



Transcontinental Gas Pipe Line
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March xx, 2021

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

Attention: Kimberly D. Bose, Secretary

Reference: Transcontinental Gas Pipe Line Company, LLC
Crediting of Reservation Charges
Docket No. RP21-

Ladies and Gentlemen:

Pursuant to Section 4 of the Natural Gas Act and Part 154 of the regulations of the Federal Energy Regulatory Commission (“Commission or FERC”), Transcontinental Gas Pipe Line Company, LLC (“Transco”) hereby submits for filing the following revised tariff records to its FERC Gas Tariff, Fifth Revised Volume No. 1 (“Tariff”):

| <u>Part</u> | <u>Section</u> | <u>Version</u> | <u>Description</u> |
|-------------|----------------|----------------|--------------------|
| III | 3.5 | 3.0.0 | Rate Schedule LNG |
| III | 6.1 | 2.0.0 | Rate Schedule GSS |
| III | 6.5 | 2.0.0 | Rate Schedule S-2 |
| III | 6.6 | 1.0.0 | Rate Schedule LG-A |

The proposed effective date of the revised tariff records is May 1, 2021.

Statement of Nature Reasons and Basis

Transco is proposing herein to revise the Tariff provisions that set forth the reservation charge credits due customers under storage Rate Schedules GSS, S-2, LG-A, and LNG when Transco orders the interruption or reduction of firm contract storage service under the provisions of Section 11.3 of the General Terms and Conditions of Transco's Tariff. The proposed provisions are similar to the existing reservation charge crediting provisions contained in Transco's other firm storage Rate Schedules, ESS, EESWS, WSS-Open Access, LSS, and SS-2, and are in accordance with with the Commission's policy on reservation charge credits in Natural Gas Supply Association, 135 FERC ¶ 61,055 (2011).

Commission policy distinguishes between force majeure and non-force majeure outages for determining the level of the credits during such outages. For force majeure outages, the Commission has held that pipelines using the straight fixed variable (SFV) rate design method, such as Transco, may provide partial reservation charge credits in order to share the risk, between the pipeline and its shippers, of force majeure interruptions of service. With respect to non-force majeure outages, where the curtailment occurs due to circumstances within a pipeline's control, the Commission requires pipelines to provide shippers full reservation charge credits for the amount of primary firm service the shippers scheduled which the pipeline failed to deliver.

To implement its policy regarding reservation charge crediting in force majeure situations, the Commission has permitted pipelines to use one of two different methods to determine the partial credit and permits the pipeline to choose which one to adopt. The first method is the No-Profit method, where the pipeline provides partial refunds, comprising the portion of the pipeline's reservation charge that represents the return on equity and associated income taxes, starting on the first day of the interruption in service. The second method is the Safe Harbor method, where the reservation charges are credited in full after a short grace period when no credit is due the shipper (i.e., 10 days or less).

Consistent with Commission policy, Transco proposes that, on a day, or days, when storage service under Rate Schedule GSS, S-2, LG-A, or LNG is reduced or interrupted due to a non-force majeure event, it will provide full reservation charge credits for the difference between the shipper's nominated quantity and the scheduled quantity.

On a day, or days, when storage service under Rate Schedule GSS, S-2, LG-A, or LNG is reduced or interrupted due to a force majeure event, Transco proposes a reservation charge crediting mechanism using the No-Profit method for storage service provided at a storage facility connected to Transco's system (i.e., for LG-A and LNG) and using the Safe Harbor method for storage service provided by third-party suppliers at a storage facility off of Transco's system (i.e., for GSS

and S-2). In the case of Rate Schedules LG-A and LNG, which services are provided at a Transco system facility, the proposed tariff language provides that when service is reduced or interrupted due to a force majeure event, Transco will provide partial reservation charge credits, calculated using the return on equity and related income tax component of the applicable rate(s), starting on the first day of interruption of service. These provisions are similar to provisions accepted by the Commission for inclusion in Rate Schedules ESS, EESWS, and WSS-OA of Transco's Tariff.¹

