



January 28, 2022

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

ANR Pipeline Company

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via eTariff Filing

Re: ANR Pipeline Company
General Section 4 Rate Filing & Tariff Changes
Docket No. RP22-

Dear Secretary Bose:

Pursuant to section 4(e) of the Natural Gas Act (“NGA”), 15 U.S.C. § 717c(e), and Subpart D of Part 154 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), 18 C.F.R. §§ 154.301-315, ANR Pipeline Company (“ANR”) hereby submits the revised tariff records in Appendix A to be part of its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”). The tariff records support a system-wide general increase in ANR’s rates, and include changes to ANR’s rates, rate schedules, and General Terms and Conditions (“GT&C”). The tariff sections are proposed to become effective on March 1, 2022. ANR anticipates, however, that the rates proposed herein will be subject to a five-month suspension period and placed into effect on August 1, 2022.

ANR’s current rates for service were established by a settlement dated September 16, 2016 (“RP16-440 Settlement”), which resolved ANR’s last general NGA section 4 rate case filed in Docket No. RP16-440-000.¹ Article V.A.1. of the RP16-440 Settlement established a moratorium that has expired pursuant to its terms. Pursuant to Article V.B. of the RP16-440 Settlement, ANR is required to file a new NGA section 4 rate case with rates to be effective no later than August 1, 2022. ANR is submitting the instant rate case filing in fulfillment of that requirement.

Service and Communications

The exact legal name of the entity for whom the filing is made is ANR Pipeline Company, which has its principal place of business at 700 Louisiana Street, Houston, Texas 77002. The names, addresses, and telephone and facsimile numbers of the responsible company officials to whom

¹ ANR Pipeline Co., 157 FERC ¶ 61,205 (2016).

questions regarding the filing may be addressed, and of the persons upon whom service is to be made, are as follows:

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Each of the foregoing persons has been designated for service in accordance with Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b)(3). ANR respectfully requests that the Commission waive Rule 203(b)(3) to allow more than two persons to be designated to receive service. The foregoing individuals are also designated pursuant to 18 C.F.R. § 154.7(a)(2) of the Commission's regulations.

The materials specified in 18 C.F.R. § 154.208(a) are being served upon ANR's customers and affected state regulatory commissions. In accordance with 18 C.F.R. § 154.208(e), ANR is posting a link to the filing on its Informational Postings website at <http://anrebb.transcanada.com>, where it may be found by clicking the "Regulatory" link on the left-hand side of the page. Additionally, a complete copy of this filing is available for public inspection during regular business hours in a convenient form and place at ANR's offices in Houston, Texas, in accordance with 18 C.F.R. § 154.2(d) of the Commission's regulations.²

² Due to COVID-19 considerations, ANR's physical offices are currently closed. The filing will be available for public inspection during regular business hours at ANR's offices in Houston, Texas when ANR resumes normal business operations.

Statement of Nature, Reasons and Basis

Overview of ANR's System

The purpose of this filing is to restate ANR's rates for service on its interstate transportation system. ANR's system consists of approximately 9,000 miles of pipeline and nearly 203 billion cubic feet ("Bcf") of storage, including storage by others, and delivers more than 1 trillion cubic feet of natural gas annually.

ANR's facilities include two main pipelines: the Southwest Mainline ("SW Mainline"), which extends from ANR's Southwest Area ("SW Area") production zone in Texas, Oklahoma, and Kansas north through Missouri, Iowa, Illinois, and into Wisconsin, with a segment extending through Indiana and into Michigan; and the Southeast Mainline ("SE Mainline"), which extends from ANR's Southeast Area ("SE Area") in Louisiana north through Arkansas, Mississippi, Tennessee, Kentucky, Indiana, Ohio, and into Michigan. The Tie Line, a segment of pipeline running through northern Indiana, Ohio, and southern Michigan, connects the two main branches.

Broadly speaking, the ANR system is currently divided into five major areas. The SW Area and the SE Area historically were areas of production receipts, although due to changes in the natural gas marketplace that are described more fully below, the SE Area has developed into a mature market area. The Northern Area was ANR's traditional market area, and remains ANR's largest market area. The SW Mainline and SE Mainline historically linked the production areas to ANR's Northern Area markets. ANR is also a partial owner (with Texas Eastern Transmission, LP) of the Lebanon Lateral, which extends from Indiana into Ohio. ANR also owns storage facilities located in Michigan and purchases additional storage capacity from third-party storage providers. ANR uses its storage capacity on an integrated basis to provide storage and no-notice services to its customers, and ANR's storage provides important operational benefits to all customers on the ANR system. Six of the storage fields that ANR owns are directly connected to its system, while the remaining four ANR-owned fields are discontinuous to ANR's system. ANR relies upon third-party transporters for transportation-by-others ("TBO") services in order to connect the discontinuous storage fields to its system, and the TBOs also provide additional capacity that ANR uses to meet the firm requirements of its shippers.

Basis of Current Rates and Evolution of ANR's Business Environment

Since ANR's current rates were established in the RP16-440 Settlement, ANR has been impacted by significant changes in the natural gas marketplace, as described in greater detail by ANR witness Adam Lakhani. Since 2016, production growth from the Marcellus and Utica supply basins has continued at a rapid pace. This has resulted in several interstate pipeline companies constructing and putting into service new pipelines to transport this ever-increasing supply to market, thereby directly reducing ANR's contracting and market share to its Michigan markets in ANR's Northern Area. Meanwhile, a boom-bust production cycle in the Rocky Mountain, Midcontinent, and Permian basins has left ANR's SW Area overbuilt and under-supplied, resulting in significantly decreased supply on ANR's SW Mainline. Finally, continuously increasing LNG exports along the Gulf Coast have altered demand for transportation services, led to increased pipeline competition, and resulted in major market changes along ANR's SE Mainline.

As described by ANR witness Lakhani, these changes have had profound impacts on ANR's current and projected business and operations. These impacts include, but are not limited to: (1) continued new supply and pipeline competition into ANR's Northern Area markets, particularly Michigan, resulting in significant declines in ANR's market share in these areas; (2) significant reductions in supply in ANR's SW Area resulting in a substantial drop in utilization on ANR's SW Mainline; (3) growing demand for capacity to transport gas supplies to the Gulf Coast for liquefaction as LNG exports; (4) major ongoing investments by ANR to modernize its system; and (5) increasing power generation-related deliveries.

Of particular significance to this filing, ANR's system is on average older than other FERC-regulated interstate natural gas pipelines, and as a result, as ANR witnesses Lakhani, Matt Parks, and Sorana Linder explain, ANR has faced the ongoing need to modernize its system to enhance the efficiency, reliability, and safety of its system. As ANR witness Linder explains, pursuant to the RP16-440 Settlement, ANR made \$837 million in modernization capital expenditures for these purposes. As explained further by various ANR witnesses, however, ANR continues to face the need to engage in modernization work, including to comply with new and anticipated Pipeline and Hazardous Materials Safety Administration ("PHMSA") regulations. Therefore, ANR is proposing to implement a modernization program, as described below.

Summary of Testimony

Included with this filing is Statement P, which contains the prepared direct testimony and exhibits supporting ANR's proposed rate increase and tariff changes. A list of ANR's witnesses is set forth below, along with a brief summary of the principal topics addressed in each witness's testimony.

<u>Witness</u>	<u>Testimony</u>
Josh Gibbon	Overview of need for, and contents of, filing
Sorana Linder	Policy support for proposed rate design and tariff changes, description of ANR's modernization program and proposed System Improvement Modernization Mechanism
Adam Lakhani	Overview of ANR system and operations, assessment of supply and market changes since ANR's last rate case, commercial environment and business risks faced by ANR
Bente Villadsen	Selection of proxy group and recommended ROE
Anul Thapa	Business risk analysis
Scott Currier	Overview of PHMSA regulations and orders in relation to ANR's modernization program

Garrett B. Word	Operational support for well abandonment and replacement projects
Matt Parks	Eligible Facilities Plan
Alexander J. Kirk	Gas supply projections to support the economic life of ANR's system
Steven R. Fall	Cost analysis of retiring and removing facilities to support net negative salvage rate, and pipeline integrity costs
Patrick R. Crowley	Depreciation and negative salvage
Nada Siddik	TBO Costs
Burton D. Cole	Overall cost-of-service consisting of operations and maintenance expenses, depreciation and amortization, return allowance, income taxes and taxes other than income taxes, rate base and return, capital structure, cost of debt, and regulatory assets and liabilities
Gregory S. Barry	Cost allocation, functionalization, and rate design
Eric J. Miller, Jr.	Billing determinants and revenues, including Statement G, discount adjustments
Nara Houy	Roll-in of expansion facilities

Reasons for Proposed Rate Increase

ANR's cost-of-service and rate calculations are based upon the costs and throughput levels for the base period (twelve months ended October 31, 2021) as adjusted for known and measurable changes through the test period ending July 31, 2022. As a result of the changes proposed herein, ANR's maximum recourse rates for service under its various rate schedules will be as set forth on Statement J included with this filing.

ANR's existing rates are designed using a zone-gate approach to assign costs directly to the SE and SW Areas (rate zones ML-1 and ML-4), while costs associated with ANR's other five rate zones (*i.e.*, the Mainline Area) are allocated to those zones using a dekatherm-mile ("Dth-mile") allocation. Under that rate design, costs are allocated to zones based upon the receipt and delivery

quantities multiplied by the associated miles of haul. As ANR witness Linder explains, ANR proposes to continue designing its rates utilizing the Dth-mile allocation, but proposes to allocate costs to all of the seven zones. Application of the Dth-mile allocation method across all zones ensures consistency to the allocation of mileage-related transmission costs and eliminates the potential for discrimination. In addition, as explained by ANR witness Gregory S. Barry, ANR will allocate non-mileage transportation costs such as transmission function Account No. 850, Account No. 858, system balancing, and administrative and general (“A&G”) costs to all of ANR’s seven rate zones, consistent with Commission policy regarding cost responsibility for non-mileage, access-related costs.

In compliance with section 154.7(a)(6) of the Commission’s regulations, the following table compares the cost-of-service, rate base, and throughput contained in this filing with the same information underlying ANR’s last rates found to be just and reasonable by the Commission:

	<u>This Filing</u>	<u>RP16-440 Rates</u> ³
Cost-of-Service	\$ 1,125,011,869	\$924,950,880
Total Rate Base	\$3,440,598,411	\$1,847,291,904
Throughput ⁴	~9.1 MM Dth/d	~7.4 MM Dth/d

The proposed rate increase is largely due to the substantial increase in ANR’s rate base, much of which is a result of the substantial investment that ANR has made in modernizing its system since 2016, as described by ANR witnesses Linder and Parks. The proposed rate increase also reflects the significantly higher business risk that ANR now faces. ANR witness Anul Thapa demonstrates that ANR has significantly higher business risk relative to the relevant pipeline proxy group. Mr. Thapa and ANR witness Lakhani describe the four principle risks that ANR faces in the current environment: (1) shipper creditworthiness; (2) competitive risk; (3) operating risk associated with increased capital maintenance and modernization costs; and (4) regulatory risk.

Counterparty Risk. As discussed by ANR witness Lakhani, a significant portion of ANR’s forward haul capacity, and all of the backhaul capacity, on the SE Mainline is held by a small number of producers, who are particularly susceptible to changes in market conditions. Given current competitive conditions, ANR would face significant risk for remarketing this capacity in the event that one or more of the shippers were to turn the capacity back as a result of bankruptcy – as ANR recently experienced with one shipper. As discussed by ANR witnesses Lakhani and Thapa, the recent increase in energy price volatility has affected producers more than others, resulting in an increased risk to ANR due to those shippers’ evolving credit challenges. As ANR witness Thapa demonstrates, ANR has a significantly higher proportion of long-term contractual commitments from higher risk producer-shippers than almost all of the relevant proxy group pipelines. Given the significant financial pressure shale gas producers can face, as evidenced by the experience of 2020, ANR’s higher degree of exposure to this class of shippers results in ANR facing a higher degree of business risk because of the risk that these shippers may default on their long-term contractual commitments to ANR.

³ The RP16-440 Settlement was a “black box” settlement that did not establish a stipulated cost-of-service or rate base. The figures below are taken from ANR’s rate filing in Docket No. RP16-440-000.

⁴ Throughput volumes are approximated due to the complex nature of ANR’s system. The volumes for this filing are not discounted-adjusted.

Competitive Risk. As ANR witness Lakhani explains, ANR has experienced significantly increased competition from new pipeline builds as a result of the continued production in the Utica and Marcellus region as well as along its SW Mainline. With respect to its Northern Area markets, Rover Pipeline and NEXUS Gas Transmission collectively provide an incremental 4.75-Bcf/d of supply capacity into the state of Michigan. The traditional markets that ANR served directly and indirectly in the state including power plants, local distribution companies (“LDCs”), and storage facilities, have become far more competitive to serve. As for the SW Mainline, following the boom-bust cycle associated with several SW Area basins, the resulting greenfield expansions during this time has placed ANR at a competitive disadvantage to its direct competitors in the region. As a result, ANR faces re-contracting risk, particularly in the SW Area where the effects of the supply changes have led to a decline in contracting of firm service. Lastly, while ANR has seen year-over-year growth in power plant deliveries on its system, this growth will be under pressure into the future as coal-fired unit retirements plateau, more renewable generation comes online, and state, federal, and even individual LDC net-zero carbon emission goals are pursued.

Operating Risk. As described by ANR witnesses Lakhani and Thapa, the size and age of ANR’s pipeline system puts ANR at greater risk than other proxy group pipelines with respect to modernization costs and the impact of new regulations imposed by PHMSA, and potentially by the Environmental Protection Agency, which would require substantial investment by ANR for compliance. These increased costs impose significant operating risks on ANR.

Regulatory Risk. As ANR witness Lakhani explains, ANR is facing increased regulatory risk as a result of increasingly successful opposition to the development of new pipeline infrastructure, which opposition is being pressed at the Commission, in courts, and before environmental and land use regulators. Mr. Lakhani also explains how ANR is facing increased regulatory risk associated with federal and state policy and legislative initiatives that impact ANR’s ability to expand its system to serve new and existing markets, including the Commission’s recent changes to its approach to assessing environmental impacts of new construction, including greenhouse gas impacts, and state efforts to deny needed permits and, as further explained by ANR witness Alexander J. Kirk, development of Renewable Portfolio Standards that limit the participation of natural gas in a state’s resource mix.

Following the Commission’s recent Policy Statement on Determining Return on Equity for Natural Gas and Oil Pipelines,⁵ ANR witness Bente Villadsen supports an appropriate return on common equity of 15.70 percent. Dr. Villadsen’s recommended ROE is an equally-weighted average of the results from the Commission’s discounted cash flow model and capital asset pricing model. Dr. Villadsen recommends an ROE at the midpoint of the upper third of the zone of reasonableness, to reflect ANR’s increased business risks compared to those of the proxy group as determined by Mr. Thapa.

The proposed rates thus incorporate this increase in return on equity, reflecting the increased business and financial risks that ANR now faces. As detailed in the testimony of ANR witness Burton D. Cole, ANR’s proposed rates include an overall cost of capital of 15.70 percent. Mr.

⁵ *Inquiry Regarding the Commission’s Policy for Determining Return on Equity*, 171 FERC ¶ 61,155 (2020).

Cole establishes ANR's overall cost-of-service for the twelve-month base period ending October 31, 2021, adjusted for known and measurable changes for the test period ending July 31, 2022, as approximately \$1.125 billion. This cost-of-service is based on ANR's actual capital structure of 34.00 percent debt/66.00 percent equity and the depreciation rates calculated by ANR witness Patrick R. Crowley. ANR witness Cole supports the use of ANR's own capital structure, which conforms to the Commission's policy in that ANR issues its own non-guaranteed debt, has its own debt ratings separate from its parent, and has a common equity ratio in line with others previously approved by the Commission.

The following table summarizes ANR's overall rate of return:

	<u>Capitalization Ratio</u>	<u>Cost</u>	<u>Weighted Cost</u>
Long-Term Debt	34.00%	4.11%	1.40%
Equity	66.00%	15.70%	10.36%
Overall Rate of Return			11.76%

As supported by ANR witnesses Crowley, Kirk and Steven R. Fall, ANR's rates also reflect the following: (1) an increase in the depreciation rate of ANR's total transmission plant to 2.59 percent; (2) an increase in the depreciation rate of ANR's underground storage to 2.24 percent; (3) adjustments to the depreciation rates for other elements of ANR's system; and (4) the establishment of total negative salvage and terminal decommissioning rates of 1.08 percent for underground storage, 1.41 percent for transmission, and 1.19 percent for gathering plant.

Other Rate-Related Proposals

Roll-in of Expansion Facilities

ANR has constructed certain expansions of its system that have been certificated by the Commission since its last rate case filing, and ANR proposes to roll the costs of two of these projects into its general system rates at this time: (1) the Collierville Expansion Project (Docket No. CP16-64-000), which was certificated in 2016; and (2) the Grand Chenier XPress Project (Docket No. CP20-8-000), which was certificated in 2020. ANR witness Nara Houy describes how ANR's proposal to roll in the costs of these facilities meets the "no-subsidization" requirement under the Commission's 1999 Certificate Policy Statement,⁶ because the rate impact of rolling these costs into ANR's general system rates will not result in a subsidization of the expansion shippers by existing shippers. As Mr. Houy explains, ANR is proposing to continue the existing incremental rate treatment for the Cold Springs 1 storage facility.

⁶ *Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227 (1999), *order on clarification*, 90 FERC ¶ 61,128 (2000), *order on clarification*, 92 FERC ¶ 61,094 (2000).

Term-Differentiated Storage Rates

As part of the RP16-440 Settlement, ANR implemented term-differentiated rates for its FSS storage service, consistent with the Commission's policy governing term-differentiated rates for firm services as set forth in Order No. 637.⁷ As explained by ANR witnesses Linder and Eric J. Miller, Jr., the use of term-differentiated rates has not resulted in increased long-term contracting for FSS service, and thus has failed to achieve the intended purpose of ANR's term-differentiated rate mechanism. ANR therefore proposes to return to traditional ratemaking for FSS service.

Discount and Discount-Type Adjustment

ANR's proposed rates reflect a discount adjustment and a discount-type adjustment for service provided at discounted rates and at negotiated rates, respectively. ANR's adjustments are consistent with its Tariff and with Commission policies that allow a pipeline to seek a reduction in the volumes used to design its maximum rates, if it obtained those volumes by offering reduced rates in order to meet competition.⁸ ANR witness Barry describes how ANR effectuates the discount adjustment.

