

June 1, 2009

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Tennessee Gas Pipeline Company
Compliance Tariff Filing
Docket Nos. RM96-1-029 and RP09-____
Order No. 587-T

Dear Ms. Bose:

Tennessee Gas Pipeline Company (“Tennessee”), pursuant to Section 4 of the Natural Gas Act (“NGA”), 15 U.S.C. § 717c, Part 154 of the Regulations of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. Part 154, and the Commission’s Order No. 587-T¹ (“Order No. 587-T”) issued February 24, 2009, in Docket No. RM96-1-029, hereby submits for filing an original plus five (5) copies of the revised tariff sheets identified in Appendix A to this filing for inclusion in Tennessee’s FERC Gas Tariff, Fifth Revised Volume No. 1 (“Tariff”) to be effective August 1, 2009.

Background

On February 24, 2009, the Commission issued Order No. 587-T, which, among other things, amended 18 C.F.R. §284.12 of its Regulations to incorporate by reference the most recent version of the standards promulgated by the Wholesale Gas Quadrant (“WGQ”) of the North American Energy Standards Board (“NAESB”), i.e., NAESB Standards Version 1.8. Order No. 587-T includes a new set of standards for "Internet Electronic Transport" Related Standards providing consistent electronic protocols across the wholesale gas, retail gas and retail electric markets, changes to the Electronic Delivery Mechanism (“EDM”) Related Standards and renaming the remaining EDM Related Standards to Quadrant Electronic Delivery Mechanism (“QEDM”) Related Standards, a new standard for gas quality reporting requiring pipelines to post on their web sites specific information on how the pipeline determines gas quality, maintenance

¹ *Standards for Business Practices of Interstate Natural Gas Pipelines*, Docket No. RM96-1-029, Order No. 587-T, 126 FERC ¶ 61,129 (February 4, 2009).

changes to the Nomination Related Standards and Flowing Gas Related Standards, and business practice standards to support implementation of Order No. 2004 on Standards of Conduct.²

Order No. 587-T directs pipelines to make tariff filings to comply with the adopted Version 1.8 of the NAESB Standards by June 1, 2009, with an implementation date of August 1, 2009.

Statement of the Nature, Reasons and Basis for the Filing

In compliance with the directive of Order No. 587-T, Tennessee hereby submits the revised Tariff sheets identified in Appendix A to incorporate Version 1.8 of the NAESB Standards.

The NAESB Standards Version 1.8 revisions are as follows³:

- Tennessee is incorporating by reference the revised NAESB Definitions 2.2.4, 4.2.1, 4.2.11, 4.2.12, 4.2.13, and 4.2.20, the revised Standards 1.3.54, 1.3.60, 1.3.61, 1.3.63, 2.3.21, 2.3.35, 2.3.51, 4.3.1, 4.3.2, 4.3.5, 4.3.16, 4.3.18, 4.3.22, 4.3.23, and 4.3.25, and the revised NAESB Datasets 1.4.1 through 1.4.7, 2.4.1 through 2.4.4, 2.4.7, 2.4.8, 3.4.1, 5.4.1 through 5.4.3, 5.4.5, 5.4.7 through 5.4.11, 5.4.13, 5.4.14, 5.4.15, and 5.4.18 through 5.4.22 at Article XXXVI of the General Terms and Conditions ("GT&C") of its Tariff.
- Tennessee is incorporating by reference the new "Internet Electronic Transport" NAESB Definitions 0.2.1, 0.2.2, 0.2.3, and 10.2.1 through 10.2.38, the new Operational Communications NAESB Standards 0.3.11 through 0.3.15, Flowing Gas NAESB Standard 2.3.65, EDM NAESB Standards previously (Recommendation (R03035A) 4.3.89 - 4.3.92, and new 4.3.93, and "Internet Electronic Transport" NAESB Standards 10.3.1, 10.3.3 through 10.3.25, and the new NAESB Data Sets for Storage Information 0.4.1, Producer Imbalance Statement 2.4.17, Measurement

² Because the Commission revised the Standards of Conduct requirements in Order No. 717, some of the data templates in the NAESB WGQ 4.3.23 standards are unnecessary. Therefore, the Commission incorporated Standard 4.3.23 which contains requirements for posting that are applicable under Order No. 717. However, pipelines will not be required to continue to post affiliate information that is no longer required to be maintained under the Commission's Regulations as amended by Order No. 717. *Standards of Conduct for Transmission Providers*, Order No. 717, 73 FR 63796 (Oct. 27, 2008), FERC Stats. & Regs. ¶ 31,280 (2008), *reh'g pending*.

³ The Commission continues its past practice and is not incorporating by reference Standards 4.3.4 and 10.3.2, because they are inconsistent with the Commission's record retention requirement in 18 CFR 284.12(b)(3)(v).

Events / Alarms 2.4.18, and Pre-approved Bidders List 5.4.23 at Article XXXVI of the GT&C of its Tariff.

- Tennessee's August 26, 2005 NAESB compliance filing pursuant to Order No. 587-S and accepted by the Commission on October 7, 2005, deleted the NAESB Standards 4.3.6, 4.3.19, 4.3.21, and 4.3.63.
- NAESB Version 1.8 Standards renamed and divided NAESB EDM Related Standards to: (1) "Internet Electronic Transport" Related Standards and the cite references to EDM Related Standards 4.3.7 through 4.3.15, 4.3.37, 4.3.64, 4.3.70, 4.3.71, and 4.3.88 are now reflected as "Internet Electronic Transport" Related Standards 10.3.3 through 10.3.15, 10.3.20, 10.3.22, 10.3.23, 10.3.24 and 10.3.25, respectively; and (2) the remaining EDM Related Standards are now entitled Quadrant EDM Related Standards. Accordingly, the above-cited references are incorporated under Article XXXVI of the GT&C of Tennessee's Tariff.

Because of the issuance of Order No. 717, Standards of Conduct, the following reference of adoption of NAESB Standards previously incorporated under Article XXXVI of the GT&C of Tennessee's Tariff pursuant to NAESB Version 1.7 Standards to implement Order No. 2004 and Order No. 2004-A are incorporated by reference as revised NAESB Standards under Article XXXVI of the GT&C of Tennessee's Tariff:

- 1) NAESB Standard: 2004 Annual Plan Item 2 FERC Order 2004 4.2.1, 4.3.16, 4.3.18, 4.3.22, 4.3.23 and 4.3.25; and
- 2) NAESB Standard: 2005 Annual Plan Item 8 FERC Order 2004 4.3.23.

Material Enclosed

In accordance with 18 C.F.R. § 154.7, Tennessee is submitting the following items:

- 1) The instant transmittal letter;
- 2) Paper copies of the Tariff sheets attached in Appendix A;
- 3) An electronic version of the Tariff sheets on a 3 ½-inch diskette; and
- 4) A redlined version of the Tariff sheets pursuant to 18 C.F.R. § 154.201(a) showing the changes relative to Tennessee's currently effective Tariff sheets.

Service, Correspondence and Waivers

In accordance with the Commission's Order granting Tennessee an extension of time to comply with NAESB QEDM/EDI data set requirements that are currently not being used by its customers⁴, Tennessee will maintain and implement any currently unused data sets ninety (90) days after receipt of a customer's request for use of such data sets. Tennessee will update the data sets currently used by its customers as well as those capacity release data sets for publicly available information.

The undersigned certifies that a copy of this filing has been served electronically pursuant to 18 CFR § 154.208 on Tennessee's customers and affected state regulatory commissions. A paper copy of this filing may only be served if a customer has been granted waiver of electronic service pursuant to 18 CFR Part 390 of the Commission's Regulations. In addition, an electronic copy of this filing is available for public inspection during regular business hours in Tennessee's office at 1001 Louisiana Street, Houston, Texas 77002.

Pursuant to 18 C.F.R. §385.2011 of the Commission's Regulations, the undersigned states that the paper copy of the attached Tariff sheets contains the same information as is contained on the electronic media, that the undersigned knows the contents of the paper copy and the electronic media, and that the contents as stated in the paper copy and the electronic media are true to the best knowledge and belief of the undersigned. The names and mailing addresses of the persons to whom correspondence and communications concerning this filing should be directed are as follows:

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*Persons designated for service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 395.203.)

⁴ This temporary waiver was granted to Tennessee by Letter Order issued on September 25, 2002, 100 FERC ¶ 61,340.

APPENDIX A

Eleventh Revised Sheet No. 99
Twelfth Revised Sheet No. 161
Thirteenth Revised Sheet No. 167
Twelfth Revised Sheet No. 173
Seventh Revised Sheet No. 219A
Seventh Revised Sheet No. 234
Fifth Revised Sheet No. 245
Fifth Revised Sheet No. 248
Fifteenth Revised Sheet No. 305
Tenth Revised Sheet No. 310
Eleventh Revised Sheet No. 312
Thirteenth Revised Sheet No. 314
Fourteenth Revised Sheet No. 314A
Sixteenth Revised Sheet No. 315
Fifteenth Revised Sheet No. 316
Eleventh Revised Sheet No. 329
Ninth Revised Sheet No. 334
Thirteenth Revised Sheet No. 337
Sixth Revised Sheet No. 337A
Twelfth Revised Sheet No. 343
Tenth Revised Sheet No. 346
Eleventh Revised Sheet No. 347
Second Revised Sheet No. 347A
Ninth Revised Sheet No. 355
Eleventh Revised Sheet No. 356
Twelfth Revised Sheet No. 357
Seventh Revised Sheet No. 358
Thirteenth Revised Sheet No. 400
First Revised Sheet No. 405A.01a
First Revised Sheet No. 405A.01b
Fifteenth Revised Sheet No. 412
Fourth Revised Sheet No. 412A

RATE SCHEDULE FS
FIRM STORAGE SERVICE (continued)

6. EXCUSE OF PERFORMANCE

- 6.1 If Transporter fails to tender for delivery on any one or more days the quantity of natural gas which Shipper has scheduled for receipt at the FS Service Point, up to the maximum quantity which Transporter is obligated by the FS Service Agreement to deliver to Shipper, then the charges as otherwise computed hereunder shall be reduced by an amount equal to:

$(\text{Scheduled Volumes} - \text{Tendered Volumes}) \times (\text{Deliverability Rate After Current Adjustment} \times (12 \times \text{MDWQ}) / \text{MSQ})$

If Transporter's failure to perform is due to a force majeure event as set forth in Article X of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter will not be obligated to reduce Shipper's charges, in the manner described above for failure to tender delivery at a primary or secondary delivery point(s). If Transporter's failure to perform is due to a routine, non-emergency maintenance event as set forth in Article X of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter will not be obligated to reduce Shipper's charges, in the manner described above, for failure to tender delivery at a secondary delivery point(s) if Shipper re-nominates and Transporter re-schedules delivery to Shipper's primary delivery point(s).

7. AUTHORIZED OVERRUNS

- 7.1 Injection/Withdrawal Quantities - Upon request of Shipper, Transporter may receive or redeliver quantities of gas in excess of Shipper's MDIQ or MDWQ under this Rate Schedule if, in Transporter's sole judgement, operating conditions permit such overrun ("Authorized Overruns") provided, however, that in no event is Shipper allowed to withdraw gas in excess of Shipper's Storage Balance at the time of the request, nor inject gas in excess of Shipper's Maximum Storage Quantity.

NAESB Standard 1.3.19 (Version 1.8) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overrun injections or withdrawals must be nominated through PASSKEY or by fax when necessary.

Any service interruption associated with Authorized Overruns will be scheduled in accordance with Article III, Section 6 of the General Terms and Conditions of Transporter's FERC Gas Tariff. Shipper shall pay Transporter the applicable Authorized Overrun Charge as set forth herein on all Authorized Overrun volumes in excess of the applicable daily quantity; provided that Authorized Overrun Charges shall not apply to that portion of a Shipper's Authorized Overrun injection volumes that when combined with Shipper's firm injection nominations at the FS Service Point do not exceed Shipper's Maximum Daily Withdrawal Quantity. Provided further that if the quantities in excess of Shipper's MDIQ or MDWQ were scheduled in order to make up for prior

RATE SCHEDULE FT-A
FIRM TRANSPORTATION SERVICE (continued)

- 5.3 Incidental Charges: In addition to the charges pursuant to Sections 5.1 and 5.2 of this Rate Schedule, Transporter shall charge Shipper an amount to recoup any filing or similar fees which Transporter incurs in rendering service hereunder, which have not been previously paid by Shipper. Transporter shall not use the amounts so collected either as revenues or costs in establishing its general system rates. The applicable Incidental Charges shall be stated in the Transportation Service Agreement.
- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.

NAESB Standard 1.3.19 (Version 1.8) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges of Transporter's FERC Gas Tariff times the excess quantities delivered to Shipper, unless the parties mutually agree otherwise.

RATE SCHEDULE FT-GS
SMALL CUSTOMER TRANSPORTATION SERVICE (CONTINUED)

- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement then such quantity shall constitute an Authorized Overrun.

NAESB Standard 1.3.19 (Version 1.8) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes. For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges in Transporter's FERC Gas Tariff, unless the parties mutually agree otherwise.

- 5.5 Fuel and Losses: Shipper shall furnish the quantity of gas required for fuel and losses associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall be equal to the quantity of gas scheduled for delivery to Transporter multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff for the receipt and delivery zones applicable to the transportation service; provided however, upon Transporter's determination, for service that is rendered entirely by displacement, Shipper shall furnish only that quantity of gas associated with losses as shown in the Summary of Rates and Charges.

- 5.6 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits for service under this Rate Schedule that differ from those rates, rate components, charges, or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges, or credits identified by Transporter and Shipper in writing as being superseded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges, or credits prescribed, required, established or imposed by

RATE SCHEDULE FT-G
SMALL CUSTOMER TRANSPORTATION SERVICE (continued)

- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's Maximum Daily Quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.
- NAESB Standard 1.3.19 (Version 1.8) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.
- For all such Authorized Overruns Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges of Transporter's FERC Gas Tariff times the excess quantities delivered to Shipper, unless the parties mutually agree otherwise.
- 5.5 Fuel and Losses: Shipper shall furnish the quantity of gas required for fuel and losses associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall be equal to the quantity of gas scheduled for delivery to Transporter multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff for the receipt and delivery zones applicable to the transportation service; provided, however, upon Transporter's determination, for service that is rendered entirely by displacement, Shipper shall furnish only that quantity of gas associated with losses as shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff.
- 5.6 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits for service under this Rate Schedule that differ from those rates, rate components, charges, or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges, or credits

NET-284 RATE SCHEDULE (continued)

3.6 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.

NAESB Standard 1.3.19 (Version 1.8) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges in Transporter's FERC Gas Tariff, unless the parties mutually agree otherwise.

4. RECEIPT AND DELIVERY POINTS

4.1 Primary Receipt Points: The points designated in Shipper's Service agreement shall be Shipper's Primary Receipt Point for gas transported under this Rate Schedule. Transporter shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas for transportation scheduled for receipt on any day is less than that required for accurate measurement of quantities to be received.

4.2 Secondary Receipt Points: All receipt points on Transporter's system within Shipper's Transportation Path shall be available as Secondary Receipt Points up to the maximum daily quantity that is applicable to the Primary Receipt Points in Shipper's Transportation Path.

4.3 Primary Delivery Points: The points designated in Shipper's service agreement shall be Shipper's Primary Delivery Points for gas transported by Transporter under this Rate Schedule.

RATE SCHEDULE FT-BH
FIRM TRANSPORTATION BACKHAUL SERVICE (continued)

5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.

NAESB Standard 1.3.19 (Version 1.8) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges in Transporter's FERC Gas Tariff, unless the parties mutually agree otherwise.

