

Appendix A-2

ANR Pipeline Company
FERC Gas Tariff, Third Revised Volume No. 1

Primary Case Proposed Tariff Records
Marked Version

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STATEMENT OF RATES

Rate Schedule ETS
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Rate Schedules FTS-1, FTS-4 & FTS-4L
~~Rate Schedules FTS-1 & ETS (WI 2009)~~
Rate Schedule FTS-2
Rate Schedule FTS-3
Rate Schedule ITS
Rate Schedules ITS-3, IPLS & IWS
Rate Schedules FSS & DDS
Rate Schedules FSS & DDS (Cold Springs 1)
Rate Schedules NNS & MBS
Base Rates: FTS-1, FTS-4, FTS-4L, ETS, PTS-2 & FTS-2
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Negotiated Rate Agreements - PTS-3
Statement of Surcharges
~~Deferred Transportation Cost Adjustment~~
Transporter's Use (%)
EPC Charge
Statement of Surcharges - Liquids

RATE SCHEDULE ETS
 MATRIX OF BASE TARIFF TRANSMISSION RATES PER DTH BY ROUTE
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

RECEIVED FROM	DELIVERED TO	SOUTHEAST		SOUTHWEST			NORTHERN
		S.E. Area (SE)	Southern Segment (ML-2)	Central Segment (ML-3)	S.W. Area (SW)	Southern Segment (ML-5)	Central Segment (ML-6)
SOUTHEAST AREA (SE)	- Res	\$7.1080 <u>15.2110</u>	\$8.8580 <u>15.9257</u>		\$13.3580 <u>33.5603</u>	\$11.8580 <u>27.8419</u>	\$10.3580 <u>21.6353</u>
	- Cmd	0.0405 <u>266</u>	0.0125 <u>0379</u>		0.0175 <u>0775</u>	0.0160 <u>0633</u>	0.0140 <u>0480</u>
	- MIN	0.0405 <u>266</u>	0.0125 <u>0379</u>		0.0175 <u>0775</u>	0.0160 <u>0633</u>	0.0140 <u>0480</u>
	- Ovrn	0.2442 <u>5267</u>	0.3037 <u>5615</u>		0.4567 <u>1.1809</u>	0.4059 <u>9787</u>	0.3545 <u>7593</u>
SE - Southern (ML-2)	- Res	\$5.3580 <u>14.3859</u>	\$7.1080 <u>15.1006</u>		\$11.6080 <u>32.7352</u>	\$10.1080 <u>27.0168</u>	\$8.6080 <u>20.8102</u>
	- Cmd	0.0085 <u>238</u>	0.0105 <u>0351</u>		0.0155 <u>0747</u>	0.0140 <u>0605</u>	0.0120 <u>0452</u>
	- MIN	0.0085 <u>238</u>	0.0105 <u>0351</u>		0.0155 <u>0747</u>	0.0140 <u>0605</u>	0.0120 <u>0452</u>
	- Ovrn	0.1847 <u>4968</u>	0.2442 <u>5316</u>		0.3971 <u>1.1509</u>	0.3463 <u>9487</u>	0.2950 <u>7294</u>
SE - Central (ML-3)	- Res	\$7.1080 <u>17.3384</u>	\$5.1080 <u>07.6724</u>		\$9.6080 <u>25.3070</u>	\$8.1080 <u>19.5886</u>	\$6.6080 <u>13.3820</u>
	- Cmd	0.0405 <u>351</u>	0.0080 <u>0113</u>		0.0130 <u>0509</u>	0.0115 <u>0367</u>	0.0095 <u>0214</u>
	- MIN	0.0405 <u>351</u>	0.0080 <u>0113</u>		0.0130 <u>0509</u>	0.0115 <u>0367</u>	0.0095 <u>0214</u>
	- Ovrn	0.2442 <u>6051</u>	0.1759 <u>2635</u>		0.3289 <u>8829</u>	0.2781 <u>6807</u>	0.2267 <u>4614</u>
SOUTHWEST AREA (SW)	- Res	\$13.6080 <u>36.6401</u>	\$11.6080 <u>26.9741</u>		\$6.8580 <u>14.8820</u>	\$8.3580 <u>20.6220</u>	
	- Cmd		0.0205 <u>815</u>	0.0180 <u>0577</u>	0.0125 <u>0210</u>	0.0145 <u>0363</u>	0.0160 <u>0464</u>
	- MIN		0.0205 <u>815</u>	0.0180 <u>0577</u>	0.0125 <u>0210</u>	0.0145 <u>0363</u>	0.0160 <u>0464</u>
	- Ovrn		0.4679 <u>1.2861</u>	0.3996 <u>9445</u>	0.2380 <u>5103</u>	0.2893 <u>7143</u>	0.3401 <u>8664</u>
SW - Southern (ML-5)	- Res	\$11.6080 <u>33.5874</u>	\$9.6080 <u>23.9214</u>		\$4.8580 <u>11.8293</u>	\$6.3580 <u>17.5693</u>	
	- Cmd		0.0155 <u>0747</u>	0.0130 <u>0509</u>	0.0075 <u>0142</u>	0.0095 <u>0295</u>	0.0110 <u>0396</u>
	- MIN		0.0155 <u>0747</u>	0.0130 <u>0509</u>	0.0075 <u>0142</u>	0.0095 <u>0295</u>	0.0110 <u>0396</u>
	- Ovrn		0.3971 <u>1.1789</u>	0.3289 <u>8374</u>	0.1672 <u>4031</u>	0.2185 <u>6071</u>	0.2693 <u>7592</u>
SW - Central (ML-6)	- Res	\$10.1080 <u>27.8636</u>	\$8.1080 <u>18.1976</u>		\$6.3580 <u>17.5639</u>	\$4.8580 <u>11.8455</u>	
	- Cmd		0.0140 <u>0605</u>	0.0115 <u>0367</u>	0.0095 <u>0295</u>	0.0080 <u>0153</u>	0.0095 <u>0254</u>
	- MIN		0.0140 <u>0605</u>	0.0115 <u>0367</u>	0.0095 <u>0295</u>	0.0080 <u>0153</u>	0.0095 <u>0254</u>
	- Ovrn		0.3463 <u>9766</u>	0.2781 <u>6350</u>	0.2185 <u>6069</u>	0.1677 <u>4047</u>	0.2185 <u>5568</u>
NORTHERN (ML-7)	- Res	\$8.6080 <u>22.1290</u>	\$6.6080 <u>12.4630</u>		\$7.8580 <u>22.3545</u>	\$6.3580 <u>16.6361</u>	\$4.8580 <u>10.4295</u>
	- Cmd		0.0120 <u>0452</u>	0.0095 <u>0214</u>	0.0110 <u>0396</u>	0.0095 <u>0254</u>	0.0075 <u>0101</u>
	- MIN		0.0120 <u>0452</u>	0.0095 <u>0214</u>	0.0110 <u>0396</u>	0.0095 <u>0254</u>	0.0075 <u>0101</u>
	- Ovrn		0.2950 <u>7727</u>	0.2267 <u>4311</u>	0.2693 <u>7745</u>	0.2185 <u>5723</u>	0.1672 <u>3530</u>

General Notes:

All rates shown combine area and segment rates for each route, utilizing the transmission rates set forth in Section 4.12 and represent maximum rates unless designated as minimum firm service rates (MIN).

The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Sections 4.16 and 4.20 reflect the applicable charges and surcharges under these Sections.

RATE SCHEDULE STS; SMALL SHIPPER ETS & FTS-1
 MATRIX OF VOLUMETRIC BASE TARIFF RATES PER DTH
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

RECEIVED FROM	DELIVERED TO	SOUTHWEST MAINLINE	SOUTHEAST MAINLINE	NORTHERN SEGMENT
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RATE SCHEDULE STS

SOUTHWEST AREA	\$ 1.9384 -.9223	\$ 1.0985 2.3946	\$ 1.6440 -.8615
SOUTHEAST AREA	1.0105 2.2859	1.01687780	1.5272 -.9247
NORTHERN SEGMENT	.8588 1.8466	.9150 1.8384	1.0878 -.6781

RATE SCHEDULE ETS
 For Small Shipper Service Option

SOUTHWEST AREA	\$ 2.0908 -.8350	\$ 1.3641 3.7318	\$ 2.5311 -.9810
SOUTHEAST AREA	1.4518 3.4210	1.01366245	1.1596 2.2034
NORTHERN SEGMENT	2.2667 -.7784	2.2498 -.8693	1.0492 -.4862

RATE SCHEDULE FTS-1
 For Small Shipper Service Option

SOUTHWEST AREA	\$ 1.8051 -.7744	\$ 1.3035 3.3618	\$ 2.2925 -.9204
SOUTHEAST AREA	1.3912 3.1359	1.4774-9534	1.96480990
NORTHERN SEGMENT	1.9816 -.7178	1.8798 -.8087	.4256 0.8105

General Note:

The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Sections 4.16 and 4.20 reflect the applicable charges and surcharges under these Sections.

RATE SCHEDULES FTS-1, FTS-4, FTS-4L
 MATRIX OF BASE TARIFF TRANSMISSION RATES PER DTH BY ROUTE
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

RECEIVED FROM	DELIVERED TO	SOUTHEAST			SOUTHWEST			NORTHERN
		S.E. Area (SE)	Southern Segment (ML-2)	Central Segment (ML-3)	S.W. Area (SW)	Southern Segment (ML-5)	Central Segment (ML-6)	Segment (ML-7)
SOUTHEAST AREA (SE)	- Res	\$1.75004.0687	\$6.500011.4969	\$8.250014.4494	\$14.750033.7511	\$12.750030.6984		
	- Cmd	\$11.250024.9746	\$9.750019.2400					
	- MIN	\$0.002000280.	\$0.010502660.	\$0.012503790.	\$0.022508430.	\$0.017507750.	\$0.016006330.	\$0.01400480
	- Ovrn	\$0.059513660.	\$0.224240460.	\$0.283751290.	\$0.50741.19390.	\$0.43671.08680.	\$0.385988440.	\$0.33456805
SE - Southern (ML-2)	- Res	\$6.500011.4969	\$4.750010.6718	\$6.500013.6243	\$13.000032.9260	\$11.000029.8733		
	- Cmd	\$0.010502660.	\$0.008502380.	\$0.010503510.	\$0.020508150.	\$0.015507470.	\$0.014006050.	\$0.01200452
	- MIN	\$0.010502660.	\$0.008502380.	\$0.010503510.	\$0.020508150.	\$0.015507470.	\$0.014006050.	\$0.01200452
	- Ovrn	\$0.224240460.	\$0.164737470.	\$0.224248300.	\$0.44791.16400.	\$0.37711.05680.	\$0.326385450.	\$0.27506506
SE - Central (ML-3)	- Res	\$8.250014.4494	\$6.500013.6243	\$4.50006.1961	\$11.000025.4978	\$9.000022.4451		
	- Cmd	\$0.012503790.	\$0.010503510.	\$0.008001130.	\$0.018005770.	\$0.013005090.	\$0.011503670.	\$0.00950214
	- MIN	\$0.012503790.	\$0.010503510.	\$0.008001130.	\$0.018005770.	\$0.013005090.	\$0.011503670.	\$0.00950214
	- Ovrn	\$0.283751290.	\$0.224248300.	\$0.155921500.	\$0.379689600.	\$0.308978880.	\$0.258158640.	\$0.20683826
SOUTHWEST AREA (SW)	- Res	\$14.750033.7511	\$13.000032.9260	\$11.000025.4978	\$2.00006.2963	\$6.250012.0201		
	- Cmd	\$0.022508430.	\$0.020508150.	\$0.018005770.	\$0.005000680.	\$0.012502100.	\$0.014503630.	\$0.01600464
	- MIN	\$0.022508430.	\$0.020508150.	\$0.018005770.	\$0.005000680.	\$0.012502100.	\$0.014503630.	\$0.01600464
	- Ovrn	\$0.50741.19390.	\$0.44791.16400.	\$0.379689600.	\$0.070621380.	\$0.218041620.	\$0.269362000.	\$0.32017876
SW - Southern (ML-5)	- Res	\$12.750030.6984	\$11.000029.8733	\$9.000022.4451	\$6.250012.0201	\$4.25008.9674		
	- Cmd	\$0.017507750.	\$0.015507470.	\$0.013005090.	\$0.012502100.	\$0.007501420.	\$0.009502950.	\$0.01100396
	- MIN	\$0.017507750.	\$0.015507470.	\$0.013005090.	\$0.012502100.	\$0.007501420.	\$0.009502950.	\$0.01100396
	- Ovrn	\$0.43671.08680.	\$0.37711.05680.	\$0.308978880.	\$0.218041620.	\$0.147230900.	\$0.198551290.	\$0.24946805
SW - Central (ML-6)	- Res	\$11.250024.9746	\$9.500024.1495	\$7.500016.7213	\$7.750017.7547	\$5.750014.7020		
	- Cmd	\$0.016006330.	\$0.014006050.	\$0.011503670.	\$0.014503630.	\$0.009502950.	\$0.008001530.	\$0.00950254
	- MIN	\$0.016006330.	\$0.014006050.	\$0.011503670.	\$0.014503630.	\$0.009502950.	\$0.008001530.	\$0.00950254
	- Ovrn	\$0.385988440.	\$0.326385450.	\$0.258158640.	\$0.269362000.	\$0.198551290.	\$0.147731050.	\$0.19854781
NORTHERN (ML-7)	- Res	\$9.750019.2400	\$8.000018.4149	\$6.000010.9867	\$9.250022.5453	\$7.250019.4926		
	- Cmd	\$0.014004800.	\$0.012004520.	\$0.009502140.	\$0.016004640.	\$0.011003960.	\$0.009502540.	\$0.00750101
	- MIN	\$0.014004800.	\$0.012004520.	\$0.009502140.	\$0.016004640.	\$0.011003960.	\$0.009502540.	\$0.00750101
	- Ovrn	\$0.334568050.	\$0.275065060.	\$0.206838260.	\$0.320178760.	\$0.249468050.	\$0.198547810.	\$0.14722742

General Notes:

All rates shown combine area and segment rates for each route, utilizing the transmission rates set forth in Section 4.12 and represent maximum rates unless designated as minimum firm service rates (MIN).

The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Sections 4.16 and 4.20 reflect the applicable charges and surcharges under these Sections.

~~RATE SCHEDULES FTS-1 & ETS
RESERVATION AND COMMODITY CHARGES
FIRM TRANSPORTATION SERVICES~~

~~WISCONSIN 2009 PROJECT
DOCKET NO. CP08-465~~

~~APPLICABLE TO CUSTOMERS UTILIZING CAPACITY
PURSUANT TO INCREMENTAL FACILITY EXPANSION~~

~~MATRIX OF BASE TARIFF TRANSMISSION RATES PER DTH BY SERVICE TYPE~~

~~RATE SCHEDULE FTS-1 RATE~~

Reservation (Res)	\$6.2020
Commodity (Comm)	0.0075
Minimum (MIN)	0.0075
Overrun (Ovrn)	0.2114

~~RATE SCHEDULE ETS RATE~~

Reservation (Res)	\$6.8100
Commodity (Comm)	0.0075
Minimum (MIN)	0.0075
Overrun (Ovrn)	0.2314

General Notes:

~~Rates shown above are applicable to transportation services authorized in Docket No. CP08-465, Wisconsin 2009 Expansion Project, under contract id(s) 114489, 114492, 114498, 114499, 114500, 114501, 114502, 114503, 114504, 114505, 114512, 114667 and 114677. The total rate charged for the incremental service provided under these contracts shall equal the Reservation and Commodity rates as reflected above. Shippers moving gas outside their primary path as defined in the respective contract, but within ML 7, are subject to the full ML 7 rate as an add-on for recourse rate purposes. The rates represent maximum rates unless designated as minimum firm service rates (MIN).~~

~~These rates also apply to any superseding or superseded service.~~

~~Interruptible service shall be charged the applicable Rate Schedule ITS rate as set forth in Section 4.7.~~

~~These services shall be charged the applicable Transporter's Use and EPC Charge.~~

~~The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Section 6.24 of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under this Section.~~

RESERVED FOR FUTURE USE

RATE SCHEDULE FTS-2
 MATRIX OF BASE TARIFF TRANSMISSION RATES PER DTH BY ROUTE
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

RECEIVED FROM	DELIVERED TO	SOUTHEAST			SOUTHWEST			NORTHERN
		S.E. Area (SE)	Southern Segment (ML-2)	Central Segment (ML-3)	S.W. Area (SW)	Southern Segment (ML-5)	Central Segment (ML-6)	Segment (ML-7)
SOUTHEAST AREA (SE)	- Res	\$1.45102.6753	\$4.27407.7596	\$5.42509.5010	\$9.69802.1926	\$8.38302.1853		
		\$7.397016.4217	\$6.411012.6510					
	- Cmd	0.021704860	0.083715600	0.105420050	0.188746420	0.161142300	0.142734440	0.12382645
	- MIN	0.002000280	0.010502660	0.012503790	0.022508430	0.017507750	0.016006330	0.01400480
	- Ovrn	0.059513660	0.236440460	0.283751290	0.50741.19390	0.43661.08680	0.39008844	
		0.33456805						
SE - Southern (ML-2)	- Res	\$4.27407.5596	\$3.12307.0171	\$4.27408.9585	\$8.547021.6501	\$7.232019.6428		
		\$6.246015.8792	\$5.260012.1085					
	- Cmd	0.083715600	0.062014390	0.083718840	0.167045210	0.139441090	0.121033230	0.10212524
	- MIN	0.010502660	0.008502380	0.010503510	0.020508150	0.015507470	0.014006050	0.01200452
	- Ovrn	0.236440460	0.176937470	0.224248300	0.44791.16400	0.37711.05680	0.33058545	
		0.27506506						
SE - Central (ML-3)	- Res	\$5.42509.5010	\$4.27408.9585	\$2.95904.0742	\$7.232016.7658	\$5.917014.7585		
		\$4.931010.9949	\$3.94507.2242					
	- Cmd	0.105420050	0.083718840	0.0580810	0.142034470	0.114430350	0.09602249	0.07711450
	- MIN	0.012503790	0.010503510	0.008001130	0.018005770	0.013005090	0.011503670	0.00950214
	- Ovrn	0.283751290	0.224248300	0.143721500	0.367489600	0.296678880	0.250058640	0.19453826