Rate Schedule ETS

In ANR's Order No. 636 restructuring proceeding, the ETS rate was designed as a derivative of the FTS-1 rate, with ETS receiving a double allocation of mileage reservation costs in the zone of delivery. This double allocation, which was found by the Commission to be just and reasonable, was intended to recognize the cost of the additional capacity required for ETS service flexibility. As ANR witness Linder explains, however, if that double allocation were continued under the rates proposed herein, it would result in an ETS premium relative to the FTS-1 rates that is far in excess of the premium reflected in current rates. Therefore, ANR proposes to reduce the zone of delivery multiplier from 2x to 1.5x, consistent with the multiplier currently in place for this rate schedule.

Rate Schedules PTS-2 and PTS-3

ANR provides firm pooling transportation service under Rate Schedule PTS-2 that allows shippers to aggregate gas from various points within a pooling area and deliver the gas to a pooling headstation at either Greensburg, Kansas, or Eunice, Louisiana. PTS-2 shippers are not entitled to deliver gas to points other than these two headstations. Rate Schedule PTS-3 is the interruptible form of PTS-2 service. As ANR witness Linder explains, downstream shippers that receive gas that is delivered to a headstation by means of a PTS-2 or PTS-3 agreement will pay an access charge that recovers all costs classified as non-mileage. Because all PTS-2 and PTS-3 gas must be delivered to an on-system headstation, rather than to an off-system delivery point, assessment of the access charge to PTS-2 or PTS-3 shippers effectively would apply the access charge twice to any transaction involving a PTS-2 or PTS-3 contract, which would disadvantage any shipper

⁷ *Regulation of Short-Term Natural Gas Transportation Services and Regulation of Interstate Natural Gas Transportation Services*, Order No. 637, 1996-2000 FERC Stats. & Regs. [Regs. Preambles] ¶ 31,093 at 31,293 (2000), *order on clarification*, Order No. 637-A, 1996-2000 FERC Stats. & Regs. [Regs. Preambles] ¶ 31,099 (2000), *order on reh'g*, Order No. 637-B, 92 FERC ¶ 61,062 (2000).

⁸ *See Policy for Selective Discounting by Natural Gas Pipelines*, 111 FERC ¶ 61,309 (2005).

that pooled its gas under a PTS-2 or PTS-3 agreement. ANR therefore proposes to no longer apply an access charge to these services.

Rate Schedule DDS

As explained by ANR witness Barry, ANR is proposing a unit change from a monthly rate to a daily rate for ANR's Rate Schedule DDS interruptible storage service. The daily rate design for DDS will provide shippers with greater transparency as to the calculation of DDS invoices by separately identifying the specific daily DDS balance and applying a daily rate to such balance, rather than identifying only an average daily balance over a month and applying a monthly rate to such balance. ANR anticipates that this change will be revenue neutral.

Summary of Proposed Tariff Changes

ANR is proposing to implement the following tariff changes reflected on the revised tariff records in Appendix A, to be effective August 1, 2022:

Revised Base Rates

As explained above, ANR is updating its cost-of-service and proposing to increase its base transportation rates (maximum recourse rates) for Rate Schedules FTS-1, FTS-2, FTS-3, FTS-4, FTS-4L, ITS, ITS-3, IPLS, IWS, ETS, STS, NNS, MBS, PTS-2, and PTS-3. As noted, ANR is also proposing to remove term-differentiated rates for firm storage service under Rate Schedule FSS.

System Improvement Modernization Mechanism

As noted above, ANR has an ongoing need to engage in system modernization work, and anticipates the need to spend significant amounts in the next five years to address its modernization requirements. Accordingly, ANR is proposing a System Improvement Modernization Mechanism ("SIMM") to recover costs associated with its continuing and necessary work to modernize its system. As ANR witness Linder explains, the SIMM is designed to allow ANR to recover specified costs for modernization projects necessary to allow ANR to continue improving the reliability, integrity, safety, and efficiency of its system and to address compliance with existing and emerging regulatory requirements.

ANR witness Parks sponsors the Eligible Facilities Plan ("EFP") that describes the projects that ANR has identified at this time that would be eligible for recovery through the SIMM over the proposed five-year term of its modernization program. As Mr. Parks testifies, the projects listed in the EFP were selected based on ANR's prioritization of its modernization needs such that each of the facilities listed in the EFP meet one or more of the following criteria: (1) it operates at a relatively high level of risk; (2) it requires upgrades to meet current or emerging regulations; and/or (3) its reliability is less than necessary to meet current or future service requirements. As Ms. Linder explains, ANR's SIMM proposal is consistent with Commission policy governing cost

recovery mechanisms for modernization of natural gas pipeline facilities, as stated by the Commission in its Modernization Policy Statement.⁹

ANR is proposing to add Section 6.26 to its GT&C to implement the SIMM. The tariff records included with this filing reflect initial SIMM rates of \$0.00. The SIMM sets forth procedures pursuant to which ANR will make annual limited NGA section 4 filings to implement an additive surcharge to recover ANR's cumulative revenue requirement for capital investments made in certain defined Eligible Facilities as identified in the EFP described by ANR witness Parks. The total amount of prudent investment in Eligible Facilities incurred for which Revenue Requirements may be recovered through the SIMM over the proposed five-year term will not exceed a cap of \$900 million, subject to a 15 percent tolerance above this cap.

ANR held customer meetings on September 30, 2021, and December 7, 2021, at which ANR formally identified and discussed the potential projects to be included in a future modernization program. Additionally, ANR sought input from its customers on what types of projects and what categories should be considered for any modernization program that ANR would include when it files its NGA section 4 rate case. Although these efforts did not ultimately result in a comprehensive resolution of all matters related to the modernization mechanism, ANR was able to incorporate additional information based on shipper feedback, such as committing to make a single annual SIMM filing. ANR and the stakeholders were also able to discuss the projects included in the EFP and the drivers behind them. It is ANR's view that this NGA section 4 proceeding, including the proposed modernization program, will provide ANR and its shippers a further opportunity to collaborate on its proposal.

Other Filings Which May Affect This Proceeding

Pursuant to 18 C.F.R. § 154.204(f), ANR states that as of the time of this filing, it has no filings pending before the Commission that may significantly affect the changes proposed herein.

Materials Submitted

In accordance with sections 154.7 and 154.201 of the Commission's regulations and Order No. 714,¹⁰ ANR is submitting an eTariff XML filing package, which includes the following:

1. The tariff records being revised in RTF format with metadata attached;
2. This transmittal letter, which incorporates the Statement of Nature, Reasons and Basis as required by 18 C.F.R. § 154.7(a)(6), in PDF format;
3. Appendix A, a list in PDF format of revised tariff records being filed;

⁹ *Cost Recovery Mechanisms for Modernization of Natural Gas Facilities*, 151 FERC ¶ 61,047 (2015) ("Modernization Policy Statement"), *clarification denied*, 152 FERC ¶ 61,046 (2015).

¹⁰ *Electronic Tariff Filings*, Order No. 714, 2008-2013 FERC Stats. & Regs. [Regs. Preambles] ¶ 31,276 (2008), *final rule*, Order No. 714-A, III FERC Stats. & Regs. [Regs. Preambles] ¶ 31,356 (2014).

4. Appendix A-1, a clean version of the revised tariff records in PDF format for publishing in eLibrary;
5. Appendix A-2, a marked version of the revised tariff records in accordance with the provisions of section 154.201(a) of the Commission's regulations;
6. Appendix B, a table of contents that associates the statements and schedules included in the filing with the corresponding exhibit number and electronic file name;
7. Appendix C, a representation by ANR's authorized accounting representative, as required by 18 C.F.R. § 154.308;
8. Statements A through P, and related statements, schedules and workpapers in PDF or native format, as required by 18 C.F.R. § 154.312.
9. The necessary documentation to support the revised tariff sections, as required by 18 C.F.R. §§ 154.201 and 154.207; and
10. A statement that all affected customers and state regulatory commissions have received an abbreviated electronic version of this rate filing, as required by 18 C.F.R. § 154.208.

Proposed Effective Date and Motion to Place Rates Into Effect

The revised tariff sections contained in Appendix A filed herein have a proposed effective date of March 1, 2022. Because this filing reflects a rate increase, however, ANR expects the Commission to suspend the effectiveness of the tariff sections until August 1, 2022. Pursuant to 18 C.F.R. § 154.7(a)(9), ANR hereby moves to place the tariff sections set forth in Appendix A into effect as of March 1, 2022. In the event the Commission elects to accept and suspend the tariff sections, ANR will file a separate motion pursuant to 18 C.F.R. § 154.206 to place the tariff sections into effect at the end of the suspension period.

Requests for Waivers

Pursuant to 18 C.F.R. §§ 154.7(a)(7) and 154.207, ANR respectfully requests that the Commission grant all waivers necessary to allow the tariff sections to become effective as proposed herein, including any necessary waivers of Parts 154, 157, 284 and 385 of the Commission's regulations, as well as any other rule, policy, pronouncement or order.

Certificate of Service

In accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010, a copy of this filing, together with all enclosures, is being served upon all jurisdictional customers and interested state regulatory agencies.

Ms. Kimberly D. Bose

January 28, 2022

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Certification

Pursuant to 18 C.F.R. §§ 385.2005 and 385.2011, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of her knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

Respectfully submitted,

/s/ Sorana Linder

Sorana Linder

Director, Rates, Tariffs & Modernization

Enclosures

Appendix A

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

List of Proposed Tariff Records

<u>Tariff Sections</u>	<u>Version</u>
Part 1 – Table of Contents	v.63.0.0
Part 4 – Statement of Rates	v.3.0.0
4.1 – Statement of Rates, Rate Schedule ETS	v.2.0.0
4.2 – Statement of Rates, Rate Schedule STS, Small Shipper ETS & FTS-1	v.2.0.0
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Prepared Direct Testimony of Sorana Linder	P	ANR-0002	Exhibit No. ANR-0002_Linder Direct Testimony.pdf
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Williams, J. H., Jones, R., Haley, B., Kwok, G., Hargreaves, J., Farbes, J., et al. (2021). Carbon-neutral pathways for the United States. AGU Advances, 2, e2020AV000284 https://doi.org/10.1029/2020AV000284	P	ANR-0021	Exhibit No. ANR-0021.pdf
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National Renewable Energy Laboratory, Annual Technology Baseline 2020 Summary Excerpt	P	ANR-0026	Exhibit No. ANR-0026.pdf
Lawrence Berkeley National Laboratory, "Wind Energy Technology Data Update: 2020 Edition" (August 2020)	P	ANR-0027	Exhibit No. ANR-0027.pdf
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APPENDIX C

ANR Pipeline Company

Accounting Representation

**STATEMENT OF AUTHORIZED ACCOUNTING REPRESENTATIVE PURSUANT
TO 18 C.F.R. § 154.308 RATE FILING OF ANR PIPELINE COMPANY DATED
JANUARY 28, 2022
TO THE FEDERAL ENERGY REGULATORY COMMISSION:**

I, Burton D. Cole, Director, U.S. Pipeline Accounting, TransCanada USA Services Inc., the company responsible for the operation of ANR Pipeline Company (“ANR”), do hereby represent that the cost statements, supporting data, and workpapers submitted as part of the above-mentioned filing by ANR, which purport to represent the books of ANR, do, in fact, set forth the results shown by such books.

DocuSigned by:

9D97181653B14C0...

Burton D. Cole
Director, U.S. Pipeline Accounting
TransCanada USA Services Inc.

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ANR Pipeline Company

***FERC Gas Tariff*, Third Revised Volume No. 1**

Tariff Records Clean

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STATEMENT OF RATES

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

RECEIVED FROM	\	DELIVERED	SOUTHEAST			SOUTHWEST			NORTHERN
		TO	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		\$20.8898	\$21.2710		\$60.6726	\$50.6760	\$29.3746
	-	Cmd		0.0206	0.0278		0.0598	0.0479	0.0356
	-	MIN		0.0206	0.0278		0.0598	0.0479	0.0356
	-	Ovrn		0.7074	0.7271		2.0545	1.7140	1.0013
SE – Southern (ML-2)	-	Res		\$19.5962	\$19.9774		\$59.3790	\$49.3824	\$28.0810
	-	Cmd		0.0190	0.0262		0.0582	0.0463	0.0340
	-	MIN		0.0190	0.0262		0.0582	0.0463	0.0340
	-	Ovrn		0.6633	0.6830		2.0104	1.6698	0.9572
SE – Central (ML-3)	-	Res		\$23.4900	\$9.0585		\$48.4601	\$38.4635	\$17.1621
	-	Cmd		0.0262	0.0072		0.0392	0.0273	0.0150
	-	MIN		0.0262	0.0072		0.0392	0.0273	0.0150
	-	Ovrn		0.7985	0.3050		1.6324	1.2919	0.5792
SOUTHWEST AREA (SW)	-	Res		\$61.9564	\$47.5249		\$24.6208	\$43.2011	\$45.0344
	-	Cmd		0.0613	0.0423		0.0150	0.0273	0.0351
	-	MIN		0.0613	0.0423		0.0150	0.0273	0.0351
	-	Ovrn		2.0982	1.6048		0.8244	1.4476	1.5157
SW – Southern (ML-5)	-	Res		\$58.7672	\$44.3357		\$21.4316	\$40.0119	\$41.8452
	-	Cmd		0.0582	0.0392		0.0119	0.0242	0.0320
	-	MIN		0.0582	0.0392		0.0119	0.0242	0.0320
	-	Ovrn		1.9903	1.4968		0.7165	1.3397	1.4077
SW – Central (ML-6)	-	Res		\$46.6247	\$32.1932		\$37.8660	\$27.8694	\$29.7027
	-	Cmd		0.0463	0.0273		0.0242	0.0123	0.0201
	-	MIN		0.0463	0.0273		0.0242	0.0123	0.0201
	-	Ovrn		1.5792	1.0857		1.2691	0.9286	0.9966
NORTHERN (ML-7)	-	Res		\$30.1903	\$15.7588		\$44.5663	\$34.5697	\$13.2683
	-	Cmd		0.0340	0.0150		0.0320	0.0201	0.0078
	-	MIN		0.0340	0.0150		0.0320	0.0201	0.0078
	-	Ovrn		1.0266	0.5331		1.4972	1.1566	0.4440

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, including but not limited to those charges in Sections 4.16, 4.18, 4.19 and 4.20.

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		\$3.6274	\$3.6595	\$2.5984
SOUTHEAST AREA		3.9762	2.4045	2.0379
NORTHERN SEGMENT		3.3714	2.4942	1.4331
RATE SCHEDULE ETS				
For Small Shipper Service Option				

SOUTHWEST AREA		\$4.3313	\$6.2338	\$4.5217
SOUTHEAST AREA		6.1044	2.1470	2.9621
NORTHERN SEGMENT		4.4720	3.0417	1.3297
RATE SCHEDULE FTS-1				
For Small Shipper Service Option				

SOUTHWEST AREA		\$3.5126	\$5.6899	\$4.1879
SOUTHEAST AREA		5.4995	1.9530	2.6283
NORTHERN SEGMENT		3.8671	2.4978	0.9959

General Note:

The rates shown are subject to all applicable reservation and volumetric charges or surcharges, including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20.

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	\$4.5114	\$15.4303	\$19.3241	\$57.7905	\$54.6013	\$42.4588	\$26.0244
	- Cmd	0.0016	0.0206	0.0278	0.0629	0.0598	0.0479	0.0356
	- MIN	0.0016	0.0206	0.0278	0.0629	0.0598	0.0479	0.0356
	- Ovm	0.1499	0.5279	0.6631	1.9629	1.8549	1.4438	0.8912
SE – Southern (ML-2)	- Res	\$15.4303	\$14.1367	\$18.0305	\$56.4969	\$53.3077	\$41.1652	\$24.7308
	- Cmd	0.0206	0.0190	0.0262	0.0613	0.0582	0.0463	0.0340
	- MIN	0.0206	0.0190	0.0262	0.0613	0.0582	0.0463	0.0340
	- Ovm	0.5279	0.4838	0.6190	1.9187	1.8108	1.3997	0.8471
SE – Central (ML-3)	- Res	\$19.3241	\$18.0305	\$7.1116	\$45.5780	\$42.3888	\$30.2463	\$13.8119
	- Cmd	0.0278	0.0262	0.0072	0.0423	0.0392	0.0273	0.0150
	- MIN	0.0278	0.0262	0.0072	0.0423	0.0392	0.0273	0.0150
	- Ovm	0.6631	0.6190	0.2410	1.5408	1.4328	1.0217	0.4691
SOUTHWEST AREA (SW)	- Res	\$57.7905	\$56.4969	\$45.5780	\$6.4070	\$18.5495	\$34.9839	\$41.6842
	- Cmd	0.0629	0.0613	0.0423	0.0031	0.0150	0.0273	0.0351
	- MIN	0.0629	0.0613	0.0423	0.0031	0.0150	0.0273	0.0351
	- Ovm	1.9629	1.9187	1.5408	0.2137	0.6248	1.1775	1.4055
SW – Southern (ML-5)	- Res	\$54.6013	\$53.3077	\$42.3888	\$18.5495	\$15.3603	\$31.7947	\$38.4950
	- Cmd	0.0598	0.0582	0.0392	0.0150	0.0119	0.0242	0.0320
	- MIN	0.0598	0.0582	0.0392	0.0150	0.0119	0.0242	0.0320
	- Ovm	1.8549	1.8108	1.4328	0.6248	0.5169	1.0695	1.2976
SW – Central (ML-6)	- Res	\$42.4588	\$41.1652	\$30.2463	\$34.9839	\$31.7947	\$19.6522	\$26.3525
	- Cmd	0.0479	0.0463	0.0273	0.0273	0.0242	0.0123	0.0201
	- MIN	0.0479	0.0463	0.0273	0.0273	0.0242	0.0123	0.0201
	- Ovm	1.4438	1.3997	1.0217	1.1775	1.0695	0.6584	0.8865
NORTHERN (ML-7)	- Res	\$26.0244	\$24.7308	\$13.8119	\$41.6842	\$38.4950	\$26.3525	\$9.9181
	- Cmd	0.0356	0.0340	0.0150	0.0351	0.0320	0.0201	0.0078
	- MIN	0.0356	0.0340	0.0150	0.0351	0.0320	0.0201	0.0078
	- Ovm	0.8912	0.8471	0.4691	1.4055	1.2976	0.8865	0.3339

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, including but not limited to those charges in Sections 4.16, 4.18, 4.19 and 4.20.