5.5 Losses. Shipper shall furnish the quantity of gas required for losses associated with rendering transportation service pursuant to this Rate Schedule as shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff.

5.6 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits for service under this Rate Schedule that differ from those rates, rate components, charges, or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges, or credits identified by Transporter and Shipper in writing as being superseded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges, or credits prescribed, required, established or imposed by this Rate Schedule or Transporter's effective FERC Gas Tariff shall remain in effect. Transporter shall make any filings at the FERC necessary to effectuate a Negotiated Rate.

RATE SCHEDULE FT-IL
FIRM TRANSPORTATION INCREMENTAL LATERAL SERVICE (continued)

- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's FT-IL Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.
- NAESB Standard 1.3.19 (Version 1.8) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.
- For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges of Transporter's FERC Gas Tariff for the applicable Incremental Lateral times the excess quantities delivered to Shipper, unless the parties mutually agree otherwise.
- 5.5 Daily Variance: Shippers receiving service at a point(s) at which a balancing agreement is not in effect shall be subject to the Daily Variance provisions of Rate Schedule LMS-MA and LMS-PA of the Transporter's FERC Gas Tariff.
- 5.6 Fuel and Losses
- Fuel and Losses. Shipper shall furnish the quantity of gas required for fuel and losses associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall be equal to the quantity of gas scheduled for delivery to Transporter multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff for the applicable Incremental Lateral.
- 5.7 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits, for service under this Rate Schedule that differ from those rates, rate components, charges, or credits, that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only

Rate Schedule TTT
Title Transfer Tracking Service

1. AVAILABILITY

This Rate Schedule is available for any Party (Account Holder) which has (i) requested title transfer tracking service by Tennessee Gas Pipeline Company (Transporter); (ii) has met the conditions for qualification for receipt of service under Article XXVIII of the General Terms and Conditions of Transporter's FERC Gas Tariff; and (iii) after review and acceptance of such request by Transporter, has executed a title transfer tracking service agreement with Transporter for service under Rate Schedule TTT.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule permits Account Holder, upon request, to track title transfer(s) pursuant to this Rate Schedule TTT at any pooling point(s). For the purposes of this rate schedule, pooling point shall mean the logical pooling point(s) for each pooling area as defined in Article I, Section 23 of the General Terms and Conditions. Account Holder must agree to nominate and schedule all transactions pursuant to this Rate Schedule TTT in balance. Account Holder is not permitted to run an imbalance for Rate Schedule TTT Service. NAESB Standard 1.2.15 (Version 1.8) states: Title Transfer Tracking is the process of accounting for the progression of title changes from party to party that does not affect a physical transfer of the gas.

2.2 Pursuant to this rate schedule, Account Holder may nominate receipts from or deliveries to any service that can nominate at a pooling point.

2.3 All Third Party Account Administrators (3PADS) wishing to provide TTT service(s) must enter into a TTT agreement(s) with Transporter pursuant to this Rate Schedule TTT.

3. NOMINATIONS

3.1 Account Holder shall nominate quantities into and out of the relevant TTT service agreement(s) for TTT service.

3.2 In addition to daily nomination rights and obligations as set forth in Article III, Section 4(a), (b) and (c) of the General Terms and Conditions, Account Holder shall have the right to make intra-day and hourly nomination changes as provided in and subject to the conditions set forth in Article III, Section 4 of the General Terms and Conditions.

3.3 At each pooling point, nominations for quantities received into a TTT service agreement shall balance with deliveries nominated out of the TTT service agreement for TTT service.

GENERAL TERMS AND CONDITIONS (continued)

26. The term "transportation path" for a firm transportation agreement shall mean the zone of the primary receipt point, the zone of the primary delivery point and all intermediate zones; provided that Transporter's Zone 3 shall not be in the transportation path of any service that does not have a primary point in that zone. For a Firm Transportation Agreement with Primary Receipt and Delivery Points solely on an Incremental Lateral as defined in Article XVIII, Section 2 of the General Terms and Conditions, the transportation path shall mean the Incremental Lateral, and any such Incremental Lateral shall not be in the transportation path of any service that does not have a Primary Receipt and Delivery Point on that Incremental Lateral.
27. The term "PASSKEY" or "System" shall mean Transporter's computer information and scheduling system accessed through Transporter's interactive Internet website or through Electronic Data Interchange. "Electronic Data Interchange" or "EDI" shall mean electronic communication through means other than Transporter's System, that complies with the Electronic Delivery Mechanism Standards of the North American Energy Standards Board ("NAESB").
28. The term "delegated quantity" shall mean the portion of a Shipper's transportation quantity and of the maximum daily quantity at designated receipt and delivery points for which a Shipper has assigned to an Agent its nominating, scheduling and other administrative responsibilities pursuant to an Agency Authorization Agreement.
29. The term "Electronic Custody Transfer" or "ECT" shall mean the measurement of gas flow, when gas is transferred from the custody of one party to another, using electronic metering systems.
30. The terms "Central Clock Time" and "CCT" shall mean central daylight time when daylight savings time is in effect and central standard time when daylight savings time is not in effect.
31. The term "business day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.
32. As stated in NAESB Standards 1.2.3 and 1.3.18 (Version 1.8), pooling is: 1) the aggregation of gas from multiple physical and/or logical points to a single physical or logical point, and/or 2) the disaggregation of gas from a single physical or logical point to multiple physical and/or logical points. Deliveries from receipt points should be able to be delivered directly into at least one pool and delivery points should be able to receive quantities from at least one pool, excluding non-contiguous facilities.
33. The term "Pooling Area" shall refer to Supply Area Pooling Area, Market Area Pooling Area or both Supply and Market Area Pooling Areas, as applicable.
34. The term "capacity path" shall mean the mainline pipeline path, up to the transportation quantity under Shipper's firm transportation contract, from a Shipper's Primary Receipt Point(s) to Primary Delivery Point(s), and the leg(s) of Transporter's system, up to the transportation quantity associated with the Primary Receipt Point(s) or Primary Delivery Point(s), where such points are located. For segmented releases, the capacity path of the Replacement Shipper's contract shall be that portion of the Releasing Shipper's capacity path released to the Replacement Shipper up to the transportation quantity under the Replacement Shipper's contract and the Releasing Shipper's capacity path shall be modified accordingly. Receipt point nominations from Supply Area Pooling Areas shall be considered to be Secondary Receipt Points within a Shipper's capacity path up to the transportation quantity under Shipper's firm transportation contract associated with the respective leg of Transporter's system. Receipt point nominations from Market Area Pooling Areas shall be deemed to be Secondary Receipt Points either within or outside of the Shipper's capacity path, depending on the Market Area Pooling Area's assigned geographic location and the transportation quantity under Shipper's firm transportation quantity associated with the respective leg of Transporter's system.

Issued by: Patrick A. Johnson, Vice President

Issued on: June 1, 2009

Effective on: August 1, 2009

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. RM96-1-029, issued February 24, 2009, 26 FERC ¶ 61,129

GENERAL TERMS AND CONDITIONS (continued)

- (d) The deviation of the natural gas from Boyle's Law shall be determined by the use of the tables of formulae published by the American Gas Association for Research Project NX-19 corrected for carbon dioxide and nitrogen, or any applicable formulae published by the American Gas Association. The molecular percentage of N₂ and CO₂ shall be determined at approximately the same time or from the same analyzed gas sample used for the determination of the compressibility factors, with corrections for specific gravity, temperature and pressure.
3. Determination of Receipts and Deliveries:
- (a) NAESB Standard 2.3.16 (Version 1.8) states: List of allocation methodology types agreed upon: Ranked, Pro Rata, Percentage, Swing, and Operator Provided Values. NAESB Standard 2.3.17 (Version 1.8) states: The same standard allocation methodologies should be available for use at all points. In addition, NAESB Standard 2.3.18 (Version 1.8) states: The types of allocation methodologies is a list from which two parties may agree. If the two parties cannot agree upon an allocation methodology, pro rata based upon confirmed nominations should be used as the default method. The party responsible for custody transfer (the party performing the measurement function) should provide the allocation. NAESB Standard 2.3.4 (Version 1.8) states: Only one PDA allocation methodology should be applied per allocation period. NAESB Standard 2.3.5 (Version 1.8) states: The upstream or downstream party providing the point confirmation should submit the predetermined allocation to the allocating party after or during confirmation and before start of Gas Day. Further, NAESB Standard 2.3.19 (Version 1.8) states: The transportation service providers should accept NAESB-approved allocation methodology types from the upstream or downstream custody transfer party who is providing the point confirmation. In addition, NAESB Standard 2.3.3 (Version 1.8) states: There is no need to submit pre-determined allocations if a transportation service provider has an OBA in effect for a point. In this Section 3, the term "Party" shall include producer, shipper, operator, supply aggregator and market aggregator, and the term "Up/Down Party" shall include any upstream or downstream connected party.
- (b) Allocation of Receipts - Unless prohibited by applicable law or regulation, the quantities received by Transporter at any receipt point shall be allocated among Parties and services as follows:
- (1) Transporter shall allocate actual deliveries into its system in accordance with allocation procedures specifically agreed to by Transporter and the operator of a point and/or Up/Down Party(ies) ("UDP") at a point as provided for in the Balancing Agreement(s) (Operational, Pipeline or Aggregator) governing the point.

GENERAL TERMS AND CONDITIONS (continued)

nominated service.

- (c) Scheduling Duration: The scheduled service specified in the Customer Nomination information shall be effective commencing at 9:00 a.m. CCT on the beginning day, and terminating at 9:00 a.m. CCT on the ending day, as specified in the Customer Nomination Form, provided that the requested time period is wholly within the term of the applicable service agreement pursuant to which the nomination is submitted.
- (d) NAESB Standard 1.2.4 (Version 1.8) states: An intra-day nomination is a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of Gas Day and runs through the end of that Gas Day.

NAESB Standard 1.3.2 (Version 1.8) states: All Transportation Service Providers should support the following standard nomination cycles:

- (i) The Timely Nomination Cycle: 11:30 a.m. for nominations leaving control of the nominating party; 11:45 a.m. for receipt of nominations by the Transporter (including from the Title Transfer Tracking Service Providers (TTTSPs)); noon to send Quick Response; 3:30 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 4:30 p.m. for receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).
- (ii) The Evening Nomination Cycle: 6:00 p.m. for nominations leaving control of the nominating party; 6:15 p.m. for receipt of nominations by the Transporter (including from TTTSPs); 6:30 p.m. to send Quick Response; 9:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 10:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the day prior to flow).

Scheduled quantities resulting from an Evening Nomination that does not cause another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped should be effective at 9:00 a.m. on gas day; and when an Evening Nomination causes another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped, the scheduled quantities should be effective at 9:00 a.m. on gas day.

- (iii) The Intra-day 1 Nomination Cycle: 10:00 a.m. for nominations leaving control of the nominating party; 10:15 a.m. for receipt of nominations by the Transporter (including from TTTSPs); 10:30 a.m. to send Quick Response; 1:00 p.m. for receipt of completed confirmations by Transporter from upstream and

GENERAL TERMS AND CONDITIONS (continued)

downstream connected parties; 2:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the gas day). Scheduled quantities resulting from Intra-day 1 Nominations should be effective at 5:00 p.m. on gas day.

- (iv) The Intra-day 2 Nomination Cycle: 5:00 p.m. for nominations leaving control of the nominating party; 5:15 p.m. for receipt of nominations by the Transporter (including from TTTSPs); 5:30 p.m. to send Quick Response; 8:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 9:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators (central clock time on the gas day). Scheduled quantities resulting from Intra-day 2 Nominations should be effective at 9:00 p.m. on gas day. Bumping is not allowed during the Intra-day 2 Nomination Cycle.

Transporter shall schedule Intra-day Nomination Changes subject to subsections (f), (g), (h), (i) and (j) below. Upon receipt of the Intra-day Nomination, Transporter agrees to adjust gas flow (1) within sixty minutes of the time that Transporter receives the nomination; (2) schedule the nomination at the next intra-day effective time, or the next hourly scheduling opportunity if the nomination is received after 5:00 p.m. CCT; and (3) adjust the nomination so that the increase and decrease in quantities, as identified in subsection (h) below, are based on the time when the adjustment to gas flow was made by Transporter rather than the effective time when the nomination was scheduled. Adjustment in gas flow under this provision shall mean that a Shipper may increase gas flow by a volume up to 1/24 of their contractual Maximum Daily Quantity multiplied by the number of hours remaining in the day, or decrease gas flow down to a volume equal to 1/24 of the Shipper's scheduled volumes multiplied by the number of hours of gas flow for that day. Any adjustment in gas flow under this provision is subject to subsections (f), (g), (h), (i), and (j) below, as well as the mutual agreement of Transporter, Shipper and the upstream/downstream connected parties in advance of the adjusted gas flow.

- (e) Hourly Nomination Changes: A Shipper under Rate Schedule FT-A, FT-G, FT-GS, FT-BH, FT-IL, IT, LMS-MA, LMS-PA, PTR, IT-X, IS, SA, PAT or TTT or a storage customer under any firm storage rate schedule may change its nomination sixty minutes in advance to be effective on any hour of the day between 10:00 p.m. and 8:00 a.m. by making a nomination in PASSKEY. For Electronic Data Interchange, Transporter shall receive such nominations no later than forty-five minutes in advance of the effective time.

Upon receipt of nomination, Transporter agrees to adjust gas flow in advance of the next hourly effective time subject to subsections (f), (g), (h), (i) and (j) below, provided that Transporter, Shipper and the upstream/downstream connected parties mutually agree in advance to the adjusted gas flow.

NAESB Standard 1.3.4 (Version 1.8) states: All parties should support a seven-days-a-week, twenty-four-hours-a-day nominations process. It is recognized that the success of seven days a week, twenty-four hours a day nominations process is dependent on the availability of affected parties' scheduling personnel on a similar basis. Party contacts need not be at their ordinary work sites but should be available by telephone or beeper.

Hourly Nomination Changes requested between the hours of 10:00 p.m. and 8:00 a.m. CCT must be nominated and confirmed by all affected parties via telephone to Transporter's Gas Control Center as well as through PASSKEY. Transporter shall schedule Hourly Nomination Changes subject to the restrictions set forth in Sections (f), (g), and (h) hereof.

GENERAL TERMS AND CONDITIONS (continued)

- (l) Notification of Scheduling - The upstream and/or downstream connected party at the applicable receipt and delivery points will confirm with Transporter through PASSKEY that Shipper's nominated quantities will be received or delivered. Nominations other than intra-day or hourly nominations must be confirmed by the upstream and/or downstream connected party in accordance with subsections (a) and (b) of this Section 4. Intra-day and Hourly nominations must be confirmed by the upstream and/or downstream connected party in accordance with subsections (d) through (i) of this Section 4. Shipper and applicable upstream and/or downstream connected party will receive notice from Transporter no later than 4:30 p.m. CCT on the day prior to the commencement of the nominated service via PASSKEY of scheduled quantities, any nomination made by Shipper that is not scheduled for delivery, or if any scheduled nomination is amended or changed by Transporter. Transporter shall also make available at the end of the day information on scheduled quantities, any intra-day or hourly nomination made by Shipper that is not scheduled for delivery, or if any scheduled nomination is amended or changed by Transporter.
- (m) Routing of Gas - Scheduling and billing for transportation services will be determined by the information that Shipper provides Transporter specifying the daily point-to-point routing of its receipts and deliveries; provided, however, that unless the parties mutually agree otherwise the routing for months prior to September 1, 1992 will be based upon the route reflected on the last invoice for such months. If actual deliveries are greater than actual receipts, excess deliveries will be deemed to have been received from Zone 1 for purpose of the billing for such excess deliveries; provided further that for months prior to September 1, 1992, the rate for excess deliveries will be based upon the rate reflected on the last invoice for such months. At points where Transporter does not measure the quantities delivered, Shipper shall provide, or cause its supplier or other designee to provide, Transporter each month a meter statement or reading indicating the quantities delivered at the point by the fourth working day after each month of service. These statements shall be provided to:

Tennessee Gas Pipeline Company
1001 Louisiana Street
Houston, Texas 77002
Attention: Gas Measurement Department

At Receipt Points where the gas is processed downstream, Shipper shall provide, or cause the operator of the processing plant to provide, a monthly plant allocation statement reflecting the actual plant thermal reductions from those Receipt Points within 15 days after each month of service.