SOUTHWEST AREA (SW)	- Res	\$9.69802.1926	\$8.547021.6501	\$7.232016.7658	\$1.31504.1401	\$4.10907.9037		
		\$5.095011.6744	\$6.081014.8244					
	- Cmd	0.188746420	0.167045210	0.142034470	0.027607770	0.083015630	0.101923620	0.12033002
	- MIN	0.022508430	0.020508150	0.018005770	0.005000680	0.012502100	0.014503630	0.01600464
	- Ovrn	0.50741.19390	0.44791.16400	0.367489600	0.070821380	0.213841620	0.26936200	
		0.32017876						
SW - Southern (ML-5)	- Res	\$8.383020.1853	\$7.232019.6428	\$5.917014.7585	\$4.10907.9037	\$2.79405.8964		
		\$3.78009.6671	\$4.766012.8171					
	- Cmd	0.161142300	0.139441090	0.114430350	0.083015630	0.055411510	0.074319500	0.09272590
	- MIN	0.017507750	0.015507470	0.013005090	0.012502100	0.007501420	0.009502950	0.01100396
	- Ovrn	0.43661.08680	0.37711.05680	0.296678880	0.213841620	0.143030900	0.19855129	
		0.24936805						
SW - Central (ML-6)	- Res	\$7.397016.4217	\$6.246015.8792	\$4.931010.9949	\$5.095011.6744	\$3.78009.6671		
		\$2.79405.9035	\$3.78009.0535					
	- Cmd	0.142734440	0.121033230	0.096022490	0.101923620	0.074319500	0.055911640	0.07431804
	- MIN	0.016006330	0.014006050	0.011503670	0.014503630	0.009502950	0.008001530	0.00950254
	- Ovrn	0.390088440	0.330585450	0.250058640	0.269362000	0.198551290	0.151931050	0.20274781

NORTHERN	- Res	\$6.411012.6510	\$5.260012.1085	\$3.94507.2242	\$6.081014.8244	\$4.766012.8171		
		\$3.78009.0535	\$2.79405.2828					

(ML-7) - Cmd0.~~123826450~~.~~102125240~~.~~077114500~~.~~120330020~~.~~092725900~~.~~074318040~~.~~05541005~~
 - MIN0.~~014004800~~.~~012004520~~.~~009502140~~.~~016004640~~.~~011003960~~.~~009502540~~.~~00750101~~
 - Ovrn0.~~334568050~~.~~275065060~~.~~194538260~~.~~320178760~~.~~249368050~~.~~202747810~~.~~14722742~~

General Notes:

All rates shown combine area and segment rates for each route, utilizing the transmission rates set forth in Section 4.12 and represent maximum rates unless designated as minimum firm service rates (MIN).

The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Sections 4.16 and 4.20 reflect the applicable charges and surcharges under these Sections.

RATE SCHEDULE FTS-3
 MATRIX OF BASE TARIFF TRANSMISSION RATES PER DTH BY ROUTE
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

RECEIVED FROM	DELIVERED TO	SOUTHEAST			SOUTHWEST			NORTHERN
		S.E. Area (SE)	Southern Segment (ML-2)	Central Segment (ML-3)	S.W. Area (SW)	Southern Segment (ML-5)	Central Segment (ML-6)	Segment (ML-7)
SOUTHEAST AREA (SE)	- Del	\$0.87502.0344	\$3.25005.7485	\$4.12507.2247	\$7.375016.8756	\$6.375015.3492		
		\$5.625012.4873	\$4.87509.6200					
	- Cap	0.028806690	0.106918900	0.135723750	0.242755480	0.209850460	0.185141050	0.16043163
	- Cmd	0.002080	0.010502660	0.012503790	0.022508430	0.017507750	0.016006330	0.01400480
	- Min	0.002000280	0.010502660	0.012503790	0.022508430	0.017507750	0.016006330	0.01400480
- Ovrn	1/	1/	1/	1/	1/	1/	1/	
SE - Southern (ML-2)	- Del	\$3.25005.7485	\$2.37505.3359	\$3.25006.8122	\$6.500016.4630	\$5.500014.9367		
		\$4.750012.0748	\$4.00009.2075					
	- Cap	0.106918900	0.078117540	0.106922400	0.213954120	0.181049110	0.156339700	0.13163027
	- Cmd	0.010502660	0.008502380	0.010503510	0.020508150	0.015507470	0.014006050	0.01200452
	- Min	0.010502660	0.008502380	0.010503510	0.020508150	0.015507470	0.014006050	0.01200452
- Ovrn	1/	1/	1/	1/	1/	1/	1/	
SE - Central (ML-3)	- Del	\$4.12507.2247	\$3.25006.8122	\$2.25003.0981	\$5.500012.7489	\$4.500011.2226		
		\$3.75008.3607	\$3.00005.4934					
	- Cap	0.135723750	0.106922400	0.074010190	0.181041910	0.148136900	0.123427490	0.09871806
	- Cmd	0.012503790	0.010503510	0.008001130	0.018005770	0.013005090	0.011503670	0.00950214
	- Min	0.012503790	0.010503510	0.008001130	0.018005770	0.013005090	0.011503670	0.00950214
- Ovrn	1/	1/	1/	1/	1/	1/	1/	
SOUTHWEST AREA (SW)	- Del	\$7.375016.8756	\$6.500016.4630	\$5.500012.7489	\$1.00003.1482	\$3.12506.0101		
		\$3.87508.8774	\$4.625011.2727					
	- Cap	0.242755480	0.213954120	0.181041910	0.032910350	0.102819760	0.127529190	0.15223706
	- Cmd	0.022508430	0.020508150	0.018005770	0.005000680	0.012502100	0.014503630	0.01600464
	- Min	0.022508430	0.020508150	0.018005770	0.005000680	0.012502100	0.014503630	0.01600464
- Ovrn	1/	1/	1/	1/	1/	1/	1/	
SW - Southern (ML-5)	- Del	\$6.375015.3492	\$5.500014.9367	\$4.500011.2226	\$3.12506.0101	\$2.12504.4837		
		\$2.87507.3510	\$3.62509.7463					
	- Cap	0.209850460	0.181049110	0.148136900	0.102819760	0.069914740	0.094624170	0.11933204
	- Cmd	0.017507750	0.015507470	0.013005090	0.012502100	0.007501420	0.009502950	0.01100396
	- Min	0.017507750	0.015507470	0.013005090	0.012502100	0.007501420	0.009502950	0.01100396
- Ovrn	1/	1/	1/	1/	1/	1/	1/	
SW - Central (ML-6)	- Del	\$5.625012.4873	\$4.750012.0748	\$3.75008.3607	\$3.87508.8774	\$2.87507.3510		
		\$2.12504.4891	\$2.87506.8844					
	- Cap	0.185141050	0.156339700	0.123427490	0.127529190	0.094624170	0.069914760	0.09462263
	- Cmd	0.016006330	0.014006050	0.011503670	0.014503630	0.009502950	0.008001530	0.00950254
	- Min	0.016006330	0.014006050	0.011503670	0.014503630	0.009502950	0.008001530	0.00950254
- Ovrn	1/	1/	1/	1/	1/	1/	1/	

NORTHERN	- Del	\$4.87509.6200	\$4.00009.2075	\$3.00005.4934	\$4.625011.2727	\$3.62509.7463
(ML-7)		\$2.87506.8844	\$2.12504.0171			
	- Cap	0.160431630	0.131630270	0.098718060	0.152237060	0.119332040
	- Cmd	0.01400480	0.012004520	0.009502140	0.016004640	0.011003960
	- Min	0.014004800	0.012004520	0.009502140	0.016004640	0.011003960
	- Ovrn	1/	1/	1/	1/	1/

	<u>Deliverability Rate</u>	<u>Capacity Rate</u>	<u>Commodity Rate</u>	<u>Minimum Rate</u>
Enhancement Services Option 2/	\$ 0.9720 <u>2.3433</u>	\$ 0.0320 <u>0.770</u>	\$ 0.0024 <u>0.101</u>	\$ 0.0024 <u>0.101</u>
2 Hour Notice Service 2/	\$ 2.1530 <u>1.2653</u>	\$ 0.0708 <u>0.416</u>	\$ 0.0126 <u>0.210</u>	\$ 0.0126 <u>0.210</u>
Balancing Service 2/	\$ 0.1725 <u>1.005</u>	\$ 0.0057 <u>0.033</u>	\$ 0.0002 <u>0.002</u>	\$ 0.0002 <u>0.002</u>

General Notes:

All rates shown combine area and segment rates for each route, utilizing the transmission rates set forth in Section 4.13 and represent maximum rates unless designated as minimum firm service rates (Min).

The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under these Sections.

1/ Overrun Rate. The 100% Load Factor rate, which is the sum of: (a) the product of (1) the sum of the applicable Deliverability Reservation Rates, (2) the applicable Maximum Hourly Flow Rate, (3) twenty-four, and (4) twelve, divided by (5) 365; (b) the sum of the Capacity Reservation Rates; and (c) the sum of the Commodity Rates.

2/ Shippers opting for one or both service enhancements must also pay the enhancement service rate.

RATE SCHEDULE ITS
 MATRIX OF BASE TARIFF TRANSMISSION RATES PER DTH BY ROUTE
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

RECEIVED FROM	DELIVERED TO	SOUTHEAST			SOUTHWEST			NORTHERN
		S.E. Area (SE)	Southern Segment (ML-2)	Central Segment (ML-3)	S.W. Area (SW)	Southern Segment (ML-5)	Central Segment (ML-6)	Segment (ML-7)
SOUTHEAST AREA (SE)	- Cmd	\$0.05951365	\$0.23644045	\$0.28375129	\$0.507411939	\$0.436610867	\$0.39008843	
	- MIN	\$0.33456805	\$0.002000280	\$0.010502660	\$0.012503790	\$0.022508430	\$0.017507750	\$0.016006330
SE - Southern (ML-2)	- Cmd	\$0.23644045	\$0.17693746	\$0.22424830	\$0.447911640	\$0.377110568	\$0.33058544	
	- MIN	\$0.27506506	\$0.010502660	\$0.008502380	\$0.010503510	\$0.020508150	\$0.015507470	\$0.014006050
SE - Central (ML-3)	- Cmd	\$0.28375129	\$0.22424830	\$0.14372150	\$0.36748960	\$0.29667888	\$0.25005864	
	- MIN	\$0.49453826	\$0.012503790	\$0.010503510	\$0.008001130	\$0.018005770	\$0.013005090	\$0.011503670

SOUTHWEST AREA (SW)	- Cmd	\$0.507411939	\$0.447911640	\$0.36748960	\$0.07082138	\$0.21384162	\$0.26936200	
	- MIN	\$0.32017876	\$0.022508430	\$0.020508150	\$0.018005770	\$0.005000680	\$0.012502100	\$0.014503630
SW - Southern (ML-5)	- Cmd	\$0.436610867	\$0.377110568	\$0.29667888	\$0.21384162	\$0.14303090	\$0.19855128	
	- MIN	\$0.24936804	\$0.017507750	\$0.015507470	\$0.013005090	\$0.012502100	\$0.007501420	\$0.009502950
SW - Central (ML-6)	- Cmd	\$0.39008843	\$0.33058544	\$0.25005864	\$0.26936200	\$0.19855128	\$0.15193104	
	- MIN	\$0.20274780	\$0.016006330	\$0.014006050	\$0.011503670	\$0.014503630	\$0.009502950	\$0.008001530

NORTHERN (ML-7)	- Cmd	\$0.33456805	\$0.27506506	\$0.19453826	\$0.32017876	\$0.24936804	\$0.20274780	
	- MIN	\$0.4722742	\$0.01400480	\$0.01200452	\$0.009502140	\$0.016004640	\$0.011003960	\$0.009502540

General Notes:

All rates shown combine area and segment rates for each route, utilizing the transmission rates set forth in Section 4.14 and represent maximum rates unless designated as minimum interruptible service rates (MIN).

The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Sections 4.16 and 4.20 reflect the applicable charges and surcharges under these Sections.

RATE SCHEDULES ITS-3, IPLS & IWS
STATEMENT OF RATES PER DTH FOR SERVICES RENDERED

	Maximum Rate -----	Minimum Rate -----
ITS-3 1/	\$ 1.20672 <u>.0408</u>	\$0. 02770 <u>662</u>
IPLS 1/	\$0. 28945 <u>808</u>	\$0.0000
IWS 1/- Joliet Hub	\$0. 15742 <u>742</u>	\$0.0000
IWS 1/ - Lebanon Hub	\$0. 14752 <u>150</u>	\$0.0000

1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections ~~6.24~~ ~~and~~ ~~6.26~~ of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under these Sections.

RATE SCHEDULES FSS & DDS
 STATEMENT OF RATES FOR STORAGE OF NATURAL GAS

	Maximum Rate per Dth -----	Minimum Rate per Dth -----	<u>Maximum Daily Capacity Release Rate per Dth</u>
RATE SCHEDULE FSS 1/ For a service term under 4 years			

With Ratchets and Seasonal Entitlements			

1. Reservation Rate			
a. Deliverability Rate	\$ 2.04 <u>0.9710</u>	\$ 0	\$ 0.0671
b. Capacity Rate	\$ 40000.7683	\$ 0	\$ 0.0011
2. Commodity Rate			
Injection/Withdrawal	\$ 0. 0126 <u>0210</u>	\$ 0. 0126 <u>0210</u>	
3. Overrun Service Rate	2/	\$ 0. 0126 <u>0210</u>	
With Ratchets and Flexible Entitlements			

1. Reservation Rate			
a. Deliverability Rate	\$ 2.45 <u>1.8556</u>	\$ 0	\$ 0.0805
b. Capacity Rate	\$ 40000.7683	\$ 0	\$ 0.0011
2. Commodity Rate			
Injection/Withdrawal	\$ 0. 0126 <u>0210</u>	\$ 0. 0126 <u>210</u>	
3. Overrun Service Rate	2/	\$ 0. 0126 <u>210</u>	
Without Ratchets and Seasonal Entitlements			

1. Reservation Rate			
a. Deliverability Rate	\$ 2.60 <u>1.2138</u>	\$ 0	\$ 0.0855
b. Capacity Rate	\$ 0.7683 <u>-4000</u>	\$ 0	\$ 0.0011
2. Commodity Rate			
Injection/Withdrawal	\$ 0. 0126 <u>0210</u>	\$ 0. 0126 <u>0210</u>	
3. Overrun Service Rate	2/	\$ 0. 0126 <u>0210</u>	
Without Ratchets and Flexible Entitlements			

1. Reservation Rate			
a. Deliverability Rate	\$ 3.00 <u>2.0984</u>	\$ 0	\$ 0.0986
b. Capacity Rate	\$ 40000.7683	\$ 0	\$ 0.0011
2. Commodity Rate			
Injection/Withdrawal	\$ 0. 0126 <u>0210</u>	\$ 0. 0126 <u>0210</u>	
3. Overrun Service Rate	2/	\$ 0. 0126 <u>0210</u>	

RATE SCHEDULE FSS 1/

For a service term under 10 years to and including 4 years

With Ratchets and Seasonal Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 0.7768	\$ 0
b. Capacity Rate	\$ 0.6146	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

With Ratchets and Flexible Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 1.4845	\$ 0
b. Capacity Rate	\$ 0.6146	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

Without Ratchets and Seasonal Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 0.9710	\$ 0
b. Capacity Rate	\$ 0.6146	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

Without Ratchets and Flexible Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 1.6787	\$ 0
b. Capacity Rate	\$ 0.6146	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

RATE SCHEDULE FSS 1/

For a service term of 10 years or greater

With Ratchets and Seasonal Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 0.6801	\$ 0
b. Capacity Rate	\$ 0.5381	\$ 0

<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

With Ratchets and Flexible Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 1.2997	\$ 0
b. Capacity Rate	\$ 0.5381	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

Without Ratchets and Seasonal Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 0.8501	\$ 0
b. Capacity Rate	\$ 0.5381	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

Without Ratchets and Flexible Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 1.4697	\$ 0
b. Capacity Rate	\$ 0.5381	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0210	\$ 0.0210
3. Overrun Service Rate	2/	\$ 0.0210

RATE SCHEDULE DDS 3/

1. Storage Commodity Rate	\$ -0.8740 0.1368	\$ 0.01260036
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1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under these Sections.

2/ 100% load factor rate, which is the sum of (a) the product of (1) the Deliverability Reservation Rate, (2) twelve, and (3) the Base Maximum Daily Withdrawal Quantity divided by the Maximum Storage Quantity, (b) the Capacity Reservation Rate and (c) the Injection/Withdrawal Commodity Rate.

3/ The rates shown are subject to all applicable volumetric charges or surcharges, under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under these Sections.