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	\ TO	DELIVERED	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		\$2.9664	\$10.1460	\$12.7063	\$37.9993	\$35.9023	\$27.9182	\$17.1120
	- Cmd		0.0524	0.1943	0.2453	0.7134	0.6744	0.5258	0.3285
	- MIN		0.0016	0.0206	0.0278	0.0629	0.0598	0.0479	0.0356
	- Ovm		0.1499	0.5279	0.6631	1.9629	1.8549	1.4438	0.8912
SE – Southern (ML-2)	- Res		\$10.1460	\$9.2954	\$11.8557	\$37.1487	\$35.0517	\$27.0676	\$16.2614
	- Cmd		0.1943	0.1781	0.2291	0.6972	0.6582	0.5096	0.3123
	- MIN		0.0206	0.0190	0.0262	0.0613	0.0582	0.0463	0.0340
	- Ovm		0.5279	0.4838	0.6190	1.9187	1.8108	1.3997	0.8471
SE – Central (ML-3)	- Res		\$12.7063	\$11.8557	\$4.6761	\$29.9691	\$27.8721	\$19.8880	\$9.0818
	- Cmd		0.2453	0.2291	0.0872	0.5553	0.5163	0.3677	0.1704
	- MIN		0.0278	0.0262	0.0072	0.0423	0.0392	0.0273	0.0150
	- Ovm		0.6631	0.6190	0.2410	1.5408	1.4328	1.0217	0.4691
SOUTHWEST AREA (SW)	- Res		\$37.9993	\$37.1487	\$29.9691	\$4.2128	\$12.1969	\$23.0031	\$27.4088
	- Cmd		0.7134	0.6972	0.5553	0.0752	0.2238	0.4211	0.5043
	- MIN		0.0629	0.0613	0.0423	0.0031	0.0150	0.0273	0.0351
	- Ovm		1.9629	1.9187	1.5408	0.2137	0.6248	1.1775	1.4055
SW – Southern (ML-5)	- Res		\$35.9023	\$35.0517	\$27.8721	\$12.1969	\$10.0999	\$20.9061	\$25.3118
	- Cmd		0.6744	0.6582	0.5163	0.2238	0.1848	0.3821	0.4653
	- MIN		0.0598	0.0582	0.0392	0.0150	0.0119	0.0242	0.0320
	- Ovm		1.8549	1.8108	1.4328	0.6248	0.5169	1.0695	1.2976
SW – Central (ML-6)	- Res		\$27.9182	\$27.0676	\$19.8880	\$23.0031	\$20.9061	\$12.9220	\$17.3277
	- Cmd		0.5258	0.5096	0.3677	0.4211	0.3821	0.2335	0.3167
	- MIN		0.0479	0.0463	0.0273	0.0273	0.0242	0.0123	0.0201
	- Ovm		1.4438	1.3997	1.0217	1.1775	1.0695	0.6584	0.8865
NORTHERN (ML-7)	- Res		\$17.1120	\$16.2614	\$9.0818	\$27.4088	\$25.3118	\$17.3277	\$6.5215
	- Cmd		0.3285	0.3123	0.1704	0.5043	0.4653	0.3167	0.1194
	- MIN		0.0356	0.0340	0.0150	0.0351	0.0320	0.0201	0.0078
	- Ovm		0.8912	0.8471	0.4691	1.4055	1.2976	0.8865	0.3339

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, including but not limited to those charges in Sections 4.16, 4.18, 4.19 and 4.20.

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	\$2.2557	\$7.7152	\$9.6621	\$28.8953	\$27.3007	\$21.2294	\$13.0122
	- Cap	0.0742	0.2537	0.3177	0.9500	0.8976	0.6980	0.4278
	- Cmd	0.0016	0.0206	0.0278	0.0629	0.0598	0.0479	0.0356
	- Min	0.0016	0.0206	0.0278	0.0629	0.0598	0.0479	0.0356
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SE – Southern (ML-2)	- Del	\$7.7152	\$7.0684	\$9.0153	\$28.2485	\$26.6539	\$20.5826	\$12.3654
	- Cap	0.2537	0.2324	0.2964	0.9287	0.8763	0.6767	0.4065
	- Cmd	0.0206	0.0190	0.0262	0.0613	0.0582	0.0463	0.0340
	- Min	0.0206	0.0190	0.0262	0.0613	0.0582	0.0463	0.0340
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SE – Central (ML-3)	- Del	\$9.6621	\$9.0153	\$3.5558	\$22.7890	\$21.1944	\$15.1232	\$6.9060
	- Cap	0.3177	0.2964	0.1169	0.7492	0.6968	0.4972	0.2270
	- Cmd	0.0278	0.0262	0.0072	0.0423	0.0392	0.0273	0.0150
	- Min	0.0278	0.0262	0.0072	0.0423	0.0392	0.0273	0.0150
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SOUTHWEST AREA (SW)	- Del	\$28.8953	\$28.2485	\$22.7890	\$3.2035	\$9.2748	\$17.4920	\$20.8421
	- Cap	0.9500	0.9287	0.7492	0.1053	0.3049	0.5751	0.6852
	- Cmd	0.0629	0.0613	0.0423	0.0031	0.0150	0.0273	0.0351
	- Min	0.0629	0.0613	0.0423	0.0031	0.0150	0.0273	0.0351
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SW – Southern (ML-5)	- Del	\$27.3007	\$26.6539	\$21.1944	\$9.2748	\$7.6802	\$15.8974	\$19.2475
	- Cap	0.8976	0.8763	0.6968	0.3049	0.2525	0.5227	0.6328
	- Cmd	0.0598	0.0582	0.0392	0.0150	0.0119	0.0242	0.0320
	- Min	0.0598	0.0582	0.0392	0.0150	0.0119	0.0242	0.0320
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SW – Central (ML-6)	- Del	\$21.2294	\$20.5826	\$15.1232	\$17.4920	\$15.8974	\$9.8261	\$13.1763
	- Cap	0.6980	0.6767	0.4972	0.5751	0.5227	0.3230	0.4332
	- Cmd	0.0479	0.0463	0.0273	0.0273	0.0242	0.0123	0.0201
	- Min	0.0479	0.0463	0.0273	0.0273	0.0242	0.0123	0.0201
	- Ovm	1/	1/	1/	1/	1/	1/	1/
NORTHERN (ML-7)	- Del	\$13.0122	\$12.3654	\$6.9060	\$20.8421	\$19.2475	\$13.1763	\$4.9591
	- Cap	0.4278	0.4065	0.2270	0.6852	0.6328	0.4332	0.1630
	- Cmd	0.0356	0.0340	0.0150	0.0351	0.0320	0.0201	0.0078
	- Min	0.0356	0.0340	0.0150	0.0351	0.0320	0.0201	0.0078
	- Ovm	1/	1/	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/	\$2.8928	\$0.0951	\$0.0078	\$0.0078
2 Hour Notice Service 2/	\$2.3970	\$0.0788	\$0.0124	\$0.0124
Balancing Service 2/	\$0.1278	\$0.0042	\$0.0001	\$0.0001

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, including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20.

- 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	\$0.1499	\$0.5279	\$0.6631	\$1.9629	\$1.8549	\$1.4438	\$0.8912
	- MIN	0.0016	0.0206	0.0278	0.0629	0.0598	0.0479	0.0356
SE – Southern (ML-2)	- Cmd	\$0.5279	\$0.4838	\$0.6190	\$1.9188	\$1.8108	\$1.3997	\$0.8471
	- MIN	0.0206	0.0190	0.0262	0.0613	0.0582	0.0463	0.0340
SE – Central (ML-3)	- Cmd	\$0.6631	\$0.6190	\$0.2410	\$1.5408	\$1.4328	\$1.0217	\$0.4691
	- MIN	0.0278	0.0262	0.0072	0.0423	0.0392	0.0273	0.0150

SOUTHWEST AREA (SW)	- Cmd	\$1.9629	\$1.9188	\$1.5408	\$0.2138	\$0.6249	\$1.1775	\$1.4056
	- MIN	0.0629	0.0613	0.0423	0.0031	0.0150	0.0273	0.0351
SW – Southern (ML-5)	- Cmd	\$1.8549	\$1.8108	\$1.4328	\$0.6249	\$0.5169	\$1.0695	\$1.2976
	- MIN	0.0598	0.0582	0.0392	0.0150	0.0119	0.0242	0.0320
SW – Central (ML-6)	- Cmd	\$1.4438	\$1.3997	\$1.0217	\$1.1775	\$1.0695	\$0.6584	\$0.8865
	- MIN	0.0479	0.0463	0.0273	0.0273	0.0242	0.0123	0.0201

NORTHERN (ML-7)	- Cmd	\$0.8912	\$0.8471	\$0.4691	\$1.4056	\$1.2976	\$0.8865	\$0.3339
	- MIN	0.0356	0.0340	0.0150	0.0351	0.0320	0.0201	0.0078

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, including but not limited to those charges in Sections 4.16, 4.18, 4.19 and 4.20.

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

	Maximum Rate -----	Minimum Rate -----
ITS-3 1/	\$3.0638	\$0.0465
IPLS 1/	\$0.8769	\$0.0000
IWS 1/- Joliet Hub	\$0.3339	\$0.0000
IWS 1/ - Lebanon Hub	\$0.2410	\$0.0000

- 1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20.

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

	Maximum Rate per Dth -----	Minimum Rate per Dth -----
RATE SCHEDULE FSS 1/ -----		
With Ratchets and Seasonal Entitlements -----		
1. Reservation Rate		
a. Deliverability Rate	\$1.7321	\$ 0
b. Capacity Rate	\$ 0.7697	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0124	\$ 0.0124
3. Overrun Service Rate	2/	\$ 0.0124
With Ratchets and Flexible Entitlements -----		
1. Reservation Rate		
a. Deliverability Rate	\$ 3.4879	\$ 0
b. Capacity Rate	\$ 0.7697	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0124	\$ 0.0124
3. Overrun Service Rate	2/	\$ 0.0124
Without Ratchets and Seasonal Entitlements -----		
1. Reservation Rate		
a. Deliverability Rate	\$ 2.1651	\$ 0
b. Capacity Rate	\$ 0.7697	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0124	\$ 0.0124
3. Overrun Service Rate	2/	\$ 0.0124
Without Ratchets and Flexible Entitlements -----		
1. Reservation Rate		
a. Deliverability Rate	\$ 3.9209	\$ 0
b. Capacity Rate	\$ 0.7697	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0124	\$ 0.0124
3. Overrun Service Rate	2/	\$ 0.0124

RATE SCHEDULE DDS 3/

1. Storage Commodity Rate	\$ 0.0064	\$ 0.0004
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- 1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20.
- 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 Section 6.24 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 -----
RATE SCHEDULE FSS		

With Ratchets and Seasonal Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 2.8775	\$ 0
b. Capacity Rate	\$ 1.0271	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0176	\$ 0.0176
3. Overrun Service Rate	2/	\$ 0.0176
With Ratchets and Flexible Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 5.6444	\$ 0
b. Capacity Rate	\$ 1.0271	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0176	\$ 0.0176
3. Overrun Service Rate	2/	\$ 0.0176
Without Ratchets and Seasonal Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 3.5969	\$ 0
b. Capacity Rate	\$ 1.0271	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0176	\$ 0.0176
3. Overrun Service Rate	2/	\$ 0.0176
Without Ratchets and Flexible Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 6.3638	\$ 0
b. Capacity Rate	\$ 1.0271	\$ 0
2. Commodity Rate		

	Injection/Withdrawal	\$ 0.0176	\$ 0.0176
3.	Overrun Service Rate	2/	\$ 0.0176

RATE SCHEDULE DDS 1/

1.	Storage Commodity Rate	\$ 0.0098	\$ 0.0006
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- 1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20.
- 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	\$10.5795
2. Commodity Rate	0.0202
3. Overrun Service Rate	0.5419

RATE SCHEDULE MBS 1/

1. Daily Delivery Rate	
a. Northern Segment	\$0.4060
b. Southeast Mainline	0.9061
c. Southwest Mainline	1.3576
2. Capacity Rate	\$0.0641
3. Commodity Rate 2/	
a. Northern Segment Delivery	\$0.0163
b. Southeast Mainline Delivery	0.0294
c. Southwest Mainline Delivery	0.0284
4. Overrun Service Rate	\$0.5419

- 1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20.
- 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 -----		
	Reservation Rate ----- (Col. 2)	Commodity Rate ----- (Col. 3)	Minimum Rate Per Dth ----- (Col. 4)
RATE SCHEDULES FTS-1, FTS-4, FTS-4L, ETS (1) AND PTS-2 -----			
1. Rate			
a. Mainline - Access	\$3.2178	\$0.0000	\$0.0000
b. Mainline - Southwest Southern Segment	12.1425	0.0119	0.0119
c. Mainline - Southwest Central Segment	16.4344	0.0123	0.0123
d. Mainline - Southeast Southern Segment	10.9189	0.0190	0.0190
e. Mainline - Southeast Central Segment	3.8938	0.0072	0.0072
f. Mainline - Northern Segment	6.7003	0.0078	0.0078
g. Southeast Area - Transmission (2)	1.2936	0.0016	0.0016
h. Southwest Area - Transmission (2)	3.1892	0.0031	0.0031
2. ETS Mainline Rate Increment	(1)	(1)	(1)
3. Overrun Service Rate	(3)	(3)	(3)

RATE SCHEDULE FTS-2

1. Rate			
a. Mainline - Access	\$2.1158	\$0.0362	\$0.0000
b. Mainline - Southwest Southern Segment	7.9841	0.1486	0.0119
c. Mainline - Southwest Central Segment	10.8062	0.1973	0.0123
d. Mainline - Southeast Southern Segment	7.1796	0.1419	0.0190
e. Mainline - Southeast Central Segment	2.5603	0.0510	0.0072
f. Mainline - Northern Segment	4.4057	0.0832	0.0078
g. Southeast Area - Transmission	0.8506	0.0162	0.0016
h. Southwest Area - Transmission	2.0970	0.0390	0.0031
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 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. 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	\$1.6089	\$0.0529	\$0.0000	\$0.0000	2/
Mainline - SW - Southern	\$6.0713	\$0.1996	\$0.0119	\$0.0119	2/
Mainline - SW - Central	\$8.2172	\$0.2702	\$0.0123	\$0.0123	2/
Mainline - SE - Southern	\$5.4595	\$0.1795	\$0.0190	\$0.0190	2/
Mainline - SE - Central	\$1.9469	\$0.0640	\$0.0072	\$0.0072	2/
Mainline - Northern	\$3.3502	\$0.1101	\$0.0078	\$0.0078	2/
Southeast Area	\$0.6468	\$0.0213	\$0.0016	\$0.0016	2/
Southwest Area	\$1.5946	\$0.0524	\$0.0031	\$0.0031	2/
Enhancement Services Option 3/	\$2.8928	\$0.0951	\$0.0078	\$0.0078	
2 Hour Notice Service 3/	\$2.3970	\$0.0788	\$0.0124	\$0.0124	
Balancing Service 3/	\$0.1278	\$0.0042	\$0.0001	\$0.0001	

1/ The rates shown are subject to all applicable reservation and volumetric charges or surcharges, including but not limited to those charges in Section 4.16, 4.18, 4.19, and 4.20.

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	\$0.1058	\$0.0000
b. Mainline - Southwest Southern Segment	0.4111	0.0119
c. Mainline - Southwest Central Segment	0.5526	0.0123
d. Mainline - Southeast Southern Segment	0.3780	0.0190
e. Mainline - Southeast Central Segment	0.1352	0.0072
f. Mainline - Northern Segment	0.2281	0.0078
g. Southwest Area (1)	0.1080	0.0031
h. Southeast Area (1)	0.0441	0.0016

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

4.20 SYSTEM IMPROVEMENT MODERNIZATION MECHANISM (SIMM) CHARGES

SIMM-T CHARGE
 RATE SCHEDULE ETS
 MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		(DOLLARS PER DTH)						
		SOUTHEAST			SOUTHWEST			NORTHERN
	TO:	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)
FROM:								
SOUTHEAST AREA (SE)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. SOUTHERN SEGMENT (ML-2)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. CENTRAL SEGMENT (ML-3)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
SOUTHWEST AREA (SW)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. SOUTHERN SEGMENT (ML-5)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. CENTRAL SEGMENT (ML-6)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
NORTHERN SEGMENT (ML-7)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SIMM-T CHARGE
 RATE SCHEDULE FTS-1, FTS-4, & FTS-4L
 MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		(DOLLARS PER DTH)						
		SOUTHEAST			SOUTHWEST			NORTHERN
	TO:	S.E. <u>Area</u> (SE)	Southern <u>Segment</u> (ML-2)	Central <u>Segment</u> (ML-3)	S.W. <u>Area</u> (SW)	Southern <u>Segment</u> (ML-5)	Central <u>Segment</u> (ML-6)	<u>Segment</u> (ML-7)
	FROM:							
SOUTHEAST AREA (SE)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. SOUTHERN SEGMENT (ML-2)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. CENTRAL SEGMENT (ML-3)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
SOUTHWEST AREA (SW)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. SOUTHERN SEGMENT (ML-5)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. CENTRAL SEGMENT (ML-6)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
NORTHERN SEGMENT (ML-7)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SIMM-T CHARGE
 RATE SCHEDULE FTS-2
 MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		(DOLLARS PER DTH)						
		SOUTHEAST			SOUTHWEST			NORTHERN
	TO:	S.E. <u>Area</u> (SE)	Southern <u>Segment</u> (ML-2)	Central <u>Segment</u> (ML-3)	S.W. <u>Area</u> (SW)	Southern <u>Segment</u> (ML-5)	Central <u>Segment</u> (ML-6)	<u>Segment</u> (ML-7)
	FROM:							
SOUTHEAST AREA (SE)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. SOUTHERN SEGMENT (ML-2)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. CENTRAL SEGMENT (ML-3)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
SOUTHWEST AREA (SW)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. SOUTHERN SEGMENT (ML-5)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. CENTRAL SEGMENT (ML-6)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
NORTHERN SEGMENT (ML-7)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SIMM-T CHARGE
 RATE SCHEDULE FTS-3
 MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		(DOLLARS PER DTH)						
		SOUTHEAST			SOUTHWEST			NORTHERN
	TO:	S.E. <u>Area</u> (SE)	Southern <u>Segment</u> (ML-2)	Central <u>Segment</u> (ML-3)	S.W. <u>Area</u> (SW)	Southern <u>Segment</u> (ML-5)	Central <u>Segment</u> (ML-6)	<u>Segment</u> (ML-7)
	FROM:							
SOUTHEAST AREA (SE)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. SOUTHERN SEGMENT (ML-2)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. CENTRAL SEGMENT (ML-3)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
SOUTHWEST AREA (SW)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. SOUTHERN SEGMENT (ML-5)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. CENTRAL SEGMENT (ML-6)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
NORTHERN SEGMENT (ML-7)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SIMM-T CHARGE
 RATE SCHEDULE ITS
 MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		(DOLLARS PER DTH)						
		SOUTHEAST			SOUTHWEST			NORTHERN
	TO:	S.E. <u>Area</u> (SE)	Southern <u>Segment</u> (ML-2)	Central <u>Segment</u> (ML-3)	S.W. <u>Area</u> (SW)	Southern <u>Segment</u> (ML-5)	Central <u>Segment</u> (ML-6)	<u>Segment</u> (ML-7)
	FROM:							
SOUTHEAST AREA (SE)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. SOUTHERN SEGMENT (ML-2)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.E. CENTRAL SEGMENT (ML-3)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
SOUTHWEST AREA (SW)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. SOUTHERN SEGMENT (ML-5)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
S.W. CENTRAL SEGMENT (ML-6)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
NORTHERN SEGMENT (ML-7)		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SIMM-S CHARGES
RATE SCHEDULE FSS

(DOLLARS PER DTH)

The FSS rate schedules will be assessed the following charges:

1. With Ratchets and Seasonal Entitlements:

Deliverability	\$0.0000
Capacity	\$0.0000

2. With Ratchets and Flexible Entitlements:

Deliverability	\$0.0000
Capacity	\$0.0000

3. Without Ratchets and Seasonal Entitlements:

Deliverability	\$0.0000
Capacity	\$0.0000

4. Without Ratchets and Flexible Entitlements:

Deliverability	\$0.0000
Capacity	\$0.0000

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 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 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 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.