NAESB Standard 2.3.26 (Version 1.8) states: The time limitation for disputes of allocations should be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

GENERAL TERMS AND CONDITIONS (continued)

These allocation statements shall be provided to:

Tennessee Gas Pipeline Company
1001 Louisiana Street
Houston, Texas 77002
Attention: Gas Accounting Department

5. Scheduling Priorities: Transporter shall schedule receipts and deliveries of gas in the following priority categories specified below (listed in highest to lowest priority order), such that any curtailments will result in allocations of available capacity to higher priority services before lower priority services.

NAESB Standard 1.3.23 (Version 1.8) states: Ranking should be included in the list of data elements. Transportation service providers should use service requestor provided rankings when making reductions during the scheduling process when this does not conflict with tariff-based rules. Therefore, unless otherwise specified, scheduling priority within a category shall be pro rata or in accordance with the supply/market rankings provided pursuant to a Shipper's Customer Nomination Form.

For allocation of firm services on the mainline system:

- (a) Firm transportation and storage services utilizing Primary Receipt Points and Primary Delivery Points, to the extent that nominations to such points are not in excess of the TQ under Shipper's Transportation Agreement, provided that for purposes of this subsection a Shipper's nomination through a segment that Shipper released is outside Shipper's capacity path;
- (b) Firm transportation and storage services utilizing a Secondary Receipt and/or a Secondary Delivery Point except if there is limited capacity, in which case a Secondary Receipt and/or a Secondary Delivery Point where there is limited firm capacity being allocated within the segment of the Shipper's capacity path covered by the nomination, to the extent that nominations to or from such point(s) in this Subsection (b) are in the same direction as the capacity path on Shipper's Transportation Agreement and are not in excess of the TQ under Shipper's Transportation Agreement;
- (c) Any other firm transportation and storage services utilization not described in Subsection (b) above, including utilizing a Secondary Receipt Point or Secondary Delivery Point outside of the Shipper's capacity path where there is limited capacity being allocated outside of the Shipper's capacity, to the extent that nominations to or from such point(s) in this Subsection (c) are not in excess of the TQ under Shipper's Transportation Agreement.

For allocation of firm services at a receipt or delivery point:

- (a) Firm transportation or storage services utilizing a Primary Receipt or Delivery Point, to the extent that nominations at such point are not in excess of the TQ under Shipper's Transportation Agreement;
- (b) Firm transportation or storage services utilizing a Secondary Receipt or Delivery Point that is within Shipper's capacity path, to the extent that nominations at such point are not in excess of the TQ under Shipper's Transportation Agreement;

GENERAL TERMS AND CONDITIONS (continued)

- (c) Release to an Asset Manager: The release is to an Asset Manager as defined in 18 C.F.R. Section 284.8(h)(3) of the Federal Energy Regulatory Commission's ("FERC's") regulations ("Asset Manager") provided that prior to the commencement of service the Releasing Shipper (1) provides Transporter with the information specified in Section 11.1(a)-(f), and (k) and (2) posts:
 - (i) The release is to an Asset Manager; and
 - (ii) The obligation of the Asset Manager to deliver gas to, or purchase gas from the Releasing Shipper including the volumetric level of the obligation and the time periods the obligation is in effect.
- (d) Release to a Marketer in a State-Regulated Retail Access Program: The release is to a Marketer in a State-Regulated Retail Access Program as defined in 18 C.F.R. Section 248.8(h)(4) of the FERC's regulations ("State-Regulated Retail Access Program") provided that prior to the commencement of service the Releasing Shipper (1) provides Transporter with the information specified in Section 11.1(a)-(f), and (1) and (2) posts that the release is to a marketer participating in a State-Regulated Retail Access Program.

11.4 Posting of Release Requests and Replacement Shipper Requests

- (a) Releasing Shipper shall post all applicable information required by Section 11.1 on PASSKEY, which system will automatically assign an individual release number to such Release Request. The period of time for posting of the information ("Posting Period"), and the period of time during which bids will be received on such Release Request ("Bidding Period"), shall be as set forth in Section 11.7.
- (b) NAESB Standard 5.3.14 (Version 1.8) states: Offers should be binding until written or electronic notice of withdrawal is received by the capacity release service provider. Further, NAESB Standard 5.3.16 (Version 1.8) states: The releasing party has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no minimum bid has been made.
- (c) Replacement Shipper shall post all applicable information required by Section 11.2 on PASSKEY. Such requests shall remain posted for a period of four weeks or until a transaction is effected, whichever is shorter.
- (d) Transporter makes no representation or warranty to any party concerning the accuracy or completeness of any posted information or concerning the willingness or ability of any Releasing Shipper to release transportation rights hereunder or of any Replacement Shipper to accept transportation rights hereunder. Transporter shall not be liable to any party for any damages, of any nature whatsoever, including without limitation any special, incidental or consequential damages, or any other kind that may arise in connection with the posting of information hereunder, except as provided in the System License Agreement or the Trading Partner Agreement entered into between Transporter and each user of PASSKEY.

GENERAL TERMS AND CONDITIONS (continued)

- (g) Transporter shall only be liable to Releasing Shipper for loss or damage to Releasing Shipper resulting from mistakes made in Transporter's determination of the successful Bid on a Release Request which are the result of Transporter's negligence or willful misconduct.
- (h) For informational purposes only, Transporter shall post on PASSKEY the identity of the successful bidder and the terms of the successful bid.
- (i) NAESB Standard 5.3.9 (Version 1.8) states: If the transportation service provider requires amendments for each release, the transportation service provider should automate the process of amending contracts and this may be the subject of a global agreement between the parties.

Prior to the commencement of service pursuant to the Release Request, Transporter shall prepare and transmit to the successful Bidder via PASSKEY a Transportation Service Agreement stating the Transportation Quantity, rates, term, the maximum quantities at all receipt and delivery points, governing rate schedule, and any special terms and conditions for the awarded release. Releasing Shipper's Transportation Service Agreement will be amended via PASSKEY to reflect that the Releasing Shipper has released all or a portion of its transportation rights effective as of the date of the Replacement Shipper's Service Agreement ("Amended Service Agreement"). Provided that in the event of a recall of the capacity by the Releasing Shipper in accord with the terms of the Release Request, the Replacement Shipper's Service Agreement will be suspended for the period of the recall with all rights and obligations thereunder reverting to Releasing Shipper under its Amended Service Agreement.

11.7 Applicable Deadlines

- (a) For releases, NAESB Standard 5.3.2 (Version 1.8) provides the following Bidding Periods:

For biddable releases (less than 1 year):

- offers should be tendered by 12 p.m. on a Business Day;
- open season ends no later than 1 p.m. on a Business Day (evaluation period begins at 1 p.m. during which contingency is eliminated, determination of best bid is made, and ties are broken);
- evaluation period ends and award posting if no match required at 2 p.m.;
- match or award is communicated by 2 p.m.;
- match response by 2:30 p.m.;
- where match required, award posting by 3 p.m.;
- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

GENERAL TERMS AND CONDITIONS (continued)

- (e) Unless otherwise agreed to in the underlying Transportation Agreement, when Transporter discounts the rate for service rendered pursuant to Rate Schedule IT in a market below the maximum commodity rate for service rendered pursuant to Rate Schedules FT-A or FT-G in that market, then Transporter shall contemporaneously post the discounted IT rate on PASSKEY and post a notice that for released capacity used to serve the identified market, Transporter will offer to discount the FT-A/FT-G commodity rate to a level equal to the discounted IT rate for that market. For these purposes, market shall be defined on the basis of receipt point(s), delivery point(s) and/or gas user(s) behind the delivery point(s).
- (f) All terms and conditions of all releases must be consistent with the terms and conditions of the Releasing Shipper's Service Agreement and with Transporter's FERC Gas Tariff, including the provisions on nominations and scheduling of service and curtailment of service.
- (g) NAESB Standard 5.3.7 (Version 1.8) states: Transportation service providers should support the function of reputting by releasing shippers. A Releasing Shipper may specify in the Release Request whether the recalled capacity is to be reput (i.e., released back) to the original Replacement Shipper and the terms of the reput. These terms may be either: (i) reput must be accepted by the original Replacement Shipper for the original terms of the release or (ii) reput may be accepted at the option of the original Replacement Shipper for the original terms of the release.

Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity by providing notice to Transporter in accordance with the following timeline. Recall notification to the Transportation service provider shall show the recall notification quantity expressed in terms of total released entitlements.

For Recall Notification NAESB Standard 5.3.44 (Version 1.8) states:

- (i) Timely Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the Transportation service provider (TSP) and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due (Central Clock Time);
- (ii) Early Evening Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due (Central Clock Time);

GENERAL TERMS AND CONDITIONS (continued)

- (iii) Evening Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due (Central Clock Time);
 - (iv) Intraday 1 Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due (Central Clock Time); and
 - (v) Intraday 2 Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 2:30 p.m. on the day that Intraday 2 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 3:30 p.m. on the day that Intraday 2 Nominations are due (Central Clock Time).
- NAESB Standard 5.3.45 (Version 1.8) states: For recall notification provided to the Transportation service provider (TSP) prior to the recall notification deadline specified in NAESB WGQ Standard No. 5.3.44 and received between 7:00 a.m. and 5:00 p.m., the TSP should provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification. For recall notification provided to the TSP after 5:00 p.m. and prior to 7:00 a.m., the TSP should provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification (Central Clock Time).
- (h) Transporter may invalidate any Release Request or any Bid subsequent to its posting on PASSKEY which does not conform in all respects to the requirements of Transporter's FERC Gas Tariff. Upon invalidating a Release Request or Bid, Transporter shall inform via PASSKEY the Releasing Shipper or Bidder, as applicable, the reason for such invalidation. Any invalidated Release Request or Bid shall be deemed null and void.

GENERAL TERMS AND CONDITIONS (Continued)

12.8 Reassignment of Released Capacity

A Replacement Shipper shall be allowed to release the capacity under its Storage Service Agreement, subject to the conditions provided in Section 12.6(a) of this Article III.

12.9 Submission of Information

Parties shall submit all necessary information, Release Requests, Replacement Requests and bids to Transporter by way of PASSKEY.

12.10 Marketing of Released Capacity

Transporter shall have no obligation to market any storage rights available to be released by a Releasing Shipper. Transporter, however, may agree to market storage rights for a Releasing Shipper and may negotiate a fee with the Releasing Shipper for such service.

12.11 Further Conditions on Release of Storage Rights

(a) Persons participating in Transporter's storage release program are subject to the same conditions applicable to participants in Transporter's transportation release program set forth in Article III, Section 11.11(a), (b), (e), (g), (i), (j), (k), and (l) of these General Terms and Conditions.

(b) The minimum term for any release shall be one month, and the maximum term shall be the remaining term of the Releasing Shipper's Storage Service Agreement.

(c) Pursuant to 18 C.F.R. Section 284.8(i) of the FERC's regulations, until September 30, 2002, the applicable rate(s) for releases with terms of less than one year shall be the rate(s) set by the Releasing Shippers. For all other releases, and for all releases after September 30, 2002, the rates for any release shall be the applicable deliverability, space, and injection and withdrawal charges, as well as all other applicable rates, charges and surcharges set forth in this FERC Gas Tariff, notwithstanding any discount to such rates, charges or surcharges then in effect for the Releasing Shipper.

(d) NAESB Standard 5.3.7 (Version 1.8) states: Transportation service providers should support the function of reputting by releasing shippers. A Releasing Shipper may specify in the Release Request whether the recalled capacity is to be reput (i.e., released back) to the original Replacement Shipper and the terms of the reput. These terms may be either: (i) reput must be accepted by the original Replacement Shipper for the original terms of the release or (ii) reput may be accepted at the option of the original Replacement Shipper for the original terms of the release.

Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity by providing notice to Transporter in accordance with the following timeline. Recall notification to the Transportation service provider shall show the recall notification quantity expressed in terms of total released entitlements.

For Recall Notification NAESB Standard 5.3.44 (Version 1.8) states:

(i) Timely Recall Notification:

(a) A Releasing Shipper recalling capacity should provide notice of such recall to the Transportation service provider (TSP) and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;

GENERAL TERMS AND CONDITIONS (continued)

If, upon test, any measuring equipment shall be found to be inaccurate by an amount exceeding two percent, at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, then any previous recordings of such equipment shall be corrected to zero error for any period which is known definitely, but in case the period is not known or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of the last test, not exceeding a correction period of sixteen days.

6. Correction of metering errors--failure of meters: In the event a meter is out of service, or registering inaccurately, the volume of gas delivered shall be determined:

(a) by using the registration of any check meter or meters, if installed and accurately registering, or, in the absence of (a);

(b) by correcting the error if the percentage of error is ascertainable by calibration, tests, or mathematical calculation, or in the absence of both (a) and (b);

(c) by estimating the quantity of the delivery by use of deliveries during periods under similar conditions when the meter was registering accurately.

7. Correction of metering errors - adjustments: A measurement data correction shall become a prior period adjustment (PPA) after the fifth (5th) business day following the production month.

NAESB Standard 2.3.14 (Version 1.8) states: Measurement data corrections should be processed within 6 months of the production month with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

8. Preservation of metering records: Transporter, Shipper and Operator shall each preserve for a period of at least one year all test data, charts and other similar records.

V. INVOICING

1. Monthly invoicing date: NAESB Standard 3.3.14 (Version 1.8) states: The imbalance statement should be rendered prior to or with the invoice, and the transportation invoice should be prepared on or before the 9th business day after the end of the production month. Rendered is defined as postmarked, time-stamped, and delivered to the designated site.

Invoices may be rendered by mail or electronic communication. Transporter may render separate invoices for demand charges, commodity charges and cash-out charges.

2. Right of examination: Both Transporter and Shipper shall have the right to examine at any reasonable time the applicable books and records (or portions thereof) of the other, necessary to verify the accuracy of any statement made under or pursuant to the provisions of the gas service contract. Upon receipt of a request, the requestee will either send the relevant information to the requestor or will provide the requestor the right to review such information in the requestee's offices.

