entitlement.
- (f) Excess End of Season Inventory Charge: The portion of Dominion Energy Transmission Inc.'s (Dominion) excess end of season inventory charge under Dominion's Rate Schedule GSS which is allocated to Buyers under this rate schedule.

3.3 In addition to the fuel allowance set forth in Section 9 of this rate schedule, Seller shall retain from Buyer's nominated storage injections a percentage or percentages as compensation for compressor fuel and gas otherwise used, or lost and unaccounted for, in Seller's operations. The respective fuel retention percentages pursuant to Section 3.3 and Section 9 of this rate schedule are specified on the Statement of Rates and Fuel in Part II, Section 7.1 of this tariff. The total fuel retention percentage under this rate schedule is shown on such Statement of Rates and Fuel in Part II, Section 7.1.

- 3.4 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Demand Charge and Storage Capacity Quantity Charge in accordance with the provisions of Sections 3.6 and 3.7 of this rate schedule. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section 7.1(b) and/or 8.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.
- 3.5 Determination of Service Reduction Quantities
- (a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:
- (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand, subject to the provisions set forth in Section 8.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.
- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand, subject to the provisions set forth in Section 8.3 hereof) and the quantity scheduled in accordance with Section 3.5(a)(i) is Buyer's Storage Demand Reduction Quantity.
- (b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Capacity Quantity in the following manner:
- (i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination, subject to the provisions set forth in Sections 7.3 and 7.4 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.

- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (subject to the provisions set forth in Sections 7.3 and 7.4 hereof) and the quantity scheduled in accordance with Section 3.5(b)(i) is Buyer's Storage Capacity Reduction Quantity.

3.6 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

- (a) Demand Charge credit:

For a total of ten (10) Service Reduction Days due to a force majeure event, there shall be no Demand Charge credit for Buyer's storage Demand Reduction Quantity. For each additional Service Reduction Day due to the force majeure event, the Demand Charge credit shall be Buyer's Storage Demand Reduction Quantity calculated in Section 3.5(a)(ii) multiplied by Buyer's Demand Charge.

- (b) Storage Capacity Quantity Charge credit:

For a total of ten (10) Service Reduction Days due to a force majeure event, there shall be no Storage Capacity Quantity Charge credit for Buyer's Storage Injection Reduction Quantity. For each additional Service Reduction Day due to the force majeure event, the Storage Capacity Quantity Charge credit shall be Buyer's Storage Capacity Reduction Quantity calculated in Section 3.5(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

3.7 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

- (a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.5(a)(ii) multiplied by Buyer's Demand Charge.

- (b) Storage Capacity Quantity Charge credit:

Buyer's Storage Capacity Reduction Quantity calculated in Section 3.5(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

4. CHANGES IN RATES FOR THIS RATE SCHEDULE TO REFLECT A CHANGE IN RATES BY THE PIPELINE PROVIDING RELATED STORAGE SERVICE TO SELLER

4.1 Application - This section sets forth the procedures to (i) change Seller's rates under this rate schedule when Dominion, a provider of storage service necessary for Seller to provide storage service under this rate schedule, changes the rates and charges payable by Seller for such storage service and (ii) to flow-through refunds received from Dominion attributable to such storage service. The effective date of a change in Seller's rates filed pursuant to this

Section 4.1 shall coincide with the effective date of any change in rates by Dominion under Dominion's Rate Schedule GSS.

- (a) Rate Change - The charges under this rate schedule as shown on the effective Statement of Rates and Fuel in Part II, Section 7.1 of this tariff include amounts payable by Seller to Dominion for storage service under Dominion's Rate Schedule GSS. The service provided by Dominion is used by Seller to render a portion of the service to Buyers under Seller's Rate Schedule GSS. A change by Dominion in the charges payable by Seller shall be reflected in this rate schedule by the following procedure:
- (i) Demand Charge - The Demand Charge shown on the Statement of Rates and Fuel in Part II, Section 7.1 of this tariff is based, in part, on Dominion's Storage Demand Charge and on the ratio of Seller's Storage Demand with Dominion to the Storage Demand of all Buyers under Seller's Rate Schedule GSS. Seller shall reduce or increase, as appropriate, the Demand Charge shown on such Statement of Rates and Fuel in Part II, Section 7.1 by an amount equal to the change in Dominion's Storage Demand Charge times the then-current ratio, rounded to the nearest one-thousandth of a cent.
 - (ii) Storage Capacity Quantity Charge - The Storage Capacity Quantity Charge is based, in part, on Dominion's Storage Capacity Charge and on the ratio of Seller's Storage Capacity with Dominion to the Storage Capacity of all Buyers under Seller's Rate Schedule GSS. Seller shall reduce or increase, as appropriate, the Storage Capacity Quantity Charge shown on the Statement of Rates and Fuel in Part II, Section 7.1 of this tariff by an amount equal to the change in Dominion's Storage Capacity Quantity Charge times the then-current ratio, rounded to the nearest one-thousandth of a cent.
 - (iii) Quantity Injected Charge and Quantity Withdrawn Charge - The Quantity Injected charge and the Quantity Withdrawn Charge are based, in part, on Dominion's Injection and Withdrawal Charges and on the ratio of Seller's projected injections and withdrawals with Dominion to the total projected injections and withdrawals of all Buyers under Seller's Rate Schedule GSS. Seller shall reduce or increase, as appropriate, the Quantity Injected Charge and the Quantity Withdrawn Charge shown on the Statement of Rates and Fuel in Part II, Section 7.1 of this tariff by an amount equal to the change in Dominion's Injection and Withdrawal Charges times the then-current ratio, rounded to the nearest one-thousandth of a cent.
 - (iv) Other Charges - The other charges contained in this rate schedule shall be changed to reflect any changes filed pursuant to Sections 3.4(a)(i), (ii) and (iii) hereof.
- (b) Notification - Seller shall give notice on 1Line of any proposed rate change filed by Dominion which Seller is authorized to track under this rate schedule within three (3)

business days following Seller's receipt of such filing. Such notice shall include the expected effect on Seller's rates under this rate schedule.

- (c) Seller's Tracker Filings - Seller shall file to track any rate change by Dominion which affects Seller's rates under this rate schedule no later than thirty (30) days following the issuance date of the Commission order which accepts and makes effective Dominion 's rate change. The effective date of such change in Seller's rates shall coincide with the effective date of any change in rates by Dominion.
- (d) Refunds and Surcharges - Within forty-five (45) days of receipt thereof, Seller shall refund to Buyers under Seller's Rate Schedule GSS the proportion of the amount refunded to Seller by Dominion under Dominion's Rate Schedule GSS which pertains to service provided by Seller under Seller's Rate Schedule GSS, including any interest paid by Dominion. Such refund shall also include interest accrued by Seller while the funds received from Dominion are in Seller's possession. Seller shall bill Buyers under this rate schedule for any surcharges paid by Seller, including any interest paid by Seller. Each Buyer's proportionate share of any refund or surcharge shall be determined in the same manner as the refund or surcharge from Dominion was determined.

5. MINIMUM BILL

The minimum bill shall be the sum of the Demand Charge and the Storage Capacity Quantity Charge.

6. DEFINITIONS

6.1 Storage Demand

The Storage Demand shall be that quantity set forth in the service agreement, as adjusted in accordance with Section 23 of the General Terms and Conditions, and shall be utilized to determine the Demand Charges payable by Buyer hereunder.

6.2 Storage Capacity Quantity

The Storage Capacity Quantity shall be that quantity set forth in the service agreement, as adjusted in accordance with Section 23 of the General Terms and Conditions, and shall be utilized to determine the Storage Capacity Quantity Charges payable by Buyer hereunder. The Storage Capacity Quantity shall be at least fifty (50) times and not more than one hundred ten (110) times Buyer's Storage Demand.

6.3 Storage Gas Balance

The Storage Gas Balance of Buyer at any particular time shall be the quantity of gas in storage for Buyer's account at such time.

7. INJECTIONS INTO STORAGE

7.1 General Procedure

- (a) When Buyer desires Seller to store gas for its account under this rate schedule, Buyer shall nominate quantities for injection in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon inject or cause to be injected into storage for Buyer's account on such day, the quantity of gas so nominated, subject to the limitations set forth below in this section. Gas for injection hereunder shall be made available by Buyer to Seller from gas available as a result of transportation services performed by Seller for Buyer or Buyer's designee.
- (b) Buyer may cause Seller to inject quantities of gas into storage for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 7.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to inject on any day a quantity of gas into storage under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to inject under the terms of this rate schedule on such day.

7.2 Notice Required

Buyer shall nominate injections under this rate schedule in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit.

7.3 Daily Injection Quantity

The maximum quantity of gas which Seller can inject or cause to be injected into storage on any one day is dependent in part upon operating conditions at the particular time. Seller shall endeavor to inject or cause to be injected on any one day, as much of Buyer's storage nomination for such day as operating conditions will permit. If, however, the total of all nominations for such day exceed the total quantity which Seller can inject or cause to be injected into storage on such day, the nominations for such day shall be reduced in an equitable manner; provided, however, that Seller shall be obligated to inject into storage on any one day for Buyer at Buyer's request, at least one-one hundred eightieth (1/180) of Buyer's Storage Capacity Quantity until such time as Buyer's Storage Gas Balance is equal to one-half (1/2) of Buyer's Storage Capacity Quantity and thereafter at least one-two hundred fourteenth (1/214) of Buyer's Storage Capacity Quantity. Seller shall provide notice on 1Line of the availability of daily injection quantities in excess of the foregoing daily injection obligations.

7.4 Limitation upon Total Injection

Seller shall be obligated to inject gas into storage for Buyer's account in accordance with the above procedure only when Buyer's Storage Gas Balance is less than Buyer's Storage Capacity Quantity.

8. WITHDRAWALS FROM STORAGE

8.1 General Procedure

- (a) When Buyer desires the delivery of gas stored for Buyer's account under this rate schedule, Buyer shall nominate quantities for withdrawals in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon deliver to Buyer the quantity of gas so nominated, subject to the limitations set forth below in this section.
- (b) Buyer may take delivery of quantities of gas stored for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 8.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to take delivery on any day of a quantity of gas under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to take under the terms of this rate schedule on such day.

8.2 Notice Required

Buyer shall nominate withdrawals under this rate schedule in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit.

8.3 Quantity and Inventory Limitations

In the event Seller determines that it can make available for withdrawal and delivery quantities in excess of the quantity entitlements and delivery obligations set forth in Section 8.3(a), (b) or (c) hereof, Seller shall provide notice on 1Line of the availability of such excess withdrawals and deliveries.

(a) Subject to the other provisions of this section, Seller will deliver to Buyer on any one day under this rate schedule, the maximum quantity of gas which operating conditions in the storage fields will permit as determined by the operators thereof. Seller shall endeavor to withdraw and deliver, on any one day, the total of each Buyer's nominations for such day, up to, but not exceeding, Buyer's Storage Demand. If, however, all of the nominations exceed the total quantity which Seller can withdraw from storage and deliver, the gas deliverable on such day shall be prorated in proportion to each Buyer's current Storage Gas Balance, utilizing records of Seller's dispatcher, provided that on any day, Buyer shall be entitled to receive the following daily quantities:

- (i) Buyer's Storage Demand, provided Buyer's Storage Gas Balance is 35 percent or more of Buyer's Storage Capacity Quantity.
- (ii) 99 percent of Buyer's Storage Demand, provided Buyer's Storage Gas Balance is greater than or equal to 20 percent and less than 35 percent of Buyer's Storage Capacity Quantity.
- (iii) 74 percent of Buyer's Storage Demand, provided Buyer's Storage Gas Balance is greater than or equal to 7 percent and less than 20 percent of Buyer's Storage Capacity Quantity.
- (iv) 55 percent of Buyer's Storage Demand, when Buyer's Storage Gas Balance is less than 7 percent of Buyer's Storage Capacity Quantity.