RATE SCHEDULES FSS & DDS
 RESERVATION AND COMMODITY CHARGES
 FIRM STORAGE SERVICE 1/ 3/

COLD SPRINGS 1 STORAGE PROJECT
 DOCKET NO. CP06-464

APPLICABLE TO CUSTOMERS UTILIZING CAPACITY
 PURSUANT TO INCREMENTAL FACILITY EXPANSIONS:

	Maximum Rate per Dth -----	Minimum Rate per Dth -----	<u>Maximum Daily Capacity Release Rate per Dth</u>
RATE SCHEDULE FSS			
<u>For a service term under 4 years</u>			

With Ratchets and Seasonal Entitlements			

1. Reservation Rate			
a. Deliverability Rate	\$ 2,287.0931	\$ 0	
	\$ 0.0750		
b. Capacity Rate	\$ 48183.1743	\$ 0	\$ 0.0013
2. Commodity Rate			
Injection/Withdrawal	\$ 0.01260483	\$ 0.01260483	
3. Overrun Service Rate	2/	\$ 0.01260483	
With Ratchets and Flexible Entitlements			

1. Reservation Rate			
a. Deliverability Rate	\$ 2,6813.2201	\$ 0	
	\$ 0.0881		
b. Capacity Rate	\$ 48183.1743	\$ 0	\$ 0.0013
2. Commodity Rate			
Injection/Withdrawal	\$ 0.01260483	\$ 0.01260483	
3. Overrun Service Rate	2/	\$ 0.01260483	
Without Ratchets and Seasonal Entitlements			

1. Reservation Rate			
a. Deliverability Rate	\$ 2,858.8664	\$ 0	\$ 0.0937
b. Capacity Rate	\$ 48183.1743	\$ 0	\$ 0.0013
2. Commodity Rate			
Injection/Withdrawal	\$ 0.01260483	\$ 0.01260483	
3. Overrun Service Rate	2/	\$ 0.01260483	
Without Ratchets and Flexible Entitlements			

1. Reservation Rate			

a. Deliverability Rate	\$ 3.25 14.9934	\$ 0	\$ 0.1068
b. Capacity Rate	\$ 481 83.1743	\$ 0	\$ 0.0013
2. Commodity Rate			
Injection/Withdrawal	\$ 0.01260483	\$ 0.01260483	
3. Overrun Service Rate	2/	\$ 0.01260483	

RATE SCHEDULE FSS

For a service term under 10 years to and including 4 years

With Ratchets and Seasonal Entitlements

1. Reservation Rate			
a. Deliverability Rate	\$ 5.6745	\$ 0	
b. Capacity Rate	\$ 2.5394	\$ 0	
2. Commodity Rate			
Injection/Withdrawal	\$ 0.0483	\$ 0.0483	
3. Overrun Service Rate	2/	\$ 0.0483	

With Ratchets and Flexible Entitlements

1. Reservation Rate			
a. Deliverability Rate	\$10.5761	\$ 0	
b. Capacity Rate	\$ 2.5394	\$ 0	
2. Commodity Rate			
Injection/Withdrawal	\$ 0.0483	\$ 0.0483	
3. Overrun Service Rate	2/	\$ 0.0483	

Without Ratchets and Seasonal Entitlements

1. Reservation Rate			
a. Deliverability Rate	\$ 7.0931	\$ 0	
b. Capacity Rate	\$ 2.5394	\$ 0	
2. Commodity Rate			
Injection/Withdrawal	\$ 0.0483	\$ 0.0483	
3. Overrun Service Rate	2/	\$ 0.0483	

Without Ratchets and Flexible Entitlements

1. Reservation Rate			
a. Deliverability Rate	\$11.9947	\$ 0	
b. Capacity Rate	\$ 2.5394	\$ 0	
2. Commodity Rate			
Injection/Withdrawal	\$ 0.0483	\$ 0.0483	
3. Overrun Service Rate	2/	\$ 0.0483	

RATE SCHEDULE FSS

For a service term of 10 years or greater

With Ratchets and Seasonal Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 4.9680	\$ 0
b. Capacity Rate	\$ 2.2232	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0483	\$ 0.0483
3. Overrun Service Rate	2/	\$ 0.0483

With Ratchets and Flexible Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 9.2594	\$ 0
b. Capacity Rate	\$ 2.2232	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0483	\$ 0.0483
3. Overrun Service Rate	2/	\$ 0.0483

Without Ratchets and Seasonal Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$ 6.2100	\$ 0
b. Capacity Rate	\$ 2.2232	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0483	\$ 0.0483
3. Overrun Service Rate	2/	\$ 0.0483

Without Ratchets and Flexible Entitlements

<u>1. Reservation Rate</u>		
a. Deliverability Rate	\$10.5014	\$ 0
b. Capacity Rate	\$ 2.2232	\$ 0
<u>2. Commodity Rate</u>		
Injection/Withdrawal	\$ 0.0483	\$ 0.0483
3. Overrun Service Rate	2/	\$ 0.0483

RATE SCHEDULE DDS 1/

1. Storage Commodity Rate	\$.09930.1368	\$ 0.01260036
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- 1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges under Section 6.24 of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under this Section.
- 2/ 100% load factor rate, which is the sum of (a) the product of (1) the Deliverability Reservation Rate, (2) twelve, and (3) the Base Maximum Daily Withdrawal Quantity divided by the Maximum Storage Quantity, (b) the Capacity Reservation Rate and (c) the Injection/Withdrawal Commodity Rate.
- 3/ Applicable Transporter's Use (%) and EPC Charge for Rate Schedule FSS are stated in Sections 4.18 and 4.19.

RATE SCHEDULES NNS & MBS
STATEMENT OF RATES PER DTH FOR SERVICE RENDERED

RATE SCHEDULE NNS 1/

1. Reservation Rate	\$6.2507.2172
2. Commodity Rate	0.01500311
3. Overrun Service Rate	0.32323870
4. Capacity Release Daily Reservation Rate	0.2055

RATE SCHEDULE MBS 1/

1. Daily Delivery Rate	
a. Northern Segment	\$0.19262710
b. Southeast Mainline	0.31986299
c. Southwest Mainline	0.28966625
2. Capacity Rate	\$0.03330512
3. Commodity Rate 2/	
a. Northern Segment Delivery	\$0.01620261
b. Southeast Mainline Delivery	0.01840436
c. Southwest Mainline Delivery	0.01790408
4. Overrun Service Rate	\$0.32323870

1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections ~~6.24 and 6.26~~ of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under these Sections.

2/ The minimum rate(s) for Rate Schedule MBS shall be equal to the applicable Commodity Rate.

BASE RATE COMPONENTS: FTS-1, FTS-4, FTS-4L, ETS, PTS-2 & FTS-2
 STATEMENT OF BASE TARIFF TRANSMISSION RATES
 FOR TRANSPORTATION OF NATURAL GAS
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

Rate Schedule and Type of Service ----- (Col. 1)	Maximum Rate Per Dth -----		Minimum Rate Per Dth ----- (Col. 4)	Maximum Daily Capacity Release Rate Per Dth ----- (Col. 5)
	Reservation Rate ----- (Col. 2)	Commodity Rate ----- (Col. 3)		
RATE SCHEDULES FTS-1, FTS-4, FTS-4L, ETS (1) AND PTS-2 -----				
1. Rate				
a. Mainline - Access	\$2.7503.2436	\$0.00600000	\$0.00600000	\$0.0904
b. Mainline - Southwest Southern Segment	1.5005.7238	0.00150142	0.00150142	0.0493
c. Mainline - Southwest Central Segment	1.5005.7346	0.00200153	0.00200153	0.0493
d. Mainline - Southeast Southern Segment	2.0007.4282	0.00250238	0.00250238	0.0658
e. Mainline - Southeast Central Segment	1.7502.9525	0.00200113	0.00200113	0.0575
f. Mainline - Northern Segment	1.5004.7906	0.00150101	0.00150101	0.0493
g. Southeast Area - Transmission (2)	1.7500.8251	0.00200028	0.00200028	0.0575
h. Southwest Area - Transmission (2)	2.0003.0527	0.00500068	0.00500068	0.0658
2. ETS Mainline Rate Increment (1)	\$0.608(1)	\$0.0000(1)	\$0.0000(1)	\$0.0200
3. Overrun Service Rate	(3)	(3)	(3)	

RATE SCHEDULE FTS-2

1. Rate				
a. Mainline - Access	\$1.8082.1328	\$0.03700365	\$0.00600000	\$0.0594
b. Mainline - Southwest Southern Segment	0.9863.7636	0.01840786	0.00150142	0.0324
c. Mainline - Southwest Central Segment	0.9863.7707	0.01890799	0.00200153	0.0324
d. Mainline - Southeast Southern Segment	1.3154.8843	0.02501074	0.00250238	0.0432
e. Mainline - Southeast Central Segment	1.1519414	0.02170445	0.00200113	0.0378
f. Mainline - Northern Segment	0.9863.1500	0.01840640	0.00150101	0.0324
g. Southeast Area - Transmission	1.1510.5425	0.02170121	0.00200028	0.0378
h. Southwest Area - Transmission	1.3152.0073	0.02760412	0.00500068	0.0432
2. Overrun Service Rate	(3)	(3)	(3)	

(1) The ETS Mainline Access Rates (reservation and commodity) are equal to the FTS-1 mainline access rates. The ETS Mainline Mileage reservation rate for ~~each~~ the delivery segment is equal to one and one-half times the FTS-1 Mainline Mileage rate. For all other segments, the ETS Mainline Mileage reservation rate is equal to the FTS-1 Mainline Mileage rate. ~~For Rate Schedule ETS an incremental reservation rate of \$.608 is charged.~~ The ETS Mainline Mileage commodity rates for each segment are equal to the FTS-1 Mainline Mileage Commodity Rates. The ETS Rate Schedule is not available in the Southeast and Southwest Areas.

- (2) Rates applicable for service under Rate Schedule PTS-2.
- (3) The Overrun Service Rate is a commodity charge for each Dekatherm of Authorized Daily Overrun Quantity equal to (a) the applicable maximum Reservation Charges times 12 then dividing the result by 365, plus (b) the applicable Commodity Charges, plus (c) in the case of utilization of any Secondary Receipt or Delivery Points outside of the Rate Segment(s) or portions thereof for which capacity is reserved and paid for, the applicable incremental maximum Reservation Rate(s) times 12 then dividing the result by 365 plus the applicable incremental commodity charges, as stated in Sections 4.1, 4.3 or 4.5 (whichever is applicable) and/or Section 5.19, that Transporter would otherwise charge for transportation to or from those additional Rate Segments, or portions thereof.

BASE RATE COMPONENTS: RATE SCHEDULE FTS-3
 STATEMENT OF RATES PER DTH FOR SERVICES RENDERED

Description	Reservation Rate				
	Deliverability Rate	Capacity Rate	Commodity Rate	Minimum Rate	Overrun Rate
Base Rate 1/					
Mainline - Access	\$1.37506218	\$0.04520533	\$0.00600000	\$0.00600000	2/
Mainline - SW - Southern	\$0.75002.8619	\$0.02470941	\$0.00150142	\$0.00150142	2/
Mainline - SW - Central	\$0.75002.8673	\$0.02470943	\$0.00200153	\$0.00200153	2/
Mainline - SE - Southern	\$1.00003.7141	\$0.03291221	\$0.00250238	\$0.00250238	2/
Mainline - SE - Central	\$0.87501.4763	\$0.02880485	\$0.00200113	\$0.00200113	2/
Mainline - Northern	\$0.75002.3953	\$0.02470787	\$0.00150101	\$0.00150101	2/
Southeast Area	\$0.87504126	\$0.02880136	\$0.00200028	\$0.00200028	2/
Southwest Area	\$1.00005264	\$0.03290502	\$0.00500068	\$0.00500068	2/
Enhancement Services Option 3/	\$0.97202.3433	\$0.03200770	\$0.00240101	\$0.00240101	
2 Hour Notice Service 3/	\$2.15301.2653	\$0.07080416	\$0.01260210	\$0.01260210	
Balancing Service 3/	\$0.17251005	\$0.00570033	\$0.00020020	\$0.00020020	

1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, under Sections 6.24 and 6.26 of the General Terms and Conditions of this Tariff. Section 4.16 reflects the applicable charges and surcharges under these Sections.

2/ Overrun Rate. The 100% Load Factor rate, which is the sum of: (a) the product of (1) the sum of the applicable Deliverability Reservation Rates, (2) the applicable Maximum Hourly Flow Rate, (3) twenty-four, and (4) twelve, divided by (5) 365; and (b) the sum of the Capacity Reservation Rates; and (c) the sum of the Commodity Rates.

3/ Shippers opting for one or both service enhancements must also pay the Enhancement Services Rate.

STATEMENT OF BASE TARIFF TRANSMISSION RATES
 FOR TRANSPORTATION OF NATURAL GAS
 EXCLUSIVE OF ADDITIONAL CHARGES OR SURCHARGES

RATE SCHEDULE AND TYPE OF SERVICE ----- (Col. 1)	MAXIMUM RATE PER DTH ----- (Col. 2)	MINIMUM RATE PER DTH ----- (Col. 3)
RATE SCHEDULE ITS AND PTS-3 -----		
1. Commodity Rate		
a. Mainline - Access	\$0. 0964 <u>1066</u>	\$0. 0060 <u>0000</u>
b. Mainline - Southwest Southern Segment	0. 0466 <u>2024</u>	0. 0015 <u>0142</u>
c. Mainline - Southwest Central Segment	0. 0555 <u>2038</u>	0. 0020 <u>0153</u>
d. Mainline - Southeast Southern Segment	0. 0805 <u>2680</u>	0. 0025 <u>0238</u>
e. Mainline - Southeast Central Segment	0. 0473 <u>1084</u>	0. 0020 <u>0113</u>
f. Mainline - Northern Segment	0. 0508 <u>1676</u>	0. 0015 <u>0101</u>
g. Southwest Area (1)	0. 0708 <u>1072</u>	0. 0050 <u>0068</u>
h. Southeast Area (1)	0. 0595 <u>0299</u>	0. 0020 <u>0028</u>

(1) Rates applicable for service under Rate Schedule PTS-3.

STATEMENT OF SURCHARGES

General Terms and Conditions Section	Particulars	Maximum Rate Per Dth	Minimum Rate Per Dth
6.15	Cashout Price Surcharge applicable to Rate Schedules ETS, STS, FTS-1, FTS-2, FTS-3, FTS-4, FTS-4L, ITS, ITS-3, PTS-1, PTS-2 and PTS-3	\$0.0000	\$0.0000
	Cashout Price Negative Surcharge applicable to Rate Schedules ETS, STS, FTS-1, FTS-2, FTS-3, FTS-4, FTS-4L, ITS, ITS-3, PTS-1, PTS-2 and PTS-3	\$0.0000	\$0.0000
6.24	Annual Charge Adjustment applicable to Rate Schedules ETS, STS, FTS-1, ITS FTS-2, FTS-3, FTS-4, FTS-4L, and ITS-3 1/	2/	2/
6.26	Deferred Transportation Cost Rate Adjustment as described in Section 6.26 of the General Terms and Conditions of this Tariff	See Section 4.17	

- 1/ Refer to listed Section of General Terms and Conditions for applicability to Rate Schedules FSS, DDS and MBS.
- 2/ The currently effective ACA unit charge as published on the Commission’s website (www.ferc.gov) is incorporated herein by reference.