GENERAL TERMS AND CONDITIONS (continued)

VI. PAYMENTS

1. Monthly payment date: Shipper (or other payor) shall pay Transporter, at a bank designated by Transporter, so that payment is received and Transporter has available funds within ten (10) calendar days from the receipt of the invoice for the gas service purchased by Shipper during the preceding month and invoiced by Transporter pursuant to the provisions of this Tariff or the gas service contract. Transporter may extend the period for payment up to twenty-five (25) days from receipt of invoice for a Shipper that is a foreign governmental entity whose compliance with governmental statutes, rules or regulations require a period longer than 10 days to process invoices. Transporter may require any Shipper requesting an extended period for payment to provide certification that Shipper is an entity of a foreign government. Shipper (or Payor) shall provide Transporter (or Payee) with supporting documentation with any payment as well as the appropriate invoice number on the payment(s). Transporter shall apply the payment pursuant to the supporting documentation provided.
2. Remedies for nonpayment: Should Shipper fail to pay all of the amount of any invoice as herein provided when such amount is due, Shipper shall pay a Charge for Late Payment. Such Charge for Late Payment shall be determined by multiplying (a) the unpaid portion of the invoice, by (b) the ratio of the number of days from the due date to the date of actual payment to 365, by (c) the interest rate determined in accordance with Section 154.501 of the Commission's regulations. If such failure to pay continues for thirty (30) days after payment is due and Transporter has provided Shipper and the FERC with at least thirty (30) days notice that service will terminate due to the non-payment, Transporter in addition to any other remedy it may have under the service contract may terminate the service contract; provided, however, that if Shipper in good faith disputes the amount of any such invoice or part thereof and shall pay to Transporter such amounts as it concedes to be correct in addition to providing such remittance detail and documentation identifying the basis for the dispute; and, at any time within thirty (30) days after a demand made by Transporter, shall furnish good and sufficient surety bond guaranteeing payment to Transporter of the amount ultimately found due upon such invoice after a final determination which may be reached either by agreement or judgment of the courts, as may be the case, then Transporter shall not be entitled to terminate the gas service contract until a default is made in the conditions of such bond; provided further that should Shipper prevail on the dispute, Transporter shall reimburse Shipper for the cost of the surety bond.
3. Adjustment of underpayment, overpayment or error in invoicing: If it shall be found that Shipper has been overcharged or undercharged in any form whatsoever under the provisions of this Tariff or the service contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, then Transporter shall refund the amount of such overcharge and Shipper shall pay the amount of any such undercharge. Refund or payment shall be with interest, calculated in accord with Section 2 of this Article VI, assessed from the date that payment under the bill with the overcharge or undercharge was due Transporter. Any claim for an adjustment of an invoice shall include documentation of the error.

NAESB Standard 3.3.15 (Version 1.8) states: Prior period adjustment time limits should be 6 months from the date of the initial transportation invoice and 7 months from date of initial sales invoice with a 3-month rebuttal period, excluding government-required rate changes. This standard shall not apply in the case of deliberate omission or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

GENERAL TERMS AND CONDITIONS (continued)

4. Time of payment extended if invoice delayed: If presentation of an invoice to Shipper is delayed after the 9th business day of the month, then the time of payment shall be extended accordingly unless the Shipper is responsible for the delay.

VII. POSSESSION OF GAS

As between Transporter and Shipper, Shipper shall be deemed to be in exclusive control and possession of the gas to be transported (i) prior to receipt by Transporter at the Receipt Point(s), (ii) after receipt by Transporter, when the gas is in the custody of Shipper or Shipper's designee for separation, processing or other handling, and (iii) after delivery by Transporter at the Delivery Point(s); otherwise, Transporter shall be in exclusive control and possession of the gas. The party which shall be in exclusive control and possession of the gas shall be responsible for all injury or damage caused thereby to any third party. In the absence of negligence or willful misconduct on the part of Transporter, Shipper waives any and all claims and demands against Transporter, its officers, employees or agents, arising out of or in any way connected with (i) the quality, use or condition of the gas after delivery from Transporter for the account of such Shipper and (ii) any losses or shrinkage of gas during or resulting from custody of Shipper or Shipper's designee.

VIII. PRESSURE OF GAS DELIVERY AND OPERATIONAL FLOW ORDERS: ACTION ALERTS, CRITICAL DAYS, BALANCING ALERTS, AND HYDROCARBON DEWPOINT LIMITATIONS

1. Pressure of Deliveries: With respect to all deliveries by Transporter, Transporter shall make deliveries at Shipper's designated delivery points as nearly as practicable at Transporter's line pressure; provided that the minimum pressure shall be as stated in Shipper's Transportation Service agreement and shall not be less than 100 pounds per square inch gauge.
2. Operational Flow Orders: Transporter shall have the right to issue Operational Flow Orders (OFOs) as specified in this Section to Shippers, Shippers' Agents, point operators, and/or Balancing Agreement Holders (referred to collectively as "OFO Recipients"). As stated in NAESB Standard 1.2.6 (Version 1.8), an Operational Flow Order is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of the transportation service provider's system or to maintain operations required to provide efficient and reliable firm service. Whenever a transportation service provider experiences these conditions, any pertinent order should be referred to as an Operational Flow Order.

GENERAL TERMS AND CONDITIONS (continued)

- 2.1 Preliminary Notifications/Follow-up Reports: Transporter shall provide, via posting on PASSKEY, prior notice to all OFO Recipients of upcoming system events such as anticipated weather patterns and operational problems which may necessitate the issuance of an OFO. On a quarterly basis, Transporter will provide every OFO Recipient that was affected by an OFO during the previous quarter, and will file with the FERC, a written report which details the underlying causes which warranted the issuance of the OFOs during the quarter and explains why the actions required by the OFO were necessary to alleviate the identified problems.
- 2.2 Applicability of OFO: Transporter shall make an OFO as localized as is reasonably practicable based on Transporter's good faith and reasonable judgement concerning the situations requiring remediation such that an OFO will be directed (a) first to OFO Recipients causing the problem necessitating the OFO or transporting gas in the area of the system in which there is an operational problem, and (b) second to those OFO Recipients transporting gas in the area of the system where action is required to correct the problem necessitating the OFO. Prior to the issuance of an OFO, Transporter will attempt, if sufficient time exists, to alleviate the situation necessitating the OFO through the application of the scheduling and curtailment provisions in Article III of these General Terms and Conditions. Transporter will tailor the OFO to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in Sections 3, 4 and 5.
- 2.3 Notice: As stated in NAESB Standard 5.3.34 (Version 1.8), Transportation Service Providers should provide affected parties with notification of intraday bumps, operational flow orders and other critical notices through the affected party's choice of Electronic Notice Delivery mechanism(s). As stated in NAESB Standard 5.2.2 (Version 1.8), "Electronic Notice Delivery" is the term used to describe the delivery of notices via Internet, E-mail and/or EDI/EDM. Pursuant to NAESB Standards 5.3.34 and 5.2.2, Transporter shall issue notice of all OFOs to the affected OFO Recipient via PASSKEY, e-mail or EDI/EDM, at the OFO Recipient's election. In addition, Transporter shall notify the OFO Recipient of issuance of an OFO via telephone. Concurrent with notice to the OFO Recipient, all OFOs shall be posted on PASSKEY. The OFO will set forth (a) the time and date of issuance, (b) the actions the OFO Recipient, is required to take, (c) the time by which the OFO Recipient must be in compliance with the OFO, (d) the anticipated duration of the OFO, and (e) any other terms which Transporter may reasonably require to ensure the effectiveness of the OFO. Each OFO Recipient must designate one or more persons, but not more than three persons, for Transporter to contact on operating matters at any time, on a 24-hour a day, 365-day a year basis. Such contact persons must have adequate authority and expertise to deal with such operating matters. If Transporter cannot contact any OFO Recipient due to its failure to designate a contact person or because such contact person is unavailable, such OFO Recipient shall be solely responsible for any consequences which could have been prevented by communication.

GENERAL TERMS AND CONDITIONS (continued)

2. Posted Information

NAESB Standard 5.3.18 (Version 1.8) states: System-wide notices should have a separate category for notices that are not critical.

Transporter will provide on its Internet website the required posted information pursuant to the Commission approved NAESB Standards 4.3.16, 4.3.18, 4.3.22, 4.3.23, 4.3.25 and the required posted information pursuant to the Standards of Conduct for Transmission Providers.

Contact information is available via Transporter's Internet website for any person desiring information on the availability, pricing, or other terms of the transportation services.

GENERAL TERMS AND CONDITIONS (continued)

4.12 NAESB Standards (Version 1.8):

- (a) NAESB Standard 0.3.3 (Version 1.8) states: If the Transportation Service Provider (TSP) requests additional information to be used for credit evaluation after the initiation of service, the TSP, contemporaneous with the request, should provide its reason(s) for requesting the additional information to the Service Requester (SR) and designate to whom the response should be sent. The TSP and the SR may mutually agree to waive the requirements of this standard.
- (b) NAESB Standard 0.3.4 (Version 1.8) states: Upon receipt of either an initial or follow-up request from the Transportation Service Provider (TSP) for information to be used for creditworthiness evaluation, the Service Requester's (SR) authorized representative(s) should acknowledge receipt of the TSP's request. The TSP and the SR may mutually agree to waive the requirements of this standard.
- (c) NAESB Standard 0.3.5 (Version 1.8) states: The Service Requester's (SR) authorized representative(s) should respond to the Transportation Service Provider's (TSP) request for credit information, as allowed by the TSP's tariff, on or before the due date specified in the request. The SR should provide all the credit information requested by the TSP or provide the reason(s) why any of the requested information was not provided.
- (d) NAESB Standard 0.3.6 (Version 1.8) states: Upon receipt from the Service Requester (SR) of all credit information provided pursuant to applicable NAESB WGQ standards, the Transportation Service Provider (TSP) should notify the SR's authorized representative(s) that it has received such information. The TSP and the SR may mutually agree to waive the requirements of this standard.
- (e) NAESB Standard 0.3.7 (Version 1.8) states: The Service Requester (SR) should designate up to two representatives who are authorized to receive notices regarding the SR's creditworthiness, including requests for additional information, pursuant to the applicable NAESB WGQ standards and should provide to the Transportation Service Provider (TSP) the Internet e-mail addresses of such representatives prior to the initiation of service. Written requests and responses should be provided via Internet E-mail, unless otherwise agreed to by the parties. The obligation of the TSP to provide creditworthiness notifications is waived until the above requirement has been met. The SR should manage internal distribution of any creditworthiness notices that are received.

The TSP should designate, on its Internet website or in written notices to the SR, the Internet e-mail addresses of up to two representatives who are authorized to receive notices regarding the SRs' creditworthiness. The SR's obligation to provide confirmation of receipt is met by sending such confirmation to such representatives, and the TSP should manage internal distribution of any such confirmations.
- (f) NAESB Standard 0.3.8 (Version 1.8) states: At any time after the Service Requester (SR) is determined to be non-creditworthy by the Transportation Service Provider (TSP), the SR may initiate a creditworthiness re-evaluation by the TSP. As part of the SR's re-evaluation request, the SR should either update or confirm in writing the prior information provided to the TSP related to the SR's creditworthiness. Such update should include any event(s) that the SR believes could lead to a material change in the SR's creditworthiness.

GENERAL TERMS AND CONDITIONS (continued)

- (g) NAESB Standard 0.3.9 (Version 1.8) states: After a Transportation Service Provider's (TSP) receipt of a Service Requester's (SR) request for re-evaluation, including all required information pursuant to NAESB WGQ Standard 0.3.8 ("SR's Request"), within five (5) Business Days, the TSP should provide a written response to the SR's Request. Such written response should include either a determination of creditworthiness status, clearly stating the reason(s) for the TSP's decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event should such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of the SR's Request unless specified in the TSP's tariff or if the parties mutually agree to some later date.
- (h) NAESB Standard 0.3.10 (Version 1.8) states: In complying with the creditworthiness related notifications pursuant to the applicable NAESB WGQ standards, the Service Requester(s) and the Transportation Service Provider may mutually agree to other forms of communication in lieu of Internet E-mail notification.

GENERAL TERMS AND CONDITIONS (continued)

PCB Adjustment in effect after the Initial Adjustment Period until such shippers have recovered all amounts paid pursuant to this Article after the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper after the Initial Adjustment Period, to the total amount collected under this Article after the Initial Adjustment Period. Any additional refunds will be made to all shippers that paid the PCB Adjustment in effect during the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper during the Initial Adjustment Period, to the total amount collected under this Article during such period.

8. Disputes

All disputes arising under this Article shall be resolved in accordance with the procedures set forth in Article VIII of the Stipulation.

XXXV. RESERVED FOR FUTURE USE

XXXVI. NORTH AMERICAN ENERGY STANDARDS BOARD (NAESB) STANDARDS

Pursuant to Order No. 587, et al. promulgated by the FERC in Docket No. RM96-1, for NAESB Standards that do not otherwise require implementing tariff provisions, the following NAESB Standards are hereby incorporated, by reference to the NAESB Standard Number and version, into Transporter's FERC Gas Tariff.

NAESB Standards (Version 1.8) 0.2.1, 0.2.2, 0.2.3, 0.3.2, 0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15, 0.4.1, 1.2.1, 1.2.2, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 1.2.16, 1.2.17, 1.2.18, 1.2.19, 1.3.2(v) and (vi), 1.3.3, 1.3.7, 1.3.15, 1.3.20, 1.3.22, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.47, 1.3.48, 1.3.49, 1.3.50, 1.3.51, 1.3.52, 1.3.53, 1.3.54, 1.3.55, 1.3.56, 1.3.57, 1.3.58, 1.3.59, 1.3.60, 1.3.61, 1.3.62, 1.3.63, 1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7, 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.3.1, 2.3.9, 2.3.10, 2.3.12, 2.3.13, 2.3.15, 2.3.20, 2.3.21, 2.3.23, 2.3.27, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.33, 2.3.34, 2.3.35, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.49, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.12, 2.4.13, 2.4.14, 2.4.15, 2.4.16, 2.4.17, 2.4.18, 3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.17, 3.3.20, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.4.1, 3.4.2, 3.4.3, 3.4.4, 4.1.16, 4.1.17, 4.1.18, 4.1.19, 4.1.20, 4.1.21, 4.1.22, 4.1.23, 4.1.24, 4.1.25, 4.1.26, 4.1.27, 4.1.28, 4.1.29, 4.1.30, 4.1.31, 4.1.32, 4.1.33, 4.1.34, 4.1.35, 4.1.36, 4.1.37, 4.1.38, 4.1.39, 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20, 4.3.1, 4.3.2, 4.3.3, 4.3.5, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23

Issued by: Patrick A. Johnson, Vice President

Issued on: June 1, 2009

Effective on: August 1, 2009

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GENERAL TERMS AND CONDITIONS (continued)

4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.29, 4.3.30, 4.3.31, 4.3.32, 4.3.33,
4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.39, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44,
4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.51, 4.3.52, 4.3.53, 4.3.54,
4.3.55, 4.3.56, 4.3.57, 4.3.58, 4.3.59, 4.3.60, 4.3.61, 4.3.62, 4.3.65, 4.3.66,
4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.73, 4.3.74, 4.3.75, 4.3.76, 4.3.78, 4.3.79,
4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90,
4.3.91, 4.3.92, 4.3.93, 5.2.1, 5.2.3, 5.3.10, 5.3.11, 5.3.12, 5.3.17, 5.3.20,
5.3.21, 5.3.22, 5.3.23, 5.3.25, 5.3.26, 5.3.27, 5.3.28, 5.3.29, 5.3.30, 5.3.31,
5.3.32, 5.3.33, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42,
5.3.43, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54,
5.3.56, 5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5,
5.4.6, 5.4.7, 5.4.8, 5.4.9, 5.4.10, 5.4.11, 5.4.12, 5.4.13, 5.4.14, 5.4.15,
5.4.16, 5.4.17, 5.4.18, 5.4.19, 5.4.20, 5.4.21, 5.4.22, 5.4.23, 10.2.1, 10.2.2,
10.2.3, 10.2.4, 10.2.5, 10.2.6, 10.2.7, 10.2.8, 10.2.9, 10.2.10, 10.2.11,
10.2.12, 10.2.13, 10.2.14, 10.2.15, 10.2.16, 10.2.17, 10.2.18, 10.2.19, 10.2.20,
10.2.21, 10.2.22, 10.2.23, 10.2.24, 10.2.25, 10.2.26, 10.2.27, 10.2.28, 10.3.1,
10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8, 10.3.9, 10.3.10, 10.3.11,
10.3.12, 10.3.13, 10.3.14, 10.3.15, 10.3.16, 10.3.17, 10.3.18, 10.3.19, 10.3.20,
10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25.