(b) Seller shall not be obligated to deliver a daily average of more than 87-1/2 percent of Buyer's Storage Demand during any consecutive 30-day period.

(c) Seller shall not be obligated to deliver gas to Buyer hereunder, when:

- (i) During the period from November 1 through February 14, such delivery would reduce Buyer's Storage Gas Balance to less than 20 percent of Buyer's Storage Capacity Quantity, and
- (ii) During the period from February 15 through March 1, such delivery would reduce Buyer's Storage Gas Balance to less than 7 percent of Buyer's Storage Capacity Quantity.

(d) Minimum Inventory

Buyer must maintain a Storage Gas Balance equal to or greater than the following percentages of Buyer's Storage Capacity Quantity on each day during the following months:

December	35%
January	35%
February	15%

If Buyer does not maintain the required Storage Gas Balance, then commencing on such day and continuing until Buyer's Storage Gas Balance is at the level required above, Seller's obligation to make deliveries to Buyer shall be reduced by five (5) percent of Buyer's Storage Demand.

(e) Minimum Turnover

During the Winter Period, Buyer's total withdrawals from storage must be equal to or greater than the amount by which Buyer's Storage Gas Balance as of the prior November 1 exceeds thirty-five percent (35%) of Buyer's Storage Capacity. If Buyer has failed to withdraw such quantities, then Buyer will be subject to the provisions of Section 15 of this rate schedule.

8.4 Operational Flow Order

- (a) Seller shall have the right to issue, if necessary, during the period of February 15 through March 31 of each year, Operational Flow Order(s) ("OFO") to specific Buyers described in Section 8.4(b) hereof if Seller determines that such action is necessary to manage conditions which may inhibit Seller's ability to deliver the Storage Demands of Buyers pursuant to Rate Schedule GSS. Seller may issue an OFO pursuant to this Section 8.4 only when Buyers' Storage Gas Balances, in aggregate, are 35 percent or less of Buyers' Storage Capacity Quantities.
- (b) This OFO shall only apply if a portion of Buyer's GSS Storage service is supported by Seller's equity ownership interest in the Wharton Storage Field and that Buyer meets the conditions described in (i) or (ii) below:
 - (i) If a Buyer's Storage Gas Balance is greater than or equal to 20 percent and less than 28 percent of Buyer's Storage Capacity Quantity, Buyer's Storage Demand during the time period the OFO is in effect shall be reduced to 83 percent of Buyer's Storage Demand.
 - (ii) If a Buyer's Storage Gas Balance is greater than or equal to 7 percent and less than 13 percent of Buyer's Storage Capacity Quantity, Buyer's Storage Demand during the time period the OFO is in effect shall be reduced to 60 percent of Buyer's Storage Demand.
- (c) Seller shall give Buyer at least twenty-four (24) hours advance notice of the OFO, unless exigent circumstances dictate otherwise. Each OFO will contain the following information:
 - (i) time and date of issuance;

- (ii) effective time of the OFO (if no time is specified, the OFO shall be effective immediately);
 - (iii) anticipated duration of the OFO (if none is specified the OFO shall be effective until further notice); and
 - (iv) Seller will publish notices of implementation of an OFO pursuant to this Section 8.4 on 1Line as expeditiously as possible.
- (d) Each OFO shall remain in effect until the earlier of:
- (i) the time when, in Seller's judgment, the conditions that caused the OFO have been alleviated;
 - (ii) the time when Buyers' Storage Balances, in the aggregate, are equal to or greater than 35% of Buyers' Storage Capacity Quantities; or
 - (iii) the time when that individual Buyer's Storage Gas Balance no longer falls within levels described in Section 8.4(b)(i) or (ii) hereof.
- (e) Seller will publish notice of the termination of an OFO on 1Line as expeditiously as possible.
- (f) Nothing in this Section 8.4 shall preclude Seller from issuing a general system OFO pursuant to Section 52 of the General Terms and Conditions that would apply to Rate Schedule GSS service.

9. FUEL ALLOWANCE

In order to recover quantities of fuel retained by Dominion associated with the injection of natural gas quantities into storage, Seller will retain equivalent quantities from Buyer's storage injection quantities hereunder. Provided, however, Buyer may deliver or cause to be delivered to Seller such additional quantities of gas as Seller reasonably determines are required for fuel to effect injection of Buyer's injection quantities.

10. RECORDS OF INJECTION, WITHDRAWAL AND STORAGE GAS BALANCES

Seller shall keep accurate records of quantities injected to or withdrawn from Buyer's account, and of Buyer's Storage Gas Balance, which records shall be made available to Buyer at its request.

11. SCHEDULED DELIVERIES IN EXCESS OF FIRM ENTITLEMENT

Buyer may request Seller to deliver gas to Buyer on any day during the period extending from October 1 through April 30 in excess of Buyer's nomination of its firm storage entitlement for such day. Seller may make such excess delivery to Buyer if, in Seller's judgment, such delivery can be made without adverse effect on Seller's operations.

Buyer shall pay Seller, for any such delivery scheduled by Buyer and Seller, the applicable per dt charges set forth for any such delivery scheduled from Buyer's Storage Gas Balance, in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.1 of this tariff.

12. FAILURE TO COMPLY WITH MINIMUM TURNOVER

12.1 If Buyer's Storage Gas Balance on April 15 of any year exceeds the level required by Section 8.3(e) of this rate schedule and Seller is assessed an excess end of season inventory charge by Dominion under Dominion's Rate Schedule GSS, Buyer shall be assessed its proportionate share of Seller's Excess End of Season Inventory Charge under this rate schedule.

12.2 Seller shall collect each Buyer's proportionate share of the Excess End of Season Inventory Charge by deducting the applicable quantity of gas from Buyer's Storage Gas Balance.

13. QUALITY

Refer to Section 3 of the General Terms and Conditions.

14. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

15. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Seller's Volume No. 1 Tariff which are applicable to this rate schedule are hereby made a part hereof.

**RATE SCHEDULE LSS
LEIDY STORAGE SERVICE**

1. AVAILABILITY

This rate schedule is available for the purchase of natural gas storage service from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) by any person, company or agency (hereinafter referred to as Buyer), when Buyer and Seller execute a service agreement for storage service under this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to storage service rendered by Seller to Buyer under the service agreement executed for service hereunder. Service rendered under this rate schedule, within the limitations described in Sections 7 and 8 hereof, shall be considered firm, provided, however, such service shall be subject to interruption for events of force majeure or operating conditions beyond Seller's or Buyer's control. In the event of an interruption of deliveries by Dominion Energy Transmission Inc. (Dominion) to Seller from its storage capacity, Buyer shall be entitled to receive no less than 30 percent of Buyer's Storage Demand quantity as a result of deliveries of storage gas to Seller by National Fuel Gas Supply Corporation (National Fuel), the supplier of the balance of the storage services which underlie service by Seller under this rate schedule.

3. RATES AND CHARGES

3.1 The applicable per dt charges set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.2 of this tariff.

3.2 For natural gas storage service rendered to Buyer under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:

(a) Demand Charge: A charge per day per dt of Storage Demand.

(b) Storage Capacity Quantity Charge: A charge per day per dt of Storage Capacity Quantity.

(c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.

(d) Quantity Withdrawn Charge: A charge per dt for gas withdrawn from storage for Buyer's account.

(e) Excess End of Season Inventory Charge: The portion of Dominion's excess end of season inventory charge under Dominion's Rate Schedule GSS which is allocated to Buyers under this rate schedule.

3.3 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then

Seller shall credit Buyer's Demand Charge and Storage Capacity Quantity Charge in accordance with the provisions of Sections 3.5 and 3.6 of this rate schedule. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section 7.1(b) and/or 8.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.

3.4 Determination of Service Reduction Quantities

- (a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:
 - (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand, subject to the provisions set forth in Section 8.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.
 - (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand, subject to the provisions set forth in Section 8.3 hereof) and the quantity scheduled in accordance with Section 3.4(a)(i) is Buyer's Storage Demand Reduction Quantity.
- (b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Capacity Quantity in the following manner:
 - (i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination, subject to the provisions set forth in Sections 7.3 and 7.4 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.
 - (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (subject to the provisions set forth in Sections 7.3 and 7.4

hereof) and the quantity scheduled in accordance with Section 3.4(b)(i) is Buyer's Storage Injection Reduction Quantity.

3.5 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

(a) Demand Charge credit:

For a total of ten (10) Service Reduction days due to a force majeure event, there shall be no Demand Charge credit for Buyer's Storage Demand Reduction Quantity. For each additional Service Reduction day due to the force majeure event, the Demand Charge credit shall be Buyer's Storage Demand Reduction Quantity calculated in Section 3.4(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

For a total of ten (10) Service Reduction days due to a force majeure event, there shall be no Storage Capacity Quantity Charge credit for Buyer's Storage Injection Reduction Quantity. For each additional Service Reduction day due to the force majeure event, the Storage Capacity Quantity Charge credit shall be Buyer's Storage Injection Reduction Quantity calculated in Section 3.4(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

3.6 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.4(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.4(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

4. CHANGES IN RATES FOR THIS RATE SCHEDULE TO REFLECT CHANGES BY PIPELINES PROVIDING STORAGE AND RELATED TRANSPORTATION SERVICES TO SELLER

4.1 Application - This section sets forth the procedures to change Seller's rates in this rate schedule when the pipelines providing storage and related transportation services necessary to provide storage service under this rate schedule change the rates and charges payable by Seller for such services, and to flow - through refunds received from such pipelines.

(a) Rate Change - The charges under this rate schedule as shown on the effective Statement of Rates and Fuel in Part II, Section 7.2 of this tariff reflect amounts payable by Seller to Dominion and National Fuel for storage service under Dominion's Rate

Schedule GSS and National Fuel's Rate Schedule SS-1. The services provided by Dominion and National Fuel (hereinafter collectively referred to as "Suppliers") are utilized by Seller to render service to Buyer under this rate schedule. A change in charges payable by Seller to Supplier(s) shall be reflected in this rate schedule by the following procedure:

- (i) Demand Charge - The Demand Charge shown on the Statement of Rates and Fuel in Part II, Section 7.2 of this tariff takes into account the demand charges to be paid by Seller to Dominion and National Fuel for storage services and Seller's transportation charge for delivery of storage quantities, and is based on the ratios of Seller's Storage Demand with Dominion and Seller's Storage Demand with National Fuel to the Storage Demand of all customers of Seller under this rate schedule. Seller shall reduce or increase, as appropriate, the Demand Charge shown on such Statement of Rates and Fuel in Part II, Section 7.2 to reflect the change in the Dominion or National Fuel Demand Charge times the ratios described above effective at the time of filing such change.
- (ii) Storage Capacity Quantity Charge - The Storage Capacity Quantity Charge shown on the Statement of Rates and Fuel in Part II, Section 7.2 of this tariff takes into account the Storage Capacity Charges to be paid by Seller to Dominion and National Fuel for storage service and is based on the ratios of Seller's Storage Capacity with Dominion, and Seller's Storage Capacity with National Fuel, to the Storage Capacity of all customers of Seller under this rate schedule. Seller shall reduce or increase, as appropriate, the capacity charge shown on such Statement of Rates and Fuel in Part II, Section 7.2 to reflect the change in the Dominion and/or National Fuel capacity charges times the ratios described above effective at the time of filing of such change.
- (iii) Charges for Quantities Injected - The Quantity Injected Charge shown on the Statement of Rates and Fuel in Part II, Section 7.2 of this tariff takes into account the injection and allowance charges to be paid by Seller to Dominion and National Fuel and is based on the ratios of the projected injection and loss allowance volume for Seller and each Supplier to the total projected volume underlying the Quantity Injected Charge shown on such Statement of Rates and Fuel in Part II, Section 7.2. Seller shall reduce or increase, as appropriate, the Quantity Injected Charge shown on the Statement of Rates and Fuel in Part II, Section 7.2 of this tariff to reflect the change in the Dominion and National Fuel injection or allowance charges times the ratios described above effective at the time of filing of such change.
- (iv) Charges for Quantities Withdrawn - The Quantity Withdrawal Charge shown on the Statement of Rates and Fuel in Part II, Section 7.2 of this tariff takes into account the withdrawal and allowance charges to be paid by Seller to Dominion and National Fuel and are based on the ratios of the projection withdrawal and loss allowance volume for Seller and each Supplier to the total projected volume underlying the Quantity Withdrawal Charge shown on such Statement of Rates and Fuel in Part II, Section 7.2. Seller shall reduce or

increase, as appropriate, the Quantity Withdrawal Charge shown on the Statement of Rates and Fuel in Part II, Section 7.2 of this tariff to reflect the change in the Dominion and National Fuel withdrawal or allowance charges times the ratios described above effective at the time of filing of such change.