4.17 ~~DEFERRED TRANSPORTATION COST ADJUSTMENT~~ RESERVED FOR FUTURE
USE

~~RESERVED FOR FUTURE USE STATEMENT OF DEFERRED TRANSPORTATION COST
 ADJUSTMENT (1)~~

~~APPLICABLE TO SUPPORTING/NON-CONTESTING PARTIES PURSUANT TO THE
 APRIL 20, 2015 SETTLEMENT AGREEMENT IN DOCKET NOS. RP13-743-000, et al. (2)~~

RATE SCHEDULE	RATE ADJUSTMENTS PER DTH (3)
MAINLINE ACCESS RATE ADJUSTMENTS FOR ETS, FTS 1, FTS 2, FTS 4, FTS 4L AND ITS SERVICES	
FTS 1, FTS 4, FTS 4L & ETS	Reservation \$0.150 Commodity \$0.0002
FTS 2	Reservation \$0.099 Commodity \$0.0019
ITS	Commodity \$0.0051
RATE ADJUSTMENTS FOR FTS 3 AND ITS 3 SERVICES	
FTS 3	Deliverability \$0.0750 Capacity \$0.0025 Commodity \$0.0002
FTS 3 (Enhancement Service Option)	Deliverability \$0.0440 Capacity \$0.0014 Commodity \$0.0001
FTS 3 (2-Hour Notice Service Option)	Deliverability \$0.0425 Capacity \$0.0014 Commodity \$0.0004
ITS 3	Commodity \$0.0272
RATE ADJUSTMENTS FOR MBS AND NNS SERVICES	
MBS	Daily Delivery (All Segments) \$0.0046 Capacity \$0.0008 Commodity (All Segments) \$0.0005 Overrun \$0.0090
NNS	Reservation \$0.173 Commodity \$0.0005 Overrun \$0.0090

RATE ADJUSTMENTS FOR IPLS AND IWS SERVICES

IPLS	Commodity	\$0.0051
IWS	Commodity	\$0.0051

RATE ADJUSTMENTS FOR STS,
STS (ETS) & STS (FTS) SERVICES

STS (All Segments)	\$0.0194
STS (ETS) (All Segments)	\$0.0151
STS (FTS) (All Segments)	\$0.0151

RATE ADJUSTMENTS FOR FSS AND DDS SERVICES

~~FSS Without Ratchets~~

Deliverability	\$0.063
Capacity	\$0.0095
Commodity	\$0.0004

~~FSS With Ratchets~~

Deliverability	\$0.050
Capacity	\$0.0095
Commodity	\$0.0004

~~DDS~~

Commodity	\$0.0021
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- ~~(1) Deferred Transportation Cost Adjustment pursuant to Section 6.26 of General Terms and Conditions of this Tariff.~~
- ~~(2) The Settlement Rates, pursuant to Articles II and VI of the April 20, 2015, Stipulation and Agreement at Docket Nos. RP13-743-000, et al., remain in effect until such rates are superseded by new rates placed into effect consistent with the provisions of the Stipulation and Agreement.~~
- ~~(3) Minimum rates per Dth continue to apply following application of rate adjustments.~~

STATEMENT OF DEFERRED TRANSPORTATION COST ADJUSTMENT (1) RESERVED
 FOR FUTURE USE

APPLICABLE TO CONTESTING PARTY PURSUANT TO THE APRIL 20, 2015
 SETTLEMENT AGREEMENT IN DOCKET NOS. RP13-743-000, et al. (2)

<u>RATE SCHEDULE</u>	<u>RATE ADJUSTMENTS PER DTH (3)</u>
<u>MAINLINE ACCESS RATE ADJUSTMENTS FOR ETS, FTS 1, FTS 2, FTS 4, FTS 4L AND ITS SERVICES</u>	
FTS 1, FTS 4, FTS 4L & ETS	Reservation (\$0.090) Commodity (\$0.0001)
FTS 2	Reservation (\$0.059) Commodity (\$0.0011)
ITS	Commodity (\$0.0031)
<u>RATE ADJUSTMENTS FOR FTS 3 AND ITS 3 SERVICES</u>	
FTS 3	Deliverability (\$0.0450) Capacity (\$0.0015) Commodity (\$0.0001)
FTS 3 (Enhancement Service Option)	Deliverability (\$0.0265) Capacity (\$0.0009) Commodity (\$0.0001)
FTS 3 (2 Hour Notice Service Option)	Deliverability (\$0.0250) Capacity (\$0.0008) Commodity (\$0.0002)
ITS 3	Commodity (\$0.0163)
<u>RATE ADJUSTMENTS FOR MBS AND NNS SERVICES</u>	
MBS	Daily Delivery (All Segments) (\$0.0027) Capacity (\$0.0005) Commodity (All Segments) (\$0.0003) Overrun (\$0.0053)
NNS	Reservation (\$0.103) Commodity (\$0.0003) Overrun (\$0.0053)

~~RATE ADJUSTMENTS FOR IPLS AND IWS SERVICES~~

IPLS	Commodity	(\$0.0031)
IWS	Commodity	(\$0.0031)

~~RATE ADJUSTMENTS FOR STS,
STS (ETS) & STS (FTS) SERVICES~~

STS (All Segments)	(\$0.0116)
STS (ETS) (All Segments)	(\$0.0091)
STS (FTS) (All Segments)	(\$0.0091)

~~RATE ADJUSTMENTS FOR FSS AND DDS SERVICES~~

~~FSS Without Ratchets~~

Deliverability	(\$0.037)
Capacity	(\$0.0056)
Commodity	(\$0.0002)

~~FSS With Ratchets~~

Deliverability	(\$0.030)
Capacity	(\$0.0056)
Commodity	(\$0.0002)

~~DDS~~

Commodity	(\$0.0012)
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- ~~(1) Deferred Transportation Cost Adjustment pursuant to Section 6.26 of General Terms and Conditions of this Tariff.~~
- ~~(2) The Deferred Transportation Cost Adjustments shown above are subject to increase as of the effective date shown below, pending the outcome of the hearing in Docket Nos. RP13-743-000, et al.~~
- ~~(3) Minimum rates per Dth continue to apply following application of rate adjustments.~~

5.1.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Reservation Charges.

- (a) For each Dekatherm of MDQ, the sum of the applicable Reservation Rate(s), as stated in Section 4.1 or 4.4, for each Pooling Area or Mainline Segment (together, "Rate Segment(s)") traversed by the Primary Route designated for such MDQ.
- (b) If, in any Month, Shipper nominates quantities at Secondary Receipt Points or Secondary Delivery Points, and all of such Secondary Points are within Rate Segment(s) for which capacity is reserved pursuant to Section 5.1.3 paragraph 1(a), above, no Reservation Charges associated with the use of additional Rate Segment(s) shall be applicable.
- (c) If, in any Month, Shipper nominates quantities at Secondary Receipt Point(s) or Secondary Delivery Point(s) outside of Rate Segment(s) or portion(s) thereof, for which capacity is reserved pursuant to Section 5.1.3 paragraph 1(a), above, Shipper shall pay on a pro rata basis for each Day of such nomination the applicable Reservation Rate(s), as stated in Sections 4.1, 4.4 and/or 5.19, that Transporter otherwise would charge for Transportation to or from those additional Rate Segment(s) or portion(s) thereof.
- (d) If, at the commencement or termination of the Agreement, service is provided for only a portion of a Service Month, any applicable Reservation Charges shall be prorated for the number of Days that service is provided.

2. Commodity Charges.

- (a) The applicable Commodity Rate, as stated in Section 4.1 or 4.4 and, if applicable, Section 5.19, shall be paid for each Dekatherm of Gas Delivered Hereunder to or on behalf of Shipper for each Nomination Route utilized during the Service Month.
- (b) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections ~~6.24 and 6.26~~ of the General Terms and Conditions of this Tariff, for each Dekatherm of MDQ, or Gas Delivered Hereunder, as applicable. Such charges or surcharges are stated in Sections 4.16 and 4.20.

3. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) of the General Terms and Conditions of this Tariff, may be subject to daily scheduling

penalties, and only on each Dekatherm of the quantities of variance set forth therein that exceeds the Swing Percentage. The rate for any such daily scheduling penalty per Dekatherm shall be the highest applicable Rate Schedule ITS Maximum Rate to that Delivery Point.

4. Authorized Overrun Service. Transporter may authorize Shipper to take hereunder daily overrun quantities of Gas to the extent that, in the sole judgment of Transporter, the delivery capacity of Transporter's Pipeline System will permit such delivery without jeopardizing the ability of Transporter to meet all of its other firm service delivery obligations. The term "Authorized Daily Overrun Quantity" shall mean the quantity of Gas which is authorized and delivered by Transporter during any one Day in excess of any of Shipper's Delivery Point MDQs. Any request for service under this Section 5.1.3 paragraph 4 must be made by Shipper pursuant to a separate nomination for Authorized Daily Overrun Quantity Gas in accordance with Section 6.6.1(a) or 6.6.2(a) of the General Terms and Conditions of this Tariff, provided, however, a separate nomination is not required if the overrun is being delivered under any service associated with the operation of Transporter's Rate Schedule NNS or MBS and has been authorized and allocated to Shipper pursuant to Section 6.14.1(a)(1), 6.14.1(a)(3) or 6.14.1(c) of the General Terms and Conditions of this Tariff. In addition to other applicable charges, Shipper shall pay a commodity charge for each Dekatherm of Authorized Daily Overrun Quantity equal to (a) the applicable maximum Reservation Charges times 12 then dividing the result by 365, plus (b) in the case of utilization of any Secondary Receipt or Delivery Points, the applicable incremental maximum Reservation Rate(s) set forth in Section 5.1.3 paragraph 1(c), above, times 12 then dividing the result by 365.
5. Unauthorized Overrun Service.
 - (a) Each Dekatherm of Gas Delivered Hereunder to Shipper pursuant to Section 6.14 of the General Terms and Conditions of this Tariff on any Day, which is in excess of any of Shipper's Delivery Point MDQs, which has not been authorized under Section 5.1.3 paragraph 4 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to the greater of ten dollars (\$10.00) or two times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff, in addition to all the charges set forth in Section 5.1.3 paragraph 4 above.
 - (b) Each Dekatherm of Gas Delivered Hereunder to Shipper as an Unauthorized Daily Overrun Quantity at any time after Transporter has issued an express order to Shipper to cease and desist shall be subject to a penalty rate equal to twelve (12) times the sum of the applicable maximum Reservation Rates under this Rate Schedule, in addition to all of the charges set forth in Section 5.1.3 paragraphs 4 and 5(a), above.

6. Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use utilizing the applicable Transporter's Use (%) set forth in Section 4.18 and, if applicable, Section 5.19. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.
7. Third Party Charges. Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
8. Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the transportation routes for which a Maximum Rate and Minimum Rate are stated in Section 4.1 or 4.4 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such sections. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement, or pursuant to Section 6.4 paragraphs 1(b) and 2(b) of the General Terms and Conditions of this Tariff. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.
9. Cashout of Monthly Imbalances. Transporter or Shipper, as the case may be, shall be responsible for payment of the Cashout amount(s) provided for in Section 6.15 of the General Terms and Conditions of this Tariff.

5.2.3 CHARGES

1. Each Month Shipper shall pay to Transporter the applicable Commodity Rate(s) set forth in Section 4.2 and, if applicable, Section 5.19, for each Dekatherm of Gas Delivered Hereunder.
2. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges or surcharges under Sections 6.24 ~~and 6.26~~ of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas Delivered Hereunder. Such charges or surcharges are shown in Sections 4.16 and 4.20.
3. Authorized Overrun Service. Transporter may authorize Shipper to take hereunder daily overrun quantities of Gas to the extent that, in the judgment of Transporter, the delivery capacity of Transporter's Pipeline System will permit such delivery without jeopardizing the ability of Transporter to meet all of its other firm service obligations. The term "Authorized Daily Overrun Quantity" shall mean the quantity of Gas which is authorized and delivered by Transporter during any one Day in excess of any of Shipper's Rate Schedule STS MDQs. Any request for service under this Section 5.2.3 paragraph 3 must be made by Shipper pursuant to a separate nomination for Authorized Daily Overrun Quantity Gas in accordance with Section 6.6.1(a) or 6.6.2(a) of the General Terms and Conditions of this Tariff, provided, however, a separate nomination is not required if the overrun is being delivered under any service associated with the operation of Transporter's Rate Schedule NNS or MBS and has been authorized and allocated to Shipper pursuant to Section 6.14.1(a)(1), 6.14.1(a)(3) or 6.14.1(c) of the General Terms and Conditions of this Tariff. The charges for each Dekatherm of Authorized Daily Overrun Quantity Gas that exceeds the Swing Percentage shall be equal to the Charges set forth in Section 5.2.3 paragraphs 1 and 2, above.
4. Unauthorized Overrun Service.
 - (a) Each Dekatherm of Gas Delivered Hereunder to Shipper pursuant to Section 6.14 of the General Terms and Conditions of this Tariff on any Day, which is in excess of any of Shipper's Rate Schedule STS MDQs, and which has not been authorized under Section 5.2.3 paragraph 3 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to the greater of ten dollars (\$10.00) or two times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff, in addition to all the charges set forth in Section 5.2.3 paragraph 3 above.
 - (b) Each Dekatherm of Gas Delivered Hereunder to Shipper as an Unauthorized Daily Overrun Quantity at any time after Transporter has issued an express

order to Shipper to cease and desist shall be subject to a penalty rate equal to twelve (12) times the applicable maximum reservation rates under Rate Schedule ETS, in addition to all of the charges set forth in Section 5.2.3 paragraphs 3 and 4(a), above.

5. Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use, utilizing the applicable Transporter's Use (%) set forth in Section 4.18 and, if applicable Section 5.19. Shipper shall also furnish at the Point of Injection/Withdrawal, for each Dekatherm injected, the applicable storage-related Transporter's Use (%) set forth in Section 4.18. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.
6. Cycling Fuel Charge. If a Shipper has renewed its Agreement for the next Storage Contract Year under this Rate Schedule, or any successor Rate Schedule, and fails to reduce its Working Storage Gas to twenty percent (20%) or less of its Maximum Storage Quantity by the end of the Winter Period, then Transporter shall reduce Working Storage Gas for Cycling Fuel.
7. If a Shipper has not renewed its Agreement for the next Storage Contract Year, and fails to withdraw all of its Working Storage Gas by the end of the Winter Period, then such Shipper shall be deemed to have executed the necessary Agreements under Rate Schedules DDS and ITS for the further disposition of such remaining Working Storage Gas.
8. Third Party Charges. Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
9. Cashout of Monthly Imbalances. Transporter or Shipper, as the case may be, shall be responsible for payment of the Cashout amount(s) provided for in Section 6.15 of the General Terms and Conditions of this Tariff. Notwithstanding the definitions set forth in such Section 6.15, the calculations of Excess Quantities and Deficient Quantities shall be reduced by the storage injections and withdrawals determined pursuant to Section 6.14.1(a)(3)(ii) of the General Terms and Conditions of this

Tariff, to the extent that Working Storage Gas is greater than zero and less than the Maximum Storage Quantity.

10. Storage Account Implementation. Upon the effective date of this Tariff, Shipper electing service under this Rate Schedule shall have purchased storage inventory in place equal to its Maximum Storage Quantity.

5.3.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Reservation Charges.

- (a) For each Dekatherm of MDQ, the applicable Reservation Rate(s), as stated in Section 4.3 or 4.4, for each Pooling Area or Mainline Segment (together, "Rate Segment(s)") traversed by the Primary Route designated for such MDQ.
- (b) If, in any Month, Shipper nominates quantities at Secondary Receipt Points or Secondary Delivery Points, and all of such Secondary Points are within Rate Segment(s) for which capacity is reserved pursuant to Section 5.3.3 paragraph 1(a), above, no Reservation Charges associated with the use of additional Rate Segment(s) shall be applicable.
- (c) If, in any Month, Shipper nominates quantities at Secondary Receipt Point(s) or Secondary Delivery Point(s) that are outside of Rate Segment(s) or portion(s) thereof, for which capacity is reserved pursuant to Section 5.3.3 paragraph 1(a), above, Shipper shall pay on a pro rata basis for each Day of such nomination the applicable Reservation Rate(s), as stated in Sections 4.3, 4.4, and/or 5.19, that Transporter otherwise would charge for Transportation to or from those additional Rate Segment(s) or portion(s) thereof.
- (d) If, at the commencement or termination of the Agreement, service is provided for only a portion of a Service Month, any applicable Reservation Charges shall be prorated for the number of Days that service is provided.

2. Commodity Charges.

- (a) The applicable Commodity Rate, as stated in Section 4.3 or 4.4 and, if applicable, Section 5.19, shall be paid for each Dekatherm of Gas Delivered Hereunder to or on behalf of Shipper for each Nomination Route during the Month.
- (b) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and 6.26 of the General Terms and Conditions of this Tariff, for each Dekatherm of MDQ, or Gas Delivered Hereunder, as applicable. Such charges or surcharges are shown in Sections 4.16 and 4.20.

3. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) of the General Terms and Conditions of this Tariff, may be subject to daily scheduling penalties, and only on each Dekatherm of the quantities of variance set forth therein

that exceeds the Swing Percentage. The rate for any such daily scheduling penalty per Dekatherm shall be the highest applicable Rate Schedule ITS Maximum Rate to that Delivery Point.

4. Authorized Overrun Service. Transporter may authorize Shipper to take hereunder daily overrun quantities of Gas to the extent that, in the sole judgment of Transporter, the delivery capacity of Transporter's Pipeline System will permit such delivery without jeopardizing the ability of Transporter to meet all of its other firm service delivery obligations. The term "Authorized Daily Overrun Quantity" shall mean the quantity of Gas which is authorized and delivered by Transporter during any one Day in excess of any of Shipper's Primary Route MDQs. Any request for service under this Section 5.3.3 paragraph 4 must be made by Shipper pursuant to a separate nomination for Authorized Daily Overrun Quantity Gas in accordance with Section 6.6.1(a) or 6.6.2(a) of the General Terms and Conditions of this Tariff, provided, however, a separate nomination is not required if the overrun is being delivered under any service associated with the operation of Transporter's Rate Schedule NNS or MBS and has been authorized and allocated to Shipper pursuant to Section 6.14.1(a)(1), 6.14.1(a)(3) or 6.14.1(c) of the General Terms and Conditions of this Tariff.

In addition to other applicable charges, Shipper shall pay a commodity charge for each Dekatherm of Authorized Daily Overrun Quantity equal to (a) the applicable maximum Reservation Rates times 12 then dividing the result by 365, plus (b) in the case of utilization of any Secondary Receipt or Delivery Points, the applicable incremental maximum Reservation Rate(s) set forth in Section 5.3.3 paragraph 1(c), above, times 12 then dividing the result by 365.

5. Unauthorized Overrun Service.
 - (a) Each Dekatherm of Gas Delivered Hereunder to Shipper pursuant to Section 6.14 of the General Terms and Conditions of this Tariff on any Day, which is in excess of any of Shipper's Primary Route MDQs, which has not been authorized under Section 5.3.3 paragraph 4 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to the greater of ten dollars (\$10.00) or two times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff, in addition to all the charges set forth in Section 5.3.3 paragraph 4 above.
 - (b) Each Dekatherm of Gas Delivered Hereunder to Shipper as an Unauthorized Daily Overrun Quantity at any time after Transporter has issued an express order to Shipper to cease and desist shall be subject to a penalty rate equal to twelve (12) times the sum of the applicable maximum Reservation Rates under

this Rate Schedule, in addition to all of the charges set forth in Section 5.3.3 paragraphs 4 and 5(a), above.

6. Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use utilizing the applicable Transporter's Use (%) set forth in Section 4.18 and, if applicable, Section 5.19. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.
7. Third Party Charges. Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
8. Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the transportation routes for which a Maximum Rate and Minimum Rate are stated in Section 4.3 or 4.4 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such sections. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement, or pursuant to Section 6.4 paragraphs 1(b) and 2(b) of the General Terms and Conditions of this Tariff. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.
9. Cashout of Monthly Imbalances. Transporter or Shipper, as the case may be, shall be responsible for payment of the Cashout amount(s) provided for in Section 6.15 of the General Terms and Conditions of this Tariff.

5.4.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Reservation Charges.

- (a) For each Dekatherm of MDQ, the sum of the applicable Reservation Rate(s), as stated in Section 4.5, for each Pooling Area or Mainline Segment (together, "Rate Segment(s)") traversed by the Primary Route designated for such MDQ.
- (b) If, in any Month, Shipper nominates quantities at Secondary Receipt Points or Secondary Delivery Points, and all of such Secondary Points are within Rate Segment(s) for which capacity is reserved pursuant to Section 5.4.3 paragraph 1(a), above, no Reservation Charges associated with the use of additional Rate Segment(s) shall be applicable.
- (c) If, in any Month, Shipper nominates quantities at Secondary Receipt Point(s) or Secondary Delivery Point(s) that are outside of Rate Segment(s) or portion(s) thereof, for which capacity is reserved pursuant to Section 5.4.3 paragraph 1(a), above, Shipper shall pay on a pro rata basis for each Day of such nomination the applicable Reservation Rate(s), as stated in Section 4.5 and/or 5.19, that Transporter otherwise would charge for Transportation to or from those additional Rate Segment(s) or portion(s) thereof.
- (d) If at the commencement or termination of the Agreement, service is provided for only a portion of a Service Month, any applicable Reservation Charges shall be prorated for the number of Days that service is provided.

2. Commodity Charges.

- (a) A Commodity Rate, as stated in Section 4.5 and, if applicable, Section 5.19, shall be paid for each Dekatherm of Gas Delivered Hereunder to or on behalf of Shipper for each Nomination Route utilized during the Month.
- (b) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff, for each Dekatherm of MDQ, or Gas Delivered Hereunder, as applicable. Such charges or surcharges are shown in Sections 4.16 and 4.20.

3. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) of the General Terms and Conditions of this Tariff, may be subject to daily scheduling penalties, and only on each Dekatherm of the quantities of variance set forth therein that exceeds the Swing Percentage. The rate for any such daily scheduling penalty

per Dekatherm shall be the highest applicable Rate Schedule ITS Maximum Rate to that Delivery Point.

4. **Authorized Overrun Service.** Transporter may authorize Shipper to take hereunder daily overrun quantities of Gas to the extent that, in the sole judgment of Transporter, the delivery capacity of Transporter's Pipeline System will permit such delivery without jeopardizing the ability of Transporter to meet all of its other firm service delivery obligations. The term "Authorized Daily Overrun Quantity" shall mean the quantity of Gas which is authorized and delivered by Transporter during any one Day in excess of Shipper's Primary Route MDQ. Any request for service under this Section 5.4.3 paragraph 4 must be made by Shipper pursuant to a separate nomination for Authorized Daily Overrun Quantity Gas in accordance with Section 6.6.1(a) or 6.6.2(a) of the General Terms and Conditions of this Tariff, provided, however, a separate nomination is not required if the overrun is being delivered under any service associated with the operation of Transporter's Rate Schedule NNS or MBS and has been authorized and allocated to Shipper pursuant to Section 6.14.1(a)(1), 6.14.1(a)(3) or 6.14.1(c) of the General Terms and Conditions of this Tariff. Shipper shall pay a commodity charge for each Dekatherm of Authorized Daily Overrun Quantity equal to the applicable incremental maximum Reservation Rates times 12 then dividing the result by 365.
5. **Unauthorized Overrun Service.**
 - (a) Each Dekatherm of Gas Delivered Hereunder to Shipper pursuant to Section 6.14 of the General Terms and Conditions of this Tariff on any Day, which is in excess of Shipper's MDQ, which has not been authorized under Section 5.4.3 paragraph 4 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to the greater of ten dollars (\$10.00) or two times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff, in addition to all the charges set forth in Section 5.4.3 paragraph 4 above.
 - (b) Each Dekatherm of Gas Delivered Hereunder to Shipper as an Unauthorized Daily Overrun Quantity at any time after Transporter has issued an express order to Shipper to cease and desist shall be subject to a penalty rate equal to twelve (12) times the sum of the applicable maximum Reservation Rates under this Rate Schedule, in addition to all of the charges set forth in Section 5.4.3 paragraphs 4 and 5(a), above.
6. **Fuel and Electric Power Cost Reimbursement.** Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use utilizing the applicable Transporter's Use (%) set forth in Section 4.18 and, if applicable, Section 5.19. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.

7. **Third Party Charges.** Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
8. **Rate Changes.** Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the transportation routes for which a Maximum Rate and Minimum Rate are stated in Section 4.5 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such sections. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement, or pursuant to Section 6.4 paragraphs 1(b) and 2(b) of the General Terms and Conditions of this Tariff. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.
9. **Cashout of Monthly Imbalances.** Transporter or Shipper, as the case may be, shall be responsible for payment of the Cashout amount(s) provided for in Section 6.15 of the General Terms and Conditions of this Tariff.

5.5.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Reservation Charges.

- (a) For each Pooling Area or Mainline Segment (together, "Rate Segment(s)") traversed by the Primary Route, an FTS-3 Deliverability Reservation Rate, as stated in Section 4.6, shall be paid each Month for each Dekatherm of Shipper's Billing MHQ; plus
- (b) For each Pooling Area or Mainline Segment (together, "Rate Segment(s)") traversed by the Primary Route, an FTS-3 Capacity Reservation Rate, as stated in Section 4.6, shall be paid each Month for each Dekatherm of Shipper's Primary Route Billing MDQ.
- (c) If, in any Month, Shipper nominates quantities at Secondary Receipt Points or Secondary Delivery Points, and all of such Secondary Points are within Rate Segment(s) for which capacity is reserved pursuant to Section 5.5.3 paragraphs 1(a) and (b), above, no Reservation Charges associated with the use of additional Rate Segment(s) shall be applicable.
- (d) If, in any Month, Shipper nominates quantities at Secondary Receipt Point(s) or Secondary Delivery Point(s) outside of Rate Segment(s) or portion(s) thereof, for which capacity is reserved pursuant to Section 5.5.3 paragraphs 1(a) and (b), above, Shipper shall pay on a pro rata basis for each Day of such nomination the applicable Reservation Rates, as stated in Section 4.6 and/or 5.19, that Transporter otherwise would charge for Transportation to or from those additional Rate Segment(s) or portion(s) thereof.
- (e) If, at the commencement or termination of the Agreement, service is provided for only a portion of a Service Month, any applicable Reservation Charges shall be prorated for the number of Days that service is provided.

2. Commodity Charges.

A Commodity Rate, as stated in Section 4.6 and, if applicable, Section 5.19, shall be paid for each Dekatherm of Gas Delivered Hereunder to or on behalf of Shipper for each Nomination Route during the Month.

3. Other Applicable Charges or Surcharges.

All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and ~~6.26~~ of the General Terms and

Conditions of this Tariff, for each Dekatherm of MDQ or of Gas Delivered Hereunder, as applicable. Such charges or surcharges are shown in Section 4.16.

4. Authorized Overrun Service.
 - (a) Transporter may authorize Shipper to take hereunder overrun quantities of Gas to the extent that, in the sole judgment of Transporter, the delivery capacity of Transporter's Pipeline System will permit such delivery without jeopardizing the ability of Transporter to meet all of its other firm service delivery obligations. The term "Authorized Overrun Quantity" shall mean the quantity of Gas which is authorized and delivered by Transporter during any one Day in excess of Shipper's Primary Route MDQs or Primary Delivery Point MHQs, whichever is greater. Any request for service under this Section 5.5.3 paragraph 4 must be made by Shipper pursuant to a separate nomination for Authorized Overrun Quantity Gas in accordance with Section 6.6.1(a) or 6.6.2(a) of the General Terms and Conditions of this Tariff.
 - (b) In addition to other applicable charges, Shipper shall pay a commodity charge for each Dekatherm of Authorized Overrun Quantity. The formula for calculating this Rate Schedule FTS-3 Overrun Service Rate is stated in Section 4.6.
5. Unauthorized Overrun Service.
 - (a) Each Dekatherm of Gas Delivered Hereunder to Shipper pursuant to Section 6.14 of the General Terms and Conditions of this Tariff on any Day, which is in excess of Shipper's Primary Route MDQs or Primary Delivery Point MHQ, whichever is greater, and which has not been authorized under Section 5.5.3 paragraph 4 of this Rate Schedule, shall be considered as "Unauthorized Overrun Quantity" and shall be subject to a penalty rate equal to the greater of ten dollars (\$10.00) or two times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff, in addition to all the charges set forth in Section 5.5.3 paragraph 4 above.
 - (b) Each Dekatherm of Gas Delivered Hereunder to Shipper as an Unauthorized Overrun Quantity at any time after Transporter has issued an express order to Shipper to cease and desist shall be subject to a penalty rate equal to twelve (12) times the sum of the applicable maximum Deliverability rate, plus the Capacity Reservation Rate multiplied by 365 and divided by 12, in addition to all of the charges set forth in Section 5.5.3 paragraphs 4(b) and 5(a), above.
6. Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use utilizing the applicable Transporter's Use (%) set forth in Section 4.18 and, if applicable, Section 5.19. Shippers electing the

optional variation of delivery feature provided under Section 5.5.5, below, shall also furnish Gas for Transporter's Use for storage injections. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.

7. **Third Party Charges.** Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
8. **Rate Changes.** Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the transportation routes for which a Maximum Rate and Minimum Rate are stated in Section 4.6 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such sections. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement, or pursuant to Section 6.4 paragraphs 1(b) and 2(b) of the General Terms and Conditions of this Tariff. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.

RATE SCHEDULE ITS
Interruptible Transportation Service

1. AVAILABILITY

This Rate Schedule is available to any person, corporation, partnership or any other party (hereinafter referred to as "Shipper") for the Transportation of Gas by Transporter when Shipper and Transporter have executed an Agreement under this Rate Schedule, or conformed an existing Agreement to be consistent with this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- (a) This Rate Schedule shall apply to all Transportation Service rendered by Transporter for Shipper pursuant to the executed Agreement under this Rate Schedule.
- (b) Transportation Service under this Rate Schedule shall consist of: (a) the receipt of Gas on behalf of Shipper, (b) the Transportation of Gas and (c) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- (c) Transportation Service rendered under this Rate Schedule shall be interruptible. Interruptible service shall be available only to the extent of actual available capacity as it may be from time to time, under current conditions and shall be offered in accordance with the priorities established in the General Terms and Conditions of this Tariff.

3. CHARGES

Each Month Shipper shall pay to Transporter the following charges:

(1) Commodity Charges.

- (a) A Commodity Rate, as stated in Section 4.7 and, if applicable, Section 5.19, shall be paid for each Dekatherm of Gas Delivered Hereunder to or on behalf of Shipper for each Nomination Route utilized during the Service Month.
- (b) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and 6.26 of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas Delivered Hereunder. Such charges or surcharges are shown in Sections 4.16 and 4.20.

- (2) Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) of the General Terms and Conditions of this Tariff, may be subject to daily scheduling penalties, and only on each Dekatherm of the quantities of variance set forth therein

that exceeds the Swing Percentage. The rate for any such daily scheduling penalty per Dekatherm shall be the highest applicable Rate Schedule ITS Maximum Rate to that Delivery Point.

- (3) Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use utilizing the applicable Transporter's Use (%) set forth in Section 4.18 and, if applicable, Section 5.19. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.
- (4) Third Party Charges. Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
- (5) Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the transportation routes for which a Maximum Rate and Minimum Rate are stated in Section 4.7 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such sections. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.
- (6) Cashout of Monthly Imbalances. Transporter or Shipper, as the case may be, shall be responsible for payment of the Cashout amount(s) provided for in Section 6.15 of the General Terms and Conditions of this Tariff.
- (7) Each Dekatherm of Gas Delivered Hereunder to Shipper in excess of that Day's confirmed nomination, after Transporter has issued an express order to Shipper to cease and desist, shall be subject to a penalty rate equal to the penalty rate set forth in Section 5.1.3 paragraph 5(b) of Rate Schedule ETS.

4. COMMISSION AND OTHER REGULATORY FEES

Shipper shall reimburse Transporter directly for any separately stated fees required by the Commission or any other federal or any state regulatory body which are related to service provided under this Rate Schedule.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are hereby specifically incorporated herein and made a part of this Rate Schedule.

5.9.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Commodity Charges.
 - (a) An Account Balance Charge, as stated in Section 4.8, which shall be paid for each Dekatherm of Gas parked or loaned at each point of service by Transporter for or on behalf of the account of Shipper at the end of any Day during the Month;
 - (b) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and 6.26 of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas parked or loaned under this Rate Schedule. Such charges or surcharges are shown in Section 4.16, but shall not be applicable if paid on related Transportation Service.
2. Third Party Charges. Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
3. Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for which a Maximum Rate and Minimum Rate is stated in Section 4.8 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such section. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.

RATE SCHEDULE IWS
Interruptible Wheeling Service

1. AVAILABILITY

This Rate Schedule is available to any person, corporation, partnership or any other party (hereinafter referred to as "Shipper") for the Transportation of Gas between a Point of Receipt and a Point of Delivery within a geographic region(s) encompassing Transporter's facilities as identified in Section 6.1 paragraph 38 of the General Terms and Conditions of this Tariff (hereinafter referred to as a "Hub"). Transactions, hereunder, within the Hub will net to zero each day.

2. APPLICABILITY AND CHARACTER OF SERVICE

- (1) This Rate Schedule shall apply to all service which is rendered by Transporter for Shipper pursuant to the executed Agreement under this Rate Schedule.
- (2) Wheeling service under this Rate Schedule shall consist of: (a) the receipt of Gas on behalf of Shipper, (b) the Transportation of Gas on behalf of Shipper and (c) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- (3) Service rendered under this Rate Schedule shall be interruptible. Interruptible service shall be available only to the extent of actual capacity as it may be available from time to time, under current conditions and shall be offered in accordance with the priorities established in the General Terms and Conditions of this Tariff.

3. CHARGES

Each Month Shipper shall pay to Transporter the following charges:

- (1) Commodity Charges.
 - (a) A Commodity Rate, as stated in Section 4.8, shall be paid for each Dekatherm of Gas Delivered Hereunder to or on behalf of Shipper during the Service Month;
 - (b) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section ~~6.24 and 6.26~~ of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas allocated under this Rate Schedule. Such charges or surcharges are shown in Section 4.16, but shall not be applicable if paid on related Transportation Service.
- (2) Third Party Charges. Shipper shall be responsible for delivering all Gas to Transporter's System, and shall be free to contract with third party(ies) to achieve such

result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.

- (3) Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper which a Maximum Rate and Minimum Rate are stated in Section 4.8 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such sections. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.
- (4) Cashout of Monthly Imbalances. Transporter or Shipper, as the case may be, shall be responsible for payment of the Cashout amount(s) provided for in Section 6.15 of the General Terms and Conditions of this Tariff, if applicable.
- (5) Each Dekatherm of Gas Delivered Hereunder to Shipper in excess of that Day's confirmed nomination, after Transporter has issued an express order to Shipper to cease and desist, shall be subject to a penalty rate equal to twelve (12) times the sum of the applicable maximum Rates under this rate schedule.

4. COMMISSION AND OTHER REGULATORY FEES

Shipper shall reimburse Transporter directly for any separately stated fees required by the Commission or any other federal or any state regulatory body which are related to service provided under this Rate Schedule.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are hereby specifically incorporated herein and made a part of this Rate Schedule.

5.11.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Commodity Charges.
 - (a) A Commodity Rate, as stated in Section 4.8 and, if applicable, Section 5.19, shall be paid for each Dekatherm of Gas Delivered Hereunder to or on behalf of Shipper during the Service Month.
 - (b) Other Applicable Charges or Surcharges. All applicable volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and ~~6.26~~ of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas Delivered Hereunder, as applicable. Such charges or surcharges are shown in Section 4.16.
2. Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use utilizing the applicable Transporter's Use (%) set forth in Section 4.18 and, if applicable, Section 5.19. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.
3. Third Party Charges. Shipper shall be responsible for delivering all Gas to Transporter's system, and shall be free to contract with third party(ies) to achieve such result. If Shipper requests, and Transporter agrees, that Transporter shall, for service to Shipper, use transportation service which Transporter has contracted for with third party(ies) for Shipper on or after November 1, 1989, Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay to third party(ies) for transportation or other services attributable to performance of service on behalf of Shipper under this Rate Schedule. Such charges include, but are not limited to, compression fuel charges, compression fees, Gas handling fees, measurement fees, processing fees, facility rents, or charges that Transporter pays to a third party for transportation of Shipper's Gas, including third party's filing and regulatory fees. Such charges, as they may be from time to time, shall be set forth as separate items on billings rendered to Shipper.
4. Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for which a Maximum Rate and Minimum Rate are stated in Section 4.8 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such sections. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings required by the

Commission's regulations with respect to any charges at less than the Maximum Rate.