3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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 Section 4.16.

4. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

5. 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 5 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.
6. 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 5 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, in addition to all the charges set forth in Section 5.1.3 paragraph 5 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 5 and 6(a), above.
7. 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.
8. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
9. 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.
10. 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 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.

11. 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 Section 6.24 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.
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 two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, 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. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
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 Maximum Storage Quantity by the end of the Winter Period, then Transporter shall reduce Working Storage Gas for Cycling Fuel.
8. 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.
9. 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.

10. 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.
11. 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.

3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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 Section 4.16.

4. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

5. 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 5 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.

6. 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 5 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, in addition to all the charges set forth in Section 5.3.3 paragraph 5 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 5 and 6(a), above.
7. 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.
8. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
9. 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.
10. 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.

11. 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.

3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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 Section 4.16.

4. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or

underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

5. 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 5 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.
6. 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 5 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, in addition to all the charges set forth in Section 5.4.3 paragraph 5 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 5 and 6(a), above.

7. 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.
8. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
9. 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.
10. 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.
11. 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 Section 6.24 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 two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, 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. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
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. 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 FTS-4
Firm Transportation Service (with Minimum Flow Condition)

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, subject to the following limitations:

- (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform service requested by Shipper and such service is operationally feasible; and
- (b) 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: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- (c) Transportation Service under this Rate Schedule shall be firm, up to the Primary Route MDQs specified in the executed Agreement.
- (d) If Shipper fails to nominate by the Timely Nomination Cycle sufficient quantities of Gas, up to its Primary Route MDQ, to enable Transporter to provide FTS-4L service nominated by the Timely Nomination Cycle, Transporter shall issue a Must Flow Order ("MFO") notice to Shipper as expeditiously as is reasonably practicable via GEMS™ or EDM, requiring Shipper to nominate at the Primary Receipt and Delivery Points specified in the executed Agreement (or at Secondary Receipt and Delivery Points subject to Section 5.6 paragraph 2(h) below) the quantity of Gas specified in the MFO notice. The quantity of Gas subject to and specified in an MFO notice shall be up to but shall not exceed Shipper's Primary Route MDQ. Within four (4) hours of receipt by Shipper of an MFO notice, Shipper shall be obligated to submit nominations for the Service Day and in the quantity and at the points set forth in the MFO notice. Once scheduled, Transporter shall not be obligated to accept any revised nominations from Shipper to the extent such revised nominations would affect Transporter's ability to provide FTS-4L service nominated by the Timely Nomination Cycle. Notwithstanding the foregoing, Transporter shall not issue an MFO notice to accommodate new, or an increase in, FTS-4L service nominations submitted after the Timely Nomination Cycle.

- (e) The amount of Gas specified in the MFO notice(s) shall be determined based on nominated quantities received from the affected FTS-4L Shippers for such Day and such amount shall be allocated to Shipper(s) on the basis of Confirmed Price (from lowest to highest); provided, however, that in the event of an equal Confirmed Price among Shippers, the amount of Gas among those Shippers shall be allocated on a pro-rata basis based on Primary Route MDQ.
- (f) If Shipper, on any Day, fails to comply with the MFO notice or to tender and take deliveries of the scheduled quantities of Gas that are necessary for Transporter to provide service under Rate Schedule FTS-4L ("MFO obligations"), Shipper shall be subject to a penalty of twenty-five dollars (\$25.00), plus the applicable spot price index as set forth in the Agreement, for each Dekatherm of Gas that does not comply with such MFO notice or that is scheduled but not tendered to Transporter.
- (g) Any capacity that is created as a result of Transportation Service rendered by Transporter under this Rate Schedule, shall be sold by Transporter pursuant to Rate Schedule FTS-4L. Transporter shall post on its website the availability of the FTS-4L capacity resulting from service under this Rate Schedule.
- (h) Shipper, or if applicable a Replacement Shipper, shall be entitled to (i) nominate to any Receipt or Delivery Point as a Secondary Receipt or Delivery Point, (ii) segment capacity, (iii) change any Primary Point(s) designated in its Agreement, or (iv) elevate any Secondary Point(s) designated in its Agreement, provided it does not affect Transporter's ability to provide firm Transportation Service pursuant to Rate Schedule FTS-4L.
- (i) Shipper shall be entitled, subject to the terms and conditions of Section 6.21 of the General Terms and Conditions of this Tariff, to release any or all of its firm transportation entitlements held under an Agreement, provided that such release is subject to the same MFO obligations as set forth in the Agreement and this Rate Schedule.

3. INCORPORATION OF OTHER PROVISIONS BY REFERENCE

The following sections of Rate Schedule FTS-1 are incorporated herein: 5.3.4, 5.3.6, 5.3.7, and 5.3.8.

RATE SCHEDULE FTS-4L
Firm 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, subject to the following limitations:

- (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform service requested by Shipper, as a result of capacity created by Transporter's Agreement with an FTS-4 Shipper(s), and such service is operationally feasible; and
- (b) 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: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- (c) Transportation Service under this Rate Schedule shall be firm, up to the Primary Route MDQs specified in the executed Agreement, subject to (i) Transporter's right not to schedule service in whole or in part on any Day in which Shipper's nomination is not received by Transporter by the Timely Nomination Cycle, (ii) Transporter's right not to schedule service in whole or in part on any Day in which an FTS-4 Shipper(s), following a MFO notice issued by Transporter, fails to nominate sufficient quantities of Gas, at the Primary Receipt and Delivery Points specified in the executed FTS-4 Agreement(s) (or at Secondary Receipt and Delivery Points subject to Section 5.6 paragraph 2(h) of Rate Schedule FTS-4), and (iii) Transporter's right to curtail service in whole or in part on any Day in which an FTS-4 Shipper(s) fails to tender and take delivery of the scheduled quantities of Gas, at the Primary Receipt and Delivery Points specified in the executed FTS-4 Agreement(s) (or at Secondary Receipt and Delivery Points subject to Section 5.6 paragraph 2(h) of Rate Schedule FTS-4), that are necessary for Transporter to provide service hereunder. Transporter shall notify Shipper via GEMS[™] or EDM if service is not scheduled or is curtailed as provided herein.
- (d) Transporter shall schedule Shipper nominations under this Rate Schedule in accordance with Section 6.10.1 of the General Terms and Conditions of this Tariff.

- (e) If the failure of an FTS-4 Shipper to meet its MFO obligations causes Shipper's service to be curtailed or not to be scheduled, Shipper, along with any other affected FTS-4L Shippers, shall be entitled to any penalty revenues received by Transporter from the FTS-4 Shipper. Such penalty revenues shall be allocated among all affected FTS-4L Shippers on a pro-rata basis based on quantities of Gas curtailed or not scheduled.
- (f) Other than for any obligations pursuant to Section 5.7 paragraph 2(e) above, Transporter shall not be liable to Shipper for any costs, damages, or other liability associated with the failure of an FTS-4 Shipper to meet its MFO obligations.
- (g) Shipper, or if applicable a Replacement Shipper, shall be entitled to (i) segment capacity, (ii) change any Primary Point(s) designated in its Agreement, or (iii) elevate any Secondary Point(s) designated in its Agreement, provided it is operationally feasible taking into consideration the availability of firm capacity under Rate Schedule FTS-4 at the applicable Receipt and/or Delivery Point.

3. INCORPORATION OF OTHER PROVISIONS BY REFERENCE

The following sections of FTS-1 are incorporated herein: 5.3.4, 5.3.6, 5.3.7, and 5.3.8.

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.
- (2) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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) Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or

underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

- (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 and, if applicable, Section 5.19. Shipper shall also pay to Transporter the applicable EPC Charge as stated in Section 4.19.
- (5) SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
- (6) 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.
- (7) 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.
- (8) 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.

- (9) 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.

5.11.3 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.
2. **Other Applicable Charges or Surcharges.** All applicable volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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.
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. **SIMM Charges.** Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
5. **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.
6. **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 Section 6.24 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. **SIMM Charges.** Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
8. **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.
9. 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.

10. 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 for each Dekatherm of Working Storage Gas which are stored for or on behalf of Shipper at the end of any Day during the Month.
- (2) **Other Applicable Charges or Surcharges.** All applicable reservation and volumetric charges or surcharges, as provided for under Section 6.24 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.

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:

\$2.1996 for each Dekatherm of MDQ.

(2) Commodity Charge:

\$0.000 for each Dekatherm of Gas Delivered Hereunder.

3. INTERRUPTIBLE SERVICE CHARGES

Each Month Shipper shall pay to Transporter a commodity charge not to exceed \$0.0723 for each Dekatherm of Gas Delivered Hereunder.

4. FUEL AND L&U REIMBURSEMENT

Transporter shall retain 0.15% 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 0.15% 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. Unless otherwise agreed, 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 and Mexico, is 1.055056 gigajoules 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 cricondenthem, the highest temperature at which the hydrocarbon vapor-liquid equilibrium may be present. The Hydrocarbon Dewpoint (cricondenthem) 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 "GEMStm" 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 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 incremental revenues to Transporter produced, lost or affected by the request for service and may be based upon such factors as the term, quantity, date on which the requested service is requested to commence, cost of facilities required by Transporter to provide the service, and other factors determined to be relevant by Transporter. All determinative factors will be defined in the open season. The NPV shall also include only revenues generated by the reservation rate, or other form of revenue guarantee, as proposed by bidder(s).
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 facilities which are not directly connected.
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.
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 GEMS™ 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. 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.
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/effectuated 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 SIMM

This Section provides for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities, Reservation Charge Credit(s) (RCC), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects during the prior period, as defined in Section 6.26.3 (Revenue Requirements) in order to modernize Transporter's system (Modernization Program). These Revenue Requirements will be recovered through separately-tracked surcharges (SIMM Rate(s)) that will be added to the base tariff rates applicable to Shippers under Transporter's ETS, STS, FTS-1, FTS-4, FTS-4L, FTS-2, FTS-3, ITS, ITS-3, and all FSS Rate Schedules set forth in this Tariff (Applicable Rate Schedules). Except as otherwise provided in this Tariff or in an individual service agreement, the SIMM-T (defined below) shall apply to service agreements under Transporter's ETS, STS, FTS-1, FTS-4, FTS-4L, FTS-2, FTS-3, ITS, and ITS-3 Rate Schedules and the SIMM-S (defined below) shall apply to service agreements under Transporter's FSS Rate Schedules. The SIMM Rates will provide for the recovery of the Revenue Requirements associated with capital expenditures incurred through November 30, 2027 related to Eligible Facilities, RCC(s), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that are placed into service during this term.

6.26.1 Transporter's SIMM Filings.

The first SIMM rate filing will implement SIMM Rate(s) to become effective April 1, 2024 to recover Revenue Requirements related to Eligible Facilities, RCC(s), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that have been placed into service between August 1, 2022 through November 30, 2023 (SIMM Period) and any trailing capital expenditures associated with such Eligible Facilities placed into service during such sixteen month period, provided that such trailing capital expenditures are incurred by Transporter before such SIMM Filing is made. Subsequently, Transporter will have the right to file to adjust the SIMM Rate(s) to become effective April 1 to additionally recover Revenue Requirements related to Eligible Facilities, RCC(s), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that have been placed into service during the December 1 through November 30 period (SIMM Period(s)) prior to such SIMM Filing and any trailing capital expenditures associated with Eligible Facilities placed into service provided that such trailing capital expenditures are incurred by Transporter before such SIMM Filing is made. Any filings by Transporter pursuant to this Section 6.26 are referred to in this Tariff as a SIMM Filing.

6.26.2 SIMM Implementation.

- (a) Eligible Facilities have been defined in the Eligible Facilities Plan (EFP) as filed by Transporter with the FERC and also include the facilities added in accordance with Section 6.26.2(a)(1) and Section 6.26.2(a)(2) of this Tariff. Each Eligible Facilities investment will be allocated to the appropriate transmission (SIMM-T) or storage (SIMM-S) rates in accordance with Section 6.26.3 of this Tariff. Transporter's SIMM Filings will revise the SIMM Rate(s) to take into account both changes in the Revenue Requirements and over/under recovered Revenue Requirements from the preceding periods.
- (1) Transporter retains the discretion to recover capital expenditures associated with projects related to facilities not listed in the EFP through the SIMM Rate(s) set forth in any SIMM Filing provided that the expenditures are for one or more projects falling within one or both of the following categories: (1) projects to address issues that ANR believes could lead to imminent unsafe conditions; and (2) projects that ANR deems necessary to comply with new legislative and/or regulatory requirements provided such construction projects do not result in the cost limits set forth in Section 6.26.2(c) of this Tariff being exceeded.
- (2) Transporter shall be permitted to recover capital expenditures associated with facilities that are not listed in the EFP and that do not fall into one of the categories listed in Section 6.26.2(a)(1) provided that Transporter receives the consent of shippers constituting 75 percent of the billing determinants subject to the applicable SIMM Rate(s) or upon a determination by the Commission that the costs associated with the proposed Eligible Facilities are prudent modernizations costs. Such facilities will be deemed to be Eligible Facilities for purposes of this Tariff.
- (b) Shippers will retain the right to challenge the prudence of any such proposed costs at the time ANR files to recover the costs via the SIMM.
- (c) The total amount of prudent investment in Eligible Facilities incurred for which Revenue Requirements may be recovered through the SIMM will not exceed the program cap of \$900 million, plus a 15 percent tolerance. The initial date of such investment will be deemed to have begun on August 1, 2022. Any costs exceeding the cost limits shall be treated as GPMC under Section 6.26.3(d) of this Tariff.
- (d) Transporter will expend annual general plant maintenance capital (GPMC) costs of \$100 million per year for transmission and storage function projects (GPMC Projects) and such GPMC Projects will not be considered Eligible Facilities. If Transporter expends less than \$100 million in GPMC, the difference will be used to reduce the plant investment included in the SIMM and the total amount of Eligible Facilities for

which the Revenue Requirements would be recoverable through the SIMM will be adjusted downward by such difference.

6.26.3 SIMM Rate Calculation.

In each SIMM Filing, Transporter will calculate the SIMM Rate(s) and allocate to the Applicable Rate Schedules (as defined above) on an as-billed basis and in a manner consistent with Transporter's currently effective cost allocation and rate design, as set forth below:

- (a) Transporter will first calculate the Revenue Requirements related to those Eligible Facilities, RCCs, and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that were placed in and remained in service during the applicable SIMM Periods set forth in Section 6.26.1 of this Tariff and any applicable trailing capital expenditures associated with such Eligible Facilities placed into service during such applicable prior SIMM Period.
 - (1) The Transmission Revenue Requirements associated with Eligible Facilities will consist of (A) a total rate base multiplier of 17.39 percent, which is comprised of:
 - (i) a pre-tax rate of return of 15.13 percent and (ii) a taxes other than income taxes (TOIT) rate of 2.26 percent multiplied by the "net rate base" (i.e., the gross plant minus accumulated depreciation and accumulated deferred income taxes plus other rate base items) associated with Eligible Facilities that have been functionalized as transmission by Transporter; and (B) Transporter's transmission depreciation rate of 2.59 percent and transmission negative salvage rate of 1.41 percent multiplied by the gross plant associated with Eligible Facilities that have been functionalized as transmission by Transporter.
 - (2) The Storage Revenue Requirements associated with Eligible Facilities will consist of (A) a total rate base multiplier of 17.39 percent, which is comprised of: (i) a pre-tax rate of return of 15.13 percent and (ii) a TOIT of 2.26 percent multiplied by the "net rate base" (i.e., the gross plant minus accumulated depreciation and accumulated deferred income taxes plus other rate base items) associated with Eligible Facilities that have been functionalized as storage by Transporter; and (B) Transporter's storage depreciation rate of 2.24 percent and storage negative salvage rate of 1.08 percent multiplied by the gross plant associated with Eligible Facilities that have been functionalized as storage by Transporter.
- (b) Transporter will allocate the Revenue Requirements across each Applicable Rate Schedule to derive the SIMM-T and SIMM-S Rates on a per unit basis, utilizing the greater of:
 - (1) The projected reservation billing determinants, reflecting discount adjustments for both discounted and negotiated rate contracts, based on the most recently available twelve (12) month actual billing determinants, for all system customers, including billing determinants associated with non-incremental negotiated rate contracts and anticipated contract expirations, but exclusive of contracts for capacity on incrementally-priced projects, which are not subject to the SIMM as described in Section 6.26.3(c) of the Tariff; or

- (2) Transmission billing determinant floors shown in table below reflecting a 25 percent adjustment of the applicable totals reflected in the J-1 Schedules filed in ANR's 2022 Section 4 rate case filing for each SIMM Filing.

Zones	Southeast Area (SE)	SE – Southern Segment (ML-2)	SE – Central Segment (ML-3)	Southwest Area (SW)	SW – Southern Segment (ML-5)	SW – Central Segment (ML-6)	Northern Segment (ML-7)
Transmission Billing Determinant Floors (Dth)	11,935,357	11,881,966	17,225,683	1,378,411	1,786,665	1,243,599	19,375,811

- (3) A storage billing determinant floor MDWQ of 12,843,887 Dth and MSQ of 75,374,322 Dth for each SIMM Filing. This storage billing determinant floor reflects a 10 percent adjustment of the applicable totals reflected in the J-1 Schedules filed in ANR's 2022 Section 4 rate case filing.
- (4) If the billing determinants are lower than the floors set forth herein, Transporter will impute billing determinants at the maximum applicable rate and the revenues that would be associated with such billing determinants to reflect the above stated billing determinant levels in the calculation of the SIMM Rate(s).
- (c) Subject to Section 6.26.3, ANR shall be at risk for any under-recovery of the Revenue Requirement associated with the billing determinants of non-incremental negotiated rate service agreements that are by their terms exempt from paying the SIMM.
- (d) Incrementally-priced expansion projects will not be charged the SIMM Rate(s) and the billing determinants for incrementally-priced expansion projects will not be included in the calculation of the SIMM Rate(s). In the event the FERC's policy with respect to the rate treatment of incrementally-priced expansion projects changes after the effectiveness of this provision of the Tariff, any future treatment of incrementally-priced expansion projects in the SIMM will conform to the revised FERC policy.
- (e) Except to the extent such results from the imputation of billing determinants under the billing determinant floors or for non-incremental negotiated rate agreements that exclude the SIMM, any over/under recovery of the Revenue Requirements will be recovered in the next succeeding SIMM Filing. The over/under recovery will be calculated each year by comparing the actual Revenue Requirements, by function, to the revenues received during the recovery period, including any revenues required to be imputed by Transporter pursuant to Section 6.26.2 of this Tariff, above.