- (b) Notification - Seller shall give notice via its electronic bulletin board of any proposed rate change filed by Dominion and/or National Fuel which Seller is authorized to track under this rate schedule within three (3) business days following Seller's receipt of such filing. Such notice shall include the expected effect on Seller's rates under this rate schedule.
- (c) Seller's Tracker Filings - Seller shall file to track any rate change by Dominion and/or National Fuel which affects Seller's rates under this rate schedule no later than thirty (30) days following the issuance date of the Commission order which accepts and makes effective Dominion, Penn-York and/or National Fuel's rate change. The effective date of such change in Seller's rates shall coincide with the effective date of any change in rates by Dominion and/or National Fuel.
- (d) Refunds - Within forty-five (45) days of the receipt thereof, Seller shall refund to its customers under this rate schedule all amounts refunded to Seller by Suppliers under the LSS related storage and transportation rate schedules, including any interest paid by Suppliers. Each customer's proportionate part of such refund shall be determined in the same manner as the refund from Supplier(s) was determined.

5. MINIMUM BILL

5.1 Demand and Storage Capacity Quantity Charges

The minimum monthly bill shall be the sum of the Demand Charge and the Storage Capacity Quantity Charge.

6. DEFINITIONS

6.1 Injection Period

The Injection Period shall be the seven consecutive months beginning on April 1 and extending through the succeeding October 31.

6.2 Withdrawal Period

The Withdrawal Period shall be the five consecutive months beginning on November 1 and extending through the next succeeding March 31.

6.3 Storage Demand

The Storage Demand shall be that quantity set forth in the service agreement and shall be utilized to determine the Demand Charges payable by Buyer hereunder. It shall represent the maximum quantity Seller shall be obligated to deliver to Buyer and Buyer shall be entitled to receive from Seller from storage on any one day, subject to the limitations set forth in Section 9 hereof.

6.4 Storage Capacity Quantity

The Storage Capacity Quantity shall be that quantity set forth in the service agreement and shall be utilized to determine the Storage Capacity Quantity Charges payable by Buyer hereunder. It shall represent the quantity of top storage in the storage pools which Seller shall make, or cause to be made, available to Buyer for storage of gas.

6.5 Storage Gas Balance

The Storage Gas Balance of Buyer at any particular time shall be the quantity of gas in storage for Buyer's account at such time.

7. INJECTIONS INTO STORAGE

7.1 General Procedure

(a) When Buyer desires Seller to store gas for its account under this rate schedule, Buyer shall nominate quantities for injection in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon inject or cause to be injected into storage for Buyer's account on such day, the quantity of gas so nominated subject to the limitations set forth below in this section. Gas for injection hereunder shall be made available by Buyer to Seller from gas available as a result of transportation services performed by Seller for Buyer or Buyer's designee.

- (b) Buyer may cause Seller to inject quantities of gas into storage for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 7.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services provided, however, nothing herein shall give Buyer the right to inject on any day a quantity of gas into storage under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to inject under the terms of this rate schedule on such day.

7.2 Notice Required

Buyer shall nominate injections under this rate schedule in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit.

7.3 Daily Injection Quantity

The maximum quantity of gas which Seller can inject or cause to be injected into storage on any one day is dependent in part upon operating conditions at the particular time. Seller shall endeavor to inject or cause to be injected on any one day, as much of Buyer's storage nomination for such day as operating conditions will permit. If, however, the total of all nominations for such day exceed the total quantity which Seller can inject or cause to be injected into storage on such day, the nominations for such day shall be reduced in an equitable manner; provided, however, that Seller shall be obligated to inject into storage on any one day for Buyer at Buyer's request, at least one-one hundred eightieth (1/180) of Buyer's Storage Capacity Quantity until such time as Buyer's Storage Gas Balance is equal to one-half (1/2) of Buyer's Storage Capacity Quantity and thereafter at least one-two hundred fourteenth (1/214) of Buyer's Storage Capacity Quantity.

7.4 Limitation Upon Total Injection

Seller shall be obligated to inject gas into storage for Buyer's account in accordance with the above procedure only when Buyer's Storage Gas Balance is less than Buyer's Storage Capacity Quantity.

8. WITHDRAWALS FROM STORAGE

8.1 General Procedure

- (a) When Buyer desires the delivery of gas stored for Buyer's account under this rate schedule, Buyer shall nominate quantities for withdrawals in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon deliver to Buyer the quantity of gas so nominated, subject to the limitations set forth below in this section.

- (b) Buyer may take delivery of quantities of gas stored for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 8.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to take delivery on any day of a quantity of gas under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to take under the terms of this rate schedule on such day.

8.2 Notice Required

Buyer shall nominate withdrawals under this rate schedule in accordance with nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller may waive any part of such notice upon request, if in Seller's judgment operating conditions permit such waiver.

8.3 Quantity Limitations

- (a) Subject to the other provisions of this section, Seller will deliver to Buyer on any one day under this rate schedule, the maximum quantity of gas which operating conditions in the storage fields will permit as determined by the operators thereof. Seller shall endeavor to withdraw and deliver, on any one day, the total of each Buyer's nominations for such day, up to, but not exceeding, Buyer's Storage Demand.

If, however, all of the nominations exceed the total quantity which Seller can withdraw from storage and deliver, the gas deliverable on such day shall be prorated in proportion to each Buyer's current Storage Gas Balance, utilizing records of Seller's dispatcher, provided that on any day during November through March, Buyer shall be entitled to receive the following daily quantities.

- (i) Buyer's Storage Demand, provided Buyer's Storage Gas Balance is greater than or equal to 35 percent of Buyer's Storage Capacity Quantity.
- (ii) 95 percent of Buyer's Storage Demand, when Buyer's Storage Gas Balance is greater than or equal to 30 percent, but less than 35 percent of Buyer's Storage Capacity Quantity.
- (iii) 75 percent of Buyer's Storage Demand, when Buyer's Storage Gas Balance is greater than or equal to 16 percent, but less than 30 percent of Buyer's Storage Capacity Quantity.
- (iv) 67 percent of Buyer's Storage Demand, when Buyer's Storage Gas Balance is greater than or equal to 10 percent, but less than 16 percent of Buyer's Storage Capacity Quantity.

- (v) 50 percent of Buyer's Storage Demand, when Buyer's Storage Gas Balance is less than 10 percent of Buyer's Storage Capacity Quantity.
- (b) Seller shall not be obligated to deliver a daily average of more than 92 percent of Buyer's Storage Demand during any consecutive 30-day period.
- (c) Minimum Inventory

Buyer must maintain a Storage Gas Balance equal to or greater than the following percentages of Buyer's Storage Capacity Quantity on each day during the following months:

December	35%
January	35%
February	15%

If Buyer does not maintain the required Storage Gas Balance, then commencing on such day and continuing until Buyer's Storage Gas Balance is at the level required above, Seller's obligation to make deliveries to Buyer shall be reduced by 6.67% percent of Buyer's Storage Demand.

- (d) Minimum Turnover

During the Winter Period, Buyer's total withdrawals from storage must be equal to or greater than the amount by which Buyer's Storage Gas Balance as of the prior November 1 exceeds thirty-five percent (35%) of Buyer's Storage Capacity. If Buyer has failed to withdraw such quantities, then Buyer will be subject to the provisions of Section 11 of this rate schedule.

9. FUEL ALLOWANCE

- 9.1 In order to recover such quantities of fuel that Suppliers retain for compressor fuel and for calculated storage field loss and normal operational loss associated with the compression, transportation and delivery of natural gas quantities to Seller (Fuel Allowance), Seller will retain equivalent quantities from Buyer's storage injection and withdrawal quantities hereunder. Provided, however, Buyer may deliver or cause to be delivered to Seller such additional quantities of gas as Seller reasonably determines are required for fuel to effect injection of Buyer's injection quantities (Injection Allowance). Therefore, provided Seller receives an Injection Allowance from Buyer, Seller will retain gas only from quantities injected into storage sufficient to cover Seller's fuel requirements for withdrawal (Withdrawal Allowance) and the calculated storage field loss and normal operational loss makeup associated with the transmission compression and storage of Buyer's storage quantities (Loss Allowance). Consequently, Buyer will begin each withdrawal period with a quantity of natural gas in storage equal to Buyer's Storage Capacity Quantity less the calculated Withdrawal and Loss Allowances applicable to such quantities of natural gas.

9.2 Seller will also retain from Buyer's nominated storage injections, a percentage or percentages of gas as compensation for compressor fuel and gas otherwise used, lost or unaccounted for in Seller's operations. Such percentage(s), if any, are specified on the currently effective Statement of Rates and Fuel in Part II, Section 7.2 of this tariff.

10. RECORDS OF INJECTION, WITHDRAWAL AND STORAGE GAS BALANCES

Seller shall keep accurate records of quantities injected to or withdrawn or from Buyer's account, and of Buyer's Storage Gas Balance, which records shall be made available to Buyer at its request.

11. FAILURE TO COMPLY WITH MINIMUM TURNOVER

11.1 If Buyer's Storage Gas Balance on April 1 of any year exceeds the level required by Section 8.3(d) of this rate schedule and Seller is assessed an excess end of season inventory charge by Dominion under Dominion's Rate Schedule GSS, Buyer shall be assessed its proportionate share of Seller's Excess End of Season Inventory Charge under this rate schedule.

11.2 Seller shall collect each Buyer's proportionate share of the Excess End of Season Inventory Charge by deducting the applicable quantity of gas from Buyer's Storage Gas Balance.

12. QUALITY

Refer to Section 3 of the General Terms and Conditions.

13. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

14. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Seller's Volume No. 1 Tariff which are applicable to this rate schedule are made a part hereof.

Reserved For Future Use

**RATE SCHEDULE SS-2
STORAGE SERVICE**

1. AVAILABILITY

This rate schedule is available for the purchase of natural gas storage service from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) by any person, company or agency (hereinafter referred to as Buyer), when Buyer and Seller execute a service agreement for storage service under this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to storage service rendered by Seller to Buyer under the service agreement executed for service hereunder. Service rendered under this rate schedule, within the limitations described in Sections 7 and 8 hereof, shall be considered firm, except such service shall be subject to interruption for events of force majeure and operating conditions beyond Seller's or Buyer's control; provided, however, that in the event National Fuel Gas Supply Corporation (National Fuel) fails, for any reason whatsoever to make deliveries to Seller under its agreements with Seller then Seller's obligation to make deliveries hereunder shall be reduced accordingly.

3. RATES AND CHARGES

3.1 The applicable per dt charges set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.4 of this tariff which relates to this rate schedule are incorporated herein.