XXXVII. NON-CONFORMING AGREEMENTS

1. TransCapacity Limited Partnership TPA dated October 17, 1997
2. National Capacity Registry Service Corporation TPA dated January 2, 1998

RATE SCHEDULE FS
FIRM STORAGE SERVICE (continued)

6. EXCUSE OF PERFORMANCE

- 6.1 If Transporter fails to tender for delivery on any one or more days the quantity of natural gas which Shipper has scheduled for receipt at the FS Service Point, up to the maximum quantity which Transporter is obligated by the FS Service Agreement to deliver to Shipper, then the charges as otherwise computed hereunder shall be reduced by an amount equal to:

$$(\text{Scheduled Volumes} - \text{Tendered Volumes}) \times (\text{Deliverability Rate After Current Adjustment} \times (12 \times \text{MDWQ}) / \text{MSQ})$$

If Transporter's failure to perform is due to a force majeure event as set forth in Article X of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter will not be obligated to reduce Shipper's charges, in the manner described above for failure to tender delivery at a primary or secondary delivery point(s). If Transporter's failure to perform is due to a routine, non-emergency maintenance event as set forth in Article X of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter will not be obligated to reduce Shipper's charges, in the manner described above, for failure to tender delivery at a secondary delivery point(s) if Shipper re-nominates and Transporter re-schedules delivery to Shipper's primary delivery point(s).

7. AUTHORIZED OVERRUNS

- 7.1 Injection/Withdrawal Quantities - Upon request of Shipper, Transporter may receive or redeliver quantities of gas in excess of Shipper's MDIQ or MDWQ under this Rate Schedule if, in Transporter's sole judgement, operating conditions permit such overrun ("Authorized Overruns") provided, however, that in no event is Shipper allowed to withdraw gas in excess of Shipper's Storage Balance at the time of the request, nor inject gas in excess of Shipper's Maximum Storage Quantity.

NAESB Standard 1.3.19 (Version 1.78) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overrun injections or withdrawals must be nominated through PASSKEY or by fax when necessary.

Any service interruption associated with Authorized Overruns will be scheduled in accordance with Article III, Section 6 of the General Terms and Conditions of Transporter's FERC Gas Tariff. Shipper shall pay Transporter the applicable Authorized Overrun Charge as set forth herein on all Authorized Overrun volumes in excess of the applicable daily quantity; provided that Authorized Overrun Charges shall not apply to that portion of a Shipper's Authorized Overrun injection volumes that when combined with Shipper's firm injection nominations at the FS Service Point do not exceed Shipper's Maximum Daily Withdrawal Quantity. Provided further that if the quantities in excess of Shipper's MDIQ or MDWQ were scheduled in order to make up for prior

RATE SCHEDULE FT-A
FIRM TRANSPORTATION SERVICE (continued)

- 5.3 Incidental Charges: In addition to the charges pursuant to Sections 5.1 and 5.2 of this Rate Schedule, Transporter shall charge Shipper an amount to recoup any filing or similar fees which Transporter incurs in rendering service hereunder, which have not been previously paid by Shipper. Transporter shall not use the amounts so collected either as revenues or costs in establishing its general system rates. The applicable Incidental Charges shall be stated in the Transportation Service Agreement.
- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.

NAESB Standard 1.3.19 (Version 1.78) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges of Transporter's FERC Gas Tariff times the excess quantities delivered to Shipper, unless the parties mutually agree otherwise.

RATE SCHEDULE FT-GS
SMALL CUSTOMER TRANSPORTATION SERVICE (CONTINUED)

- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement then such quantity shall constitute an Authorized Overrun.

NAESB Standard 1.3.19 (Version 1.78) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes. For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges in Transporter's FERC Gas Tariff, unless the parties mutually agree otherwise.

- 5.5 Fuel and Losses: Shipper shall furnish the quantity of gas required for fuel and losses associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall be equal to the quantity of gas scheduled for delivery to Transporter multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff for the receipt and delivery zones applicable to the transportation service; provided however, upon Transporter's determination, for service that is rendered entirely by displacement, Shipper shall furnish only that quantity of gas associated with losses as shown in the Summary of Rates and Charges.

- 5.6 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits for service under this Rate Schedule that differ from those rates, rate components, charges, or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges, or credits identified by Transporter and Shipper in writing as being superseded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges, or credits prescribed, required, established or imposed by

RATE SCHEDULE FT-G
SMALL CUSTOMER TRANSPORTATION SERVICE (continued)

- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's Maximum Daily Quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.
- NAESB Standard 1.3.19 (Version 1.7~~g~~) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.
- For all such Authorized Overruns Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges of Transporter's FERC Gas Tariff times the excess quantities delivered to Shipper, unless the parties mutually agree otherwise.
- 5.5 Fuel and Losses: Shipper shall furnish the quantity of gas required for fuel and losses associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall be equal to the quantity of gas scheduled for delivery to Transporter multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff for the receipt and delivery zones applicable to the transportation service; provided, however, upon Transporter's determination, for service that is rendered entirely by displacement, Shipper shall furnish only that quantity of gas associated with losses as shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff.
- 5.6 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits for service under this Rate Schedule that differ from those rates, rate components, charges, or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges, or credits

NET-284 RATE SCHEDULE (continued)

3.6 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.

NAESB Standard 1.3.19 (Version 1.78) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges in Transporter's FERC Gas Tariff, unless the parties mutually agree otherwise.

4. RECEIPT AND DELIVERY POINTS

4.1 Primary Receipt Points: The points designated in Shipper's Service agreement shall be Shipper's Primary Receipt Point for gas transported under this Rate Schedule. Transporter shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas for transportation scheduled for receipt on any day is less than that required for accurate measurement of quantities to be received.

4.2 Secondary Receipt Points: All receipt points on Transporter's system within Shipper's Transportation Path shall be available as Secondary Receipt Points up to the maximum daily quantity that is applicable to the Primary Receipt Points in Shipper's Transportation Path.

4.3 Primary Delivery Points: The points designated in Shipper's service agreement shall be Shipper's Primary Delivery Points for gas transported by Transporter under this Rate Schedule.

RATE SCHEDULE FT-BH
FIRM TRANSPORTATION BACKHAUL SERVICE (continued)

- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's Transportation Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.

NAESB Standard 1.3.19 (Version 1.7g) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.

For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges in Transporter's FERC Gas Tariff, unless the parties mutually agree otherwise.

- 5.5 Losses. Shipper shall furnish the quantity of gas required for losses associated with rendering transportation service pursuant to this Rate Schedule as shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff.
- 5.6 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits for service under this Rate Schedule that differ from those rates, rate components, charges, or credits that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only those rates, rate components, charges, or credits identified by Transporter and Shipper in writing as being superseded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges, or credits prescribed, required, established or imposed by this Rate Schedule or Transporter's effective FERC Gas Tariff shall remain in effect. Transporter shall make any filings at the FERC necessary to effectuate a Negotiated Rate.

RATE SCHEDULE FT-IL
FIRM TRANSPORTATION INCREMENTAL LATERAL SERVICE (continued)

- 5.4 Authorized Overrun Charge: If Shipper, upon receiving the advance approval of Transporter through PASSKEY, should on any day take under this Rate Schedule a quantity of natural gas more than Shipper's maximum daily quantity under Shipper's FT-IL Service Agreement, then such quantity shall constitute an Authorized Overrun. If Transporter has complete and unrestricted control over gas deliveries to Shipper, Shipper shall be deemed to have received the advance approval of Transporter for such excess takes.
- NAESB Standard 1.3.19 (Version 1.7~~g~~) states: Overrun quantities should be requested on a separate transaction. Therefore, all Shipper requests for Authorized Overruns must be nominated through PASSKEY.
- For all such Authorized Overruns, Shipper shall pay Transporter the rate set forth in the Summary of Rates and Charges of Transporter's FERC Gas Tariff for the applicable Incremental Lateral times the excess quantities delivered to Shipper, unless the parties mutually agree otherwise.
- 5.5 Daily Variance: Shippers receiving service at a point(s) at which a balancing agreement is not in effect shall be subject to the Daily Variance provisions of Rate Schedule LMS-MA and LMS-PA of the Transporter's FERC Gas Tariff.
- 5.6 Fuel and Losses
- Fuel and Losses. Shipper shall furnish the quantity of gas required for fuel and losses associated with rendering transportation service pursuant to this Rate Schedule. The quantity of gas retained by Transporter for fuel and losses shall be equal to the quantity of gas scheduled for delivery to Transporter multiplied by the applicable percentage shown in the Summary of Rates and Charges in Transporter's effective FERC Gas Tariff for the applicable Incremental Lateral.
- 5.7 Notwithstanding any provision of Transporter's effective FERC Gas Tariff to the contrary, Transporter and Shipper may mutually agree in writing to rates, rate components, charges, or credits, for service under this Rate Schedule that differ from those rates, rate components, charges, or credits, that are otherwise prescribed, required, established or imposed by this Rate Schedule or by any other applicable provision of Transporter's effective FERC Gas Tariff. If Transporter agrees to such differing rates, rate components, charges, or credits (referred to hereinafter and in this Tariff as "Negotiated Rates"), then the Negotiated Rate[s] shall be effective only for the period agreed upon by Transporter. During such period, the Negotiated Rate shall govern and apply to the Shipper's service and the otherwise applicable rate, rate component, charge, or credit, which the parties have agreed to replace with the Negotiated Rate, shall not apply to, or be available to, the Shipper. At the end of such period, the otherwise applicable maximum rates or charges shall govern the service provided to Shipper. Only

Rate Schedule TTT
Title Transfer Tracking Service

1. AVAILABILITY

This Rate Schedule is available for any Party (Account Holder) which has (i) requested title transfer tracking service by Tennessee Gas Pipeline Company (Transporter); (ii) has met the conditions for qualification for receipt of service under Article XXVIII of the General Terms and Conditions of Transporter's FERC Gas Tariff; and (iii) after review and acceptance of such request by Transporter, has executed a title transfer tracking service agreement with Transporter for service under Rate Schedule TTT.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule permits Account Holder, upon request, to track title transfer(s) pursuant to this Rate Schedule TTT at any pooling point(s). For the purposes of this rate schedule, pooling point shall mean the logical pooling point(s) for each pooling area as defined in Article I, Section 23 of the General Terms and Conditions. Account Holder must agree to nominate and schedule all transactions pursuant to this Rate Schedule TTT in balance. Account Holder is not permitted to run an imbalance for Rate Schedule TTT Service. NAESB Standard 1.2.15 (Version 1.7~~8~~) states: Title Transfer Tracking is the process of accounting for the progression of title changes from party to party that does not affect a physical transfer of the gas.

2.2 Pursuant to this rate schedule, Account Holder may nominate receipts from or deliveries to any service that can nominate at a pooling point.

2.3 All Third Party Account Administrators (3PADS) wishing to provide TTT service(s) must enter into a TTT agreement(s) with Transporter pursuant to this Rate Schedule TTT.

3. NOMINATIONS

3.1 Account Holder shall nominate quantities into and out of the relevant TTT service agreement(s) for TTT service.

3.2 In addition to daily nomination rights and obligations as set forth in Article III, Section 4(a), (b) and (c) of the General Terms and Conditions, Account Holder shall have the right to make intra-day and hourly nomination changes as provided in and subject to the conditions set forth in Article III, Section 4 of the General Terms and Conditions.

3.3 At each pooling point, nominations for quantities received into a TTT service agreement shall balance with deliveries nominated out of the TTT service agreement for TTT service.

GENERAL TERMS AND CONDITIONS (continued)

26. The term "transportation path" for a firm transportation agreement shall mean the zone of the primary receipt point, the zone of the primary delivery point and all intermediate zones; provided that Transporter's Zone 3 shall not be in the transportation path of any service that does not have a primary point in that zone. For a Firm Transportation Agreement with Primary Receipt and Delivery Points solely on an Incremental Lateral as defined in Article XVIII, Section 2 of the General Terms and Conditions, the transportation path shall mean the Incremental Lateral, and any such Incremental Lateral shall not be in the transportation path of any service that does not have a Primary Receipt and Delivery Point on that Incremental Lateral.
27. The term "PASSKEY" or "System" shall mean Transporter's computer information and scheduling system accessed through Transporter's interactive Internet website or through Electronic Data Interchange. "Electronic Data Interchange" or "EDI" shall mean electronic communication through means other than Transporter's System, that complies with the Electronic Delivery Mechanism Standards of the North American Energy Standards Board ("NAESB").
28. The term "delegated quantity" shall mean the portion of a Shipper's transportation quantity and of the maximum daily quantity at designated receipt and delivery points for which a Shipper has assigned to an Agent its nominating, scheduling and other administrative responsibilities pursuant to an Agency Authorization Agreement.
29. The term "Electronic Custody Transfer" or "ECT" shall mean the measurement of gas flow, when gas is transferred from the custody of one party to another, using electronic metering systems.
30. The terms "Central Clock Time" and "CCT" shall mean central daylight time when daylight savings time is in effect and central standard time when daylight savings time is not in effect.
31. The term "business day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.
32. As stated in NAESB Standards 1.2.3 and 1.3.18 (Version 1.7~~8~~), pooling is: 1) the aggregation of gas from multiple physical and/or logical points to a single physical or logical point, and/or 2) the disaggregation of gas from a single physical or logical point to multiple physical and/or logical points. Deliveries from receipt points should be able to be delivered directly into at least one pool and delivery points should be able to receive quantities from at least one pool, excluding non-contiguous facilities.
33. The term "Pooling Area" shall refer to Supply Area Pooling Area, Market Area Pooling Area or both Supply and Market Area Pooling Areas, as applicable.
34. The term "capacity path" shall mean the mainline pipeline path, up to the transportation quantity under Shipper's firm transportation contract, from a Shipper's Primary Receipt Point(s) to Primary Delivery Point(s), and the leg(s) of Transporter's system, up to the transportation quantity associated with the Primary Receipt Point(s) or Primary Delivery Point(s), where such points are located. For segmented releases, the capacity path of the Replacement Shipper's contract shall be that portion of the Releasing Shipper's capacity path released to the Replacement Shipper up to the transportation quantity under the Replacement Shipper's contract and the Releasing Shipper's capacity path shall be modified accordingly. Receipt point nominations from Supply Area Pooling Areas shall be considered to be Secondary Receipt Points within a Shipper's capacity path up to the transportation quantity under Shipper's firm transportation contract associated with the respective leg of Transporter's system. Receipt point nominations from Market Area Pooling Areas shall be deemed to be Secondary Receipt Points either within or outside of the Shipper's capacity path, depending on the Market Area Pooling Area's assigned geographic location and the transportation quantity under Shipper's firm transportation quantity associated with the respective leg of Transporter's system.