5.12.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Reservation Charges.
 - (a) The applicable FSS Deliverability Reservation Rate, as stated in Section 4.9 or 4.10, shall be paid each Month for each Dekatherm of Shipper's Base MDWQ; plus
 - (b) The applicable FSS Capacity Reservation Rate, as stated in Section 4.9 or 4.10, shall be paid each Month for each Dekatherm of Shipper's MSQ divided by twelve (12).
2. Commodity Charges. The applicable Injection/Withdrawal Commodity Rate, as stated in Section 4.9 or 4.10, shall be paid each Month by Shipper for each Dekatherm of Gas tendered to or by Transporter at the Point of Injection/Withdrawal during the Service Month, excluding quantities delivered pursuant to Section 5.12.3 paragraph 4 of this Rate Schedule.
3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and 6.26 of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas Delivered Hereunder. Such charges or surcharges are shown in Section 4.16. Such surcharges shall not be applicable if paid on related Transportation Service.
4. Storage Overrun Service. Shipper may request Transporter to inject quantities of Gas for Shipper on any Day during the Injection Period in excess of the quantities specified in Section 5.12.2(c)(1) of this Rate Schedule or to withdraw quantities of Gas for Shipper on any Day during the Withdrawal Period in excess of Shipper's MDWQ. Shipper may also request Transporter to inject quantities of Gas for Shipper on any Day during the Withdrawal Period or withdraw quantities of Gas for Shipper on any Day during the Injection Period. Shipper may request Transporter to accept deliveries of quantities of Gas in excess of the MSQ during any Injection Period and Shipper may request Transporter to redeliver quantities of Gas in excess of the MSQ or Working Storage Gas during any Withdrawal Period provided, however, that at no time may Shipper's Working Storage Gas exceed Shipper's MSQ. Transporter may utilize its base or working storage Gas to satisfy Shipper redelivery requests and may do so on an interruptible basis if it can do so without adverse effect on Transporter's operations or its ability to meet all of its other firm service obligations. Shipper may nominate on an interruptible basis for the redelivery of any quantities of Gas which have been provided to Shipper in excess of its Working Storage Gas, in accordance with Section 6.6 of these General

Terms and Conditions of this Tariff; however, Shipper shall be required to return all such quantities commencing within forty-eight (48) hours of notification by Transporter to do so unless Transporter in its reasonable discretion determines that a longer period is operationally feasible. For each Dth of such Gas that Shipper shall not return to Transporter as expressly required pursuant to this Section 5.12.3 paragraph 4, Shipper shall be subject to a penalty rate equal to twelve (12) times the sum of the maximum applicable FSS Deliverability and Capacity Reservation Rates.

5. **Overrun Service Charge.** The applicable Overrun Service Rate shall be paid for each Dekatherm of Gas which is injected or withdrawn on behalf of Shipper during the Month pursuant to Section 5.12.3 paragraph 4 of this Rate Schedule unless such overrun service, with Transporter's concurrence, is makeup of quantities of Gas that Transporter previously failed to inject into storage or withdraw from storage. The formula for calculating the applicable Rate Schedule FSS Overrun Service Rate is stated in Section 4.9 or 4.10.
6. **Fuel and Electric Power Cost Reimbursement.** Shipper shall furnish at the Point(s) of Injection/Withdrawal, for each Dekatherm injected, the Transporter's Use and EPC Charge utilizing the applicable Rate Schedule FSS Transporter's Use (%) and EPC Charge set forth in Section 4.18 or 4.19.
7. **Cycling Fuel Charge.** If a Shipper has renewed its Agreement for the next Storage Contract Year under this Rate Schedule, or any successor Rate Schedule, and fails to reduce its Working Storage Gas to twenty percent (20%) or less of its MSQ by the end of the Winter Period, then Transporter shall reduce the Working Storage Gas for Cycling Fuel, provided, however, that such deadline for reducing Working Storage Gas shall be extended, as applicable, by the number of Days that the quotient of Shipper's MSQ divided by Shipper's Base MDWQ exceeds 151.
8. If a Shipper has reached the termination date of its Agreement without renewing or extending its Agreement or has reached a break in the period of Shipper's service, and fails to withdraw all of its Working Storage Gas by the end of the Storage Contract Year, then such Shipper shall be deemed to have executed the necessary Agreements under Rate Schedules DDS and ITS for the further disposition of such remaining Working Storage Gas, provided, however, that such deadline for removing Working Storage Gas shall be extended, as applicable, by the number of Days that the quotient of Shipper's MSQ divided by Shipper's Base MDWQ exceeds 151. If Transporter provides notice to Rate Schedule DDS Shippers pursuant to Section 5.13 paragraph 2(d) of Rate Schedule DDS to withdraw Shippers' Rate Schedule DDS quantities, such notice will be deemed as notice to Shippers terminating service under Rate Schedule FSS and Transporter shall contemporaneously notify such Shippers. Any remaining quantities of Working Storage Gas or, as applicable, Rate Schedule DDS quantities will be subject to

confiscation after the end of the forty-five day notice period provided for in Section 5.13 paragraph 2(d) of Rate Schedule DDS.

9. Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for which a Maximum Rate and Minimum Rate are stated in Section 4.9 or 4.10 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such section. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.

RATE SCHEDULE DDS
Deferred Delivery Service

1. AVAILABILITY

This Rate Schedule is available to any person, corporation, partnership or any other party (hereinafter referred to as "Shipper") for the purchase of storage service from Transporter, when Shipper and Transporter have executed an Agreement under this Rate Schedule, or conformed an existing Agreement to be consistent with this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- (a) This Rate Schedule shall apply to service which is rendered by Transporter for Shipper pursuant to an executed Agreement under this Rate Schedule.
- (b) If a Shipper contracts for storage service hereunder, Shipper shall arrange for Transportation of the Gas to be stored to and from the Point of Injection/Withdrawal, by appropriate agreement with Transporter.
- (c) Storage service rendered by Transporter under this Rate Schedule shall consist of:
 - (1) The receipt of Gas on behalf of Shipper at the Point of Injection/Withdrawal up to the Maximum Storage Quantity at daily rates up to the DDS Maximum Daily Injection Quantity;
 - (2) The Storage of Gas not to exceed the Maximum Storage Quantity; and
 - (3) The tender for delivery by Transporter to Shipper at the Point of Injection/Withdrawal up to the Maximum Storage Quantity at daily rates up to the DDS Maximum Daily Withdrawal Quantity.
- (d) Storage service rendered under this Rate Schedule shall be interruptible, on any Day. Interruptible service shall be available only to the extent of actual available capacity for injection, storage and withdrawal, as it may be from time to time under current conditions, and shall be offered in accordance with the provisions established in the General Terms and Conditions. Transporter may, if storage capacity is needed to meet its firm obligations, require Shipper to withdraw all Rate Schedule DDS quantities held in storage by Transporter for or on behalf of Shipper within forty-five (45) Days of such notice; provided, however, if Transporter is unable to provide Transportation under a Transportation Agreement, then such forty-five (45) Day period will be extended by one Day for each Day Transporter is unable to render Transportation. The Maximum Storage Quantity shall be specified in the executed Agreement.

3. CHARGES

Each Month Shipper shall pay to Transporter the following charges:

- (1) Interruptible Service Commodity Charge. A Storage Commodity Rate set forth in Section 4.9 shall be paid on the average Dekatherms of Working Storage Gas which are stored for or on behalf of Shipper during the Month.
- (2) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, as provided for under Sections 6.24 ~~and 6.26~~ of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas Delivered Hereunder. Such charges or surcharges are shown in Section 4.16. Such surcharges shall not be applicable if paid on related Transportation Service.
- (3) Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at the Point(s) of Injection/Withdrawal, for each Dekatherm injected, the Transporter's Use and EPC Charge utilizing the applicable Rate Schedule DDS Transporter's Use (%) and EPC Charge set forth in Section 4.18 or 4.19.
- (4) Withdrawal Penalty Charge. If Shipper fails to withdraw all Working Storage Gas quantities held in storage by Transporter for or on behalf of Shipper by the end of the forty-five (45) Day period that Transporter needs the storage capacity to meet all of its firm service obligations, then Transporter shall retain any Working Storage Gas quantities at the end of such period, without payment thereof, and free and clear of any adverse claims.
- (5) Rate Changes. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for which a Maximum Rate and Minimum Rate are stated in Section 4.9 of this Tariff or a superseding tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth in such section. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings required by the Commission's regulations with respect to any charges at less than the Maximum Rate.

4. COMMISSION AND OTHER REGULATORY FEES

Shipper shall reimburse Transporter directly for any separately stated fees required by the Commission or any other federal or any state regulatory body which are related to service provided under this Rate Schedule.

5. STORAGE OVERRUN SERVICE

Shipper may request Transporter to inject for Storage quantities of Gas for Shipper on any Day in excess of Shipper's DDS Maximum Daily Injection Quantity or to withdraw quantities of Gas from Storage for Shipper on any Day in excess of Shipper's DDS Maximum Daily Withdrawal Quantity. Transporter may do so on an interruptible basis if it can do so without adverse effect on Transporter's operations or its ability to meet all other obligations described in Section 6.10 of the General Terms and Conditions of this Tariff. Shipper shall pay the applicable charges pursuant to Section 5.13 paragraph 3 of this Rate Schedule DDS for such overrun storage service.

6. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are hereby specifically incorporated herein by reference and made a part of this Rate Schedule.

RATE SCHEDULE MBS
Market Balancing Service

1. AVAILABILITY

This Rate Schedule is available to any person, corporation, partnership and any other party (hereinafter referred to as "Shipper") for service under this Rate Schedule for the Transportation of Gas by Transporter, subject to the following limitations:

- (a) Before Transporter accepts any nomination on any Day for service hereunder, Transporter has determined that it will have sufficient available and uncommitted capacity to perform the service requested by Shipper and is able to predict with reasonable accuracy the demand requirements at the gate station in order to perform the service;
- (b) If the Shipper requesting service is not directly connected to Transporter's facilities, Shipper shall be responsible for arranging service with any intermediate transporter(s), including provision for electronic measurement, is not impaired by such intermediate transporter(s), and Transporter shall not be liable for actions of any intermediate transporter;
- (c) On any Day Transporter accepts a nomination for service hereunder, Shipper provides to Transporter actual consumption of quantities, in Dekatherms, delivered by Transporter hereunder, using electronic measurement facilities;
- (d) Shipper and Transporter have executed an Agreement under another Transportation Rate Schedule of this Tariff that will serve as the Shipper's Gas supply sourcing Transportation Agreement ("MBS Supply Transportation"); and
- (e) Shipper and Transporter have executed an Agreement under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

- (a) Shipper shall have the right to take Gas at a Delivery Point(s), in excess of the sum of its receipts for Transportation to such Delivery Point(s) under its MBS Supply Transportation, up to the nominated withdrawal quantity. Shipper shall also have the right not to take Gas at a Delivery Point(s), by a quantity less than the sum of its receipts for Transportation to such delivery Point(s) under its MBS Supply Transportation, so long as such quantity does not exceed the nominated injection quantity. To effectuate such service, Transporter shall maintain an MBS Storage Account for Shipper.
- (b) Transportation, injection and withdrawal under this Rate Schedule shall be interruptible.

- (c) Shipper shall be required to nominate, pursuant to Section 6.6 of the General Terms and Conditions of this Tariff, the quantities described in Section 5.14 paragraphs 3.1(a), (b) and (c), below. If Transporter does not confirm any nomination, such nomination shall be deemed to be zero for billing purposes.

3. CHARGES

Each Month Shipper shall pay to Transporter the following charges:

- (1) (a) The Daily Delivery Rate which is shown in Section 4.11, multiplied by each Dekatherm of (1) confirmed nomination for the MBS withdrawal quantity and (2) residual quantities, up to the Swing Percentage, allocated as Transportation pursuant to Section 6.14.1(a)(1) of the General Terms and Conditions of this Tariff; plus
 - (b) The Daily Delivery Rate which is shown in Section 4.11, multiplied by each Dekatherm of (1) confirmed nomination for the MBS injection quantity and (2) residual quantities, up to the Swing Percentage, allocated as Transportation pursuant to Section 6.14.1(a)(1) of the General Terms and Conditions of this Tariff; plus
 - (c) The Capacity Rate shown in Section 4.11 payable on the maximum confirmed nomination of the MBS maximum storage quantity reserved; plus
 - (d) The Commodity Rate shown in Section 4.11 for allocated quantities for Transportation to or from storage, excluding the quantities allocated as MBS Overrun Quantity pursuant to Section 5.14 paragraph 3(3).
- (2) Other Applicable Charges or Surcharges. All applicable volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 ~~and 6.26~~ of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas allocated as an injection quantity. Such surcharges shall not be applicable if paid on related Transportation Service.
- (3) Overrun Service. The term "MBS Overrun Quantity" shall be defined as the quantity of Gas allocated as service hereunder that exceeds the nominated MBS injection quantity or the nominated MBS withdrawal quantity, as applicable, for each Delivery Point. Shipper shall pay, for any Dekatherm of MBS Overrun Quantity that exceeds the Swing Percentage, a commodity rate equal to the overrun service rate set forth in Section 4.11.
- (4) Fuel and Electric Power Cost Reimbursement. Shipper shall furnish at Receipt Point(s) the Gas for Transporter's Use utilizing the applicable Transporter's Use (%) set forth in Section 4.18. Shipper shall also furnish at the Point of Injection/Withdrawal, for each

Dekatherm injected, the applicable storage-related Transporter's Use (%) set forth in Section 4.18. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.

- (5) Transporter may, if storage capacity is needed to meet its firm obligations, require Shipper to withdraw all Rate Schedule MBS quantities held in storage by Transporter for or on behalf of Shipper within forty-five (45) Days of such notice; provided, however, if Transporter is unable to provide Transportation under a Transportation Agreement, then such forty-five (45) Day period will be extended by one Day for each Day Transporter is unable to render Transportation.
- (6) Cashout of Monthly Imbalances.
 - (a) Shipper shall be responsible for payment of the one hundred percent (100%) Cashout price provided for in Section 6.15 of the General Terms and Conditions of this Tariff with respect to any negative balance remaining in the MBS Storage Account at the end of each Service Month.
 - (b) If any Shipper has Excess Quantities on its MBS Supply Transportation at the end of any Service Month, such Shipper may, subject to available capacity, elect in lieu of Cashout thereunder to have such Excess Quantities added to its MBS Storage Account, after payment of applicable transportation charges.
 - (c) If any Shipper has Deficient Quantities on its MBS Supply Transportation at the end of any Service Month, such Shipper may elect in lieu of Cashout thereunder to have such Deficient Quantities subtracted from its MBS Storage Account, by an amount not to exceed the remaining quantity in the MBS Storage Account.

4. PRIOR PERIOD ADJUSTMENTS

Before the close of the Service Month, Transporter shall use the best information available to update the consumption data provided by Shipper hereunder. After allocations have closed, any prior period adjustments associated with service hereunder shall be reconciled between the Shipper and the operator of the electronic measurement facilities.

5. COMMISSION AND OTHER REGULATORY FEES

Shipper shall reimburse Transporter directly for any separately stated fees required by the Commission or any other federal or any state regulatory body which are related to service provided under this Rate Schedule.

6. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are hereby specifically incorporated herein by reference and made a part of this Rate Schedule.

5.15.3 CHARGES

Each Month Shipper shall pay to Transporter the following charges:

1. Reservation Charge. The Reservation Rate shown in Section 4.11 for each Dekatherm of NNE of Shipper under this Rate Schedule.
2. Commodity Charge. The Commodity Rate which is shown in Section 4.11, for each Dekatherm of Gas allocated under this Rate Schedule.
3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Sections 6.24 and 6.26 of the General Terms and Conditions of this Tariff, for each Dekatherm of Gas allocated under this Rate Schedule. Such charges or surcharges are shown in Section 4.16. Such surcharges shall not be applicable if paid on related Transportation Service.
4. Overrun Service. "No-Notice Overrun Quantity" shall be defined as the quantities allocated at Delivery Point(s) that exceed the aggregate NNE, after first netting allocated quantities between Delivery Point(s) if the NNS Storage Transportation is rendered pursuant to Rate Schedule ETS. Shipper shall pay, for each Dekatherm of No-Notice Overrun Quantity that exceeds the Swing Percentage, a commodity rate equal to the maximum Reservation Rate which is shown in Section 4.11, times 12 then dividing the result by 365, times one-hundred and fifty percent (150%).
5. Cashout of Monthly Imbalances. Transporter or Shipper, as the case may be, shall be responsible for payment of the Cashout amount(s) provided for in Section 6.15 of the General Terms and Conditions of this Tariff.
6. Fuel. Fuel associated with activity pursuant to this Rate Schedule shall be assessed on the NNS Storage Transportation Agreement(s) subject to the following limitations: (a) fuel shall not be assessed to the extent that Northern Segment fuel has been assessed on the NNS Supply Transportation Agreement(s); and (b) injection and withdrawal activity on each Day pursuant to all NNS Storage Transportation Agreements shall first be netted prior to the assessment of fuel.

SOUTHEAST AREA GATHERING SERVICE

1. AVAILABILITY

This Southeast Area gathering service is available to any person, corporation, partnership or any other party (hereinafter referred to as "Shipper"). Terms and conditions applicable to this service will be individually negotiated between Shipper and Transporter, on a not unduly discriminatory basis, consistent with the terms and conditions applicable to Transporter's Part 284 transportation.

2. FIRM SERVICE CHARGES

Each Month Shipper shall pay to Transporter a charge not to exceed the following:

(1) Reservation Charge:

| ~~\$1.25~~0.5256 for each Dekatherm of MDQ.