3.2 For natural gas storage service rendered to Buyer under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:

- (a) Demand Charge: A charge per day per dt of Storage Demand.
- (b) Storage Capacity Quantity Charge: A charge per day per dt of Storage Capacity Quantity.
- (c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.
- (d) Quantity Withdrawal Charge: A charge per dt for gas withdrawn from storage for Buyer's account.
- (e) The ACA Unit Charge.

3.3 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Demand Charge and Storage Capacity Quantity Charge in accordance with the provisions of Sections 3.5 and 3.6 of this rate schedule. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section

6.1(b) and/or 7.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.

3.4 Determination of Service Reduction Quantities

(a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:

- (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand, subject to the provisions set forth in Section 7.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.
- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand, subject to the provisions set forth in Section 7.3 hereof) and the quantity scheduled in accordance with Section 3.4 (a)(i) is Buyer's Storage Demand Reduction Quantity.

(b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Capacity Quantity in the following manner:

- (i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination, subject to the provisions set forth in Sections 6.3 and 6.4 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.
- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (subject to the provisions set forth in Sections 6.3 and 6.4 hereof) and the quantity scheduled in accordance with Section 3.4 (b)(i) is Buyer's Storage Injection Reduction Quantity.

3.5 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

(a) Demand Charge credit:

For a total of ten (10) Service Reduction days due to a force majeure event, there shall be no Demand Charge credit for Buyer's Storage Demand Reduction Quantity. For each additional Service Reduction day due to the force majeure event, the Demand Charge credit shall be Buyer's Storage Demand Reduction Quantity calculated in Section 3.4(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

For a total of ten (10) Service Reduction days due to a force majeure event, there shall be no Storage Capacity Quantity Charge credit for Buyer's Storage Injection Reduction Quantity. For each additional Service Reduction day due to the force majeure event, the Storage Capacity Quantity Charge credit shall be Buyer's Storage Injection Reduction Quantity calculated in Section 3.4(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

3.6 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit and Storage Capacity Quantity Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.4(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Quantity Charge credit:

Buyer's Storage Injection Reduction Quantity calculated in Section 3.4(b)(ii) multiplied by Buyer's Storage Capacity Quantity Charge.

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

4.1 Application - This section sets forth the procedures to change Seller's rates under this rate schedule when the natural gas companies providing storage and transportation services necessary to provide storage service under this rate schedule change the rates and charges payable by Seller for such services, and to flow through refunds received from such natural gas companies.

(a) Rate Change - The charges under this rate schedule, as shown on the effective Statement of Rates and Fuel in Part II, Section 7.4 of this tariff, reflect, as appropriate, amounts payable by Seller to National Fuel for storage service under National Fuel's

Rate Schedule SS-1, and for storage-related transportation service under National Fuel's Rate Schedule X-54. The services provided by National Fuel (hereinafter referred to as "Supplier") are utilized by Seller to render service to Buyer under this rate schedule. A change in charges payable by Seller to Supplier shall be reflected in this rate schedule by the following procedure:

- (i) Demand Charge - The Demand Charge shown on the Statement of Rates and Fuel in Part II, Section 7.4 of this tariff is based on the Monthly Deliverability and Monthly Reservation Charges to be paid by Seller to Supplier for related storage and transportation services and Seller's demand costs for delivery of storage quantities on its pipeline system. Seller shall reduce or increase, as appropriate, the Demand Charge shown on such Statement of Rates and Fuel in Part II, Section 7.4 to reflect the change in Supplier's Monthly Deliverability and Monthly Reservation Charges.
 - (ii) Storage Capacity Quantity Charge - The Storage Capacity Quantity Charge shown on the Statement of Rates and Fuel in Part II, Section 7.4 of this tariff is based on the Storage Capacity Charge to be paid by Seller to National Fuel for storage service. Seller shall reduce or increase the capacity charge shown on such Statement of Rates and Fuel in Part II, Section 7.4 to reflect the change in the National Fuel Storage Capacity Charge.
 - (iii) Charges for Quantities Injected and Withdrawn - The Quantity Injected and Quantity Withdrawn charges shown on the Statement of Rates and Fuel in Part II, Section 7.4 of this tariff are based on the commodity costs/charges of Supplier to inject and withdraw Buyer's storage quantities. Seller shall reduce or increase, as appropriate, the Quantity Injected and the Quantity Withdrawn Charges shown on such Statement of Rates and Fuel in Part II, Section 7.4 to reflect the commodity charges of Supplier.
- (b) Notification - Seller shall give notice via its electronic bulletin board of any proposed rate change filed by National Fuel which Seller is authorized to track under this rate schedule within three (3) business days following Seller's receipt of such filing. Such notice shall include the expected effect on Seller's rates under this rate schedule.
 - (c) Seller's Tracker Filings - Seller shall file to track any rate change by National Fuel which affects Seller's rates under this rate schedule no later than thirty (30) days following the issuance date of the Commission order which accepts and makes effective National Fuel's rate change. The effective date of such change in Seller's rates shall coincide with the effective date of any change in rates by National Fuel.
 - (d) Refunds - Within forty-five (45) days of the receipt thereof, Seller shall refund to its customers under this rate schedule all amounts refunded to Seller by Supplier under the related storage and transportation rate schedules, including any interest paid by Supplier. Each customer's proportionate part of such refund shall be determined in the same manner as the refund from Supplier was determined.

5. DEFINITIONS

5.1 Injection Season

The Injection Season shall be the seven consecutive months beginning on April 1 and extending through the succeeding October 31.

5.2 Withdrawal Season

The Withdrawal Season shall be the five consecutive months beginning on November 1 and extending through the next succeeding March 31.

5.3 Storage Demand

The Storage Demand shall be that quantity set forth in the service agreement and shall be utilized to determine the Demand Charges payable by Buyer hereunder. It shall represent the maximum quantity Seller shall be obligated to deliver to Buyer and Buyer shall be entitled to receive from Seller from storage on any one day, subject to the limitations set forth in Section 7 hereof.

5.4 Storage Capacity Quantity

The Storage Capacity Quantity shall be that quantity set forth in the service agreement and shall be utilized to determine the Storage Capacity Quantity Charges payable by Buyer hereunder. It shall represent the quantity of top storage in the storage pools which Seller shall make, or cause to be made, available to Buyer for storage of gas.

5.5 Storage Gas Balance

The Storage Gas Balance of Buyer at any particular time shall be the quantity of gas in storage for Buyer's account at such time.

6. INJECTIONS INTO STORAGE

6.1 General Procedure

- (a) When Buyer desires Seller to store gas for its account under this rate schedule, Buyer shall nominate quantities for injection in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon inject or cause to be injected into storage for Buyer's account on such day, the quantity of gas so nominated and actually tendered to Seller for Buyer's account at the point of receipt specified in the service agreement, subject to the limitations set forth below in this section.
- (b) Buyer may inject quantities of gas into storage for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 6.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to inject on any day a quantity of gas in excess of the quantity which Buyer would otherwise be entitled to inject under the terms of this rate schedule on such day.

6.2 RESERVED FOR FUTURE USE.

6.3 Daily Injection Quantity

The maximum quantity of gas which Seller can inject or cause to be injected into storage on any one day is dependent in part upon operating conditions at the particular time. Seller shall endeavor to inject or cause to be injected on any one day, as much of Buyer's storage nomination for such day as operating conditions will permit. If, however, the total of all nominations for such day exceed the total quantity which Seller can inject or cause to be injected into storage on such day, the nominations for such day shall be reduced in an equitable manner; provided, however, that Seller shall be obligated to inject into storage on any one day for Buyer at Buyer's request, the Maximum Daily Injection Quantity as follows:

<u>Percentage of Annual Storage Volume Occupied</u>	<u>Ratio of Maximum Daily Withdrawal Quantity To Annual Quantity</u>
Less than 10%	1/150
From greater than 10% to 30%	1/160
From greater than 30% to 50%	1/175
From greater than 50% to 70%	1/185
From greater than 70% to 100%	1/200

6.4 Limitation Upon Total Injection

Seller shall be obligated to inject gas into storage for Buyer's account in accordance with the above procedure only when Buyer's Storage Gas Balance is less than Buyer's Storage Capacity Quantity.

7. WITHDRAWALS FROM STORAGE

7.1 General Procedure

- (a) When Buyer desires the delivery of gas stored for Buyer's account under this rate schedule, Buyer shall nominate quantities for withdrawals in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon withdraw or cause to be withdrawn from storage for Buyer's account on such day, the quantity of gas nominated to Seller for Buyer's account at the point of delivery specified in the service agreement, subject to the limitations set forth below in this section.
- (b) Buyer may take delivery of quantities of gas stored for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 7.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to take delivery on any day a quantity of gas in excess of the quantity which Buyer would otherwise be entitled to take under the terms of this rate schedule on such day.

7.2 RESERVED FOR FUTURE USE.

7.3 Quantity Limitations

- (a) Subject to the other provisions of this section, Seller will deliver to Buyer on any one day under this rate schedule, the maximum quantity of gas which operating conditions in the storage fields will permit as determined by the operators thereof. Seller shall endeavor to withdraw and deliver, on any one day, the total of each Buyer's nominations for such day, up to, but not exceeding, Buyer's Storage Demand.

If, however, all of the nominations exceed the total quantity which Seller can withdraw from storage and deliver, the gas deliverable on such day shall be prorated in proportion to each Buyer's current Storage Gas Balance, utilizing records of Seller's dispatcher, provided that on any day during November through March, Buyer shall be entitled to receive the following daily quantities.

<u>Percentage of Annual Storage Volume Occupied</u>	<u>Ratio of Maximum Daily Withdrawal Quantity To Annual Quantity</u>
From greater than 30% to 100%	1/110
From greater than 15% to 30%	1/120
From greater than 10% to 15%	1/135
Less than 10%	1/150

8. FUEL ALLOWANCE

Seller shall recover from Buyer such quantities of fuel, if any, that any Supplier and/or Seller requires for compressor fuel and for calculated normal operational loss associated with the storage, compression, transportation and delivery of natural gas quantities for Buyer's account (Fuel Allowance). The effective date of any change to the Fuel Allowance shall coincide with the effective date of any changes in Supplier's and/or Seller's fuel retention/loss factors applicable to the services provided hereunder. The portion of the Fuel Allowance attributable to the storage and transportation services provided by Suppliers under this rate schedule and the annual adjustment to Buyer's Storage Gas Balance under this rate schedule shall be determined as follows:

- (a) National Fuel's Rate Schedule SS-1 Storage Service - Seller shall retain from Buyer's injection and withdrawal quantities hereunder, equivalent quantities retained by National Fuel under its Rate Schedule SS-1 storage service;
- (b) National Fuel's Rate Schedule X-54 Transportation Service - Seller shall retain from Buyer's withdrawal quantities hereunder, equivalent quantities retained by National Fuel under its Rate Schedule X-54 transportation service. Effective November 1, 2007 National Fuel's Rate Schedule X-54 fuel allowance is 0.5% of the volumes received for transportation. The applicable fuel retention factor under this Section 8.1(b) will be used by Seller in the calculation of an annual adjustment to Buyer's Storage Gas Balance as described in Section 8.1(c) hereof;
- (c) Annual Adjustment to Buyer's Rate Schedule SS-2 Storage Gas Balance - Seller shall track an annual adjustment made by National Fuel to Seller's storage inventory under National Fuel's Rate Schedule SS-1 related to transportation purchased by Seller under National Fuel's Rate Schedule X-54. Beginning April 2008 and each April thereafter, National Fuel will compare the retained volume under Rate Schedule X-54 during the preceding months of April through March with the metered volumes of gas used as compressor fuel for those same preceding months for transportation under Rate Schedule X-54. National Fuel will then make an adjustment to Seller's storage inventory level under Rate Schedule SS-1 no later than May 1 each year for the difference between the retained volume and the metered volume. Accordingly, Seller will adjust annually, pursuant to a tariff filing to be made no later than June 1 each year to be effective May 1 of that same year, Buyer's Rate Schedule SS-2 Storage Gas Balance, as necessary, to pass through the impact to Buyers of National Fuel's annual adjustment to Seller's Rate Schedule SS-1 storage inventory. Seller will not assess Buyer any charges in conjunction with the annual pass through adjustment and such pass through

adjustment will in no way affect Buyer's payment obligations pursuant to Section 3.2 of this rate schedule.