6.26.4 Term of SIMM.

The SIMM will reflect the Revenue Requirements for capital placed into service during the term commencing August 1, 2022 and ending on November 30, 2027. Upon termination of the SIMM, Shippers under the Applicable Rate Schedules will remain subject to any unrecovered SIMM costs and Transporter will be required to refund any over-recovered SIMM costs. Any positive or negative balances in Transporter's SIMM account as of the expiration of the SIMM will be charged or refunded to Shippers, as applicable, in the next monthly billing cycle that is at least fifteen (15) days after the termination of the SIMM.

Appendix A-2

ANR Pipeline Company

***FERC Gas Tariff*, Third Revised Volume No. 1**

Tariff Records Redline

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STATEMENT OF RATES

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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)	Segment (ML-7)
SOUTHEAST AREA (SE)	- Res		<u>\$20.8898</u> \$9.5816	<u>\$21.2710</u> \$11.9406		<u>\$60.6726</u> \$18.0066	<u>\$50.6760</u> \$15.9846	<u>\$29.3746</u> \$13.9626
	- Cmd		<u>0.0206</u> 0.0142	<u>0.0278</u> 0.0169		<u>0.0598</u> 0.0236	<u>0.0479</u> 0.0216	<u>0.0356</u> 0.0189
	- MIN		<u>0.0206</u> 0.0142	<u>0.0278</u> 0.0169		<u>0.0598</u> 0.0236	<u>0.0479</u> 0.0216	<u>0.0356</u> 0.0189
	- Ovrn		<u>0.7074</u> 0.3292	<u>0.7271</u> 0.4094		<u>2.0545</u> 0.6156	<u>1.7140</u> 0.5472	<u>1.0013</u> 0.4779
SE – Southern (ML-2)	- Res		<u>\$19.5962</u> \$7.2226	<u>\$19.9774</u> \$9.5816		<u>\$59.3790</u> \$15.6476	<u>\$49.3824</u> \$13.6256	<u>\$28.0810</u> \$11.6036
	- Cmd		<u>0.0190</u> 0.0115	<u>0.0262</u> 0.0142		<u>0.0582</u> 0.0209	<u>0.0463</u> 0.0189	<u>0.0340</u> 0.0162
	- MIN		<u>0.0190</u> 0.0115	<u>0.0262</u> 0.0142		<u>0.0582</u> 0.0209	<u>0.0463</u> 0.0189	<u>0.0340</u> 0.0162
	- Ovrn		<u>0.6633</u> 0.2490	<u>0.6830</u> 0.3292		<u>2.0104</u> 0.5353	<u>1.6698</u> 0.4668	<u>0.9572</u> 0.3977
SE – Central (ML-3)	- Res		<u>\$23.4900</u> \$9.5816	<u>\$9.0585</u> \$6.8856		<u>\$48.4601</u> \$12.9516	<u>\$38.4635</u> \$10.9296	<u>\$17.1621</u> \$8.9076
	- Cmd		<u>0.0262</u> 0.0142	<u>0.0072</u> 0.0108		<u>0.0392</u> 0.0175	<u>0.0273</u> 0.0155	<u>0.0150</u> 0.0128
	- MIN		<u>0.0262</u> 0.0142	<u>0.0072</u> 0.0108		<u>0.0392</u> 0.0175	<u>0.0273</u> 0.0155	<u>0.0150</u> 0.0128
	- Ovrn		<u>0.7985</u> 0.3292	<u>0.3050</u> 0.2371		<u>1.6324</u> 0.434	<u>1.2919</u> 0.3749	<u>0.5792</u> 0.3056
SOUTHWEST AREA (SW)	- Res		<u>\$61.9564</u> \$18.3436	<u>\$47.5249</u> \$15.6476		<u>\$24.6208</u> \$9.2446	<u>\$43.2011</u> \$11.2666	<u>\$45.0344</u> \$13.2886
	- Cmd		<u>0.0613</u> 0.0276	<u>0.0423</u> 0.0243		<u>0.0150</u> 0.0169	<u>0.0273</u> 0.0195	<u>0.0351</u> 0.0216
	- MIN		<u>0.0613</u> 0.0276	<u>0.0423</u> 0.0243		<u>0.0150</u> 0.0169	<u>0.0273</u> 0.0195	<u>0.0351</u> 0.0216
	- Ovrn		<u>2.0982</u> 0.6307	<u>1.6048</u> 0.5387		<u>0.8244</u> 0.3208	<u>1.4476</u> 0.3900	<u>1.5157</u> 0.4585
SW – Southern (ML-5)	- Res		<u>\$58.7672</u> \$15.6476	<u>\$44.3357</u> \$12.9516		<u>\$21.4316</u> \$6.5486	<u>\$40.0119</u> \$8.5706	<u>\$41.8452</u> \$10.5926
	- Cmd		<u>0.0582</u> 0.0209	<u>0.0392</u> 0.0175		<u>0.0119</u> 0.0101	<u>0.0242</u> 0.0128	<u>0.0320</u> 0.0148
	- MIN		<u>0.0582</u> 0.0209	<u>0.0392</u> 0.0175		<u>0.0119</u> 0.0101	<u>0.0242</u> 0.0128	<u>0.0320</u> 0.0148
	- Ovrn		<u>1.9903</u> 0.6307	<u>1.4968</u> 0.5387		<u>0.7165</u> 0.3208	<u>1.3397</u> 0.3900	<u>1.4077</u> 0.4585

		0.5353	0.4434	0.2254	0.2945	0.3630
SW – Central	- Res	<u>\$46.6247</u>	<u>\$32.1932</u>	<u>\$37.8660</u>	<u>\$27.8694</u>	<u>\$29.7027</u>
		\$13.6256	\$10.9296	\$8.5706	\$6.5486	\$8.5706
(ML-6)	- Cmd	<u>0.0463</u>	<u>0.0273</u>	<u>0.0242</u>	<u>0.0123</u>	<u>0.0201</u>
		0.0189	0.0155	0.0128	0.0108	0.0128
	- MIN	<u>0.0463</u>	<u>0.0273</u>	<u>0.0242</u>	<u>0.0123</u>	<u>0.0201</u>
		0.0189	0.0155	0.0128	0.0108	0.0128
	- Ovrn	<u>1.5792</u>	<u>1.0857</u>	<u>1.2691</u>	<u>0.9286</u>	<u>0.9966</u>
		0.4668	0.3749	0.2945	0.2261	0.2945
<hr/>						
NORTHERN	- Res	<u>\$30.1903</u>	<u>\$15.7588</u>	<u>\$44.5663</u>	<u>\$34.5697</u>	<u>\$13.2683</u>
		\$11.6036	8.9076	\$10.5926	\$8.5706	\$6.5486
(ML-7)	- Cmd	<u>0.0340</u>	<u>0.0150</u>	<u>0.0320</u>	<u>0.0201</u>	<u>0.0078</u>
		0.0162	0.0128	0.0148	0.0128	0.0101
	- MIN	<u>0.0340</u>	<u>0.0150</u>	<u>0.0320</u>	<u>0.0201</u>	<u>0.0078</u>
		0.0162	0.0128	0.0148	0.0128	0.0101
	- Ovrn	<u>1.0266</u>	<u>0.5331</u>	<u>1.4972</u>	<u>1.1566</u>	<u>0.4440</u>
		0.3977	0.3056	0.3630	0.2945	0.2254

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 Section 6.24 of the General Terms and Conditions of this Tariff.~~ including but not limited to those charges in Sections 4.16, 4.18, 4.19 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		\$1.1596 <u>\$3.6274</u>	\$1.3899 <u>\$3.6595</u>	\$1.0748 <u>\$2.5984</u>
SOUTHEAST AREA		1.3482 <u>3.9762</u>	1.2162 <u>2.4045</u>	1.0962 <u>2.0379</u>
NORTHERN SEGMENT		1.0738 <u>3.3714</u>	1.1371 <u>2.4942</u>	0.8218 <u>1.4331</u>

RATE SCHEDULE ETS
 For Small Shipper Service Option

SOUTHWEST AREA	\$1.1420 <u>\$4.3313</u>	\$1.8551 <u>\$6.2338</u>	\$1.3455 <u>\$4.5217</u>
SOUTHEAST AREA	1.8175 <u>6.1044</u>	1.2064 <u>2.1470</u>	1.4099 <u>2.9621</u>
NORTHERN SEGMENT	1.0701 <u>4.4720</u>	1.1722 <u>3.0417</u>	0.6625 <u>1.3297</u>

RATE SCHEDULE FTS-1
 For Small Shipper Service Option

SOUTHWEST AREA	\$1.0603 <u>\$3.5126</u>	\$1.7735 <u>\$5.6899</u>	\$1.2638 <u>\$4.1879</u>
SOUTHEAST AREA	1.8175 <u>5.4995</u>	1.2064 <u>1.9530</u>	1.3283 <u>2.6283</u>
NORTHERN SEGMENT	0.9885 <u>3.8671</u>	1.0905 <u>2.4978</u>	0.5809 <u>0.9959</u>

General Note:

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.~~ including but not limited to those charges in Sections 4.16, 4.18, 4.19, 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	\$2.35904 <u>5114</u>	\$8.76201 <u>5.4303</u>	\$11.1210 <u>19.3241</u>	\$19.8830 <u>57.7905</u>	\$17.1870 <u>54.6013</u>	\$15.1650 <u>42.4588</u>	\$13.1430 <u>26.0244</u>
	- Cmd	0.002700 <u>016</u>	0.014200 <u>206</u>	0.016900 <u>278</u>	0.030300 <u>629</u>	0.023600 <u>598</u>	0.021600 <u>479</u>	0.018900 <u>356</u>
	- MIN	0.002700 <u>016</u>	0.014200 <u>206</u>	0.016900 <u>278</u>	0.030300 <u>629</u>	0.023600 <u>598</u>	0.021600 <u>479</u>	0.018900 <u>356</u>
	- Ovm	0.080201 <u>499</u>	0.302205 <u>279</u>	0.382406 <u>631</u>	0.684019 <u>629</u>	0.588718 <u>549</u>	0.520214 <u>438</u>	0.450908 <u>912</u>
SE – Southern (ML-2)	- Res	\$15.4303 <u>8.7620</u>	\$14.1367 <u>6.4030</u>	\$8.76201 <u>8.0305</u>	\$17.5240 <u>56.4969</u>	\$14.8280 <u>53.3077</u>	\$12.8060 <u>41.1652</u>	\$10.7840 <u>24.7308</u>
	- Cmd	0.014200 <u>206</u>	0.011500 <u>190</u>	0.014200 <u>262</u>	0.027600 <u>613</u>	0.020900 <u>582</u>	0.018900 <u>463</u>	0.016200 <u>340</u>
	- MIN	0.014200 <u>206</u>	0.011500 <u>190</u>	0.014200 <u>262</u>	0.027600 <u>613</u>	0.020900 <u>582</u>	0.018900 <u>463</u>	0.016200 <u>340</u>
	- Ovm	0.302205 <u>279</u>	0.222004 <u>838</u>	0.302206 <u>190</u>	0.603819 <u>187</u>	0.508318 <u>108</u>	0.439913 <u>997</u>	0.370708 <u>471</u>
SE – Central (ML-3)	- Res	\$11.1210 <u>19.3241</u>	\$18.0305 <u>8.7620</u>	\$6.06607 <u>1116</u>	\$45.5780 <u>14.8280</u>	\$12.1320 <u>42.3888</u>	\$10.1100 <u>30.2463</u>	\$8.08801 <u>3.8119</u>
	- Cmd	0.016900 <u>278</u>	0.014200 <u>262</u>	0.010800 <u>072</u>	0.024300 <u>423</u>	0.017500 <u>392</u>	0.015500 <u>273</u>	0.012800 <u>150</u>
	- MIN	0.016900 <u>278</u>	0.014200 <u>262</u>	0.010800 <u>072</u>	0.024300 <u>423</u>	0.017500 <u>392</u>	0.015500 <u>273</u>	0.012800 <u>150</u>
	- Ovm	0.382406 <u>631</u>	0.302206 <u>190</u>	0.210202 <u>410</u>	0.511715 <u>408</u>	0.416414 <u>328</u>	0.347910 <u>217</u>	0.278804 <u>691</u>
SOUTHWEST AREA (SW)	- Res	\$19.8830 <u>57.7905</u>	\$17.5240 <u>56.4969</u>	\$14.8280 <u>45.5780</u>	\$2.69606 <u>4070</u>	\$8.42501 <u>8.5495</u>	\$10.4470 <u>34.9839</u>	\$12.4690 <u>41.6842</u>
	- Cmd	0.0629 <u>0.0303</u>	0.0613 <u>0.0276</u>	0.0423 <u>0.0243</u>	0.0031 <u>0.0067</u>	0.0150 <u>0.0169</u>	0.0273 <u>0.0195</u>	0.0351 <u>0.0216</u>
	- MIN	0.0629 <u>0.0303</u>	0.0613 <u>0.0276</u>	0.0423 <u>0.0243</u>	0.0031 <u>0.0067</u>	0.0150 <u>0.0169</u>	0.0273 <u>0.0195</u>	0.0351 <u>0.0216</u>
	- Ovm	1.9629 <u>0.6840</u>	1.9187 <u>0.6038</u>	1.5408 <u>0.5117</u>	0.2137 <u>0.0952</u>	0.6248 <u>0.2939</u>	1.1775 <u>0.3630</u>	1.4055 <u>0.4315</u>
SW – Southern (ML-5)	- Res	\$54.6013 <u>17.1870</u>	\$53.3077 <u>14.8280</u>	\$42.3888 <u>12.1320</u>	\$18.5495 <u>8.4250</u>	\$15.3603 <u>5.7290</u>	\$31.7947 <u>7.7510</u>	\$38.4950 <u>9.7730</u>
	- Cmd	0.0598 <u>0.0236</u>	0.0582 <u>0.0209</u>	0.0392 <u>0.0175</u>	0.0150 <u>0.0169</u>	0.0119 <u>0.0101</u>	0.0242 <u>0.0128</u>	0.0320 <u>0.0148</u>
	- MIN	0.0598 <u>0.0236</u>	0.0582 <u>0.0209</u>	0.0392 <u>0.0175</u>	0.0150 <u>0.0169</u>	0.0119 <u>0.0101</u>	0.0242 <u>0.0128</u>	0.0320 <u>0.0148</u>

	- Ovm	<u>1.8549</u> 0.5887	<u>1.8108</u> 0.5083	<u>1.4328</u> 0.4164	<u>0.6248</u> 0.2939	<u>0.5169</u> 0.1984	<u>1.0695</u> 0.2676	<u>1.2976</u> 0.3362
SW – Central	- Res	<u>\$42.4588</u> \$15.1650	<u>\$41.1652</u> \$12.8060	<u>\$30.2463</u> \$10.1100	<u>\$34.9839</u> \$10.4470	<u>\$31.7947</u> \$7.7510	<u>\$19.6522</u> \$5.7290	<u>\$26.3525</u> \$7.7510
(ML-6)	- Cmd	<u>0.0479</u> 0.0216	<u>0.0463</u> 0.0189	<u>0.0273</u> 0.0155	<u>0.0273</u> 0.0195	<u>0.0242</u> 0.0128	<u>0.0123</u> 0.0108	<u>0.0201</u> 0.0128
	- MIN	<u>0.0479</u> 0.0216	<u>0.0463</u> 0.0189	<u>0.0273</u> 0.0155	<u>0.0273</u> 0.0195	<u>0.0242</u> 0.0128	<u>0.0123</u> 0.0108	<u>0.0201</u> 0.0128
	- Ovm	<u>1.4438</u> 0.5202	<u>1.3997</u> 0.4399	<u>1.0217</u> 0.3479	<u>1.1775</u> 0.3630	<u>1.0695</u> 0.2676	<u>0.6584</u> 0.1991	<u>0.8865</u> 0.2676
NORTHERN	- Res	<u>\$26.0244</u> \$13.1430	<u>\$24.7308</u> \$10.7840	<u>\$13.8119</u> \$8.0880	<u>\$41.6842</u> \$12.4690	<u>\$38.4950</u> \$9.7730	<u>\$26.3525</u> \$7.7510	<u>\$9.9181</u> \$5.7290
(ML-7)	- Cmd	<u>0.0356</u> 0.0189	<u>0.0340</u> 0.0162	<u>0.0150</u> 0.0128	<u>0.0351</u> 0.0216	<u>0.0320</u> 0.0148	<u>0.0201</u> 0.0128	<u>0.0078</u> 0.0101
	- MIN	<u>0.0356</u> 0.0189	<u>0.0340</u> 0.0162	<u>0.0150</u> 0.0128	<u>0.0351</u> 0.0216	<u>0.0320</u> 0.0148	<u>0.0201</u> 0.0128	<u>0.0078</u> 0.0101
	- Ovm	<u>0.8912</u> 0.4509	<u>0.8471</u> 0.3707	<u>0.4691</u> 0.2788	<u>1.4055</u> 0.4315	<u>1.2976</u> 0.3362	<u>0.8865</u> 0.2676	<u>0.3339</u> 0.1984

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 Section 6.24 of the General Terms and Conditions of this Tariff~~ including but not limited to those charges in ~~Sections 4.16, 4.18, 4.19 and 4.20~~ Sections 4.16, 4.18, 4.19 and 4.20 reflect the applicable charges and surcharges under these Sections.