(2) Commodity Charge:

| ~~\$.0002~~0.0000 for each Dekatherm of Gas Delivered Hereunder.

3. INTERRUPTIBLE SERVICE CHARGES

Each Month Shipper shall pay to Transporter a commodity charge not to exceed
| ~~\$.0413~~0.0173 for each Dekatherm of Gas Delivered Hereunder.

4. FUEL AND L&U REIMBURSEMENT

Transporter shall retain 0.33% of each Dekatherm of Gas tendered to Transporter at the Receipt Point(s) in the Southeast Area. This percentage is comprised of 0.00% fuel and 0.33% L&U, provided, however, if Transporter also provides Transportation of such Gas, the retention % will not include L&U.

6.1 DEFINITIONS

1. The term "Agreement" shall mean the Service Agreement executed by the Shipper and Transporter and any exhibits, attachments and/or amendments thereto. Effective May 1, 1994, Shippers shall be required to execute a separate gathering service agreement in order to obtain service on any facilities in a Pooling Area not functionalized as transmission.
2. The term "Associated Liquefiabiles" shall mean that portion of Transporter's Gas stream that is extracted as liquid hydrocarbons at a processing plant.
3. The term "Associated Liquids" shall mean condensate (liquid hydrocarbons without free water) produced in conjunction with the production of Gas to be transported hereunder (the quantity shall not exceed 10 bbls per MMcf).
4. The term "Backhaul" shall mean the receipt and delivery of Gas which is accomplished by the Transporter's delivery of Gas at Delivery Point(s) which are upstream from the Receipt Point(s) of such Gas.
5. Unless otherwise agreed, the term "Base Maximum Daily Injection Quantity" ("Base MDIQ") shall mean the maximum quantity of Gas that Transporter is required to inject into Storage for the account of Shipper on a firm basis, and shall be equal to the MSQ divided by two hundred (200) for Rate Schedule FSS without ratchets and the MSQ divided by one hundred seventy-five (175) for Rate Schedule FSS with ratchets. Provided, further, that for Rate Schedule FSS with Flexible Entitlements and a Base MDWQ between 1/10 and 1/49 of its MSQ, the Base MDIQ shall be a mutually agreeable amount.
6. The term "Base Maximum Daily Withdrawal Quantity" ("Base MDWQ") shall mean the maximum quantity of Gas that Transporter is required to withdraw from Storage for a Shipper, and shall be at least one-two hundred and thirteenth (1/213) but not more than one tenth (1/10) of the MSQ.
7. The term "Burner Tip Actual" ("BTA") shall mean quantities of Gas that have been electronically measured at the point of actual consumption for Rate Schedule FTS-3, ITS-3 and MBS Shippers and submitted via electronic measurement system to Transporter; provided, however, that if deliveries at the point of actual consumption include commingled deliveries from another supply source, the Shipper or Shipper's designee must identify the quantity attributable to each supply source, subject to verification of same by the intervening downstream transporter, including Transporter's deliveries within four (4) hours after the close of the applicable Day.

8. The term "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions in Canada and Mexico.
9. The term "BTA Stand-Alone Option" shall mean service to a Notice Service Shipper that has elected and qualified to have deliveries allocated on a BTA basis and agreed to the installation of flow control facilities at the point of consumption.
10. The term "BTU" shall mean one (1) British thermal unit, the amount of heat required to raise the temperature of one (1) pound of water one (1) degree Fahrenheit at sixty (60) degrees Fahrenheit, and is the International Btu. The reporting basis for BTU is 14.73 psia at 60 degrees F (101.325 kPa at 15 degrees C) and dry; and for gigacalorie it is 1.035646 Kg/cm² at 15.6 degrees C, and dry.

For purposes of this term, and the term Mcf in Section 6.1(45) below, NAESB WGQ takes no position on the basis upon which transactions are communicated to trading partners and/or regulatory agencies, as applicable, nor does NAESB WGQ state whether transactions may take place between parties on a volumetric basis.

11. The term "Cashout" shall mean the monetary settlement of quantities of Gas owed to or by Transporter or third parties, as further described in Section 6.15 of these General Terms and Conditions.
12. The term "Cashout Price" shall mean the price determined pursuant to Section 6.15 of these General Terms and Conditions.
13. The term "Catalog Receipt Point(s)" shall mean any eligible Transmission Receipt Point(s) located in a Pooling Area.
14. The term "Central Clock Time" or "CCT" shall mean Central Standard Time ("CST") except when Daylight Savings Time is in effect, when it shall mean one hour in advance of CST. All times referenced in this Tariff shall be in CCT.
15. The term "Commission" shall mean the Federal Energy Regulatory Commission or any successor regulatory authority.
16. The term "Confirmed Price" shall mean the Transportation rate inclusive of all applicable fees and surcharges agreed upon by Transporter and Shipper.
17. The term "Cycling Fuel" shall mean the quantity of Gas equal to Transporter's Use (%) for Rate Schedule FSS times the quantity of Working Storage Gas in excess of twenty percent (20%) of Shipper's MSQ at the end of the Winter Period.

18. The term "Day" shall mean a period of consecutive hours, beginning at 9:00 a.m., and ending on the following 9:00 a.m.
19. The term "DDS Maximum Daily Injection Quantity" shall mean one thirtieth (1/30) of the Maximum Storage Quantity.
20. The term "DDS Maximum Daily Withdrawal Quantity" shall mean (a) the Working Storage Gas as of the last Day of the prior Service Month divided by the number of Days in the current Service Month or, if applicable, (b) the Working Storage Gas divided by the number of remaining Days in the Service Month as of the date that Transporter notifies Shipper that it must withdraw all of its Working Storage Gas within forty-five (45) Days.
21. The term "Dekatherm" (or "Dth") shall mean the quantity of heat energy which is equivalent to one (1) million (1,000,000) BTU; thus the term MDth shall mean one (1) thousand (1,000) Dth. The conversion factor between Dth and gigajoule, the standard measure of heat energy in Canada, is 1.055056 gigajoules per Dth. The conversion factor between Dth and gigacalorie, the standard measure of heat energy in Mexico, is 0.251996 gigacalories per Dth.
22. The term "Delivery Point" shall mean either (a) a Headstation, (b) the Point of Injection/Withdrawal, or (c) a point on Transporter's Pipeline System that Shipper and Transporter shall agree upon, where Gas exits facilities owned by Transporter, and is metered.
23. The term "Delivery Point MDQ" shall mean the greatest number of Dekatherms that Transporter is obligated to deliver to or on behalf of Shipper on any Day at the applicable Primary Delivery Point.
24. The term "Delivery Point Operator" shall mean the party that is responsible for operating the facilities that are immediately downstream of the applicable Delivery Point.
25. The term "Designated Storage Account" shall mean any Agreement pursuant to Rate Schedule FSS that is designated by the Shipper pursuant to Rate Schedule NNS, for which quantities are to be allocated under Rate Schedule NNS for debiting and crediting.
26. The term "Hydrocarbon Dewpoint" shall mean cricondentherm, the highest temperature at which the hydrocarbon vapor-liquid equilibrium may be present. The Hydrocarbon Dewpoint (cricondentherm) calculations are performed using the Peng-Robinson equation of state.

27. The term "HDP Segment(s)" shall have the meaning as defined in Section 6.13 paragraph 3.
28. The term "HDP Problem(s)" shall mean actual or anticipated operational problems on Transporter's system specifically related to actual or anticipated hydrocarbon liquid fallout.
29. The term "Extreme Condition Situation" shall mean that (a) on any portion of Transporter's Pipeline System throughput approaches capacity, or (b) weather conditions exist, or (c) operating pressures on an affected portion of Transporter's Pipeline System are significantly less than or greater than normal operating pressures, such that Transporter's ability to receive or deliver quantities of Gas in accordance with its service obligations is impaired.
30. The term "Electronic Communication" shall mean the transmission of information via Transporter's Internet site, electronic delivery mechanism prescribed by NAESB or other mutually agreed communication methodologies used to transmit and receive information, including communication by telephone.
31. The term "Electronic Delivery Mechanism" or "EDM" shall mean the Electronic Communication methodology used to transmit and receive data related to gas transactions. Transporter and Shipper shall designate an electronic "site" at which Shippers and Transporter may exchange data electronically. All data provided at such site shall be considered as being delivered to the appropriate party. Transporter's use and implementation of EDM shall conform to all appropriate NAESB standards.
32. The term "Equivalent Quantities" shall mean a quantity of Gas containing an amount of Dekatherms equal to the amount of Dekatherms received by Transporter for the account of Shipper at the Receipt Point(s) reduced, where applicable, by the Dekatherms removed for Transporter's Use, third party use, and treatment and processing of Shipper's Gas, all as attributable to Transportation of Shipper's Gas.
33. The term "Flash Gas" shall mean gaseous hydrocarbons that either vaporize or are vaporized (including flare and vent gas) from liquefied hydrocarbons within facilities located onshore.
34. The term "Gas" shall mean natural gas, including gas cap gas, casinghead gas produced with crude oil, gas from gas wells, gas from condensate wells, Associated Liquefiables and synthetic natural gas, or any mixture of these gases meeting the quality standards under Section 6.13 of these General Terms and Conditions.

35. The term "Gas Delivered Hereunder" shall mean the quantities of Gas allocated to Shipper by Transporter, as determined in accordance with the provisions of Section 6.14 of these General Terms and Conditions.
36. The term "GEMS[™]" shall mean Transporter's electronic communication system which shall be available to any Shipper.
37. The term "Headstation" shall mean (a) Transporter's compressor station located at Eunice, Louisiana; (b) Transporter's compressor station located at Greensburg, Kansas; or (c) subject to operational feasibility, any single Delivery Point in a Pooling Area.
38. The term "Hub" shall mean (a) all interconnections with other transporters or storage service providers and Transporter, located between Transporter's compressor station at Sandwich, Illinois and the Crown Point, Indiana interconnect point (the ANR Joliet Hub), (b) all interconnections with other transporters or storage service providers and Transporter, located between Transporter's meter station at Glen Karn, Ohio and the terminus of the Lebanon Lateral in Ohio (the ANR Lebanon Hub), or (c) subject to operational or administrative feasibility, any other geographic region encompassing Transporter's facilities.
39. The term "Mainline Area Facilities" shall mean those facilities of Transporter which are not Southwest Area Facilities or Southeast Area Facilities of Transporter, and shall comprise Mainline Segments. Set forth below are the Mainline Segment location definitions:
 - (a) **SOUTHEAST SOUTHERN SEGMENT:** all points downstream of the Eunice, LA compressor station site and upstream of the Madisonville, KY compressor station site.
 - (b) **SOUTHEAST CENTRAL SEGMENT:** all points downstream of and including the Madisonville, KY compressor station site and upstream of and including the Defiance, OH compressor station site.
 - (c) **SOUTHWEST SOUTHERN SEGMENT:** all points downstream of the Greensburg, KS compressor station site and upstream of the Maitland, MO compressor station site.
 - (d) **SOUTHWEST CENTRAL SEGMENT:** all points downstream of and including the Maitland, MO compressor station site and upstream of and including the Sandwich, IL compressor station site.
 - (e) **NORTHERN SEGMENT:** all points downstream of the Sandwich, IL and the Defiance, OH compressor station sites.

Any Transportation from a Point of Injection/Withdrawal to a Delivery Point in the Northern Segment shall not involve the use of any other Mainline Area Facilities.

40. The term "Maximum Daily Injection Quantity" shall mean:
- (a) The Base Maximum Daily Injection Quantity if the Working Storage Gas is less than or equal to ninety percent (90%) of the MSQ; or
 - (b) Eighty percent (80%) of the Base Maximum Daily Injection Quantity if the Working Storage Gas is greater than ninety percent (90%) and less than one hundred percent (100%) of the MSQ; or
 - (c) The lesser of (1) the otherwise applicable Maximum Daily Injection Quantity or (2) the difference between the Maximum Storage Quantity and the Working Storage Gas.
41. The term "Maximum Daily Quantity" ("MDQ") shall mean the greatest number of Dekatherms that Transporter is obligated to deliver to or on behalf of Shipper on any Day.
42. The term "Maximum Daily Withdrawal Quantity" shall mean:
- (a) One hundred percent (100%) of the Base MDWQ if the Working Storage Gas is greater than twenty percent (20%) of the Maximum Storage Quantity; or
 - (b) Ninety percent (90%) of the Base MDWQ if the Working Storage Gas is greater than fifteen (15%) and less than or equal to twenty percent (20%) of the Maximum Storage Quantity; or
 - (c) Eighty percent (80%) of the Base MDWQ if the Working Storage Gas is greater than ten percent (10%) and less than or equal to fifteen percent (15%) of the Maximum Storage Quantity; or
 - (d) Seventy percent (70%) of the Base MDWQ if the Working Storage Gas is greater than five percent (5%) and less than or equal to ten percent (10%) of the Maximum Storage Quantity; or
 - (e) Sixty percent (60%) of the Base MDWQ if the Working Storage Gas is less than or equal to five percent (5%) of the Maximum Storage Quantity; or
 - (f) The lesser of the otherwise applicable Maximum Daily Withdrawal Quantity and the remaining Working Storage Gas.

43. The term "Maximum Storage Quantity" ("MSQ") shall mean the greatest number of Dekatherms that Transporter is obligated to store on behalf of Shipper.
44. The term "Maximum Transportation Quantity" shall mean the maximum quantity of Gas that Transporter is obligated to transport on any Day on behalf of Shipper from the applicable supply area.
45. The term "Mcf" shall mean one (1) thousand (1,000) cubic feet of Gas; the term MMcf shall mean one (1) million (1,000,000) cubic feet of Gas. The reporting basis for gas volumes measured in cubic feet is (at standard conditions) 14.73 psia at 60 degrees F, and dry. For cubic meters, the reporting basis is 101.325 kPa at 15 degrees C, and dry.
46. The term "Month" shall mean the period beginning on the first Day of a calendar Month and ending at the same hour on the first Day of the next succeeding calendar Month.
47. The term "Negotiated Rate" shall mean a rate or rate formula for computing a rate for service under a single rate schedule under which, for some portion of the contract term, one or more of the individual rate components may exceed the maximum charge, or be less than the minimum charge, for such component of the applicable tariff rate as set forth in Transporter's Schedule of Rates in Sections 4.1 through 4.17, 4.20 and in Section 5.19. A Negotiated Rate must be mutually agreed upon by Transporter and Shipper, and may be based on a rate design other than straight fixed-variable.
48. The term "Net Present Value" ("NPV") shall mean the discounted cash flow of expected revenues per Dekatherm of the applicable service for a term of up to twenty (20) years, using the interest rate set forth in Section 154.67(c)(2) of the Commission's Regulations.
49. The term "Nomination Route" shall mean the route used to transport Gas from the nominated Receipt Point to the nominated Delivery Point.
50. The term "No-Notice Service" shall mean service available under Rate Schedules NNS, STS and MBS.
51. The term "North American Energy Standards Board" or "NAESB" shall mean the private, consensus standards developer whose wholesale natural gas standards are developed by representatives from all segments of the natural gas industry.
52. The term "Notice Service" shall mean all Transportation Services provided by Transporter other than No-Notice Services.

53. The term "Pipeline Condensate" shall mean the hydrocarbons in a liquid state which condense out of the Transporter's facilities (Pipeline Condensate Reduction ("PCR") shall be measured in Dekatherms.)
54. The term "Plant Thermal Reduction" or "PTR" shall mean the quantity of Dekatherms removed at a processing plant and allocated in accordance with the procedures set forth in Section 6.5.2(b) of these General Terms and Conditions.
55. The term "Point of Injection/Withdrawal" shall mean Transporter's storage facilities.
56. The term "Pooler" shall mean a Shipper under Rate Schedules PTS-1, PTS-2 and PTS-3 that delivers Gas only at the Headstation to other Shippers utilizing Transporter's Mainline Area Facilities.
57. The term "Pooling Agreement" shall mean an Agreement entered into by a Pooler with Transporter.
58. The term "Pooling Area" shall mean, as to any Headstation, Transporter's facilities located upstream of that Headstation.
59. The term "Primary Delivery Point(s)" shall mean the Delivery Point(s) as specified in the Agreement.
60. The term "Primary Receipt Point(s)" shall mean the Receipt Point(s) as specified in the Agreement.
61. The term "Primary Point(s)" shall mean the Primary Delivery Point(s) and/or Primary Receipt Point(s).
62. The term "Primary Route" shall mean the shortest distance along contiguous ANR-owned transmission facilities deemed to transport Gas from the Primary Receipt Point to the Primary Delivery Point, and shall be deemed to include points of interconnection with the facilities of third parties, but shall not include transmission laterals unless the affected Shipper's Primary Receipt or Delivery Points are along any such laterals.
63. The term "Receipt Point" shall mean either (a) a Headstation, (b) the Point of Injection/Withdrawal, or (c) a point on Transporter's Pipeline System that Transporter and Shipper shall agree upon, where Gas enters facilities owned by Transporter, and is metered.
64. The term "Receipt Point MDQ" shall mean the greatest number of Dekatherms that Transporter is obligated to receive for or on behalf of Shipper on any Day at the applicable Primary Receipt Point.