9. RECORDS OF INJECTION, WITHDRAWAL AND STORAGE GAS BALANCES

Seller shall keep accurate records of quantities injected to or withdrawn from Buyer's account, and of Buyer's Storage Gas Balance, which records shall be made available to Buyer at its request.

10. HEAT CONTENT

Refer to Section 3 of the General Terms and Conditions.

11. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

12. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Seller's Volume No. 1 Tariff which are applicable to this rate schedule are made a part hereof.

**RATE SCHEDULE S-2
STORAGE SERVICE - ZONE 6**

1. AVAILABILITY

This rate schedule is available for the purchase of storage service from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) by Public Service Electric and Gas Company, PECO Energy Company, The Brooklyn Union Gas Company, Elizabethtown Gas Company, South Jersey Gas Company and Philadelphia Gas Works (each hereinafter referred to as Buyer) provided Buyer has executed a service agreement with Seller for service under this rate schedule. The availability of storage service hereunder is contingent on and subject to the availability of storage service provided by Texas Eastern Transmission, LP (TETCO) to Seller under TETCO's Rate Schedule X-28.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to storage service rendered by Seller to Buyer under the service agreement executed for service hereunder. Service rendered under this rate schedule, within the limitations set forth in Sections 5 and 6 hereof, shall be on a firm basis and shall not be subject to reduction or interruption, except as provided in Section 11 of the General Terms and Conditions; provided, however, that in the event TETCO fails for any reason whatsoever to make deliveries to Seller or receive gas from Seller under TETCO's Rate Schedule X-28 then Seller's obligation hereunder shall be reduced accordingly.

3. RATES AND CHARGES

3.1 The applicable charges set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.5 of this tariff which relates to this rate schedule are incorporated herein.

3.2 For natural gas service rendered to Buyer under this rate schedule, Buyer shall pay Seller for each day each month the sum of the following amounts:

(a) Demand Charge: A charge per day per dt of Contract Storage Demand.

(b) Storage Capacity Charge: A charge per day per dt of Storage Capacity Quantity.

(c) Injection Charge: A charge per dt of natural gas nominated by Buyer for injection.

(d) Withdrawal Charge: A charge per dt of natural gas nominated by Buyer for withdrawal.

3.3 Storage Cost Credit - Seller shall credit Buyer's invoice each month by an amount equal to Buyer's proportionate share of the Storage Cost Credit received by Seller from TETCO, if any. Buyer's proportionate share of the Storage Cost Credit shall be calculated each month by multiplying Buyer's Contract Storage Demand as a percentage of total Contract Storage

Demand under this rate schedule times the Storage Cost Credit received by Seller from TETCO.

- 3.4 Fuel Allowance - In order to recover quantities of fuel that TETCO retains for company use and for calculated normal operational loss associated with the injection, withdrawal and storage of natural gas quantities, Seller will retain equivalent quantities of fuel from Buyer's storage injection quantities (injection allowance) and withdrawal quantities (withdrawal allowance) and from Buyer's average daily balance of gas stored during the month (Inventory Level Allowance). Seller's fuel retention percentages are set forth on the currently effective Statement of Rates and Fuel in Part II, Section 7.5 of this tariff.
- 3.5 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Demand Charge and Storage Capacity Charge in accordance with the provisions of Sections 3.7 and 3.8 of this rate schedule. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section 5.1(b) and/or 6.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.
- 3.6 Determination of Service Reduction Quantities
- (a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Demand in the following manner:
- (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Storage Demand, subject to the provisions set forth in Section 6.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.
- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Storage Demand, subject to the provisions set forth in Section 6.3 hereof) and the quantity scheduled in accordance with Section 3.6(a)(i) is Buyer's Storage Demand Reduction Quantity.
- (b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Storage Capacity in the following manner:

- (i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination, subject to the provisions set forth in Sections 5.3 and 5.4 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.
- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (subject to the provisions set forth in Sections 7.3 and 7.4 hereof) and the quantity scheduled in accordance with Section 3.6(b)(i) is Buyer's Storage Capacity Reduction Quantity.

3.7 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit and Storage Capacity Charge credit shall be computed as follows:

(a) Demand Charge credit:

For a total of ten (10) Service Reduction Days due to a force majeure event, there shall be no Demand Charge credit for Buyer's storage Demand Reduction Quantity. For each additional Service Reduction Day due to the force majeure event, the Demand Charge credit shall be Buyer's Storage Demand Reduction Quantity calculated in Section 3.6(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Charge credit:

For a total of ten (10) Service Reduction Days due to a force majeure event, there shall be no Storage Capacity Charge credit for Buyer's Storage Injection Reduction Quantity. For each additional Service Reduction Day due to the force majeure event, the Storage Capacity Charge credit shall be Buyer's Storage Capacity Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by Buyer's Storage Capacity Charge.

3.8 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit and Storage Capacity Charge credit shall be computed as follows:

(a) Demand Charge credit:

Buyer's Storage Demand Reduction Quantity calculated in Section 3.6(a)(ii) multiplied by Buyer's Demand Charge.

(b) Storage Capacity Charge credit:

Buyer's Storage Capacity Reduction Quantity calculated in Section 3.6(b)(ii) multiplied by Buyer's Storage Capacity Charge.

4. DEFINITIONS

4.1 Injection Season

The Injection Season shall begin on April 16 and extend through the succeeding November 15.

4.2 Withdrawal Season

The Withdrawal Season shall begin on November 16 and extend through the next succeeding April 15.

4.3 Contract Storage Demand

The Contract Storage Demand shall be that quantity set forth in the service agreement and shall be utilized to determine the Demand Charges payable by Buyer hereunder.

4.4 Storage Capacity Quantity

The Storage Capacity Quantity shall be that quantity set forth in the service agreement and shall be utilized to determine the Storage Capacity Charges payable by Buyer hereunder.

4.5 Storage Gas Balance

The Storage Gas Balance of Buyer at any particular time shall be the quantity of gas in storage for Buyer's account at such time.

5. INJECTIONS INTO STORAGE

5.1 General Procedure

- (a) When Buyer desires Seller to store gas for its account under this rate schedule, Buyer shall nominate quantities for injection in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon inject or cause to be injected into storage for Buyer's account on such day, the quantity of gas so nominated and actually tendered to Seller for Buyer's account at the point of receipt specified in the service agreement, subject to the limitations set forth below in this section.
- (b) Buyer may cause Seller to inject quantities of gas into storage for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 5.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services provided, however, nothing herein shall give Buyer the right to

inject on any day a quantity of gas into storage under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to inject under the terms of this rate schedule on such day.

5.2 Notice Required

Buyer shall nominate injections under this rate schedule in accordance with nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit.

5.3 Daily Injection Quantity

The maximum quantity of gas which Seller can inject or cause to be injected into storage on any one day is dependent in part upon operating conditions at the particular time. Seller shall endeavor to inject or cause to be injected on any one day as much of Buyer's storage nomination for such day as operating conditions will permit. If, however, the total of all nominations for such day exceed the total quantity which Seller can inject or cause to be injected into storage on such day, the nominations for such day shall be reduced in an equitable manner, based on Buyer's proportionate share of the quantities TETCO is obligated to inject for Seller under TETCO's Rate Schedule X-28.

5.4 Limitation Upon Total Injection

Seller shall be obligated to inject gas into storage for Buyer's account in accordance with the above procedure only when Buyer's Storage Gas Balance is less than Buyer's Storage Capacity Quantity.

6. WITHDRAWALS FROM STORAGE

6.1 General Procedure

(a) When Buyer desires the delivery of gas stored for Buyer's account under this rate schedule, Buyer shall nominate quantities for withdrawals in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Seller shall thereupon deliver to Buyer the quantity of gas so nominated, subject to the limitations set forth below in this section.

(b) Buyer may take delivery of quantities of gas stored for Buyer's account under this rate schedule which are greater than or less than the quantity scheduled in advance pursuant to Section 6.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to take delivery on any day of a quantity of gas under this rate schedule in excess of the quantity

which Buyer would otherwise be entitled to take under the terms of this rate schedule on such day.

6.2 Notice Required

Buyer shall nominate withdrawals under this rate schedule in accordance with nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit.

6.3 Quantity Limitations

(a) Subject to the other provisions of this section, Seller will deliver to Buyer on any one day under this rate schedule, the maximum quantity of gas which operating conditions in the storage fields will permit as determined by the operator thereof. Seller shall endeavor to withdraw and deliver, on any one day, the total of each Buyer's nominations for such day, up to, but not exceeding, Buyer's Contract Storage Demand.

If, however, all of the nominations exceed the total quantity which Seller can withdraw from storage and deliver, the gas deliverable on such day shall be prorated in proportion to each Buyer's current Storage Gas Balance, utilizing records of Seller's dispatcher, provided that on any day during November 16 through April 15, Buyer shall be entitled to receive up to the quantities stated in Buyer's service agreement.

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

All of the General Terms and Conditions of Seller's Volume No. 1 Tariff which are applicable to this rate schedule are hereby made a part hereof.

RATE SCHEDULE LG-A
Liquefied Natural Gas Storage Service
(Upstream of Carlstadt, New Jersey)

1. AVAILABILITY

This rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as Seller) of a storage service consisting of the liquefaction of natural gas, the storage of such liquefied natural gas, and the gasification and delivery of such gas to any utility or gas distribution agency (hereinafter referred to as Buyer), when:

- (a) The delivery point or points of gas by Seller to Buyer or for Buyer's account of gas stored under this rate schedule is at, or upstream of, the point where Seller's liquefaction plant connects with Seller's main line system near Carlstadt, New Jersey; and
- (b) When Buyer and Seller have executed a service agreement for service under this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to the liquefaction and storage service rendered by Seller to Buyer under the service agreement executed for service hereunder. Service rendered under this rate schedule, within the limitations described in Section 7 hereof, shall be considered to be firm, and shall not be subject to curtailment or interruption except that caused by force majeure or operating conditions beyond Seller's or Buyer's control.

3. RATES, CHARGES, AND FUEL

- 3.1 The applicable charges set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.6 of this tariff which relates to this rate schedule are incorporated herein.
- 3.2 For natural gas storage service rendered by Seller under this rate schedule, Buyer shall pay Seller for each day of each month the sum of the following amounts:
 - (a) Demand Charge: A charge per day per dt of Liquefaction Demand.
 - (b) Capacity Charge: A charge per day per dt of Liquefaction Capacity Quantity.
 - (c) Quantity Injected Charge: A charge per dt for gas delivered into storage for Buyer's account.
 - (d) Quantity Withdrawn Charge: A charge per dt for gas withdrawn from storage for Buyer's account.