GENERAL TERMS AND CONDITIONS (continued)

- (d) The deviation of the natural gas from Boyle's Law shall be determined by the use of the tables of formulae published by the American Gas Association for Research Project NX-19 corrected for carbon dioxide and nitrogen, or any applicable formulae published by the American Gas Association. The molecular percentage of N₂ and CO₂ shall be determined at approximately the same time or from the same analyzed gas sample used for the determination of the compressibility factors, with corrections for specific gravity, temperature and pressure.
3. Determination of Receipts and Deliveries:
- (a) NAESB Standard 2.3.16 (Version 1.78) states: List of allocation methodology types agreed upon: Ranked, Pro Rata, Percentage, Swing, and Operator Provided Values. NAESB Standard 2.3.17 (Version 1.78) states: The same standard allocation methodologies should be available for use at all points. In addition, NAESB Standard 2.3.18 (Version 1.78) states: The types of allocation methodologies is a list from which two parties may agree. If the two parties cannot agree upon an allocation methodology, pro rata based upon confirmed nominations should be used as the default method. The party responsible for custody transfer (the party performing the measurement function) should provide the allocation. NAESB Standard 2.3.4 (Version 1.78) states: Only one PDA allocation methodology should be applied per allocation period. NAESB Standard 2.3.5 (Version 1.78) states: The upstream or downstream party providing the point confirmation should submit the predetermined allocation to the allocating party after or during confirmation and before start of Gas Day. Further, NAESB Standard 2.3.19 (Version 1.78) states: The transportation service providers should accept NAESB-approved allocation methodology types from the upstream or downstream custody transfer party who is providing the point confirmation. In addition, NAESB Standard 2.3.3 (Version 1.78) states: There is no need to submit pre-determined allocations if a transportation service provider has an OBA in effect for a point. In this Section 3, the term "Party" shall include producer, shipper, operator, supply aggregator and market aggregator, and the term "Up/Down Party" shall include any upstream or downstream connected party.
- (b) Allocation of Receipts - Unless prohibited by applicable law or regulation, the quantities received by Transporter at any receipt point shall be allocated among Parties and services as follows:
- (1) Transporter shall allocate actual deliveries into its system in accordance with allocation procedures specifically agreed to by Transporter and the operator of a point and/or Up/Down Party(ies) ("UDP") at a point as provided for in the Balancing Agreement(s) (Operational, Pipeline or Aggregator) governing the point.

GENERAL TERMS AND CONDITIONS (continued)

- (c) Allocation of Deliveries - Unless prohibited by applicable law or regulation, the quantities delivered by Transporter at any delivery point shall be allocated among Parties and services in accordance with any allocation procedures specifically agreed to by Transporter and an interconnecting pipeline pursuant to a Pipeline Balancing Agreement or agreed to by Transporter and the operator of delivery point(s) pursuant to a Balancing Agreement; provided, however, Transporter will not be required to enter into arrangements with such operators or interconnecting pipelines if they are not creditworthy in accordance with the provisions set forth in Article XXVIII of these General Terms and Conditions.
 - (d) Notification of Allocation Methodology - Upon receipt of a request from Party, Transporter will promptly notify Party of the applicable rules governing the allocation of Party's gas at Party's Receipt and Delivery Points.
 - (e) Correction of Allocations - NAESB Standard 2.3.26 (Version 1.78) states: The time limitation for disputes of allocations should be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.
4. Scheduling
- (a) Initial Service: Upon execution of a transportation or storage service agreement with Transporter, Shipper shall send its nomination(s) to Transporter via PASSKEY, with all the information requested in the Customer Nomination Form as set forth in this FERC Gas Tariff, no later than 11:30 a.m. CCT on the day prior to the proposed commencement of any transportation or storage service. If PASSKEY is unavailable, Shipper may fax its nomination to Transporter using the Customer Nomination Form. A copy of a completed Customer Nomination Form shall be provided by Shipper to the applicable upstream/downstream connected party(s) at the receipt and delivery points through which Shipper desires to receive service.

GENERAL TERMS AND CONDITIONS (continued)

nominated service.

- (c) Scheduling Duration: The scheduled service specified in the Customer Nomination information shall be effective commencing at 9:00 a.m. CCT on the beginning day, and terminating at 9:00 a.m. CCT on the ending day, as specified in the Customer Nomination Form, provided that the requested time period is wholly within the term of the applicable service agreement pursuant to which the nomination is submitted.
- (d) NAESB Standard 1.2.4 (Version 1.7g) states: An intra-day nomination is a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of Gas Day and runs through the end of that Gas Day.

NAESB Standard 1.3.2 (Version 1.7g) states: All Transportation Service Providers should support the following standard nomination cycles:

- (i) The Timely Nomination Cycle: 11:30 a.m. for nominations leaving control of the nominating party; 11:45 a.m. for receipt of nominations by the Transporter (including from the Title Transfer Tracking Service Providers (TTTSPs)); noon to send Quick Response; 3:30 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 4:30 p.m. for receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).
- (ii) The Evening Nomination Cycle: 6:00 p.m. for nominations leaving control of the nominating party; 6:15 p.m. for receipt of nominations by the Transporter (including from TTTSPs); 6:30 p.m. to send Quick Response; 9:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 10:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the day prior to flow).

Scheduled quantities resulting from an Evening Nomination that does not cause another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped should be effective at 9:00 a.m. on gas day; and when an Evening Nomination causes another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped, the scheduled quantities should be effective at 9:00 a.m. on gas day.

- (iii) The Intra-day 1 Nomination Cycle: 10:00 a.m. for nominations leaving control of the nominating party; 10:15 a.m. for receipt of nominations by the Transporter (including from TTTSPs); 10:30 a.m. to send Quick Response; 1:00 p.m. for receipt of completed confirmations by Transporter from upstream and

GENERAL TERMS AND CONDITIONS (continued)

downstream connected parties; 2:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the gas day). Scheduled quantities resulting from Intra-day 1 Nominations should be effective at 5:00 p.m. on gas day.

- (iv) The Intra-day 2 Nomination Cycle: 5:00 p.m. for nominations leaving control of the nominating party; 5:15 p.m. for receipt of nominations by the Transporter (including from TTTSPs); 5:30 p.m. to send Quick Response; 8:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties; 9:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators (central clock time on the gas day). Scheduled quantities resulting from Intra-day 2 Nominations should be effective at 9:00 p.m. on gas day. Bumping is not allowed during the Intra-day 2 Nomination Cycle.

Transporter shall schedule Intra-day Nomination Changes subject to subsections (f), (g), (h), (i) and (j) below. Upon receipt of the Intra-day Nomination, Transporter agrees to adjust gas flow (1) within sixty minutes of the time that Transporter receives the nomination; (2) schedule the nomination at the next intra-day effective time, or the next hourly scheduling opportunity if the nomination is received after 5:00 p.m. CCT; and (3) adjust the nomination so that the increase and decrease in quantities, as identified in subsection (h) below, are based on the time when the adjustment to gas flow was made by Transporter rather than the effective time when the nomination was scheduled. Adjustment in gas flow under this provision shall mean that a Shipper may increase gas flow by a volume up to 1/24 of their contractual Maximum Daily Quantity multiplied by the number of hours remaining in the day, or decrease gas flow down to a volume equal to 1/24 of the Shipper's scheduled volumes multiplied by the number of hours of gas flow for that day. Any adjustment in gas flow under this provision is subject to subsections (f), (g), (h), (i), and (j) below, as well as the mutual agreement of Transporter, Shipper and the upstream/downstream connected parties in advance of the adjusted gas flow.

- (e) Hourly Nomination Changes: A Shipper under Rate Schedule FT-A, FT-G, FT-GS, FT-BH, FT-IL, IT, LMS-MA, LMS-PA, PTR, IT-X, IS, SA, PAT or TTT or a storage customer under any firm storage rate schedule may change its nomination sixty minutes in advance to be effective on any hour of the day between 10:00 p.m. and 8:00 a.m. by making a nomination in PASSKEY. For Electronic Data Interchange, Transporter shall receive such nominations no later than forty-five minutes in advance of the effective time.

Upon receipt of nomination, Transporter agrees to adjust gas flow in advance of the next hourly effective time subject to subsections (f), (g), (h), (i) and (j) below, provided that Transporter, Shipper and the upstream/downstream connected parties mutually agree in advance to the adjusted gas flow.

NAESB Standard 1.3.4 (Version 1.78) states: All parties should support a seven-days-a-week, twenty-four-hours-a-day nominations process. It is recognized that the success of seven days a week, twenty-four hours a day nominations process is dependent on the availability of affected parties' scheduling personnel on a similar basis. Party contacts need not be at their ordinary work sites but should be available by telephone or beeper.

Hourly Nomination Changes requested between the hours of 10:00 p.m. and 8:00 a.m. CCT must be nominated and confirmed by all affected parties via telephone to Transporter's Gas Control Center as well as through PASSKEY. Transporter shall schedule Hourly Nomination Changes subject to the restrictions set forth in Sections (f), (g), and (h) hereof.

GENERAL TERMS AND CONDITIONS (continued)

- (l) Notification of Scheduling - The upstream and/or downstream connected party at the applicable receipt and delivery points will confirm with Transporter through PASSKEY that Shipper's nominated quantities will be received or delivered. Nominations other than intra-day or hourly nominations must be confirmed by the upstream and/or downstream connected party in accordance with subsections (a) and (b) of this Section 4. Intra-day and Hourly nominations must be confirmed by the upstream and/or downstream connected party in accordance with subsections (d) through (i) of this Section 4. Shipper and applicable upstream and/or downstream connected party will receive notice from Transporter no later than 4:30 p.m. CCT on the day prior to the commencement of the nominated service via PASSKEY of scheduled quantities, any nomination made by Shipper that is not scheduled for delivery, or if any scheduled nomination is amended or changed by Transporter. Transporter shall also make available at the end of the day information on scheduled quantities, any intra-day or hourly nomination made by Shipper that is not scheduled for delivery, or if any scheduled nomination is amended or changed by Transporter.
- (m) Routing of Gas - Scheduling and billing for transportation services will be determined by the information that Shipper provides Transporter specifying the daily point-to-point routing of its receipts and deliveries; provided, however, that unless the parties mutually agree otherwise the routing for months prior to September 1, 1992 will be based upon the route reflected on the last invoice for such months. If actual deliveries are greater than actual receipts, excess deliveries will be deemed to have been received from Zone 1 for purpose of the billing for such excess deliveries; provided further that for months prior to September 1, 1992, the rate for excess deliveries will be based upon the rate reflected on the last invoice for such months. At points where Transporter does not measure the quantities delivered, Shipper shall provide, or cause its supplier or other designee to provide, Transporter each month a meter statement or reading indicating the quantities delivered at the point by the fourth working day after each month of service. These statements shall be provided to:

Tennessee Gas Pipeline Company
1001 Louisiana Street
Houston, Texas 77002
Attention: Gas Measurement Department

At Receipt Points where the gas is processed downstream, Shipper shall provide, or cause the operator of the processing plant to provide, a monthly plant allocation statement reflecting the actual plant thermal reductions from those Receipt Points within 15 days after each month of service.

NAESB Standard 2.3.26 (Version 1.7~~g~~) states: The time limitation for disputes of allocations should be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

GENERAL TERMS AND CONDITIONS (continued)

These allocation statements shall be provided to:

Tennessee Gas Pipeline Company
1001 Louisiana Street
Houston, Texas 77002
Attention: Gas Accounting Department

5. Scheduling Priorities: Transporter shall schedule receipts and deliveries of gas in the following priority categories specified below (listed in highest to lowest priority order), such that any curtailments will result in allocations of available capacity to higher priority services before lower priority services.

NAESB Standard 1.3.23 (Version 1.78) states: Ranking should be included in the list of data elements. Transportation service providers should use service requestor provided rankings when making reductions during the scheduling process when this does not conflict with tariff-based rules. Therefore, unless otherwise specified, scheduling priority within a category shall be pro rata or in accordance with the supply/market rankings provided pursuant to a Shipper's Customer Nomination Form.

For allocation of firm services on the mainline system:

- (a) Firm transportation and storage services utilizing Primary Receipt Points and Primary Delivery Points, to the extent that nominations to such points are not in excess of the TQ under Shipper's Transportation Agreement, provided that for purposes of this subsection a Shipper's nomination through a segment that Shipper released is outside Shipper's capacity path;
- (b) Firm transportation and storage services utilizing a Secondary Receipt and/or a Secondary Delivery Point except if there is limited capacity, in which case a Secondary Receipt and/or a Secondary Delivery Point where there is limited firm capacity being allocated within the segment of the Shipper's capacity path covered by the nomination, to the extent that nominations to or from such point(s) in this Subsection (b) are in the same direction as the capacity path on Shipper's Transportation Agreement and are not in excess of the TQ under Shipper's Transportation Agreement;
- (c) Any other firm transportation and storage services utilization not described in Subsection (b) above, including utilizing a Secondary Receipt Point or Secondary Delivery Point outside of the Shipper's capacity path where there is limited capacity being allocated outside of the Shipper's capacity, to the extent that nominations to or from such point(s) in this Subsection (c) are not in excess of the TQ under Shipper's Transportation Agreement.

For allocation of firm services at a receipt or delivery point:

- (a) Firm transportation or storage services utilizing a Primary Receipt or Delivery Point, to the extent that nominations at such point are not in excess of the TQ under Shipper's Transportation Agreement;
- (b) Firm transportation or storage services utilizing a Secondary Receipt or Delivery Point that is within Shipper's capacity path, to the extent that nominations at such point are not in excess of the TQ under Shipper's Transportation Agreement;

GENERAL TERMS AND CONDITIONS (continued)

- (c) Release to an Asset Manager: The release is to an Asset Manager as defined in 18 C.F.R. Section 284.8(h)(3) of the Federal Energy Regulatory Commission's ("FERC's") regulations ("Asset Manager") provided that prior to the commencement of service the Releasing Shipper (1) provides Transporter with the information specified in Section 11.1(a)-(f), and (k) and (2) posts:
- (i) The release is to an Asset Manager; and
 - (ii) The obligation of the Asset Manager to deliver gas to, or purchase gas from the Releasing Shipper including the volumetric level of the obligation and the time periods the obligation is in effect.
- (d) Release to a Marketer in a State-Regulated Retail Access Program: The release is to a Marketer in a State-Regulated Retail Access Program as defined in 18 C.F.R. Section 248.8(h)(4) of the FERC's regulations ("State-Regulated Retail Access Program") provided that prior to the commencement of service the Releasing Shipper (1) provides Transporter with the information specified in Section 11.1(a)-(f), and (1) and (2) posts that the release is to a marketer participating in a State-Regulated Retail Access Program.

11.4 Posting of Release Requests and Replacement Shipper Requests

- (a) Releasing Shipper shall post all applicable information required by Section 11.1 on PASSKEY, which system will automatically assign an individual release number to such Release Request. The period of time for posting of the information ("Posting Period"), and the period of time during which bids will be received on such Release Request ("Bidding Period"), shall be as set forth in Section 11.7.
- (b) NAESB Standard 5.3.14 (Version 1.78) states: Offers should be binding until written or electronic notice of withdrawal is received by the capacity release service provider. Further, NAESB Standard 5.3.16 (Version 1.78) states: The releasing party has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no minimum bid has been made.
- (c) Replacement Shipper shall post all applicable information required by Section 11.2 on PASSKEY. Such requests shall remain posted for a period of four weeks or until a transaction is effected, whichever is shorter.
- (d) Transporter makes no representation or warranty to any party concerning the accuracy or completeness of any posted information or concerning the willingness or ability of any Releasing Shipper to release transportation rights hereunder or of any Replacement Shipper to accept transportation rights hereunder. Transporter shall not be liable to any party for any damages, of any nature whatsoever, including without limitation any special, incidental or consequential damages, or any other kind that may arise in connection with the posting of information hereunder, except as provided in the System License Agreement or the Trading Partner Agreement entered into between Transporter and each user of PASSKEY.

GENERAL TERMS AND CONDITIONS (continued)

- (g) Transporter shall only be liable to Releasing Shipper for loss or damage to Releasing Shipper resulting from mistakes made in Transporter's determination of the successful Bid on a Release Request which are the result of Transporter's negligence or willful misconduct.
- (h) For informational purposes only, Transporter shall post on PASSKEY the identity of the successful bidder and the terms of the successful bid.
- (i) NAESB Standard 5.3.9 (Version 1.78) states: If the transportation service provider requires amendments for each release, the transportation service provider should automate the process of amending contracts and this may be the subject of a global agreement between the parties.