RESERVED FOR FUTURE USE

~~RATE SCHEDULE FTS-1 (GCXP)
MATRIX OF BASE TARIFF TRANSMISSION RATES PER DTH BY ROUTE
EXLCUSE OF ADDITIONAL CHARGES OR SURCHARGES~~

~~GRAND CHENIERE XPRESS PROJECT
DOCKET NO. CP20-8-000~~

RECEIVED FROM	DELIVERED TO	SOUTHEAST S.E. Area (SE)
Southeast Area (SE)	—Res	\$4.2466
	—Cmd	0.0032
	—MIN	0.0032
	—Ovrn	0.1428

General Notes:

~~Rates shown above are applicable to transportation services authorized in Docket No. CP20-8-000, Grand Chenier Xpress Project. The total rate charged for the incremental service provided shall equal the Reservation and Commodity rates as reflected above. The rates 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 Section 6.24 of the General Terms and Conditions of this Tariff. Section 4.16 of the General Terms and Conditions of this Tariff reflects the applicable surcharges under Section 6.24.~~

~~This service shall be charged the applicable Transporter's Use and EPC Charge, under Section 4.18 of the General Terms and Conditions of this Tariff.~~

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	<u>\$2.9664</u> \$1.5515	<u>\$10.1460</u> \$5.7614	<u>\$12.7063</u> \$7.3129	<u>\$37.9993</u> \$13.0729	<u>\$35.9023</u> \$11.3003	<u>\$27.9182</u> \$9.9712	<u>\$17.1120</u> \$8.6420
	- Cmd	<u>0.0524</u> 0.0293	<u>0.1943</u> 0.1128	<u>0.2453</u> 0.1421	<u>0.7134</u> 0.2544	<u>0.6744</u> 0.2172	<u>0.5258</u> 0.1924	<u>0.3285</u> 0.1669
	- MIN	<u>0.0016</u> 0.0027	<u>0.0206</u> 0.0142	<u>0.0278</u> 0.0169	<u>0.0629</u> 0.0303	<u>0.0598</u> 0.0236	<u>0.0479</u> 0.0216	<u>0.0356</u> 0.0189
	- Ovm	<u>0.1499</u> 0.0802	<u>0.5279</u> 0.3187	<u>0.6631</u> 0.3824	<u>1.9629</u> 0.6840	<u>1.8549</u> 0.5885	<u>1.4438</u> 0.5257	<u>0.8912</u> 0.4509
SE – Southern (ML-2)	- Res	<u>\$10.1460</u> \$5.7614	<u>\$9.2954</u> \$4.2098	<u>\$11.8557</u> \$5.7614	<u>\$37.1487</u> \$11.5214	<u>\$35.0517</u> \$9.7487	<u>\$27.0676</u> \$8.4196	<u>\$16.2614</u> \$7.0905
	- Cmd	<u>0.1943</u> 0.1128	<u>0.1781</u> 0.0836	<u>0.2291</u> 0.1128	<u>0.6972</u> 0.2251	<u>0.6582</u> 0.1879	<u>0.5096</u> 0.1631	<u>0.3123</u> 0.1376
	- MIN	<u>0.0206</u> 0.0142	<u>0.0190</u> 0.0115	<u>0.0262</u> 0.0142	<u>0.0613</u> 0.0276	<u>0.0582</u> 0.0209	<u>0.0463</u> 0.0189	<u>0.0340</u> 0.0162
	- Ovm	<u>0.5279</u> 0.3187	<u>0.4838</u> 0.2385	<u>0.6190</u> 0.3022	<u>1.9187</u> 0.6038	<u>1.8108</u> 0.5083	<u>1.3997</u> 0.4455	<u>0.8471</u> 0.3707
SE – Central (ML-3)	- Res	<u>\$12.7063</u> \$7.3129	<u>\$11.8557</u> \$5.7614	<u>\$4.6761</u> \$3.9887	<u>\$29.9691</u> \$9.7487	<u>\$27.8721</u> \$7.9761	<u>\$19.8880</u> \$6.6470	<u>\$9.0818</u> \$5.3179
	- Cmd	<u>0.2453</u> 0.1421	<u>0.2291</u> 0.1128	<u>0.0872</u> 0.0791	<u>0.5553</u> 0.1914	<u>0.5163</u> 0.1542	<u>0.3677</u> 0.1294	<u>0.1704</u> 0.1039
	- MIN	<u>0.0278</u> 0.0169	<u>0.0262</u> 0.0142	<u>0.0072</u> 0.0108	<u>0.0423</u> 0.0243	<u>0.0392</u> 0.0175	<u>0.0273</u> 0.0155	<u>0.0150</u> 0.0128
	- Ovm	<u>0.6631</u> 0.3824	<u>0.6190</u> 0.3022	<u>0.2410</u> 0.1937	<u>1.5408</u> 0.4953	<u>1.4328</u> 0.3998	<u>1.0217</u> 0.3370	<u>0.4691</u> 0.2622
SOUTHWEST AREA (SW)	- Res	<u>\$37.9993</u> \$13.0729	<u>\$37.1487</u> \$11.5214	<u>\$29.9691</u> \$9.7487	<u>\$4.2128</u> \$1.7726	<u>\$12.1969</u> \$5.5389	<u>\$23.0031</u> \$6.8681	<u>\$27.4088</u> \$8.1972
	- Cmd	<u>0.7134</u> 0.2544	<u>0.6972</u> 0.2251	<u>0.5553</u> 0.1914	<u>0.0752</u> 0.0372	<u>0.2238</u> 0.1119	<u>0.4211</u> 0.1374	<u>0.5043</u> 0.1622
	- MIN	<u>0.0629</u> 0.0303	<u>0.0613</u> 0.0276	<u>0.0423</u> 0.0243	<u>0.0031</u> 0.0067	<u>0.0150</u> 0.0169	<u>0.0273</u> 0.0195	<u>0.0351</u> 0.0216
	- Ovm	<u>1.9629</u> 0.6840	<u>1.9187</u> 0.6038	<u>1.5408</u> 0.4953	<u>0.2137</u> 0.0954	<u>0.6248</u> 0.2882	<u>1.1775</u> 0.3630	<u>1.4055</u> 0.4315
SW – Southern (ML-5)	- Res	<u>\$35.9023</u> \$11.3003	<u>\$35.0517</u> \$9.7487	<u>\$27.8721</u> \$7.9761	<u>\$12.1969</u> \$5.5389	<u>\$10.0999</u> \$3.7663	<u>\$20.9061</u> \$5.0954	<u>\$25.3118</u> \$6.4246
	- Cmd	<u>0.6744</u> 0.2172	<u>0.6582</u> 0.1879	<u>0.5163</u> 0.1542	<u>0.2238</u> 0.1119	<u>0.1848</u> 0.0747	<u>0.3821</u> 0.1002	<u>0.4653</u> 0.1250
	- MIN	<u>0.0598</u>	<u>0.0582</u>	<u>0.0392</u>	<u>0.0150</u>	<u>0.0119</u>	<u>0.0242</u>	<u>0.0320</u>

		0.0236	0.0209	0.0175	0.0169	0.0101	0.0128	0.0148
	- Ovm	<u>1.8549</u>	<u>1.8108</u>	<u>1.4328</u>	<u>0.6248</u>	<u>0.5169</u>	<u>1.0695</u>	<u>1.2976</u>
		0.5885	0.5083	0.3998	0.2882	0.1928	0.2676	0.3361
SW – Central	- Res	<u>\$27.9182</u>	<u>\$27.0676</u>	<u>\$19.8880</u>	<u>\$23.0031</u>	<u>\$20.9061</u>	<u>\$12.9220</u>	<u>\$17.3277</u>
(ML-6)		\$9.9712	\$8.4196	\$6.6470	\$6.8681	\$5.0954	\$3.7663	\$5.0954
	- Cmd	<u>0.5258</u>	<u>0.5096</u>	<u>0.3677</u>	<u>0.4211</u>	<u>0.3821</u>	<u>0.2335</u>	<u>0.3167</u>
		0.1924	0.1631	0.1294	0.1374	0.1002	0.0754	0.1002
	- MIN	<u>0.0479</u>	<u>0.0463</u>	<u>0.0273</u>	<u>0.0273</u>	<u>0.0242</u>	<u>0.0123</u>	<u>0.0201</u>
		0.0216	0.0189	0.0155	0.0195	0.0128	0.0108	0.0128
	- Ovm	<u>1.4438</u>	<u>1.3997</u>	<u>1.0217</u>	<u>1.1775</u>	<u>1.0695</u>	<u>0.6584</u>	<u>0.8865</u>
		0.5257	0.4455	0.3370	0.3630	0.2676	0.2048	0.2732
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NORTHERN	- Res	<u>\$17.1120</u>	<u>\$16.2614</u>	<u>\$9.0818</u>	<u>\$27.4088</u>	<u>\$25.3118</u>	<u>\$17.3277</u>	<u>\$6.5215</u>
(ML-7)		\$8.6420	\$7.0905	\$5.3179	\$8.1972	\$6.4246	\$5.0954	\$3.7663
	- Cmd	<u>0.3285</u>	<u>0.3123</u>	<u>0.1704</u>	<u>0.5043</u>	<u>0.4653</u>	<u>0.3167</u>	<u>0.1194</u>
		0.1669	0.1376	0.1039	0.1622	0.1250	0.1002	0.0747
	- MIN	<u>0.0356</u>	<u>0.0340</u>	<u>0.0150</u>	<u>0.0351</u>	<u>0.0320</u>	<u>0.0201</u>	<u>0.0078</u>
		0.0189	0.0162	0.0128	0.0216	0.0148	0.0128	0.0101
	- Ovm	<u>0.8912</u>	<u>0.8471</u>	<u>0.4691</u>	<u>1.4055</u>	<u>1.2976</u>	<u>0.8865</u>	<u>0.3339</u>
		0.4509	0.3707	0.2622	0.4315	0.3361	0.2732	0.1984

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 Section 6.24 of the General Terms and Conditions of this Tariff~~ including but not limited to those charges in Sections 4.16, 4.18, 4.19 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	<u>\$2.2557</u> \$1.1795	<u>\$7.7152</u> \$4.3810	<u>\$9.6621</u> \$5.5605	<u>\$28.8953</u> \$9.9415	<u>\$27.3007</u> \$8.5935	<u>\$21.2294</u> \$7.5825	<u>\$13.0122</u> \$6.5715
	- Cap	<u>0.0742</u> 0.0388	<u>0.2537</u> 0.1441	<u>0.3177</u> 0.1829	<u>0.9500</u> 0.3272	<u>0.8976</u> 0.2828	<u>0.6980</u> 0.2495	<u>0.4278</u> 0.2162
	- Cmd	<u>0.0016</u> 0.0027	<u>0.0206</u> 0.0142	<u>0.0278</u> 0.0169	<u>0.0629</u> 0.0303	<u>0.0598</u> 0.0236	<u>0.0479</u> 0.0216	<u>0.0356</u> 0.0189
	- Min	<u>0.0016</u> 0.0027	<u>0.0206</u> 0.0142	<u>0.0278</u> 0.0169	<u>0.0629</u> 0.0303	<u>0.0598</u> 0.0236	<u>0.0479</u> 0.0216	<u>0.0356</u> 0.0189
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SE – Southern (ML-2)	- Del	<u>\$7.7152</u> \$4.3810	<u>\$7.0684</u> \$3.2015	<u>\$9.0153</u> \$4.3810	<u>\$28.2485</u> \$8.7620	<u>\$26.6539</u> \$7.4140	<u>\$20.5826</u> \$6.4030	<u>\$12.3654</u> \$5.3920
	- Cap	<u>0.2537</u> 0.1441	<u>0.2324</u> 0.1053	<u>0.2964</u> 0.1441	<u>0.9287</u> 0.2883	<u>0.8763</u> 0.2440	<u>0.6767</u> 0.2107	<u>0.4065</u> 0.1774
	- Cmd	<u>0.0206</u> 0.0142	<u>0.0190</u> 0.0115	<u>0.0262</u> 0.0142	<u>0.0613</u> 0.0276	<u>0.0582</u> 0.0209	<u>0.0463</u> 0.0189	<u>0.0340</u> 0.0162
	- Min	<u>0.0206</u> 0.0142	<u>0.0190</u> 0.0115	<u>0.0262</u> 0.0142	<u>0.0613</u> 0.0276	<u>0.0582</u> 0.0209	<u>0.0463</u> 0.0189	<u>0.0340</u> 0.0162
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SE – Central (ML-3)	- Del	<u>\$9.6621</u> \$5.5605	<u>\$9.0153</u> \$4.3810	<u>\$3.5558</u> \$3.0330	<u>\$22.7890</u> \$7.4140	<u>\$21.1944</u> \$6.0660	<u>\$15.1232</u> \$5.0550	<u>\$6.9060</u> \$4.0440
	- Cap	<u>0.3177</u> 0.1829	<u>0.2964</u> 0.1441	<u>0.1169</u> 0.0998	<u>0.7492</u> 0.2440	<u>0.6968</u> 0.1996	<u>0.4972</u> 0.1663	<u>0.2270</u> 0.1330
	- Cmd	<u>0.0278</u> 0.0169	<u>0.0262</u> 0.0142	<u>0.0072</u> 0.0108	<u>0.0423</u> 0.0243	<u>0.0392</u> 0.0175	<u>0.0273</u> 0.0155	<u>0.0150</u> 0.0128
	- Min	<u>0.0278</u> 0.0169	<u>0.0262</u> 0.0142	<u>0.0072</u> 0.0108	<u>0.0423</u> 0.0243	<u>0.0392</u> 0.0175	<u>0.0273</u> 0.0155	<u>0.0150</u> 0.0128
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SOUTHWEST AREA (SW)	- Del	<u>\$28.8953</u> \$9.9415	<u>\$28.2485</u> \$8.7620	<u>\$22.7890</u> \$7.4140	<u>\$3.2035</u> \$1.3480	<u>\$9.2748</u> \$4.2125	<u>\$17.4920</u> \$5.2235	<u>\$20.8421</u> \$6.2345
	- Cap	<u>0.9500</u> 0.3272	<u>0.9287</u> 0.2883	<u>0.7492</u> 0.2440	<u>0.1053</u> 0.0443	<u>0.3049</u> 0.1386	<u>0.5751</u> 0.1719	<u>0.6852</u> 0.2052
	- Cmd	<u>0.0629</u> 0.0303	<u>0.0613</u> 0.0276	<u>0.0423</u> 0.0243	<u>0.0031</u> 0.0067	<u>0.0150</u> 0.0169	<u>0.0273</u> 0.0195	<u>0.0351</u> 0.0216
	- Min	<u>0.0629</u> 0.0303	<u>0.0613</u> 0.0276	<u>0.0423</u> 0.0243	<u>0.0031</u> 0.0067	<u>0.0150</u> 0.0169	<u>0.0273</u> 0.0195	<u>0.0351</u> 0.0216
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SW – Southern	- Del	<u>\$27.3007</u>	<u>\$26.6539</u>	<u>\$21.1944</u>	<u>\$9.2748</u>	<u>\$7.6802</u>	<u>\$15.8974</u>	<u>\$19.2475</u>