- 3.3 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(s) is specified in the currently effective Statement of Rates and Fuel in Part II, Section 7.6 of this tariff.
- 3.4 If, under the provisions of Section 11.3 of the General Terms and Conditions, Seller orders interruption or reduction of service to Buyer on a day or days (Service Reduction Day), then Seller shall credit Buyer's Demand Charge and Capacity Charge in accordance with the provisions of Sections 3.6 and 3.7 of this rate schedule for the day(s) on which such interruption or reduction occurs. Additionally, on a Service Reduction Day, Seller shall suspend, as necessary, the provisions of Section 7.1(b) of this rate schedule. Seller shall post notice of such suspension on 1Line, including whether the Service Reduction Day affects injections, withdrawals, or injections and withdrawals.
- 3.5 Determination of Service Reduction Quantities
- (a) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Liquefaction Demand in the following manner:
- (i) Seller shall endeavor to withdraw and deliver, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can withdraw from storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination up to Buyer's Liquefaction Demand, subject to the provisions set forth in Section 7.3 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of the General Terms and Conditions, as prorated if necessary, shall be the scheduled withdrawal quantity for such day. Seller shall thereupon withdraw for Buyer the quantity of gas scheduled.
- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (not to exceed Buyer's Liquefaction Demand, subject to the provisions set forth in Section 7.3 hereof) and the quantity scheduled in accordance with Section 3.5(a)(i) is Buyer's Liquefaction Demand Reduction Quantity.
- (b) For each Service Reduction Day, Seller shall determine the interruption or reduction in Buyer's Liquefaction Capacity Quantity in the following manner:
- (i) Seller shall endeavor to inject, on any one day, as much of Buyer's nomination for such day as operating conditions permit. If, however, the total of all nominations for a day exceeds the total quantity which Seller can inject into storage on such day, the nominations for such day shall be allocated pro rata among the nominating Buyers based upon each Buyer's nomination, subject to the provisions set forth in Section 8 hereof. The final nominated quantity upon conclusion of each of the nomination cycles identified in Section 28.1 of

the General Terms and Conditions, as prorated if necessary, shall be the scheduled injection quantity for such day. Seller shall thereupon inject for Buyer the quantity of gas scheduled.

- (ii) The difference each day, if any (but not less than zero), between Buyer's nominated quantity (subject to the provisions set forth in Section 8 hereof) and the quantity scheduled in accordance with Section 3.5(b)(i) is Buyer's Liquefaction Capacity Reduction Quantity.

3.6 For each Service Reduction Day due to a force majeure event, Buyer's Demand Charge credit and Capacity Charge credit shall be computed as follows:

- (a) Demand Charge credit:

Buyer's Liquefaction Demand Reduction Quantity calculated in Section 3.5(a)(ii) multiplied by the return on equity and associated income tax component of Buyer's Demand Charge.

- (b) Capacity Charge credit:

Buyer's Liquefaction Capacity Reduction Quantity calculated in Section 3.5(b)(ii) multiplied by the return on equity and associated income tax component of Buyer's Capacity Charge.

3.7 For each Service Reduction Day due to a non-force majeure event, Buyer's Demand Charge credit and Capacity Charge credit shall be computed as follows:

- (a) Demand Charge credit:

Buyer's Liquefaction Demand Reduction Quantity calculated in Section 3.5(a)(ii) multiplied by Buyer's Demand Charge.

- (b) Capacity Charge credit:

Buyer's Liquefaction Capacity Reduction Quantity calculated in Section 3.5(b)(ii) multiplied by Buyer's Capacity Charge.

4. MINIMUM MONTHLY BILL

The minimum monthly bill shall be the sum of the Demand Charge and the Capacity Charge specified in Section 3 above.

5. DEFINITIONS

5.1 Liquefaction Demand

The Liquefaction Demand shall be that quantity set forth in the service agreement, as adjusted in accordance with Section 23 of the General Terms and Conditions, and shall be utilized to determine the Demand Charges payable by Buyer hereunder.

5.2 Liquefaction Capacity Quantity

The Liquefaction Capacity Quantity shall be that quantity set forth in the service agreement, as adjusted in accordance with Section 23 of the General Terms and Conditions, and shall be utilized to determine Capacity Charges payable by Buyer hereunder.

5.3 Reserved for Future Use

5.4 Reserved for Future Use

5.5 Liquefied Gas Balance

The Liquefied Gas Balance of Buyer at any particular time shall be the quantity of gas in storage in liquid form for Buyer's account at such time.

5.6 Withdrawal Period

The Withdrawal Period shall be the five consecutive months beginning on November 1 of any year and extending through the next succeeding March 31.

5.7 Injection Period

The Injection Period shall be the seven consecutive months beginning on April 1 and extending through the succeeding October 31.

6. GENERAL DESCRIPTION OF OPERATION

Service agreements for service hereunder shall become effective at the beginning of a Withdrawal Period. The initial liquefaction and filling of Seller's liquid storage tank shall be with Seller's gas. During a Withdrawal Period, Seller shall gasify and deliver to Buyer quantities of gas stored hereunder for Buyer in accordance with Buyer's nominations made within the limitations provided in this rate schedule. Buyer shall be obligated to return to Seller during the immediately succeeding Injection Period, quantities of gas equal to those so delivered plus quantities retained pursuant to Section 3.3 hereof.

7. WITHDRAWALS FROM STORAGE

7.1 General Procedure

- (a) When Buyer desires the delivery of gas stored under this rate schedule for its account, it shall nominate with Seller pursuant to the procedures set forth in Section 28 of the General Terms and Conditions, specifying the daily quantity of gas it desires delivered

under this rate schedule. Seller shall gasify and deliver to Buyer the quantity of gas so nominated, subject to the limitations set forth in this section.

- (b) Buyer may take delivery of quantities of gas stored under this rate schedule for its account which are greater than or less than the quantity scheduled in advance pursuant to Section 7.1(a) hereof, pursuant to the procedures outlined in Section 18.1 of the General Terms and Conditions governing designation of delivery point "swing" services; provided, however, nothing herein shall give Buyer the right to take delivery on any day of a quantity of gas under this rate schedule in excess of the quantity which Buyer would otherwise be entitled to take under the terms of this rate schedule on such day.

7.2 Notice Required

Buyer shall nominate withdrawals under this rate schedule in accordance with Seller's nomination and ranking deadlines as set forth in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit.

7.3 Quantity Limitations

Buyer's nomination for delivery on any day shall not exceed Buyer's Liquefaction Demand. Buyer's cumulative nominations for delivery during any Withdrawal Period shall not exceed Buyer's Liquefied Gas Balance at the beginning of such Withdrawal Period except as provided in Section 7.4 hereof.

7.4 Injections during Withdrawal Period

Upon request of Buyer, Seller may permit Buyer to nominate gas for injection into storage tanks during a Withdrawal Period in replacement of gas withdrawn; but the injection and withdrawal of such gas shall be at such times and at such rates as may be agreed upon between Seller and Buyer.

8. RETURN OF GAS DURING INJECTION PERIOD

8.1 General Procedure

Buyer shall, during any Injection Period, return to Seller a quantity of gas equal to the quantity delivered hereunder to Buyer less any injections during the immediately preceding Withdrawal Period plus the quantities retained pursuant to Section 3.3 hereof. Returns shall be made daily in accordance with the procedure set forth below in this section, unless other mutually satisfactory operating arrangements are made by Seller and Buyer. Gas for returns hereunder shall be made available by Buyer to Seller from gas available to Buyer under Seller's sales rate schedule(s) or from gas made available as a result of transportation services performed by Seller for Buyer or Buyer's designee.

8.2 Returns

Commencing on the first day of an Injection Period, unless otherwise agreed upon, Buyer shall be obligated to nominate a quantity of gas (including quantities retained pursuant to Section 3.3 hereof) for return to Seller and Seller shall be obligated to accept for return each day at least 1/200th of Buyer's Liquefaction Capacity Quantity, except for the final day return when the quantity shall be that which is required to balance with the total withdrawals less any injections during the immediately preceding Withdrawal Period plus the quantities retained pursuant to Section 3.3 hereof.

8.3 Limitation Upon Total Returns

Seller shall be obligated to accept gas for return in accordance with the above procedure only when Buyer's Liquefied Gas Balance is less than Buyer's Liquefaction Capacity Quantity.

9. RECORDS OF DELIVERIES, RETURNS AND STORAGE GAS BALANCES

Seller shall keep accurate records of gas delivered and returned to or from Buyer's account, and of Buyer's Liquefied Gas Balance, which records shall be made available to Buyer at its request.

10. SCHEDULED DELIVERIES IN EXCESS OF FIRM ENTITLEMENT

Buyer may request Seller to deliver gas to Buyer on any day during the Withdrawal Period in excess of Buyer's nomination of its firm entitlement hereunder for such day. Seller shall make such excess delivery to Buyer if, in Seller's judgment, such delivery can be made without adverse effect on Seller's operations and if such delivery does not reduce the Liquefied Gas Balance of Buyer under this rate schedule below zero.

Buyer shall pay Seller for any such delivery scheduled by Buyer and Seller, the applicable per dt charges set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.6 of this tariff.

11. SCHEDULED DELIVERIES DURING OCTOBER AND APRIL

Buyer may request Seller to deliver gas to Buyer on any day during the months of October or April. Seller shall make such requested delivery to Buyer if, in Seller's judgment, such delivery can be made without adverse effect on Seller's operations and if such delivery does not reduce the Liquefied Gas Balance of Buyer under this rate schedule below zero. Buyer shall pay Seller the currently effective charge set forth in Section 10 of this rate schedule for each dt of such gas delivered.

12. QUALITY

Refer to Section 3 of the General Terms and Conditions.

13. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

14. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Seller's Volume No. 1 Tariff which are applicable to this rate schedule are hereby made a part hereof.

PART III – RATE SCHEDULES

**SECTION 7
INTERRUPTIBLE 7(c) STORAGE SERVICE**

**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 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 quantities in dekatherms. Buyer's requested quantities 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). The number of Trucks available to a Buyer shall be calculated using an estimated dekatherm equivalent quantity of LNG per Truck which will be posted on 1 Line. Seller will schedule and allocated, 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 deliveries may not exceed the loading capability of the liquefaction-storage plant, as posted on 1Line, or the number of Trucks available for Buyer at that time, which number shall be determined by dividing the LNG quantity allocated to Buyer pursuant to Section 4 of this rate schedule, as reduced by the portion of such quantity already delivered and scheduled to be delivered to Buyer, 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 exceeds 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.

PART III – RATE SCHEDULES

**SECTION 8
AGGREGATION AND BALANCING SERVICES**

RATE SCHEDULE PAL
Parking and Loaning Service

1. AVAILABILITY

1.1 Service under this rate schedule is interruptible and available on a non-discriminatory basis at the sole discretion of Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") to any gas company or any other party (hereinafter referred to as "Buyer") on Seller's system when:

- (a) Buyer desires Parking and Loaning Service under this rate schedule; and
- (b) Buyer has submitted a valid request in accordance with Section 8 of this rate schedule and Seller is able to render such service; and
- (c) Buyer and Seller have executed a service agreement for service under this rate schedule.

1.2 Seller shall provide notice of the availability of services under this rate schedule on 1Line. Seller is not required to provide any requested service under this rate schedule unless Seller determines, at its sole discretion, that it has operational flexibility to provide service. In addition, Seller will, at its sole discretion, determine whether notification pursuant to Section 7 herein is necessary.

1.3 Seller shall not be required to provide service under this rate schedule that would require Seller to construct or acquire any new facilities or that would prevent Seller from providing any other firm or interruptible service.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to all Parking and Loaning service rendered by Seller for Buyer, pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.

2.1 Service under this rate schedule shall be provided as follows:

- (a) **Parking Service.** Parking Service is an interruptible service which provides for: (a) the receipt by Seller of gas quantities that have been delivered by Buyer under any gas transportation agreement between Seller and Buyer to any of the Parking points that Seller shall designate on its system; (b) Seller holding the parked quantities on Seller's system; and (c) return of the parked quantities to Buyer. Seller shall Park quantities of gas for Buyer up to the maximum parked quantity as specified in the executed service agreement. Seller shall then return such Parked gas to Buyer at the point where Buyer tendered gas to Seller, subject to Section 4 of this rate schedule.