Transco's Rate Schedules GSS and S-2 storage services are "bundled" services that include off-system storage provided by third-party suppliers, and Transco may not know the return on equity and related tax component embedded in the third-party supplier's portion of the reservation charges under Rate Schedules GSS and S-2. Therefore, Transco proposes a reservation charge crediting mechanism using the Safe Harbor crediting method, under which no reservation charge credits will be provided for the first ten days of the force majeure event, but following such ten-day period, Transco will provide full reservation charge credits, including the portion of the reservation charge attributable to the third-party supplier, for any additional days of the force majeure event. These provisions are similar to provisions accepted by the Commission for inclusion in Rate Schedules LSS and SS-2 of Transco's Tariff.²

As stated above, the Tariff provisions proposed herein are similar to reservation charge crediting provisions accepted by the Commission for inclusion in Transco's other storage Rate Schedules and acceptance of the proposed provisions will result in Transco's storage Rate Schedules reflecting consistent reservation charge crediting mechanisms.

Proposed Effective Date

The tariff records submitted herein are proposed to be effective May 1, 2021. Pursuant to Section 154.7(a)(9) of the Commission's regulations, in the case of a minimal suspension, Transco moves to place the tariff records filed herewith into effect at the end of the suspension period set by the Commission, provided that the tariff changes are approved as filed and without condition. In the event that the tariff records filed herewith are not approved as filed and without condition, Transco reserves the right to file a later motion to place the tariff records into effect.

Materials Submitted Herewith

In accordance with Section 154.7(a)(1) of the Commission's regulations, the following material is submitted herewith:

¹ See Letter Order issued on October 27, 2011 in Docket No. RP11-2605-000 and Letter Order issued on October 2, 2019 in Docket No. RP19-1547.

² See Letter Order issued on October 2, 2019 in Docket No. RP19-1547.

An eTariff XML filing package, filed as a zip (compressed) file, containing:

- The tariff records in RTF format with metadata attached;
- A transmittal letter in PDF format;
- A clean version of the tariff records in PDF format for publishing in eLibrary;
- A marked version of the tariff records in accordance with Section 154.201(a) of the regulations; and
- A copy of the complete filing in PDF format for publishing in eLibrary.

Posting and Certification of Service

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

Any communication regarding this filing should be sent to the undersigned, with a copy sent to:

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Respectfully submitted,
TRANSCONTINENTAL GAS PIPE LINE COMPANY, LLC

By _____
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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 ~~42-11~~ 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 ~~10-9~~ 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. DEMAND CHARGE ADJUSTMENT~~

~~If Seller fails to deliver or is unable to deliver to Buyer's Primary Point during any day, the quantity of natural gas which Buyer requests to deliver hereunder on such day, provided that all requests to Buyer's Primary and Secondary Points are less than Buyer's Storage Demand, then the Demand Charge as provided by Sections 3.1, 3.2 and 3.3(a) hereof shall be reduced by an amount equal to:~~

~~(a) 365 times the currently effective charge as provided by Sections 3.1, 3.2 and 3.3(a) of this rate schedule multiplied by the percentage which Buyer's Storage Demand shall be of Buyer's Liquefaction Capacity Quantity times~~

~~(b) The difference between the dt of natural gas scheduled by Buyer for delivery during said day or days, and the quantity of natural gas actually delivered during said day or days.~~

109. 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.

110. 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.

121. 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 ~~10-9~~ 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.

1312. CAPACITY RELEASE

Refer to Section 42 of the General Terms and Conditions.

1413. TRANSFERS OF STORAGE INVENTORY

Refer to Section 47 of the General Terms and Conditions.

~~15~~14. RIGHT OF FIRST REFUSAL PROCEDURES

Refer to Section 48 of the General Terms and Conditions.

~~16~~15. PROCEDURES FOR ALLOCATING AVAILABLE CAPACITY

Refer to Section 49 of the General Terms and Conditions

~~17~~16. REQUEST FOR SERVICE

~~17~~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.

~~17~~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.

~~18~~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.

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~~ ~~AND CHANGES IN RATES TO REFLECT A CHANGE IN RATES BY THE PIPELINE PROVIDING RELATED STORAGE SERVICE TO SELLER~~

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 ~~8-9~~ 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 ~~8-9~~ 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

3.44.1 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 ~~3.44.1~~ 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.