Prior to the commencement of service pursuant to the Release Request, Transporter shall prepare and transmit to the successful Bidder via PASSKEY a Transportation Service Agreement stating the Transportation Quantity, rates, term, the maximum quantities at all receipt and delivery points, governing rate schedule, and any special terms and conditions for the awarded release. Releasing Shipper's Transportation Service Agreement will be amended via PASSKEY to reflect that the Releasing Shipper has released all or a portion of its transportation rights effective as of the date of the Replacement Shipper's Service Agreement ("Amended Service Agreement"). Provided that in the event of a recall of the capacity by the Releasing Shipper in accord with the terms of the Release Request, the Replacement Shipper's Service Agreement will be suspended for the period of the recall with all rights and obligations thereunder reverting to Releasing Shipper under its Amended Service Agreement.

11.7 Applicable Deadlines

- (a) For releases, NAESB Standard 5.3.2 (Version 1.78) provides the following Bidding Periods:

For biddable releases (less than 1 year):

- offers should be tendered by 12 p.m. on a Business Day;
- open season ends no later than 1 p.m. on a Business Day (evaluation period begins at 1 p.m. during which contingency is eliminated, determination of best bid is made, and ties are broken);
- evaluation period ends and award posting if no match required at 2 p.m.;
- match or award is communicated by 2 p.m.;
- match response by 2:30 p.m.;
- where match required, award posting by 3 p.m.;
- contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

GENERAL TERMS AND CONDITIONS (continued)

- (e) Unless otherwise agreed to in the underlying Transportation Agreement, when Transporter discounts the rate for service rendered pursuant to Rate Schedule IT in a market below the maximum commodity rate for service rendered pursuant to Rate Schedules FT-A or FT-G in that market, then Transporter shall contemporaneously post the discounted IT rate on PASSKEY and post a notice that for released capacity used to serve the identified market, Transporter will offer to discount the FT-A/FT-G commodity rate to a level equal to the discounted IT rate for that market. For these purposes, market shall be defined on the basis of receipt point(s), delivery point(s) and/or gas user(s) behind the delivery point(s).
- (f) All terms and conditions of all releases must be consistent with the terms and conditions of the Releasing Shipper's Service Agreement and with Transporter's FERC Gas Tariff, including the provisions on nominations and scheduling of service and curtailment of service.
- (g) NAESB Standard 5.3.7 (Version 1.7g) states: Transportation service providers should support the function of reputting by releasing shippers. A Releasing Shipper may specify in the Release Request whether the recalled capacity is to be reput (i.e., released back) to the original Replacement Shipper and the terms of the reput. These terms may be either: (i) reput must be accepted by the original Replacement Shipper for the original terms of the release or (ii) reput may be accepted at the option of the original Replacement Shipper for the original terms of the release.

Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity by providing notice to Transporter in accordance with the following timeline. Recall notification to the Transportation service provider shall show the recall notification quantity expressed in terms of total released entitlements.

For Recall Notification NAESB Standard 5.3.44 (Version 1.7g) states:

- (i) Timely Recall Notification:
- (a) A Releasing Shipper recalling capacity should provide notice of such recall to the Transportation service provider (TSP) and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
- (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due (Central Clock Time);
- (ii) Early Evening Recall Notification:
- (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
- (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due (Central Clock Time);

GENERAL TERMS AND CONDITIONS (continued)

- (iii) Evening Recall Notification:
- (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due (Central Clock Time);
- (iv) Intraday 1 Recall Notification:
- (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due (Central Clock Time); and
- (v) Intraday 2 Recall Notification:
- (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 2:30 p.m. on the day that Intraday 2 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 3:30 p.m. on the day that Intraday 2 Nominations are due (Central Clock Time).
- NAESB Standard 5.3.45 (Version 1.7~~8~~) states: For recall notification provided to the Transportation service provider (TSP) prior to the recall notification deadline specified in NAESB WGQ Standard No. 5.3.44 and received between 7:00 a.m. and 5:00 p.m., the TSP should provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification. For recall notification provided to the TSP after 5:00 p.m. and prior to 7:00 a.m., the TSP should provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification (Central Clock Time).
- (h) Transporter may invalidate any Release Request or any Bid subsequent to its posting on PASSKEY which does not conform in all respects to the requirements of Transporter's FERC Gas Tariff. Upon invalidating a Release Request or Bid, Transporter shall inform via PASSKEY the Releasing Shipper or Bidder, as applicable, the reason for such invalidation. Any invalidated Release Request or Bid shall be deemed null and void.

GENERAL TERMS AND CONDITIONS (continued)

- (b) NAESB Standard 5.3.14 (Version 1.7~~8~~) states: Offers should be binding until written or electronic notice of withdrawal is received by the capacity release service provider. Further, NAESB Standard 5.3.16 (Version 1.7~~8~~) states: The releasing party has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no minimum bid has been made.
- (c) Replacement Shipper will post all applicable information required by Section 12.2 on PASSKEY. Such requests will remain posted for a period of four weeks or until consummation of the transaction, whichever is shorter.
- (d) Transporter makes no representation or warranty to any party concerning the accuracy or completeness of any posted information or concerning the willingness or ability of any Releasing Shipper to release storage rights hereunder or of any Replacement Shipper to accept storage rights hereunder. Transporter shall not be liable to any party for any damages, of any nature whatsoever, including without limitation any special, incidental, or consequential damages or any other kind that may arise in connection with the posting of information hereunder, except as provided in the System License Agreement or the Trading Partner Agreement entered into between Transporter and each user of PASSKEY.

12.5 Bidding for Storage Rights

- (a) Persons that desire to bid on released storage rights must pre-qualify with Transporter by submitting information specified in the Request for Service via PASSKEY to Transporter and by demonstrating creditworthiness in the same manner and subject to the same standards and procedures as required by firm shippers under Article XXVIII of these General Terms and Conditions. The creditworthiness requirement shall be continuing in nature in the same manner and to the same extent as prescribed for Shippers under Article XXVIII of these General Terms and Conditions. Transporter will waive the creditworthiness requirement on a nondiscriminatory basis for Bidders on a Release Request and permit them to submit Bids, if the Releasing Shipper provides Transporter with adequate assurances in accordance with Article XXVIII, Section 4.5 of the General Terms and Conditions for all financial obligations of the Replacement Shipper under its Release Storage Service Agreement prior to the commencement of service to the Replacement Shipper.

GENERAL TERMS AND CONDITIONS (continued)

- (b) If the present value method is chosen, then Transporter shall determine the bid or bids having the highest present value in the same manner set forth in Article III, Section 11.6 (b) of the General Terms and Conditions, except that Bid MSQ shall be substituted for Bid MDQ in the formula provided therein; provided that when injection/deliverability rights are being released independent of space rights, then Bid MDWQ shall be substituted for Bid MDQ in the formula.
- (c) If the net revenue method is chosen, then Transporter shall determine the bid or bids having the highest net revenue in the same manner set forth in Article III, Section 11.6(c) of the General Terms and Conditions except that Bid MSQ shall be substituted for Bid MDQ in the formula provided therein; provided that when injection/deliverability rights are being released independent of space rights, then Bid MDWQ shall be substituted for Bid MDQ in the formula.
- (d) If a Release Request includes a Prearranged Bidder, then the released storage rights shall be awarded to the Prearranged Bidder (i) if its Bid has a value, determined in accordance with Section 12.6(a), which is equal to or higher than the highest value of the Bids submitted by all other Bidders, or (ii) if the Prearranged Bidder agrees to match any Bid having a higher value within the time period provided by Section 12.7.
- (e) If only one Bidder has submitted a Bid which reflects the highest value, then the storage rights shall be awarded to that Bidder, subject to any Prearranged Bidder's exercise of its right of matching as set forth above.
- (f) Tie-breaking Procedures: The Releasing Shipper may specify a tie-breaking procedure to be used in the event that two or more Bidders have submitted Bids which reflect the same highest value, subject to any Prearranged Bidder's exercise of its right of matching. If no tie-breaking procedure is specified by the releasing shipper, the released storage rights will be awarded to the Bid earliest received by Transporter.
- (g) Transporter shall only be liable to Releasing Shipper for loss or damage to Releasing Shipper resulting from mistakes made in Transporter's determination of the successful Bidder on a Release Request which are the result of Transporter's negligence or willful misconduct.
- (h) For informational purposes only, Transporter shall post on PASSKEY the identity of the successful Bidder and terms of the successful bid.
- (i) NAESB Standard 5.3.9 (Version 1.7~~8~~) states: If the transportation service provider requires amendments for each release, the transportation service provider should automate the process of amending contracts and this may be the subject of a global agreement between the parties.

Prior to the commencement of service pursuant to the Release Request, Transporter shall prepare and transmit to the successful Bidder a FS Service Agreement stating the MSQ, rates, term, MDWQ, and any special terms and conditions for each awarded release. If the Replacement Shipper does not have an IS Service Agreement with Transporter at the

GENERAL TERMS AND CONDITIONS (Continued)

12.8 Reassignment of Released Capacity

A Replacement Shipper shall be allowed to release the capacity under its Storage Service Agreement, subject to the conditions provided in Section 12.6(a) of this Article III.

12.9 Submission of Information

Parties shall submit all necessary information, Release Requests, Replacement Requests and bids to Transporter by way of PASSKEY.

12.10 Marketing of Released Capacity

Transporter shall have no obligation to market any storage rights available to be released by a Releasing Shipper. Transporter, however, may agree to market storage rights for a Releasing Shipper and may negotiate a fee with the Releasing Shipper for such service.

12.11 Further Conditions on Release of Storage Rights

- (a) Persons participating in Transporter's storage release program are subject to the same conditions applicable to participants in Transporter's transportation release program set forth in Article III, Section 11.11(a), (b), (e), (g), (i), (j), (k), and (l) of these General Terms and Conditions.
- (b) The minimum term for any release shall be one month, and the maximum term shall be the remaining term of the Releasing Shipper's Storage Service Agreement.
- (c) Pursuant to 18 C.F.R. Section 284.8(i) of the FERC's regulations, until September 30, 2002, the applicable rate(s) for releases with terms of less than one year shall be the rate(s) set by the Releasing Shippers. For all other releases, and for all releases after September 30, 2002, the rates for any release shall be the applicable deliverability, space, and injection and withdrawal charges, as well as all other applicable rates, charges and surcharges set forth in this FERC Gas Tariff, notwithstanding any discount to such rates, charges or surcharges then in effect for the Releasing Shipper.
- (d) NAESB Standard 5.3.7 (Version 1.7~~8~~) states: Transportation service providers should support the function of reputting by releasing shippers. A Releasing Shipper may specify in the Release Request whether the recalled capacity is to be reput (i.e., released back) to the original Replacement Shipper and the terms of the reput. These terms may be either: (i) reput must be accepted by the original Replacement Shipper for the original terms of the release or (ii) reput may be accepted at the option of the original Replacement Shipper for the original terms of the release.

Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity by providing notice to Transporter in accordance with the following timeline. Recall notification to the Transportation service provider shall show the recall notification quantity expressed in terms of total released entitlements.

For Recall Notification NAESB Standard 5.3.44 (Version 1.7~~8~~) states:

(i) Timely Recall Notification:

- (a) A Releasing Shipper recalling capacity should provide notice of such recall to the Transportation service provider (TSP) and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;

GENERAL TERMS AND CONDITIONS (Continued)

- (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due (Central Clock Time);
- (ii) Early Evening Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due (Central Clock Time);
- (iii) Evening Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due (Central Clock Time);
- (iv) Intraday 1 Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due (Central Clock Time); and
- (v) Intraday 2 Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 2:30 p.m. on the day that Intraday 2 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 3:30 p.m. on the day that Intraday 2 Nominations are due (Central Clock Time).

NAESB Standard 5.3.45 (Version 1.7~~8~~) states: For recall notification provided to the Transportation service provider (TSP) prior to the recall notification deadline specified in NAESB WGQ Standard 5.3.44 and received between 7:00 a.m. and 5:00 p.m., the TSP should provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification.

For recall notification provided to the TSP after 5:00 p.m. and prior to 7:00 a.m., the TSP should provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification (Central Clock Time).

GENERAL TERMS AND CONDITIONS (continued)

If, upon test, any measuring equipment shall be found to be inaccurate by an amount exceeding two percent, at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, then any previous recordings of such equipment shall be corrected to zero error for any period which is known definitely, but in case the period is not known or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of the last test, not exceeding a correction period of sixteen days.

6. Correction of metering errors--failure of meters: In the event a meter is out of service, or registering inaccurately, the volume of gas delivered shall be determined:
 - (a) by using the registration of any check meter or meters, if installed and accurately registering, or, in the absence of (a);
 - (b) by correcting the error if the percentage of error is ascertainable by calibration, tests, or mathematical calculation, or in the absence of both (a) and (b);
 - (c) by estimating the quantity of the delivery by use of deliveries during periods under similar conditions when the meter was registering accurately.
7. Correction of metering errors - adjustments: A measurement data correction shall become a prior period adjustment (PPA) after the fifth (5th) business day following the production month.

NAESB Standard 2.3.14 (Version 1.7g) states: Measurement data corrections should be processed within 6 months of the production month with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.
8. Preservation of metering records: Transporter, Shipper and Operator shall each preserve for a period of at least one year all test data, charts and other similar records.

V. INVOICING

1. Monthly invoicing date: NAESB Standard 3.3.14 (Version 1.7g) states: The imbalance statement should be rendered prior to or with the invoice, and the transportation invoice should be prepared on or before the 9th business day after the end of the production month. Rendered is defined as postmarked, time-stamped, and delivered to the designated site.

Invoices may be rendered by mail or electronic communication. Transporter may render separate invoices for demand charges, commodity charges and cash-out charges.
2. Right of examination: Both Transporter and Shipper shall have the right to examine at any reasonable time the applicable books and records (or portions thereof) of the other, necessary to verify the accuracy of any statement made under or pursuant to the provisions of the gas service contract. Upon receipt of a request, the requestee will either send the relevant information to the requestor or will provide the requestor the right to review such information in the requestee's offices.

GENERAL TERMS AND CONDITIONS (continued)

VI. PAYMENTS

1. Monthly payment date: Shipper (or other payor) shall pay Transporter, at a bank designated by Transporter, so that payment is received and Transporter has available funds within ten (10) calendar days from the receipt of the invoice for the gas service purchased by Shipper during the preceding month and invoiced by Transporter pursuant to the provisions of this Tariff or the gas service contract. Transporter may extend the period for payment up to twenty-five (25) days from receipt of invoice for a Shipper that is a foreign governmental entity whose compliance with governmental statutes, rules or regulations require a period longer than 10 days to process invoices. Transporter may require any Shipper requesting an extended period for payment to provide certification that Shipper is an entity of a foreign government. Shipper (or Payor) shall provide Transporter (or Payee) with supporting documentation with any payment as well as the appropriate invoice number on the payment(s). Transporter shall apply the payment pursuant to the supporting documentation provided.
2. Remedies for nonpayment: Should Shipper fail to pay all of the amount of any invoice as herein provided when such amount is due, Shipper shall pay a Charge for Late Payment. Such Charge for Late Payment shall be determined by multiplying (a) the unpaid portion of the invoice, by (b) the ratio of the number of days from the due date to the date of actual payment to 365, by (c) the interest rate determined in accordance with Section 154.501 of the Commission's regulations. If such failure to pay continues for thirty (30) days after payment is due and Transporter has provided Shipper and the FERC with at least thirty (30) days notice that service will terminate due to the non-payment, Transporter in addition to any other remedy it may have under the service contract may terminate the service contract; provided, however, that if Shipper in good faith disputes the amount of any such invoice or part thereof and shall pay to Transporter such amounts as it concedes to be correct in addition to providing such remittance detail and documentation identifying the basis for the dispute; and, at any time within thirty (30) days after a demand made by Transporter, shall furnish good and sufficient surety bond guaranteeing payment to Transporter of the amount ultimately found due upon such invoice after a final determination which may be reached either by agreement or judgment of the courts, as may be the case, then Transporter shall not be entitled to terminate the gas service contract until a default is made in the conditions of such bond; provided further that should Shipper prevail on the dispute, Transporter shall reimburse Shipper for the cost of the surety bond.
3. Adjustment of underpayment, overpayment or error in invoicing: If it shall be found that Shipper has been overcharged or undercharged in any form whatsoever under the provisions of this Tariff or the service contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, then Transporter shall refund the amount of such overcharge and Shipper shall pay the amount of any such undercharge. Refund or payment shall be with interest, calculated in accord with Section 2 of this Article VI, assessed from the date that payment under the bill with the overcharge or undercharge was due Transporter. Any claim for an adjustment of an invoice shall include documentation of the error.