(b) **Loaning Service.** Loaning service is an interruptible service which provides for (a) Buyer receiving gas quantities from Seller at any of the Loaning points designated by Seller on its system and (b) the subsequent return of the loaned quantities of gas to Seller at the point at which Seller loaned the gas, subject to Section 4 of this rate schedule. Seller shall make available for loaning those quantities of gas up to the maximum loaned quantity specified in the executed service agreement.

2.2 Service under this rate schedule shall be provided for a minimum of 1 day. The term of each PAL arrangement with Buyer shall be as set forth on Exhibit A (Purchase Order) to the Form of service agreement hereunder.

2.3 Transportation of gas quantities for or on behalf of Buyer to or from the Loaning or Parking point(s) will not be performed under this rate schedule. Buyer shall make any necessary arrangements with Seller to receive or deliver gas quantities at the Loaning or Parking point(s). Such arrangements must be compatible with the operating conditions of Seller's system. Seller shall not be required to receive or deliver gas quantities under this rate schedule on any day for which there is insufficient available capacity under Buyer's transportation service agreement(s) to deliver or receive gas at the Parking or Loaning point(s).

2.4 Service under this rate schedule shall be confirmed only after all other services offered by Seller are scheduled and confirmed.

3. RATES AND CHARGES

3.1 The maximum and minimum unit rates for service under this rate schedule are shown on the effective Statement of Rates and Fuel in Part II, Section 10.1 of this tariff. Buyer shall pay the maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rates to Buyer under this rate schedule. The rate or rates for service under this rate schedule shall not be discounted below the minimum rate, it being understood that each Buyer shall pay the maximum rate unless such rates are discounted to such specific customer.

3.2 The Parking Charge for the first day of service for particular quantities shall be the daily unit rate per dt/day as set forth in the service agreement multiplied by the total quantity (dt's) parked for such day; for each consecutive day of service thereafter, the daily parking charge applicable to such quantities shall be the rate per dt/day as set forth in the service agreement multiplied by the quantity (dt's) parked each day.

3.3 The Loaning Charge for the first day of service for particular quantities shall be the daily unit rate per dt/day as set forth in the service agreement multiplied by the total quantity (dt's) loaned for such day; for each consecutive day of service thereafter, the daily loaning charge applicable to such quantities shall be the rate per dt/day as set forth in the service agreement multiplied by the quantity (dt's) loaned each day.

4. PAL POINTS OF SERVICE

Seller will post, in a non-discriminatory manner, on its 1Line service the available Parking and/or Loaning Point(s) of Service. Seller may, at its sole discretion, post from time to time additions or deletions to the list of available points. If Seller terminates a point where parked quantities are to be returned to Buyer or loaned quantities are to be returned to Seller, such point(s) shall remain available for the limited purpose of completing such outstanding transactions unless Buyer and Seller mutually agree to use a different Point of Service.

5. NOMINATIONS AND SCHEDULING

Buyer shall notify or cause Seller to be notified of Buyer's service requirement under this rate schedule in advance of such requirements in accordance with the nomination deadlines as provided on 1Line, which nomination deadlines shall correspond with the nomination deadlines specified in Section 28.1 of the General Terms and Conditions. Seller, in its sole judgment, may waive any nomination deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. With respect to Buyer's desired levels of service under this rate schedule, Buyer shall nominate to Seller the desired Parking and/or Loaning quantities as well as the point at which such service is requested. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day.

6. ALLOCATION OF SERVICE

In allocating or curtailing service among Buyers under this rate schedule, Seller shall give service priority based upon the highest revenue calculation, with revenue calculated as the Daily Parking Charge multiplied by the Maximum Parked Contract Quantity or the Daily Loaning Charge multiplied by the Maximum Loaned Contract Quantity, as applicable, multiplied by the number of days in the Term of Purchase Order, all as set forth on the applicable Exhibit A (Purchase Order) of Buyer's PAL service agreement. For purposes of calculating revenue, the Daily Parking Charge or the Daily Loaning Charge will not exceed the maximum rate for such service under this rate schedule. Buyers with a higher revenue calculation receive a higher priority than Buyers with a lower revenue calculation. Service will be allocated on a pro-rata basis among Buyers with an equal revenue calculation.

7. NOTIFICATION FROM SELLER

7.1 Buyer may be required, upon notification from Seller, to cease or reduce deliveries to, or receipts from, Seller's Parking and Loaning service within the gas day consistent with Seller's operating conditions. Further, Buyer may be required to return loaned quantities or remove parked quantities upon notification by Seller. Such notification may be by written communication, telephone or 1Line posting. Seller's notification shall specify the time frame within which Parked quantities shall be removed and/or Loaned quantities shall be returned, consistent with Seller's operating conditions, but in no event shall the specified time frame be less than three (3) calendar days from the date of Seller's notification. In the event Buyer makes a timely nomination in response to a notification by Seller to remove Parked quantities or return Loaned quantities, the obligation of Buyer to comply with that notification shall be tolled until such time as Seller schedules the nomination; provided

however, Buyer shall exercise best efforts to nominate transportation service on a firm or interruptible basis, as necessary, to receipt and delivery points made available by Seller so as to accommodate, to the greatest extent possible, Seller's notification to remove Parked quantities or return Loaned quantities.

If Seller provides notification to Buyer pursuant to the provisions of this Section 7.1, Seller shall provide notice of such event on 1Line.

- 7.2 Any Parked quantity not removed within the time frame specified by Seller's notice shall become the property of Seller at no cost to Seller, free and clear of any adverse claims. Seller shall include this quantity in its Fuel Retention Adjustment calculations pursuant to Section 38 of the General Terms and Conditions. Any Loaned quantity not returned within the time frame specified by Seller's notice shall be sold to Buyer at 150% of the Zone 2 Reference Spot Price "Sell," as set forth in Section 37.1(a) of the General Terms and Conditions. The Loaned quantity not returned multiplied by 50% of the Zone 2 Reference Spot Price "Sell," as calculated pursuant to Section 37.1 of the General Terms and Conditions, will be considered the penalty revenue that will be distributed pursuant to Section 54 of the General Terms and Conditions. The remaining penalty dollars (the Loaned quantity not returned multiplied by the Zone 2 Reference Spot Price "Sell"), which is representative of Seller's cost to replenish the Loaned quantity not returned, shall be accounted for as part of Seller's Cash Out program pursuant to Section 15 of the General Terms and Conditions.

8. OTHER CONDITIONS OF SERVICE

- 8.1 Requests for service hereunder shall be considered acceptable only if Buyer has completed a request for service via 1Line.

Such request for service shall provide the information specified by Seller in 1Line, as such information may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information as is required to comply with regulatory reporting or filing requirements; and
- (b) Sufficient information to determine Buyer's credit worthiness in accordance with Section 32 of the General Terms and Conditions.
- 8.2 If the service is to be provided under one Service Agreement for multiple Buyers ("Principals") that have designated a party to act as agent on their behalf ("Agent"), Principals shall provide notice of such to Seller and shall also provide sufficient information to verify:
- (a) that Principals collectively meet the "shipper must have title" requirement as set forth in Section 9 hereof;

- (b) that each Principal agrees that it is jointly and severally liable for all of the obligations of Buyer under the Service Agreement; and
- (c) that Principals agree that they shall be treated collectively as one Buyer for nomination, allocation and billing purposes.

Agent shall be permitted to unilaterally amend the Service Agreement to remove a Principal or to add a Principal that satisfies the requirements of Section 8.1(b) of this rate schedule and of this Section 8.2. No such amendment shall be binding on Seller prior to the date that notice thereof has been given to Seller.

- 8.3 Seller shall not be required to perform service under this rate schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made.

9. WARRANTY OF TITLE TO GAS

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

10. GENERAL TERMS AND CONDITIONS

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

RATE SCHEDULE POOLING
Pooling Service

1. AVAILABILITY

- 1.1 Service under this rate schedule is available from Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") on a non-discriminatory basis for any gas company or any other party (hereinafter referred to as "Buyer") when:
- (a) Buyer delivers, under a separate agreement, natural gas to Seller at a pooling point for aggregation and disaggregation at the same pooling point or desires to provide Title Transfer Tracking (TTT) service; and
 - (b) Buyer and Seller have executed a pooling service agreement for service under this rate schedule.
- 1.2 Service under this rate schedule will be available at those physical or virtual points identified by Seller on 1Line.
- 1.3 Seller shall not be required to construct or acquire new facilities to provide service under this rate schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Pooling shall be defined as the aggregation of gas from multiple physical and/or virtual receipt points to a single physical or virtual point; and the disaggregation of gas from a single physical or virtual point to multiple physical and/or virtual delivery points. This rate schedule shall apply to all pooling service rendered by Seller for Buyer, pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.
- 2.2 In order to accommodate the priority of service consistent with Section 3.9 of Rate Schedule IT, pooling service shall be designated as either firm or interruptible. Buyer shall execute a separate service agreement under this rate schedule for firm pooling service and for interruptible pooling service.
- 2.3 Service under this rate schedule shall be provided as follows:
- (a) Buyer shall submit an aggregation nomination which shall be a nomination on Buyer's transportation agreement(s) identifying the quantity of gas to be delivered from a specified receipt point to Buyer's pooling service agreement at a specified pooling point. Such nomination must be consistent with the nomination procedures set forth in Section 28.2 of the General Terms and Conditions, and the nomination timelines as defined in Section 28.1 of the General Terms and Conditions.
 - (b) Buyer must also submit a disaggregation nomination which shall be a one sided nomination on a Buyer's pooling service agreement identifying the business entity

(and package ID if so desired) and quantity of gas which Buyer authorizes to be received for take away from the specified pooling point. Such nomination must be consistent with the nomination timelines as defined in Section 28.1 of the General Terms and Conditions. All discrepancies between the disaggregation nomination and the related transportation nomination received for take away at such pooling point will be balanced by using the lesser of process as defined in NAESB Standard 1.3.22; provided, however, Seller shall not require such pooling point to be balanced during the timely nomination cycle as defined in Section 28.1 of the General Terms and Conditions.

- (i) Disaggregation nomination shall mean nomination(s) specifying only the delivery side of the transaction which will be provided by Buyer on a Pooling service agreement at the pooling point.
- (c) Total daily quantities of gas delivered to a pooling point under the aggregation nomination must equal the total daily quantities of gas nominated on the disaggregation nomination at that pooling point for each pooling service agreement, subject to an allowable variance of 4%, unless reduced by Seller at Seller's sole discretion to not less than 0.5% (the allowable variance shall be calculated by applying the applicable variance, e.g. 4%, to the quantity of gas delivered under the aggregation nominations), except when pipeline conditions exist consistent with Section 11.3 of the General Terms and Conditions, at which time the allowable variance shall be 0.0%. Any change in the allowed variance shall be posted on 1Line and Seller shall make reasonable efforts to provide notice of any change by e-mail or telephone, with a notification period of not less than 12 hours prior to the beginning of the gas day, unless pipeline conditions exist as defined in Section 11.3 of the General Terms and Conditions in which case Seller shall provide as much advance notice as practical under the circumstances. All discrepancies between the total daily quantity of gas of the aggregation nominations and the total daily quantity of gas of the disaggregation nominations shall be balanced by Buyer taking into account any difference permitted by Seller during each nomination cycle. To the extent that Buyer does not balance, Seller shall have the right to balance during any nomination cycle in the following manner:
 - (i) In the event the total quantity of the aggregation nominations are in excess of the total quantity of the disaggregation nominations, Seller shall reduce Buyer's aggregation nominations using the schedule ranks provided to Seller.
 - (ii) In the event the total quantity of the disaggregation nominations are in excess of the total of the aggregation nominations, Seller shall use Buyer's schedule ranks on the disaggregation nominations to determine reductions under the related transportation agreements taking gas away from the pool. To the extent that multiple transactions exist within a transportation agreement, then the schedule ranks on the transportation transactions received at said pooling point shall be used to make reductions at the transaction level.