45. MINIMUM BILL

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

56. DEFINITIONS

56.1 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.

56.2 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.

~~5.3~~ Reserved for Future Use

~~5.4~~ Reserved for Future Use

~~56.53~~ 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.

6.7. INJECTIONS INTO STORAGE

6.7.1 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 6.7.1(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.

6.7.2 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.

6.7.3 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.

~~67.4~~ 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.

~~78.~~ WITHDRAWALS FROM STORAGE

~~78.1~~ 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 ~~78.1(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.

~~78.2~~ 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.

78.3 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 **78.3**(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 ~~14-15~~ of this rate schedule.

~~78.4~~ 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 ~~78.4~~(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 ~~78.4~~ 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 ~~78~~.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 ~~78~~.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 ~~78~~.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.

~~89~~. 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.

~~910~~. 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. RESERVED FOR FUTURE USE~~

~~11. RESERVED FOR FUTURE USE~~

~~12. DEMAND CHARGE ADJUSTMENT~~

~~— If Seller fails or is unable to deliver during any one or more days the amount of natural gas which Buyer desires to take, up to the maximum quantity which Seller is obligated by the Storage Service Contract to deliver to Buyer, then the Demand Charge specified in Section 3.2(a) hereof shall be reduced by an amount equal to that percentage of 365 times the currently effective charge as provided by Sections 3.1 and 3.2(a) of this rate schedule which the Storage Demand shall be of the Storage Capacity Quantity specified in the executed service agreement, per dt, times the difference between the quantity of natural gas actually delivered during said day or days and the quantity of natural gas scheduled by Buyer for delivery during said day or days.~~

~~— The reduction in charges as provided above shall under no circumstances be considered as giving Seller the right to reduce its maximum daily delivery obligation nor shall such reduction be considered as a substitute for any other remedies available to Buyer against Seller for failure in respect to its obligation to deliver the maximum Storage Demand.~~

~~13~~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.

~~14~~12. FAILURE TO COMPLY WITH MINIMUM TURNOVER

~~14~~12.1 If Buyer's Storage Gas Balance on April 15 of any year exceeds the level required by Section ~~78~~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.

~~14~~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.

~~15~~13. QUALITY

Refer to Section 3 of the General Terms and Conditions.

~~16~~14. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

| 1715. 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.

DRAFT

**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. DEMAND CHARGE ADJUSTMENT~~

~~If Seller orders interruption or reduction of service to Buyer under the provisions of Section 11 of the General Terms and Conditions and the prorated quantity that Buyer is entitled to is less than the quantity Buyer requested in good faith on any day or days, then the Demand Charge payable hereunder shall be reduced by an amount equal to the sum of all such days' deficiencies multiplied by the applicable per dt charge set forth in that portion of the currently effective Statement of Rates and Fuel in Part II, Section 7.5 of this tariff.~~

~~109.~~ 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.

DRAFT

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. DEMAND CHARGE ADJUSTMENT~~

~~If Seller fails or is unable to deliver to Buyer during any day of a Withdrawal Period, the quantity of natural gas which Buyer requests to deliver hereunder on such day, up to Buyer's Liquefaction Demand, then the Demand Charge as provided by Sections 3.1 and 3.2(a) hereof shall be reduced by an amount equal to:~~

- ~~(a) 365 times the currently effective charge as provided by Sections 3.1 and 3.2(a) of this rate schedule multiplied by the percentage which Buyer's Liquefaction Demand shall be of Buyer's Liquefaction Capacity Quantity times.~~
- ~~(b) The difference between the dt of natural gas scheduled by Buyer for delivery during said day or days, and the quantity of natural gas actually delivered during said day or days.~~

~~1110.~~ 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.

~~1211.~~ 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 ~~11-10~~ of this rate schedule for each dt of such gas delivered.

~~13~~12. QUALITY

Refer to Section 3 of the General Terms and Conditions.

~~14~~13. MEASUREMENT

Refer to Section 4 of the General Terms and Conditions.

~~15~~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.

DRAFT

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.

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.

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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.

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**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.

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