(ML-5)	- Cap	\$8.5935 <u>0.8976</u>	\$7.4140 <u>0.8763</u>	\$6.0660 <u>0.6968</u>	\$4.2125 <u>0.3049</u>	\$2.8645 <u>0.2525</u>	\$3.8755 <u>0.5227</u>	\$4.8865 <u>0.6328</u>
	- Cmd	0.2828 <u>0.0598</u>	0.2440 <u>0.0582</u>	0.1996 <u>0.0392</u>	0.1386 <u>0.0150</u>	0.0942 <u>0.0119</u>	0.1275 <u>0.0242</u>	0.1608 <u>0.0320</u>
	- Min	0.0236 <u>0.0598</u>	0.0209 <u>0.0582</u>	0.0175 <u>0.0392</u>	0.0169 <u>0.0150</u>	0.0101 <u>0.0119</u>	0.0128 <u>0.0242</u>	0.0148 <u>0.0320</u>
	- Ovm	0.0236 <u>0.0209</u>	0.0209 <u>0.0175</u>	0.0175 <u>0.0169</u>	0.0169 <u>0.0101</u>	0.0101 <u>0.0128</u>	0.0128 <u>0.0148</u>	0.0148 <u>0.0148</u>
	- Ovm	1/	1/	1/	1/	1/	1/	1/
SW – Central	- Del	<u>\$21.2294</u>	<u>\$20.5826</u>	<u>\$15.1232</u>	<u>\$17.4920</u>	<u>\$15.8974</u>	<u>\$9.8261</u>	<u>\$13.1763</u>
(ML-6)	- Cap	\$7.5825 <u>0.6980</u>	\$6.4030 <u>0.6767</u>	\$5.0550 <u>0.4972</u>	\$5.2235 <u>0.5751</u>	\$3.8755 <u>0.5227</u>	\$2.8645 <u>0.3230</u>	\$3.8755 <u>0.4332</u>
	- Cmd	0.2495 <u>0.0479</u>	0.2107 <u>0.0463</u>	0.1663 <u>0.0273</u>	0.1719 <u>0.0273</u>	0.1275 <u>0.0242</u>	0.0942 <u>0.0123</u>	0.1275 <u>0.0201</u>
	- Min	0.0216 <u>0.0479</u>	0.0189 <u>0.0463</u>	0.0155 <u>0.0273</u>	0.0195 <u>0.0273</u>	0.0128 <u>0.0242</u>	0.0108 <u>0.0123</u>	0.0128 <u>0.0201</u>
	- Ovm	0.0216 <u>0.0189</u>	0.0189 <u>0.0155</u>	0.0155 <u>0.0195</u>	0.0195 <u>0.0128</u>	0.0128 <u>0.0108</u>	0.0108 <u>0.0128</u>	0.0128 <u>0.0128</u>
	- Ovm	1/	1/	1/	1/	1/	1/	1/
NORTHERN	- Del	<u>\$13.0122</u>	<u>\$12.3654</u>	<u>\$6.9060</u>	<u>\$20.8421</u>	<u>\$19.2475</u>	<u>\$13.1763</u>	<u>\$4.9591</u>
(ML-7)	- Cap	\$6.5715 <u>0.4278</u>	\$5.3920 <u>0.4065</u>	\$4.0440 <u>0.2270</u>	\$6.2345 <u>0.6852</u>	\$4.8865 <u>0.6328</u>	\$3.8755 <u>0.4332</u>	\$2.8645 <u>0.1630</u>
	- Cmd	0.2162 <u>0.0356</u>	0.1774 <u>0.0340</u>	0.1330 <u>0.0150</u>	0.2052 <u>0.0351</u>	0.1608 <u>0.0320</u>	0.1275 <u>0.0201</u>	0.0942 <u>0.0078</u>
	- Min	0.0189 <u>0.0356</u>	0.0162 <u>0.0340</u>	0.0128 <u>0.0150</u>	0.0216 <u>0.0351</u>	0.0148 <u>0.0320</u>	0.0128 <u>0.0201</u>	0.0101 <u>0.0078</u>
	- Ovm	0.0189 <u>0.0162</u>	0.0162 <u>0.0128</u>	0.0128 <u>0.0216</u>	0.0216 <u>0.0148</u>	0.0148 <u>0.0128</u>	0.0128 <u>0.0101</u>	0.0101 <u>0.0101</u>
	- Ovm	1/	1/	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/	\$1.3103 <u>\$2.8928</u>	\$0.0431 <u>\$0.0951</u>	\$0.0032 <u>\$0.0078</u>	\$0.0032 <u>\$0.0078</u>
2 Hour Notice Service 2/	\$2.9022 <u>\$2.3970</u>	\$0.0954 <u>\$0.0788</u>	\$0.0170 <u>\$0.0124</u>	\$0.0170 <u>\$0.0124</u>
Balancing Service 2/	\$0.2325 <u>\$0.1278</u>	\$0.0077 <u>\$0.0042</u>	\$0.0003 <u>\$0.0001</u>	\$0.0003 <u>\$0.0001</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 Section 6.24 of the General Terms and Conditions of this Tariff.~~ including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20 ~~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	<u>\$0.1499</u>	<u>\$0.5279</u>	<u>\$0.6631</u>	<u>\$1.9629</u>	<u>\$1.8549</u>	<u>\$1.4438</u>	<u>\$0.8912</u>
		\$0.0802	\$0.3187	\$0.3824	\$0.6840	\$0.5885	\$0.5257	\$0.4509
	- MIN	<u>0.0016</u>	<u>0.0206</u>	<u>0.0278</u>	<u>0.0629</u>	<u>0.0598</u>	<u>0.0479</u>	<u>0.0356</u>
		0.0027	0.0142	0.0169	0.0303	0.0236	0.0216	0.0189
SE – Southern (ML-2)	- Cmd	<u>\$0.5279</u>	<u>\$0.4838</u>	<u>\$0.6190</u>	<u>\$1.9188</u>	<u>\$1.8108</u>	<u>\$1.3997</u>	<u>\$0.8471</u>
		\$0.3187	\$0.2385	\$0.3022	\$0.6038	\$0.5083	\$0.4455	\$0.3707
	- MIN	<u>0.0206</u>	<u>0.0190</u>	<u>0.0262</u>	<u>0.0613</u>	<u>0.0582</u>	<u>0.0463</u>	<u>0.0340</u>
		0.0142	0.0115	0.0142	0.0276	0.0209	0.0189	0.0162
SE – Central (ML-3)	- Cmd	<u>\$0.6631</u>	<u>\$0.6190</u>	<u>\$0.2410</u>	<u>\$1.5408</u>	<u>\$1.4328</u>	<u>\$1.0217</u>	<u>\$0.4691</u>
		\$0.3824	\$0.3022	\$0.1937	\$0.4953	\$0.3998	\$0.3370	\$0.2622
	- MIN	<u>0.0278</u>	<u>0.0262</u>	<u>0.0072</u>	<u>0.0423</u>	<u>0.0392</u>	<u>0.0273</u>	<u>0.0150</u>
		0.0169	0.0142	0.0108	0.0243	0.0175	0.0155	0.0128
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SOUTHWEST AREA (SW)	- Cmd	<u>\$1.9629</u>	<u>\$1.9188</u>	<u>\$1.5408</u>	<u>\$0.2138</u>	<u>\$0.6249</u>	<u>\$1.1775</u>	<u>\$1.4056</u>
		\$0.6840	\$0.6038	\$0.4953	\$0.0954	\$0.2882	\$0.3630	\$0.4315
	- MIN	<u>0.0629</u>	<u>0.0613</u>	<u>0.0423</u>	<u>0.0031</u>	<u>0.0150</u>	<u>0.0273</u>	<u>0.0351</u>
		0.0303	0.0276	0.0243	0.0067	0.0169	0.0195	0.0216
SW – Southern (ML-5)	- Cmd	<u>\$1.8549</u>	<u>\$1.8108</u>	<u>\$1.4328</u>	<u>\$0.6249</u>	<u>\$0.5169</u>	<u>\$1.0695</u>	<u>\$1.2976</u>
		\$0.5885	\$0.5083	\$0.3998	\$0.2882	\$0.1928	\$0.2676	\$0.3361
	- MIN	<u>0.0598</u>	<u>0.0582</u>	<u>0.0392</u>	<u>0.0150</u>	<u>0.0119</u>	<u>0.0242</u>	<u>0.0320</u>
		0.0236	0.0209	0.0175	0.0169	0.0101	0.0128	0.0148
SW – Central (ML-6)	- Cmd	<u>\$1.4438</u>	<u>\$1.3997</u>	<u>\$1.0217</u>	<u>\$1.1775</u>	<u>\$1.0695</u>	<u>\$0.6584</u>	<u>\$0.8865</u>
		\$0.5257	\$0.4455	\$0.3370	\$0.3630	\$0.2676	\$0.2048	\$0.2732
	- MIN	<u>0.0479</u>	<u>0.0463</u>	<u>0.0273</u>	<u>0.0273</u>	<u>0.0242</u>	<u>0.0123</u>	<u>0.0201</u>
		0.0216	0.0189	0.0155	0.0195	0.0128	0.0108	0.0128
<hr/>								
NORTHERN (ML-7)	- Cmd	<u>\$0.8912</u>	<u>\$0.8471</u>	<u>\$0.4691</u>	<u>\$1.4056</u>	<u>\$1.2976</u>	<u>\$0.8865</u>	<u>\$0.3339</u>
		\$0.4509	\$0.3707	\$0.2622	\$0.4315	\$0.3361	\$0.2732	\$0.1984
	- MIN	<u>0.0356</u>	<u>0.0340</u>	<u>0.0150</u>	<u>0.0351</u>	<u>0.0320</u>	<u>0.0201</u>	<u>0.0078</u>
		0.0189	0.0162	0.0128	0.0216	0.0148	0.0128	0.0101

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 Section 6.24 of the General Terms and Conditions of this Tariff.~~ including but not limited to those charges in Sections 4.16, 4.18, 4.19 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/	\$ 1.6266 <u>3.0638</u>	\$ 0.0373 <u>0.0465</u>
IPLS 1/	\$ 0.3901 <u>0.8769</u>	\$0.0000
IWS 1/- Joliet Hub	\$ 0.2122 <u>0.3339</u>	\$0.0000
IWS 1/ - Lebanon Hub	\$ 0.1988 <u>0.2410</u>	\$0.0000

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. including but not limited to those charges in~~ Sections 4.16, 4.18, 4.19, and 4.20 ~~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 -----
RATE SCHEDULE FSS 1/ For a service term of 1 year or less		

With Ratchets and Seasonal Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 2.4205 <u>1.7321</u>	\$ 0
b. Capacity Rate	\$ 0.4746 <u>0.7697</u>	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0124</u>	\$ 0.0126 <u>0.0124</u>
3. Overrun Service Rate	2/ 	\$ 0.0126 <u>0.0124</u>
With Ratchets and Flexible Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 2.9069 <u>3.4879</u>	\$ 0
b. Capacity Rate	\$ 0.4746 <u>0.7697</u>	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0124</u>	\$ 0.0126 <u>0.0124</u>
3. Overrun Service Rate	2/ 	\$ 0.0126 <u>0.0124</u>
Without Ratchets and Seasonal Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 3.0849 <u>2.1651</u>	\$ 0
b. Capacity Rate	\$ 0.4746 <u>0.7697</u>	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0124</u>	\$ 0.0126 <u>0.0124</u>
3. Overrun Service Rate	2/ 	\$ 0.0126 <u>0.0124</u>
Without Ratchets and Flexible Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 3.5595 <u>3.9209</u>	\$ 0
b. Capacity Rate	\$ 0.4746 <u>0.7697</u>	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0124</u>	\$ 0.0126 <u>0.0124</u>
3. Overrun Service Rate	2/ 	\$ 0.0126 <u>0.0124</u>

~~RATE SCHEDULE FSS - 1/~~

~~For a service term of greater than 1 year up to and including 3 years~~

~~With Ratchets and Seasonal Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 2.0400	\$ 0
b. Capacity Rate	\$ 0.4000	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

~~With Ratchets and Flexible Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 2.4500	\$ 0
b. Capacity Rate	\$ 0.4000	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

~~Without Ratchets and Seasonal Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 2.6000	\$ 0
b. Capacity Rate	\$ 0.4000	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

~~Without Ratchets and Flexible Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 3.0000	\$ 0
b. Capacity Rate	\$ 0.4000	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

~~RATE SCHEDULE FSS - 1/~~

~~For a service term of greater than 3 years~~

~~With Ratchets and Seasonal Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 2.0349	\$ 0
b. Capacity Rate	\$ 0.3990	\$ 0

2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

~~With Ratchets and Flexible Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 2.4439	\$ 0
b. Capacity Rate	\$ 0.3990	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

~~Without Ratchets and Seasonal Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 2.5935	\$ 0
b. Capacity Rate	\$ 0.3990	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

~~Without Ratchets and Flexible Entitlements~~

1. Reservation Rate		
a. Deliverability Rate	\$ 2.9925	\$ 0
b. Capacity Rate	\$ 0.3990	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

RATE SCHEDULE DDS 3/

1. Storage Commodity Rate	\$ 0.0874 <u>0.0064</u>	\$ 0.0126 <u>0.0004</u>
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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.~~ including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20 ~~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 Section 6.24 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 -----
RATE SCHEDULE FSS		
For a service term of 1 year or less		

With Ratchets and Seasonal Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 2.7052 <u>2.8775</u>	\$ 0
b. Capacity Rate	\$ 0.5717 <u>1.0271</u>	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0176</u>	\$ 0.0126 <u>0.0176</u>
3. Overrun Service Rate	2/	\$ 0.0126 <u>0.0176</u>
With Ratchets and Flexible Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 3.1798 <u>5.6444</u>	\$ 0
b. Capacity Rate	\$ 0.5717 <u>1.0271</u>	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0176</u>	\$ 0.0126 <u>0.0176</u>
3. Overrun Service Rate	2/	\$ 0.0126 <u>0.0176</u>
Without Ratchets and Seasonal Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 3.3815 <u>3.5969</u>	\$ 0
b. Capacity Rate	\$ 0.5717 <u>1.0271</u>	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0176</u>	\$ 0.0126 <u>0.0176</u>
3. Overrun Service Rate	2/	\$ 0.0126 <u>0.0176</u>
Without Ratchets and Flexible Entitlements		

1. Reservation Rate		
a. Deliverability Rate	\$ 3.8561 <u>6.3638</u>	\$ 0
b. Capacity Rate	\$ 0.5717 <u>1.0271</u>	\$ 0

2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126 <u>0.0176</u>	\$ 0.0126 <u>0.0176</u>
3. Overrun Service Rate	2/	\$ 0.0126 <u>0.0176</u>

RATE SCHEDULE FSS

For a service term of greater than 1 year up to and including 3 years

With Ratchets and Seasonal Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 2.2800	\$ 0
b. Capacity Rate	\$ 0.4818	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

With Ratchets and Flexible Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 2.6800	\$ 0
b. Capacity Rate	\$ 0.4818	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

Without Ratchets and Seasonal Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 2.8500	\$ 0
b. Capacity Rate	\$ 0.4818	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

Without Ratchets and Flexible Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 3.2500	\$ 0
b. Capacity Rate	\$ 0.4818	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

RATE SCHEDULE FSS

For a service term of greater than 3 years

With Ratchets and Seasonal Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 2.2743	\$ 0
b. Capacity Rate	\$ 0.4806	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

With Ratchets and Flexible Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 2.6733	\$ 0
b. Capacity Rate	\$ 0.4806	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

Without Ratchets and Seasonal Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 2.8429	\$ 0
b. Capacity Rate	\$ 0.4806	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

Without Ratchets and Flexible Entitlements

1. Reservation Rate		
a. Deliverability Rate	\$ 3.2419	\$ 0
b. Capacity Rate	\$ 0.4806	\$ 0
2. Commodity Rate		
Injection/Withdrawal	\$ 0.0126	\$ 0.0126
3. Overrun Service Rate	2/	\$ 0.0126

RATE SCHEDULE DDS 1/

1. Storage Commodity Rate	\$ 0.0993 <u>0.0098</u>	\$ 0.0126 <u>0.0006</u>
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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. including but not limited to those charges in~~ Sections 4.16, 4.18, 4.19, and 4.20 ~~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	\$6.8750 <u>10.5795</u>
2. Commodity Rate	0.0165 <u>0.0202</u>
3. Overrun Service Rate	0.3555 <u>0.5419</u>

RATE SCHEDULE MBS 1/

1. Daily Delivery Rate	
a. Northern Segment	\$0.2596 <u>0.4060</u>
b. Southeast Mainline	0.4311 <u>0.9061</u>
c. Southwest Mainline	0.3904 <u>1.3576</u>
2. Capacity Rate	\$0.0449 <u>0.0641</u>
3. Commodity Rate 2/	
a. Northern Segment Delivery	\$0.0218 <u>0.0163</u>
b. Southeast Mainline Delivery	0.0248 <u>0.0294</u>
c. Southwest Mainline Delivery	0.0241 <u>0.0284</u>
4. Overrun Service Rate	\$0.4357 <u>0.5419</u>

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.~~ including but not limited to those charges in Sections 4.16, 4.18, 4.19, and 4.20 ~~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 -----		
	Reservation Rate ----- (Col. 2)	Commodity Rate ----- (Col. 3)	Minimum Rate Per Dth ----- (Col. 4)
RATE SCHEDULES FTS-1, FTS-4, FTS-4L, ETS (1) AND PTS-2 -----			
1. Rate			
a. Mainline - Access	\$3.7070 <u>3.2178</u>	\$0.0081 <u>0.0000</u>	\$0.0081 <u>0.0000</u>
b. Mainline - Southwest Southern Segment	2.0220 <u>12.1425</u>	0.0020 <u>0.0119</u>	0.0020 <u>0.0119</u>
c. Mainline - Southwest Central Segment	2.0220 <u>16.4344</u>	0.0027 <u>0.0123</u>	0.0027 <u>0.0123</u>
d. Mainline - Southeast Southern Segment	2.6960 <u>10.9189</u>	0.0034 <u>0.0190</u>	0.0034 <u>0.0190</u>
e. Mainline - Southeast Central Segment	2.3590 <u>3.8938</u>	0.0027 <u>0.0072</u>	0.0027 <u>0.0072</u>
f. Mainline - Northern Segment	2.0220 <u>6.7003</u>	0.0020 <u>0.0078</u>	0.0020 <u>0.0078</u>
g. Southeast Area - Transmission (2)	2.3590 <u>1.2936</u>	0.0027 <u>0.0016</u>	0.0027 <u>0.0016</u>
h. Southwest Area - Transmission (2)	2.6960 <u>3.1892</u>	0.0067 <u>0.0031</u>	0.0067 <u>0.0031</u>
2. ETS Mainline Rate Increment	(1)	(1)	(1)
3. Overrun Service Rate	(3)	(3)	(3)

RATE SCHEDULE FTS-2

1. Rate			
a. Mainline - Access	\$2.4372 <u>2.1158</u>	\$0.0499 <u>0.0362</u>	\$0.0081 <u>0.0000</u>
b. Mainline - Southwest Southern Segment	1.3291 <u>7.9841</u>	0.0248 <u>0.1486</u>	0.0020 <u>0.0119</u>
c. Mainline - Southwest Central Segment	1.3291 <u>10.8062</u>	0.0255 <u>0.1973</u>	0.0027 <u>0.0123</u>
d. Mainline - Southeast Southern Segment	1.7679 <u>7.1796</u>	0.0337 <u>0.1419</u>	0.0034 <u>0.0190</u>
e. Mainline - Southeast Central Segment	1.5515 <u>2.5603</u>	0.0293 <u>0.0510</u>	0.0027 <u>0.0072</u>
f. Mainline - Northern Segment	1.3291 <u>4.4057</u>	0.0248 <u>0.0832</u>	0.0020 <u>0.0078</u>
g. Southeast Area - Transmission	1.5515 <u>0.8506</u>	0.0293 <u>0.0162</u>	0.0027 <u>0.0016</u>
h. Southwest Area - Transmission	1.7726 <u>2.0970</u>	0.0372 <u>0.0390</u>	0.0067 <u>0.0031</u>
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 ~~the delivery~~each segment is equal to one and one-half times the FTS-1 Mainline Mileage rate. ~~For Rate Schedule ETS an incremental reservation rate of \$0.8196 is charged. For all other segments, the ETS Mainline Mileage reservation rate is equal to the FTS-1 Mainline Mileage rate.~~ 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					Overrun Rate
	Deliverability Rate	Capacity Rate	Commodity Rate	Minimum Rate		
Base Rate 1/						
Mainline - Access	<u>\$1.6089</u> \$1.8535	<u>\$0.0529</u> \$0.0609	<u>\$0.0000</u> \$0.0081	<u>\$0.0000</u> \$0.0081		2/
Mainline - SW - Southern	<u>\$6.0713</u> \$1.0140	<u>\$0.1996</u> \$0.0333	<u>\$0.0119</u> \$0.0020	<u>\$0.0119</u> \$0.0020		2/
Mainline - SW - Central	<u>\$8.2172</u> \$1.0140	<u>\$0.2702</u> \$0.0333	<u>\$0.0123</u> \$0.0027	<u>\$0.0123</u> \$0.0027		2/
Mainline - SE - Southern	<u>\$5.4595</u> \$1.3480	<u>\$0.1795</u> \$0.0443	<u>\$0.0190</u> \$0.0034	<u>\$0.0190</u> \$0.0034		2/
Mainline - SE - Central	<u>\$1.9469</u> \$1.1795	<u>\$0.0640</u> \$0.0388	<u>\$0.0072</u> \$0.0027	<u>\$0.0072</u> \$0.0027		2/
Mainline - Northern	<u>\$3.3502</u> \$1.0140	<u>\$0.1101</u> \$0.0333	<u>\$0.0078</u> \$0.0020	<u>\$0.0078</u> \$0.0020		2/
Southeast Area	<u>\$0.6468</u> \$1.1795	<u>\$0.0213</u> \$0.0388	<u>\$0.0016</u> \$0.0027	<u>\$0.0016</u> \$0.0027		2/
Southwest Area	<u>\$1.5946</u> \$1.3480	<u>\$0.0524</u> \$0.0443	<u>\$0.0031</u> \$0.0067	<u>\$0.0031</u> \$0.0067		2/
Enhancement Services Option 3/	<u>\$2.8928</u> \$1.3103	<u>\$0.0951</u> \$0.0431	<u>\$0.0078</u> \$0.0032	<u>\$0.0078</u> \$0.0032		
2 Hour Notice Service 3/	<u>\$2.3970</u> \$2.9022	<u>\$0.0788</u> \$0.0954	<u>\$0.0124</u> \$0.0170	<u>\$0.0124</u> \$0.0170		
Balancing Service 3/	<u>\$0.1278</u> \$0.2325	<u>\$0.0042</u> \$0.0077	<u>\$0.0001</u> \$0.0003	<u>\$0.0001</u> \$0.0003		