65. The term "Reput" shall mean the reinstatement of a capacity release transaction that was recalled.
66. The term "Residue Gas" shall mean Transporter's Gas stream that has been reduced by PTR.
67. The term "Secondary Delivery Point" shall mean a Delivery Point that is not specified as a Primary Delivery Point.
68. The term "Secondary Receipt Point" shall mean a Receipt Point that is not specified as a Primary Receipt Point.
69. The term "Secondary Point(s)" shall mean the Secondary Delivery Point and/or the Secondary Receipt Point.
70. The term "Service Day" shall mean the Day during which Shipper receives Transportation Service pursuant to a nomination in accordance with Section 6.6 of these General Terms and Conditions.
71. The term "Service Month" shall mean the Month during which Shipper receives Transportation Services under this Tariff.
72. The term "Southeast Area Facilities" shall mean those facilities of Transporter which are located upstream or south of the Eunice, LA compressor station site property, including such site property of Transporter at Eunice, and Transporter's other ~~onshore and offshore~~ facilities which are not directly connected, ~~and the Holiday Creek facilities located in Mississippi.~~
73. The term "Southwest Area Facilities" shall mean those facilities of Transporter which are located upstream of the Greensburg, KS compressor station site property, including such site property of Transporter at Greensburg, ~~and Transporter's facilities in Wyoming.~~
74. Unless otherwise agreed, the term "Storage Contract Year" shall mean a period of consecutive Months ending on March 31 for services of at least twelve (12) consecutive Months, and shall commence and end on the Days provided in the Service Agreement for services of less than twelve (12) consecutive Months.
75. The term "Summer Period" shall mean the period from April 1 of each calendar year through October 31 of such year.
76. The term "Swing Percentage" shall mean the percentage of quantities allocated at Delivery Points to each Shipper that will be excused from overrun charges or daily

scheduling penalties, as applicable. The Swing Percentage shall be equal to ten percent (10%) of the Delivery Point nomination for such Shipper, unless Transporter shall have posted on GEMStm a notification that an Extreme Condition Situation exists. In such case, the Swing Percentage shall be equal to five percent (5%) of the Delivery Point nomination for such Shipper.

77. The terms "Tender Gas" and "Tender of Gas" shall mean that the delivering party is able and willing, and offers, to deliver Gas to the receiving party at the appropriate Receipt Point or Delivery Point.
78. The term "Term of Agreement" shall mean the period set forth in the applicable Agreement during which Shipper may take service under the Agreement and shall be any period of one Day or longer. A period must be for consecutive Days except that Transporter may agree to non-continuous periods for multiple year contracts on a not-unduly discriminatory basis.
79. The term "Transmission Delivery Point(s)" shall mean any Delivery Point which does not include any facilities functionalized as gathering.
80. The term "Transmission Receipt Point(s)" shall mean any Receipt Point which does not include any facilities functionalized as gathering.
81. The terms "Transportation" and "Transportation Service(s)" shall mean (a) storage or (b) transportation of Gas by either forward haul, exchange or Backhaul or any combination thereof which includes the use of facilities functionalized on Transporter's books as transmission and/or storage.
82. The term "Transporter" shall mean ANR Pipeline Company.
83. The term "Transporter's Pipeline System" shall mean those facilities of Transporter which are Mainline Area Facilities, Southwest Area Facilities or Southeast Area Facilities.
84. The term "Transporter's Use" shall mean the quantity of Gas required by Transporter for (1) compressor fuel and (2) lost-and-unaccounted for ("L&U") Gas for service under each Agreement, and shall be equal to the Transporter's Use (%) under each such Agreement times Receipt Point quantities tendered to Transporter.
85. The term "Transporter's EPC" shall mean the dollar amount required by Transporter to recover the cost of electric power purchased, including surcharges, by or for Transporter for use in the operation of electric powered compressor units, and shall be equal to the EPC Charge times Delivery Point quantities.

86. The term "Transporter's Use (%)" shall mean the applicable percentage of Transporter's Use, as specified in the Agreement, which shall be an allocable amount of Transporter's Use. The term "EPC Charge" shall mean the rates in \$ per Dth applicable to Transporter's rate schedules, and shall be equal to an allocable amount of Transporter's EPC. The Transporter's Use (%) and the EPC Charge shall be calculated by Transporter by appropriate engineering principles and shall include consideration of the distance of Transportation, provided, however, that no Transporter's Use (%) or EPC Charge shall be assessed on Backhaul Transportation. Except as otherwise noted herein and in Section 6.34 of these General Terms and Conditions, the determination of Transporter's Use (%) and EPC Charge in each of Transporter's annual redetermination filings, shall be based upon the transactional throughput methodology set forth in Transporter's December 4, 1997 filing in Docket No. TM97-2-48-001 as accepted by Order of the Commission dated December 31, 1997, as further amended in the December 26, 2001 Stipulation and Agreement in Docket No. RP01-259-000. ~~For purposes of computing the Current Fuel Use (%) and the Annual Transporter's Use Adjustment (%) pursuant to Section 6.34 of these General Terms and Conditions, the fuel use associated with the CenterPoint Energy Gas Transmission Company ("CenterPoint") (formerly Arkla) transportation contract described in Section 6.26 of these General Terms and Conditions ("CenterPoint Contract") shall be allocated pro-rata between the Southeast and Southwest Mainline Areas based upon the volumes delivered under the contract to each respective area. For purposes of computing the Current Fuel Use (%), the Annual Transporter's Use Adjustment (%), the Current EPC Charge and the Annual EPC Charge Adjustment pursuant to Section 6.34 of these General Terms and Conditions, the transactional throughput of the respective Mainline Area Facilities shall be adjusted based upon the direction of flow of the net physical throughput under the CenterPoint Contract such that the transactional throughput of the Mainline Area Facilities with the net physical increase in volume shall be increased by such net physical increase and an offsetting decrease in the transactional throughput shall be made to the opposite Mainline Area Facilities. Transporter will include in each of its annual filings pursuant to Section 6.34 of these General Terms and Conditions information supporting the allocation of fuel use and direction of flow of the net physical throughput between Transporter's Southeast and Southwest Mainline Areas under the CenterPoint Contract.~~
87. The term "Winter Period" shall mean the period from November 1 of each calendar year through March 31 of the following calendar year.
88. The term "Wire Transfer" shall mean payments made/effected by wire transfer (Fedwire, CHIPS, or Book Entry), or Automated Clearinghouse, or any other recognized electronic or automated payment mechanism that is agreed upon by Transporter in the future.

89. The term "Working Storage Gas" shall mean the quantity of Gas held in storage by Transporter for Shipper.
90. Capitalized terms not defined herein are defined pursuant to NAESB.

6.26 ~~RESERVED FOR FUTURE USE~~ DEFERRED TRANSPORTATION COST
ADJUSTMENT PROVISION

~~(a) Purpose. This section establishes the mechanism ("Deferred Transportation Cost Adjustment") for the passthrough by Transporter of the over/under recovery of costs related to FERC Account No. 858 capacity that Transporter is authorized pursuant to Commission orders to maintain or replace, as defined in Section 6.26(a)(1), below, ("Qualifying Transportation Costs"). The base rates and charges applicable to all Rate Schedules shall be adjusted, where applicable, by Transporter on an annual basis to reflect an adjustment of Qualifying Transportation Costs~~

~~(1) Qualifying Transportation Costs. As used in this Section 6.26, the term Qualifying Transportation Costs shall mean the fixed monthly charges and commodity costs which Transporter incurs for the transmission and compression of gas by others recorded in FERC Account No. 858, for service set forth on Schedule I-4 of the rate case filed by Transporter on November 1, 1993, as adjusted by compliance filing dated April 7, 1994, as further amended by the Stipulation and Agreement ("2015 Settlement") in Docket No. RP13-743, et al. Qualifying Transportation Costs shall include the costs of contract amendments and contract replacements as specified in the 2015 Settlement. Qualifying Transportation Costs shall exclude: (a) Viking Transportation Costs and (b) the amortization of any Reverse Auction costs included on the Schedule I-4 referenced above and (c) any costs or credits for periods prior to the effectiveness of the rates set forth in Transporter's general rate case filing of November 1, 1993. This section shall not be construed to affect Transporter's right to recover transition costs as Transporter may incur in connection with its contracts with other pipelines providing transmission and compression services or otherwise, such rights being expressly reserved, subject to applicable Commission orders and regulations.~~

~~(2) Effective Date. Transporter shall file to place into effect on each May 1, beginning with May 1, 1995, a Deferred Transportation Cost Adjustment, provided, however, that such filings shall only be required to be made by Transporter to the extent that the level of Qualifying Transportation Costs varies by greater than ten percent (10%) from the level of such costs as of the effective date of the rates established by Transporter's settlement at Docket No. RP94-43-000; provided, further, that in the event that any Account No. 858 service provider increases or decreases its aggregate charges to Transporter by such ten percent (10%) level in any twelve (12) Month period, and subsequently refunds or surcharges any portion of those amounts, Transporter shall then credit or direct bill the refunded or surcharged amount, as the case may be, to shippers. Further, no change shall be made under the provisions hereof to any Rate Schedule unless the change in rates for such Rate Schedule is at least one cent per dth of MDQ for Reservation charges, or at least one mill for~~

~~Commodity Charges. The change in commodity rates shall be computed to the nearest 1/100th of one cent. In the event any such change is precluded by law from going into effect on such date, it shall be made effective as soon thereafter as permitted by law.~~

~~(3) Filing Procedure. At least thirty (30) Days prior to the May 1 effective date of each Deferred Transportation Cost Adjustment, Transporter shall file with the Federal Energy Regulatory Commission and post, as defined by Section 154.2(d) of the Commission's Regulations, the Deferred Transportation Cost Adjustment, together with supporting computations. Transporter shall be authorized to begin to collect such Deferred Transportation Cost Adjustment on the May 1 following such filing. Each such Deferred Transportation Cost Adjustment shall remain in effect for the subsequent twelve (12) Month period. Upon termination of this Section 6.26, Transporter is authorized to collect or refund amounts, as appropriate, in its Deferred Transportation Account, with carrying charges, as of such termination date. Transporter shall file to charge or credit such amounts over a twelve (12) Month period commencing with the first Month Transporter is able to effectuate a rate adjustment. Any Deferred Transportation Cost Adjustments which are in effect upon such termination date may continue until the end of the applicable twelve (12) Month recovery period. In each filing which Transporter shall make rate adjustments to its base tariff rates pursuant to this Section 6.26, Transporter shall include workpapers detailing the basis used to determine all transportation amounts, carrying charges, and rate calculations.~~

~~(b) Deferred Transportation Account.~~

~~Transporter shall maintain a Deferred Transportation Cost Account to record the Monthly difference between actual Qualifying Transportation Costs incurred and the amounts reflected in Transporter's base tariff rates for transportation costs, on an as-billed basis. For purposes of determining actual amounts recovered by Month, Transporter shall assume a one-twelfth recovery of the annual Qualifying Transportation Costs underlying its billed rates for such Month. Transporter shall adjust Qualifying Transportation Costs to exclude charges or credits for periods prior to January 9, 1995, and for the effect of any final rate determination of the November 1, 1993 rate case filing, to include an offset for amounts previously credited or refunded herein.~~

~~(c) Determination of Deferred Transportation Cost Adjustment.~~

~~The amount of each Deferred Transportation Cost Adjustment shall be equal to the balance in Transporter's Deferred Transportation Cost Account three (3) Months prior to the May 1 effective date, plus estimates for the subsequent three (3) Month period, plus carrying charges calculated pursuant to Section 6.26(e), below. The~~

~~recovery period shall be over the twelve (12) Months beginning with each May 1 effective date. The Deferred Transportation Cost Adjustment applicable to each Rate Schedule shall be calculated by Transporter based upon the same rate design method and design volumes underlying its currently effective rates.~~

~~(d) Crediting of Refunds Received, Debiting of Surcharges:~~

~~Commencing with the effective date of this Section 6.26, Transporter shall credit all refunds received for its Qualifying Transportation Costs attributable to periods after the effective date hereof to its Deferred Transportation Cost Account. Commencing with the effective date of this Section 6.26, Transporter shall similarly charge for any retroactive surcharge or rate adjustments of eligible contracts defined under Qualifying Transportation Costs.~~

~~(e) Carrying Charges:~~

~~Each Month Transporter shall credit or debit its Deferred Transportation Account, as appropriate, with carrying charges. Carrying charges shall be computed by separate demand and commodity components. Carrying charges shall be calculated in a manner consistent with the procedures set forth in Section 154.501 of the Commission's Regulations.~~

~~(f) CenterPoint Transportation:~~

~~If Transporter accepts a certificate in Docket No. CP89-2195, et al. after the close of the test period in the rate case filed by Transporter on November 1, 1993, but prior to the filing of another general rate case, Transporter shall not adjust its rates in Docket No. RP94-43 to reflect the acquisition of the CenterPoint facilities. In addition, to the extent that the Schedule I-4 transportation costs underlying Transporter's then effective base tariff rates include transportation costs associated with such CenterPoint capacity, Transporter shall cease to recover such Account No. 858 costs concurrently with any adjustment for CenterPoint facility costs permitted by the Commission.~~

6.37 ROLL-DOWN MECHANISM – RESERVATION RATES

- (a) When an incremental storage or transportation reservation rate associated with a fully-integrated expansion project is in effect on the ANR system under this FERC Gas Tariff, Transporter may elect to have the highest incremental storage or transportation reservation rate serve as the maximum recourse reservation rate applicable to new firm shippers. In such case, new capacity sales will be deemed to first make use of any available incrementally-priced capacity up until the point that the capacity is fully contracted. Roll-down of the incremental storage or transportation rate will begin when the actual contracted capacity level associated with the incremental facility exceeds the subscribed capacity assumption reflected in the design of the incremental rate. When this occurs, the incremental reservation rate will be rolled down over time by applying the respective transportation or storage contract demand associated with a new shipper, adjusted as necessary to reflect discounting below the incremental reservation rate, and the costs represented by that contract demand to the computation of the applicable incremental rate. Roll-down will only occur to the extent that the new shipper rate exceeds the otherwise applicable existing system rate. Roll-down will occur until the rolled down rate equals the otherwise applicable existing system rate, after which time the existing system rate will apply. For incremental transportation rates, only capacity sales from rate zones with incremental rates will be used to effectuate roll-down for those particular zones. The cost of new shipper capacity being used to roll down an incremental rate will reflect the existing system maximum rate that would otherwise apply to the capacity. New shipper capacity used to roll down an incremental expansion rate will include capacity which is currently unsubscribed, capacity that is permanently released from one shipper to another, and capacity that becomes unsubscribed through shipper default or the expiration of a firm agreement, including capacity that is subject to a right of first refusal where the existing shipper elects to terminate its contract or not match the highest acceptable bid(s) for its capacity. To the extent that incremental or rolled-down capacity subsequently becomes uncontracted, further roll-down of the incremental rate will not occur until subscription levels once again exceed the previous level of rolled-down capacity.
- (b) Shippers who are exercising ROFR rights will not be subject to the highest incremental rate unless the capacity along the path the shipper has contracted is fully subscribed and there is a competing bid above the maximum pre-expansion rate applicable to the existing shipper.
- (c) If there are two or more incrementally-priced expansions that overlap within storage or within a transportation rate zone, the highest incremental storage rate or transportation rate within a zone will be rolled down first. When a higher incremental rate converges with a lower incremental rate, the incrementally priced projects may be rolled in with each other, and the new highest incremental rate may begin to be rolled down.

(d) Applicability.

- (1) Storage. Rolled-down incremental rates will apply to Rate Schedule FSS, including both ratcheted and unratcheted services, in addition to seasonal and flexible entitlements.
- (2) Transportation. All available transportation capacity within the zone(s) of the incremental project will be eligible for the mechanism. Rolled-down incremental rates will apply to new contracts under Rate Schedules FTS-1, FTS-2, FTS-3, and ETS.

6.38 ROLL-DOWN MECHANISM – COMMODITY AND FUEL RATES

- (a) When at least one incremental commodity rate or fuel rate is in effect on the ANR system under this FERC Gas Tariff, Transporter may elect to have new firm transportation or storage shippers whose contracts make use of transportation rate zones or storage facilities with incremental rates be subject to the highest incremental rate applicable to such transportation rate zone or storage facility. In such case, capacity sold to new shippers that will be used to recompute an incremental expansion rate will include capacity which is currently unsubscribed, capacity that is permanently released from one shipper to another and capacity that becomes unsubscribed through shipper default or the expiration of a firm agreement, including capacity that is subject to a right of first refusal where the existing shipper elects to terminate its contract or not match the highest acceptable bid(s) for its capacity.
- (b) Shippers who are exercising ROFR rights will not be subject to the highest incremental commodity or fuel rate.
- (c) If there are two or more incrementally-priced expansions that overlap within storage or within a transportation rate zone, the highest incremental storage rate or transportation rate within a zone will be rolled down first. When a higher incremental rate converges with a lower incremental rate, the incrementally priced projects may be rolled in with each other, and the new highest incremental rate may begin to be rolled down.
- (d) Incremental Fuel Rate Roll Down. The fuel rate that applies to new firm shippers will be designed using the following formula, where Incremental Fuel represents the fuel assumption in Dth supporting the original incremental fuel rate associated with a particular expansion project and Incremental Dth represents all capacity currently subject to the associated incremental fuel surcharge.

$$\frac{\text{Incremental Fuel (Dth)}}{\text{Incremental Dth} + \text{New Shipper Dth}}$$

- (e) Incremental Commodity Rate Roll Down. The commodity rate that applies to new shippers will be calculated using the following formula, where Incremental Variable Costs represent the variable cost assumption underlying the original commodity rate associated with a particular expansion project and Incremental Dth represents all capacity currently subject to the associated incremental commodity rate.

Incremental Variable Costs
Incr. Transactional Throughput + New Shipper Transactional Throughput