To the extent that Seller does not receive schedule ranks on either the disaggregation nominations, the aggregation nominations or the transportation transactions taking gas away from the pooling point, Seller shall make reductions on a pro rata basis; provided, however, that Seller shall reduce transportation transactions received from physical points prior to reducing transactions that do not involve physical movement of gas or are received from pooling points.

- (d) Any difference between the total daily quantity of the aggregation and the disaggregation nominations will be balanced prior to conclusion of the ID3 nomination cycle for a gas day by Seller adjusting the scheduled deliveries of the aggregation nomination up or down as appropriate, resulting in no imbalance on the pooling service agreement. Seller shall use Buyer's schedule ranks on the aggregation nominations to make said adjustments; provided, however, that Seller shall adjust transportation transactions received from physical points prior to adjusting transactions that do not involve physical movement of gas or are received from pooling points.
- (e) Post Cycle nominations and requests for adjustments to prior gas day scheduled quantities must be in balance for each applicable pooling service agreement at each pooling point.

3. RATES AND CHARGES

- 3.1 Seller shall not charge Buyer for service under this rate schedule.
- 3.2 Seller will not retain any fuel on service provided under this rate schedule.

4. OTHER CONDITIONS OF SERVICE

- 4.1 Requests for service hereunder shall be considered acceptable only if Buyer has completed and returned Seller's service request form (which is available to all Buyers and potential Buyers on request).

Such request for service shall contain the information specified in Seller's service request form, as such may be revised from time to time, and either with the request for service or at the time of execution of the service agreement, such other information as is required to comply with regulatory reporting or filing requirements.

- 4.2 If the service is to be provided under one Service Agreement for multiple Buyers ("Principals") that have designated a party to act as agent on their behalf ("Agent"), Principals shall provide notice of such to Seller and shall also provide sufficient information to verify:
 - (a) that Principals collectively meet the "shipper must have title" requirement as set forth in Section 5 hereof;

- (b) that each Principal agrees that it is jointly and severally liable for all of the obligations of Buyer under the Service Agreement; and
- (c) that Principals agree that they shall be treated collectively as one Buyer for nomination, allocation and billing purposes.

Agent shall be permitted to unilaterally amend the Service Agreement to remove a Principal or to add a Principal that satisfies the requirements of Section 32 of the General Terms and Conditions and of this Section 4.2. No such amendment shall be binding on Seller prior to the date that notice thereof has been given to Seller.

- 4.3 Seller shall not be required to perform service under this rate schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made.

5. WARRANTY OF TITLE TO GAS

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

6. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Seller's Volume No. 1 Tariff are applicable and are hereby incorporated as a part of this rate schedule.

PART III – RATE SCHEDULES

**SECTION 9
SALES SERVICE**

RATE SCHEDULE NS
Negotiated Sales Service

1. AVAILABILITY

This rate schedule is available for the purchase from Transcontinental Gas Pipe Line Company, LLC (herein referred to as Seller) of negotiated sales service by any party (herein referred to as Buyer) when Buyer and Seller have negotiated an agreement for the sale of natural gas on mutually agreeable terms and conditions and have executed a service agreement for service under this rate schedule setting forth the terms of such agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This rate schedule shall apply to all gas delivered hereunder.

2.2 The terms and conditions negotiated and set forth in each individual service agreement shall apply to and govern the sale of gas thereunder, and the obligations and rights of the parties with respect thereto. Sales may be made on either a firm or interruptible basis hereunder, or upon such other basis as the parties may mutually agree. There shall be no requirement that the negotiated terms and conditions of any particular service agreement be the same as any other service agreement subject to this rate schedule, or that Seller file or otherwise disclose the terms of any such service agreement. Furthermore, there shall be no requirement that Seller enter into any service agreement hereunder except upon such terms as are agreeable to Seller. Seller is authorized to abandon the sales service to which the service agreement relates upon termination of such agreement without obtaining any additional approval of the Federal Energy Regulatory Commission for such abandonment.

3. RATES AND CHARGES

3.1 The price for sales of gas made pursuant to this rate schedule shall be negotiated by Seller and Buyer and shall be specified in the applicable service agreement.

3.2 In addition to the price for gas sold and delivered hereunder as set forth in Section 3.1 hereof, Seller may charge and collect such other reasonable fees for other agreed-upon services provided by Seller to Buyer, such as acting as Buyer's agent for arranging for the transportation of gas sold hereunder. Such fees shall be negotiated and mutually agreed upon by Buyer and Seller.

4. POINTS OF SALE

Gas purchased and sold hereunder will be delivered by Seller for Buyer's account at (a) the point(s) at which Seller acquires title from third party seller(s) from whom Seller purchases its gas supply and/or (b) any point on another interstate or intrastate pipeline prior to entry into Seller's pipeline system and/or (c) the interconnection(s) of Seller's pipeline facilities with the facilities of third party transporter(s) with whom Seller has contracted for the transportation of gas supplies to its system.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Seller's Volume No. 1 Tariff which are not inconsistent with this rate schedule and/or Buyer's NS service agreement are hereby made a part hereof.

PART III – RATE SCHEDULES

**SECTION 10
OTHER SERVICES**

RATE SCHEDULE ICTS
Interconnect Transfer Service

1. AVAILABILITY

Service under this rate schedule is available to any gas company or any other party (hereinafter referred to as "Buyer") subject to available capacity and acceptable operating conditions, for the transfer of natural gas in accordance with Section 5 hereof, by Transcontinental Gas Pipe Line Company, LLC (hereinafter referred to as "Seller") on Seller's system when:

- (a) Buyer desires interconnect transfer service under this rate schedule; and
- (b) Buyer has submitted a valid request in accordance with Section 6 of this rate schedule; and
- (c) Buyer and Seller have executed a service agreement for service under this rate schedule; and
- (d) An OBA or its equivalent is in effect at the interconnect transfer points to be used to provide service in accordance with Section 2 hereof.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to all interconnect transfer service rendered by Seller for Buyer pursuant to Seller's blanket certificate or Part 284 of the Commission's regulations and the executed service agreement for service under this rate schedule.
- 2.2 Service under this rate schedule shall apply when Buyer(s) requests the transfer of gas under this rate schedule between two interconnects on Seller's system located within 50 pipeline miles of each other as represented on 1Line.
- 2.3 Service provided under this rate schedule shall be interruptible. In that regard, if any provision of an executed service agreement under this rate schedule specifies a "Maximum Daily Quantity," such specified Maximum Daily Quantity shall not be used in the determination of the level of transportation service to be allocated on any day to the Buyer under that service agreement.

3. RATES AND CHARGES

- 3.1 For service rendered to Buyer each month under this rate schedule, Buyer shall pay to Seller a rate per dt multiplied by the quantities (dts) transferred.
- 3.2 The maximum and minimum unit rates for service under this rate schedule are shown on the effective Statement of Rates and Fuel in Part II, Section 11.1 of this tariff. Buyer shall pay the maximum rates for service under this rate schedule unless Seller, in its sole judgment, agrees to discount its rates to Buyer under this rate schedule. The rate or rates for service under this rate schedule shall not be discounted below the minimum rate, it

being understood that each Buyer shall pay the maximum rate unless such rates are discounted to such specific customer.

- 3.3 Buyer shall pay Seller any and all filing fees incurred as a result of Buyer's request for Seller's performance of service under this rate schedule, to the extent such fees are imposed upon Seller by the FERC or any other governmental authority having jurisdiction. Buyer shall pay Seller for such fees at Seller's designated office or depository within ten days of receipt of Seller's invoice detailing the amount of such fees. Seller shall not use the amounts so collected either as revenues or costs in establishing its general system rates.
- 3.4 Buyer shall reimburse Seller for the costs of any facilities installed by Seller with Buyer's consent which are necessary to measure or transfer gas to or for the account of Buyer.

4. RECEIPT AND DELIVERIES

- 4.1 Service under this rate schedule shall consist of the receipt of gas on behalf of Buyer at an eligible interconnect on Seller's system and the transfer of equivalent quantities (dts) of natural gas by Seller for Buyer, or for Buyer's account, to another eligible interconnect on Transco's system located within 50 pipeline miles, as represented on 1Line, of the interconnect at which the gas was received.
- 4.2 Buyer shall make any necessary arrangements with other parties so as to be able to deliver gas to Seller at the initial point(s) of transfer and receive gas at the final point(s) of transfer; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller. Buyer shall deliver, or cause to be delivered, to Seller the scheduled daily quantities hereunder as nearly as possible at uniform hourly rates.

5. SCHEDULING, NOMINATIONS AND ALLOCATION OF SERVICE

- 5.1 Buyer shall notify or cause Seller to be notified of Buyer's service requirements under this rate schedule in advance of such requirements in accordance with the nomination deadlines as provided on 1Line. Seller, in its sole judgment, may waive any nomination and ranking deadlines, on a non-discriminatory basis, if Seller determines that operating conditions permit. Buyer shall nominate quantities from the initial point(s) of transfer to the final point(s) of transfer. Such nominated quantities shall be subject to confirmation by Seller which shall be based on the best operating information available to Seller, and confirmation by the upstream and downstream point operators as provided in Section 60 of the General Terms and Conditions. Such confirmed quantity shall be deemed the scheduled quantity. Buyer and Seller shall have scheduling personnel available to be contacted 7 days a week, 24 hours a day, and Buyer shall cause the interconnect operators supplying gas at the initial transfer point(s) to do the same.
- 5.2 In reaching its determination of the availability of service under this rate schedule each day, Seller will allocate or curtail service pursuant to the provisions of Section 59 of the General Terms and Conditions.

- 5.3 In the event operating conditions on any day during the month enable Seller to render additional service on a daily basis, such additional service will be made available to those Buyers requesting service in the same priority order as set forth in Section 5.2 hereof.
- 5.4 Seller may issue Operational Controls or Operational Flow Orders pursuant to Sections 51 and 52 of the General Terms and Conditions to require adjustments to Buyer's daily scheduling of transfer quantities over a reasonable period of time when the operational integrity of Seller's pipeline system would otherwise be threatened.
- 5.5 Seller will provide, on 1Line, its best available operational data in accordance with Section 29 of the General Terms and Conditions.

6. OTHER CONDITIONS OF SERVICE

- 6.1 Requests for service hereunder shall be considered acceptable only if Buyer has completed and returned Seller's service request form (which is available to all Buyers and potential Buyers on request).

Such request for service shall contain the information specified in Seller's service request form, as such may be revised from time to time, and

- (a) Either with the request for service or at the time of execution of the service agreement, such other information as is required to comply with regulatory reporting or filing requirements; and
 - (b) Sufficient information to determine Buyer's credit worthiness in accordance with Section 32 of the General Terms and Conditions.
- 6.2 If the service is to be provided under one Service Agreement for multiple Buyers ("Principals") that have designated a party to act as agent on their behalf ("Agent"), Principals shall provide notice of such to Seller and shall also provide sufficient information to verify:
 - (a) that Principals collectively meet the "shipper must have title" requirement as set forth in Section 8 hereof;
 - (b) that each Principal agrees that it is jointly and severally liable for all of the obligations of Buyer under the Service Agreement; and
 - (c) that Principals agree that they shall be treated collectively as one Buyer for nomination, allocation and billing purposes.

Agent shall be permitted to unilaterally amend the Service Agreement to remove a Principal or to add a Principal that satisfies the requirements of Section 6.1(b) of this rate schedule and of this Section 6.2. No such amendment shall be binding on Seller prior to the date that notice thereof has been given to Seller.

6.3 Seller shall not be required to perform service under this rate schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made.

7. THIS SECTION IS RESERVED FOR FUTURE USE

8. WARRANTY OF TITLE TO GAS

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

9. GENERAL TERMS AND CONDITIONS

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