NAESB Standard 3.3.15 (Version 1.78) states: Prior period adjustment time limits should be 6 months from the date of the initial transportation invoice and 7 months from date of initial sales invoice with a 3-month rebuttal period, excluding government-required rate changes. This standard shall not apply in the case of deliberate omission or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

GENERAL TERMS AND CONDITIONS (continued)

4. Time of payment extended if invoice delayed: If presentation of an invoice to Shipper is delayed after the 9th business day of the month, then the time of payment shall be extended accordingly unless the Shipper is responsible for the delay.

VII. POSSESSION OF GAS

As between Transporter and Shipper, Shipper shall be deemed to be in exclusive control and possession of the gas to be transported (i) prior to receipt by Transporter at the Receipt Point(s), (ii) after receipt by Transporter, when the gas is in the custody of Shipper or Shipper's designee for separation, processing or other handling, and (iii) after delivery by Transporter at the Delivery Point(s); otherwise, Transporter shall be in exclusive control and possession of the gas. The party which shall be in exclusive control and possession of the gas shall be responsible for all injury or damage caused thereby to any third party. In the absence of negligence or willful misconduct on the part of Transporter, Shipper waives any and all claims and demands against Transporter, its officers, employees or agents, arising out of or in any way connected with (i) the quality, use or condition of the gas after delivery from Transporter for the account of such Shipper and (ii) any losses or shrinkage of gas during or resulting from custody of Shipper or Shipper's designee.

VIII. PRESSURE OF GAS DELIVERY AND OPERATIONAL FLOW ORDERS: ACTION ALERTS, CRITICAL DAYS, BALANCING ALERTS, AND HYDROCARBON DEWPOINT LIMITATIONS

1. Pressure of Deliveries: With respect to all deliveries by Transporter, Transporter shall make deliveries at Shipper's designated delivery points as nearly as practicable at Transporter's line pressure; provided that the minimum pressure shall be as stated in Shipper's Transportation Service agreement and shall not be less than 100 pounds per square inch gauge.
2. Operational Flow Orders: Transporter shall have the right to issue Operational Flow Orders (OFOs) as specified in this Section to Shippers, Shippers' Agents, point operators, and/or Balancing Agreement Holders (referred to collectively as "OFO Recipients"). As stated in NAESB Standard 1.2.6 (Version 1.7g), an Operational Flow Order is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of the transportation service provider's system or to maintain operations required to provide efficient and reliable firm service. Whenever a transportation service provider experiences these conditions, any pertinent order should be referred to as an Operational Flow Order.

GENERAL TERMS AND CONDITIONS (continued)

- 2.1 Preliminary Notifications/Follow-up Reports: Transporter shall provide, via posting on PASSKEY, prior notice to all OFO Recipients of upcoming system events such as anticipated weather patterns and operational problems which may necessitate the issuance of an OFO. On a quarterly basis, Transporter will provide every OFO Recipient that was affected by an OFO during the previous quarter, and will file with the FERC, a written report which details the underlying causes which warranted the issuance of the OFOs during the quarter and explains why the actions required by the OFO were necessary to alleviate the identified problems.
- 2.2 Applicability of OFO: Transporter shall make an OFO as localized as is reasonably practicable based on Transporter's good faith and reasonable judgement concerning the situations requiring remediation such that an OFO will be directed (a) first to OFO Recipients causing the problem necessitating the OFO or transporting gas in the area of the system in which there is an operational problem, and (b) second to those OFO Recipients transporting gas in the area of the system where action is required to correct the problem necessitating the OFO. Prior to the issuance of an OFO, Transporter will attempt, if sufficient time exists, to alleviate the situation necessitating the OFO through the application of the scheduling and curtailment provisions in Article III of these General Terms and Conditions. Transporter will tailor the OFO to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in Sections 3, 4 and 5.
- 2.3 Notice: As stated in NAESB Standard 5.3.34 (Version 1.78), Transportation Service Providers should provide affected parties with notification of intraday bumps, operational flow orders and other critical notices through the affected party's choice of Electronic Notice Delivery mechanism(s). As stated in NAESB Standard 5.2.2 (Version 1.79), "Electronic Notice Delivery" is the term used to describe the delivery of notices via Internet, E-mail and/or EDI/EDM. Pursuant to NAESB Standards 5.3.34 and 5.2.2, Transporter shall issue notice of all OFOs to the affected OFO Recipient via PASSKEY, e-mail or EDI/EDM, at the OFO Recipient's election. In addition, Transporter shall notify the OFO Recipient of issuance of an OFO via telephone. Concurrent with notice to the OFO Recipient, all OFOs shall be posted on PASSKEY. The OFO will set forth (a) the time and date of issuance, (b) the actions the OFO Recipient, is required to take, (c) the time by which the OFO Recipient must be in compliance with the OFO, (d) the anticipated duration of the OFO, and (e) any other terms which Transporter may reasonably require to ensure the effectiveness of the OFO. Each OFO Recipient must designate one or more persons, but not more than three persons, for Transporter to contact on operating matters at any time, on a 24-hour a day, 365-day a year basis. Such contact persons must have adequate authority and expertise to deal with such operating matters. If Transporter cannot contact any OFO Recipient due to its failure to designate a contact person or because such contact person is unavailable, such OFO Recipient shall be solely responsible for any consequences which could have been prevented by communication.

GENERAL TERMS AND CONDITIONS (continued)

2. Posted Information

NAESB Standard 5.3.18 (Version 1.7~~8~~) states: System-wide notices should have a separate category for notices that are not critical.

Transporter will provide on its Internet website the required posted information pursuant to the Commission approved NAESB Standards 4.3.16, 4.3.18, 4.3.22, 4.3.23, 4.3.25 and the required posted information pursuant to the Standards of Conduct for Transmission Providers.

Contact information is available via Transporter's Internet website for any person desiring information on the availability, pricing, or other terms of the transportation services.

GENERAL TERMS AND CONDITIONS (continued)

4.12 NAESB Standards (Version 1.78):

- (a) NAESB Standard 0.3.3 (Version 1.78) states: If the Transportation Service Provider (TSP) requests additional information to be used for credit evaluation after the initiation of service, the TSP, contemporaneous with the request, should provide its reason(s) for requesting the additional information to the Service Requester (SR) and designate to whom the response should be sent. The TSP and the SR may mutually agree to waive the requirements of this standard.
- (b) NAESB Standard 0.3.4 (Version 1.78) states: Upon receipt of either an initial or follow-up request from the Transportation Service Provider (TSP) for information to be used for creditworthiness evaluation, the Service Requester's (SR) authorized representative(s) should acknowledge receipt of the TSP's request. The TSP and the SR may mutually agree to waive the requirements of this standard.
- (c) NAESB Standard 0.3.5 (Version 1.78) states: The Service Requester's (SR) authorized representative(s) should respond to the Transportation Service Provider's (TSP) request for credit information, as allowed by the TSP's tariff, on or before the due date specified in the request. The SR should provide all the credit information requested by the TSP or provide the reason(s) why any of the requested information was not provided.
- (d) NAESB Standard 0.3.6 (Version 1.78) states: Upon receipt from the Service Requester (SR) of all credit information provided pursuant to applicable NAESB WGQ standards, the Transportation Service Provider (TSP) should notify the SR's authorized representative(s) that it has received such information. The TSP and the SR may mutually agree to waive the requirements of this standard.
- (e) NAESB Standard 0.3.7 (Version 1.78) states: The Service Requester (SR) should designate up to two representatives who are authorized to receive notices regarding the SR's creditworthiness, including requests for additional information, pursuant to the applicable NAESB WGQ standards and should provide to the Transportation Service Provider (TSP) the Internet e-mail addresses of such representatives prior to the initiation of service. Written requests and responses should be provided via Internet E-mail, unless otherwise agreed to by the parties. The obligation of the TSP to provide creditworthiness notifications is waived until the above requirement has been met. The SR should manage internal distribution of any creditworthiness notices that are received.

The TSP should designate, on its Internet website or in written notices to the SR, the Internet e-mail addresses of up to two representatives who are authorized to receive notices regarding the SR's creditworthiness. The SR's obligation to provide confirmation of receipt is met by sending such confirmation to such representatives, and the TSP should manage internal distribution of any such confirmations.

- (f) NAESB Standard 0.3.8 (Version 1.78) states: At any time after the Service Requester (SR) is determined to be non-creditworthy by the Transportation Service Provider (TSP), the SR may initiate a creditworthiness re-evaluation by the TSP. As part of the SR's re-evaluation request, the SR should either update or confirm in writing the prior information provided to the TSP related to the SR's creditworthiness. Such update should include any event(s) that the SR believes could lead to a material change in the SR's creditworthiness.

GENERAL TERMS AND CONDITIONS (continued)

- (g) NAESB Standard 0.3.9 (Version 1.78) states: After a Transportation Service Provider's (TSP) receipt of a Service Requester's (SR) request for re-evaluation, including all required information pursuant to NAESB WGQ Standard 0.3.8 ("SR's Request"), within five (5) Business Days, the TSP should provide a written response to the SR's Request. Such written response should include either a determination of creditworthiness status, clearly stating the reason(s) for the TSP's decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event should such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of the SR's Request unless specified in the TSP's tariff or if the parties mutually agree to some later date.
- (h) NAESB Standard 0.3.10 (Version 1.78) states: In complying with the creditworthiness related notifications pursuant to the applicable NAESB WGQ standards, the Service Requester(s) and the Transportation Service Provider may mutually agree to other forms of communication in lieu of Internet E-mail notification.

GENERAL TERMS AND CONDITIONS (continued)

PCB Adjustment in effect after the Initial Adjustment Period until such shippers have recovered all amounts paid pursuant to this Article after the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper after the Initial Adjustment Period, to the total amount collected under this Article after the Initial Adjustment Period. Any additional refunds will be made to all shippers that paid the PCB Adjustment in effect during the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper during the Initial Adjustment Period, to the total amount collected under this Article during such period.

8. Disputes

All disputes arising under this Article shall be resolved in accordance with the procedures set forth in Article VIII of the Stipulation.

XXXV. RESERVED FOR FUTURE USE

XXXVI. NORTH AMERICAN ENERGY STANDARDS BOARD (NAESB) STANDARDS

Pursuant to Order No. 587, et al. promulgated by the FERC in Docket No. RM96-1, for NAESB Standards that do not otherwise require implementing tariff provisions, the following NAESB Standards are hereby incorporated, by reference to the NAESB Standard Number and version, into Transporter's FERC Gas Tariff.

NAESB Standards (Version 1.78) 0.2.1, 0.2.2, 0.2.3, 0.3.2, 0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15, 0.4.1, 1.2.1, 1.2.2, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 1.2.16, 1.2.17, 1.2.18, 1.2.19, 1.3.2(v) and (vi), 1.3.3, 1.3.7, 1.3.15, 1.3.20, 1.3.22, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.47, 1.3.48, 1.3.49, 1.3.50, 1.3.51, 1.3.52, 1.3.53, 1.3.54, 1.3.55, 1.3.56, 1.3.57, 1.3.58, 1.3.59, 1.3.60, 1.3.61, 1.3.62, 1.3.63, 1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7, 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.3.1, 2.3.9, 2.3.10, 2.3.12, 2.3.13, 2.3.15, 2.3.20, 2.3.21, 2.3.23, 2.3.27, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.33, 2.3.34, 2.3.35, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.49, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.12, 2.4.13, 2.4.14, 2.4.15, 2.4.16, 2.4.17, 2.4.18, 3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.17, 3.3.20, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.4.1, 3.4.2, 3.4.3, 3.4.4, 4.1.16, 4.1.17, 4.1.18, 4.1.19, 4.1.20, 4.1.21, 4.1.22, 4.1.23, 4.1.24, 4.1.25, 4.1.26, 4.1.27, 4.1.28, 4.1.29, 4.1.30, 4.1.31, 4.1.32, 4.1.33, 4.1.34, 4.1.35, 4.1.36, 4.1.37, 4.1.38, 4.1.39, 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20, 4.3.1, 4.3.2, 4.3.3, 4.3.5, ~~4.3.7, 4.3.8, 4.3.9, 4.3.10, 4.3.11, 4.3.12, 4.3.13, 4.3.14, 4.3.15, 4.3.16~~, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23

GENERAL TERMS AND CONDITIONS (continued)

4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.29, 4.3.30, 4.3.31, 4.3.32, 4.3.33,
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4.3.65, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.70, 4.3.71, 4.3.72, 4.3.73, 4.3.74,
4.3.75, 4.3.76, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85,
4.3.86, 4.3.87, 4.3.88, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 5.2.1, 5.2.3,
5.3.10, 5.3.11, 5.3.12, 5.3.17, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.25, 5.3.26,
5.3.27, 5.3.28, 5.3.29, 5.3.30, 5.3.31, 5.3.32, 5.3.33, 5.3.35, 5.3.36, 5.3.37,
5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.43, 5.3.46, 5.3.47, 5.3.48, 5.3.49,
5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.56, 5.3.57, 5.3.58, 5.3.59, 5.3.60,
5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7, 5.4.8, 5.4.9, 5.4.10, 5.4.11,
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5.4.22, 5.4.23, 10.2.1, 10.2.2, 10.2.3, 10.2.4, 10.2.5, 10.2.6, 10.2.7, 10.2.8,
10.2.9, 10.2.10, 10.2.11, 10.2.12, 10.2.13, 10.2.14, 10.2.15, 10.2.16, 10.2.17,
10.2.18, 10.2.19, 10.2.20, 10.2.21, 10.2.22, 10.2.23, 10.2.24, 10.2.25, 10.2.26,
10.2.27, 10.2.28, 10.3.1, 10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8,
10.3.9, 10.3.10, 10.3.11, 10.3.12, 10.3.13, 10.3.14, 10.3.15, 10.3.16, 10.3.17,
10.3.18, 10.3.19, 10.3.20, 10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25.

~~NAESB Standard: 2004 Annual Plan Item 2 FERC Order 2004 4.2.1, 4.3.16, 4.3.18,~~
~~4.3.22, 4.3.23 and 4.3.25.~~

~~NAESB Standard: 2005 Annual Plan Item 8 FERC Order 2004 4.3.23.~~

~~NAESB Standards (R03035A) 4.3.23, 4.3.89, 4.3.90, 4.3.91, 4.3.92.~~

XXXVII. NON-CONFORMING AGREEMENTS

1. TransCapacity Limited Partnership TPA dated October 17, 1997
2. National Capacity Registry Service Corporation TPA dated January 2, 1998