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.~~ including but not limited to those charges in Section 4.16, 4.18, 4.19, and 4.20 ~~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	\$0.1299 <u>0.1058</u>	\$0.0081 <u>0.0000</u>
b. Mainline - Southwest Southern Segment	0.0628 <u>0.4111</u>	0.0020 <u>0.0119</u>
c. Mainline - Southwest Central Segment	0.0748 <u>0.5526</u>	0.0027 <u>0.0123</u>
d. Mainline - Southeast Southern Segment	0.1085 <u>0.3780</u>	0.0034 <u>0.0190</u>
e. Mainline - Southeast Central Segment	0.0638 <u>0.1352</u>	0.0027 <u>0.0072</u>
f. Mainline - Northern Segment	0.0685 <u>0.2281</u>	0.0020 <u>0.0078</u>
g. Southwest Area (1)	0.0954 <u>0.1080</u>	0.0067 <u>0.0031</u>
h. Southeast Area (1)	0.0802 <u>0.0441</u>	0.0027 <u>0.0016</u>

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

~~Reserved for Future Use.~~

4.20 SYSTEM IMPROVEMENT MODERNIZATION MECHANISM (SIMM) CHARGES

SIMM-T CHARGE
RATE SCHEDULE ETS
MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		(DOLLARS PER DTH)						
		SOUTHEAST			SOUTHWEST			NORTHERN
	TO:	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)
	FROM:							
	SOUTHEAST AREA (SE)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.E. SOUTHERN SEGMENT (ML-2)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.E. CENTRAL SEGMENT (ML-3)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	SOUTHWEST AREA (SW)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.W. SOUTHERN SEGMENT (ML-5)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.W. CENTRAL SEGMENT (ML-6)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	NORTHERN SEGMENT (ML-7)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SIMM-T CHARGE
RATE SCHEDULE FTS-1, FTS-4, & FTS-4L
MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		<u>(DOLLARS PER DTH)</u>						
		<u>SOUTHEAST</u>			<u>SOUTHWEST</u>			<u>NORTHERN</u>
	<u>TO:</u>	<u>S.E.</u> <u>Area</u> <u>(SE)</u>	<u>Southern</u> <u>Segment</u> <u>(ML-2)</u>	<u>Central</u> <u>Segment</u> <u>(ML-3)</u>	<u>S.W.</u> <u>Area</u> <u>(SW)</u>	<u>Southern</u> <u>Segment</u> <u>(ML-5)</u>	<u>Central</u> <u>Segment</u> <u>(ML-6)</u>	<u>Segment</u> <u>(ML-7)</u>
	<u>FROM:</u>							
	<u>SOUTHEAST AREA (SE)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.E. SOUTHERN SEGMENT (ML-2)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.E. CENTRAL SEGMENT (ML-3)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>SOUTHWEST AREA (SW)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.W. SOUTHERN SEGMENT (ML-5)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.W. CENTRAL SEGMENT (ML-6)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>NORTHERN SEGMENT (ML-7)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>

SIMM-T CHARGE
RATE SCHEDULE FTS-2
MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		(DOLLARS PER DTH)						
		SOUTHEAST			SOUTHWEST			NORTHERN
	TO:	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)
	FROM:							
	SOUTHEAST AREA (SE)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.E. SOUTHERN SEGMENT (ML-2)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.E. CENTRAL SEGMENT (ML-3)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	SOUTHWEST AREA (SW)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.W. SOUTHERN SEGMENT (ML-5)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	S.W. CENTRAL SEGMENT (ML-6)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	NORTHERN SEGMENT (ML-7)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SIMM-T CHARGE
RATE SCHEDULE FTS-3
MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		<u>(DOLLARS PER DTH)</u>						
		<u>SOUTHEAST</u>			<u>SOUTHWEST</u>			<u>NORTHERN</u>
	<u>TO:</u>	<u>S.E.</u> <u>Area</u> <u>(SE)</u>	<u>Southern</u> <u>Segment</u> <u>(ML-2)</u>	<u>Central</u> <u>Segment</u> <u>(ML-3)</u>	<u>S.W.</u> <u>Area</u> <u>(SW)</u>	<u>Southern</u> <u>Segment</u> <u>(ML-5)</u>	<u>Central</u> <u>Segment</u> <u>(ML-6)</u>	<u>Segment</u> <u>(ML-7)</u>
	<u>FROM:</u>							
	<u>SOUTHEAST AREA (SE)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.E. SOUTHERN SEGMENT (ML-2)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.E. CENTRAL SEGMENT (ML-3)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>SOUTHWEST AREA (SW)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.W. SOUTHERN SEGMENT (ML-5)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.W. CENTRAL SEGMENT (ML-6)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>NORTHERN SEGMENT (ML-7)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>

SIMM-T CHARGE
RATE SCHEDULE ITS
MATRIX OF SIMM TRANSMISSION RATES PER DTH BY ROUTE

		<u>(DOLLARS PER DTH)</u>						
		<u>SOUTHEAST</u>			<u>SOUTHWEST</u>			<u>NORTHERN</u>
	<u>TO:</u>	<u>S.E.</u> <u>Area</u> <u>(SE)</u>	<u>Southern</u> <u>Segment</u> <u>(ML-2)</u>	<u>Central</u> <u>Segment</u> <u>(ML-3)</u>	<u>S.W.</u> <u>Area</u> <u>(SW)</u>	<u>Southern</u> <u>Segment</u> <u>(ML-5)</u>	<u>Central</u> <u>Segment</u> <u>(ML-6)</u>	<u>Segment</u> <u>(ML-7)</u>
	<u>FROM:</u>							
	<u>SOUTHEAST AREA (SE)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.E. SOUTHERN SEGMENT (ML-2)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.E. CENTRAL SEGMENT (ML-3)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>SOUTHWEST AREA (SW)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.W. SOUTHERN SEGMENT (ML-5)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>S.W. CENTRAL SEGMENT (ML-6)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
	<u>NORTHERN SEGMENT (ML-7)</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>

SIMM-S CHARGES
RATE SCHEDULE FSS

(DOLLARS PER DTH)

The FSS rate schedules will be assessed the following charges:

1. With Ratchets and Seasonal Entitlements:

<u>Deliverability</u>	<u>\$0.0000</u>
<u>Capacity</u>	<u>\$0.0000</u>

2. With Ratchets and Flexible Entitlements:

<u>Deliverability</u>	<u>\$0.0000</u>
<u>Capacity</u>	<u>\$0.0000</u>

3. Without Ratchets and Seasonal Entitlements:

<u>Deliverability</u>	<u>\$0.0000</u>
<u>Capacity</u>	<u>\$0.0000</u>

4. Without Ratchets and Flexible Entitlements:

<u>Deliverability</u>	<u>\$0.0000</u>
<u>Capacity</u>	<u>\$0.0000</u>

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 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 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 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)~~ 3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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~~.

~~34.~~ 4. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

~~4~~5. 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~~5 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~~6. 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~~5 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, in addition to all the charges set forth in Section 5.1.3 paragraph ~~4~~5 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~~ 5 and ~~5~~6(a), above.

~~6~~7. 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.

8. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.

~~7~~9. 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~~10. 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 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~~11. 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 Section 6.24 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~~ ~~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 two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, 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. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.
- ~~6~~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 Maximum Storage Quantity by the end of the Winter Period, then Transporter shall reduce Working Storage Gas for Cycling Fuel.
- ~~7~~8. 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~~9. 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~~10. 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~~11. 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)~~ 3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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~~.

~~3.4.~~ 3.4. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

4.5. 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 **4.5** 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.

5.6. 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 **4.5** of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, in addition to all the charges set forth in Section 5.3.3 paragraph **4.5** 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~~5 and ~~5~~6(a), above.

~~6~~7. 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.

8. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.

~~7~~9. 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~~10. 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.

| 911. 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)~~ 3. Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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~~.

~~34~~ 4. Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or

underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

~~4~~5. 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~~5 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~~6. 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~~5 of this Rate Schedule, shall be considered as "Unauthorized Daily Overrun Quantity" and shall be subject to a penalty rate equal to two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, in addition to all the charges set forth in Section 5.4.3 paragraph ~~4~~5 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~~5 and ~~5~~6(a), above.

~~6~~7. 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.

8. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.

~~7~~9. 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~~10. 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~~11. 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 Section 6.24 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 two (2) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days, 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. SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.

- ~~7~~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.

- ~~8~~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 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 FTS-4
Firm Transportation Service (with Minimum Flow Condition)

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, subject to the following limitations:

- (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform service requested by Shipper and such service is operationally feasible; and
- (b) 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: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- (c) Transportation Service under this Rate Schedule shall be firm, up to the Primary Route MDQs specified in the executed Agreement.
- (d) If Shipper fails to nominate by the Timely Nomination Cycle sufficient quantities of Gas, up to its Primary Route MDQ, to enable Transporter to provide FTS-4L service nominated by the Timely Nomination Cycle, Transporter shall issue a Must Flow Order ("MFO") notice to Shipper as expeditiously as is reasonably practicable via GEMStm or EDM, requiring Shipper to nominate at the Primary Receipt and Delivery Points specified in the executed Agreement (or at Secondary Receipt and Delivery Points subject to Section 5.6 paragraph 2(h) below) the quantity of Gas specified in the MFO notice. The quantity of Gas subject to and specified in an MFO notice shall be up to but shall not exceed Shipper's Primary Route MDQ. Within four (4) hours of receipt by Shipper of an MFO notice, Shipper shall be obligated to submit nominations for the Service Day and in the quantity and at the points set forth in the MFO notice. Once scheduled, Transporter shall not be obligated to accept any revised nominations from Shipper to the extent such revised nominations would affect Transporter's ability to provide FTS-4L service nominated by the Timely Nomination Cycle. Notwithstanding the foregoing, Transporter shall not issue an MFO notice to accommodate new, or an increase in, FTS-4L service nominations submitted after the Timely Nomination Cycle.

- (e) The amount of Gas specified in the MFO notice(s) shall be determined based on nominated quantities received from the affected FTS-4L Shippers for such Day and such amount shall be allocated to Shipper(s) on the basis of Confirmed Price (from lowest to highest); provided, however, that in the event of an equal Confirmed Price among Shippers, the amount of Gas among those Shippers shall be allocated on a pro-rata basis based on Primary Route MDQ.
- (f) If Shipper, on any Day, fails to comply with the MFO notice or to tender and take deliveries of the scheduled quantities of Gas that are necessary for Transporter to provide service under Rate Schedule FTS-4L ("MFO obligations"), Shipper shall be subject to a penalty of twenty-five dollars (\$25.00), plus the applicable spot price index as set forth in the Agreement, for each Dekatherm of Gas that does not comply with such MFO notice or that is scheduled but not tendered to Transporter.
- (g) Any capacity that is created as a result of Transportation Service rendered by Transporter under this Rate Schedule, shall be sold by Transporter pursuant to Rate Schedule FTS-4L. Transporter shall post on its website the availability of the FTS-4L capacity resulting from service under this Rate Schedule.
- (h) Shipper, or if applicable a Replacement Shipper, shall be entitled to (i) nominate to any Receipt or Delivery Point as a Secondary Receipt or Delivery Point, (ii) segment capacity, (iii) change any Primary Point(s) designated in its Agreement, or (iv) elevate any Secondary Point(s) designated in its Agreement, provided it does not affect Transporter's ability to provide firm Transportation Service pursuant to Rate Schedule FTS-4L.
- (i) Shipper shall be entitled, subject to the terms and conditions of Section 6.21 of the General Terms and Conditions of this Tariff, to release any or all of its firm transportation entitlements held under an Agreement, provided that such release is subject to the same MFO obligations as set forth in the Agreement and this Rate Schedule.

3. INCORPORATION OF OTHER PROVISIONS BY REFERENCE

The following sections of Rate Schedule FTS-1 are incorporated herein: 5.3.~~34~~, 5.3.~~56~~, ~~and~~ 5.3.~~67~~, and 5.3.8.

RATE SCHEDULE FTS-4L
Firm 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, subject to the following limitations:

- (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform service requested by Shipper, as a result of capacity created by Transporter's Agreement with an FTS-4 Shipper(s), and such service is operationally feasible; and
- (b) 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: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.
- (c) Transportation Service under this Rate Schedule shall be firm, up to the Primary Route MDQs specified in the executed Agreement, subject to (i) Transporter's right not to schedule service in whole or in part on any Day in which Shipper's nomination is not received by Transporter by the Timely Nomination Cycle, (ii) Transporter's right not to schedule service in whole or in part on any Day in which an FTS-4 Shipper(s), following a MFO notice issued by Transporter, fails to nominate sufficient quantities of Gas, at the Primary Receipt and Delivery Points specified in the executed FTS-4 Agreement(s) (or at Secondary Receipt and Delivery Points subject to Section 5.6 paragraph 2(h) of Rate Schedule FTS-4), and (iii) Transporter's right to curtail service in whole or in part on any Day in which an FTS-4 Shipper(s) fails to tender and take delivery of the scheduled quantities of Gas, at the Primary Receipt and Delivery Points specified in the executed FTS-4 Agreement(s) (or at Secondary Receipt and Delivery Points subject to Section 5.6 paragraph 2(h) of Rate Schedule FTS-4), that are necessary for Transporter to provide service hereunder. Transporter shall notify Shipper via GEMS[™] or EDM if service is not scheduled or is curtailed as provided herein.
- (d) Transporter shall schedule Shipper nominations under this Rate Schedule in accordance with Section 6.10.1 of the General Terms and Conditions of this Tariff.

- (e) If the failure of an FTS-4 Shipper to meet its MFO obligations causes Shipper's service to be curtailed or not to be scheduled, Shipper, along with any other affected FTS-4L Shippers, shall be entitled to any penalty revenues received by Transporter from the FTS-4 Shipper. Such penalty revenues shall be allocated among all affected FTS-4L Shippers on a pro-rata basis based on quantities of Gas curtailed or not scheduled.
- (f) Other than for any obligations pursuant to Section 5.7 paragraph 2(e) above, Transporter shall not be liable to Shipper for any costs, damages, or other liability associated with the failure of an FTS-4 Shipper to meet its MFO obligations.
- (g) Shipper, or if applicable a Replacement Shipper, shall be entitled to (i) segment capacity, (ii) change any Primary Point(s) designated in its Agreement, or (iii) elevate any Secondary Point(s) designated in its Agreement, provided it is operationally feasible taking into consideration the availability of firm capacity under Rate Schedule FTS-4 at the applicable Receipt and/or Delivery Point.

3. INCORPORATION OF OTHER PROVISIONS BY REFERENCE

The following sections of FTS-1 are incorporated herein: 5.3.~~34~~, 5.3.~~56~~, ~~and~~ 5.3.~~67~~, and 5.3.8.

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)~~ (2) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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.

~~(23)~~ Daily Scheduling Penalties. Only Shippers identified in Section 6.14.1(a)(3)(iii) or Section 6.14.1(c) 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 for overdeliveries or underdeliveries, as applicable. The rate for any such daily scheduling penalty per Dekatherm shall be one (1) times the applicable Rate Schedule ITS Maximum Rate to that Delivery Point on non-Extreme Condition Situation days, or the greater of ten dollars (\$10.00) or two (2) times the Spot Price Index for the Service Month, as defined in Section 6.16 of the General Terms and Conditions of this Tariff on posted Extreme Condition Situation days.

(34) 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.

(5) SIMM Charges. Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.

(46) 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.

(57) 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.

(68) 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.

(79) 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.

5.11.3 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)~~ 2. **Other Applicable Charges or Surcharges.** All applicable volumetric charges or surcharges, including but not limited to those charges under Section 6.24 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~~ 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. **SIMM Charges.** Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.

~~3~~ 5. **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~~ 6. **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 Section 6.24 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. **SIMM Charges.** Shipper shall pay all applicable charges or surcharges, including but not limited to those charges under Section 6.26 of the General Terms and Conditions of this Tariff. Such charges or surcharges are stated in Section 4.20.

- ~~7~~8. **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~~9. 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~~10. 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 for each ~~on the average~~ Dekatherms of Working Storage Gas which are stored for or on behalf of Shipper at the end of any Day during the Month.
- (2) Other Applicable Charges or Surcharges. All applicable reservation and volumetric charges or surcharges, as provided for under Section 6.24 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.

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:

\$~~1.250~~2.1996 for each Dekatherm of MDQ.

(2) Commodity Charge:

\$~~0.0002~~0.000 for each Dekatherm of Gas Delivered Hereunder.

3. INTERRUPTIBLE SERVICE CHARGES

Each Month Shipper shall pay to Transporter a commodity charge not to exceed \$~~0.0413~~0.0723 for each Dekatherm of Gas Delivered Hereunder.

4. FUEL AND L&U REIMBURSEMENT

Transporter shall retain 0.15% 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 0.15% 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. Unless otherwise agreed, 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 and Mexico, is 1.055056 gigajoules 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 cricondenthem, the highest temperature at which the hydrocarbon vapor-liquid equilibrium may be present. The Hydrocarbon Dewpoint (cricondenthem) 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 "GEMStm" 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 incremental revenues to Transporter produced, lost or affected by the request for service and may be based upon such factors as the term, quantity, date on which the requested service is requested to commence, cost of facilities required by Transporter to provide the service, and other factors determined to be relevant by Transporter. All determinative factors will be defined in the open season. The NPV shall also include only revenues generated by the reservation rate, or other form of revenue guarantee, as proposed by bidder(s).
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 facilities which are not directly connected.
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.
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 GEMS™ 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. 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.
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/effectuated 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~~SIMM

This Section provides for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities, Reservation Charge Credit(s) (RCC), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects during the prior period, as defined in Section 6.26.3 (Revenue Requirements) in order to modernize Transporter's system (Modernization Program). These Revenue Requirements will be recovered through separately-tracked surcharges (SIMM Rate(s)) that will be added to the base tariff rates applicable to Shippers under Transporter's ETS, STS, FTS-1, FTS-4, FTS-4L, FTS-2, FTS-3, ITS, ITS-3, and all FSS Rate Schedules set forth in this Tariff (Applicable Rate Schedules). Except as otherwise provided in this Tariff or in an individual service agreement, the SIMM-T (defined below) shall apply to service agreements under Transporter's ETS, STS, FTS-1, FTS-4, FTS-4L, FTS-2, FTS-3, ITS, and ITS-3 Rate Schedules and the SIMM-S (defined below) shall apply to service agreements under Transporter's FSS Rate Schedules. The SIMM Rates will provide for the recovery of the Revenue Requirements associated with capital expenditures incurred through November 30, 2027 related to Eligible Facilities, RCC(s), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that are placed into service during this term.

6.26.1 Transporter's SIMM Filings.

The first SIMM rate filing will implement SIMM Rate(s) to become effective April 1, 2024 to recover Revenue Requirements related to Eligible Facilities, RCC(s), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that have been placed into service between August 1, 2022 through November 30, 2023 (SIMM Period) and any trailing capital expenditures associated with such Eligible Facilities placed into service during such sixteen month period, provided that such trailing capital expenditures are incurred by Transporter before such SIMM Filing is made. Subsequently, Transporter will have the right to file to adjust the SIMM Rate(s) to become effective April 1 to additionally recover Revenue Requirements related to Eligible Facilities, RCC(s), and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that have been placed into service during the December 1 through November 30 period (SIMM Period(s)) prior to such SIMM Filing and any trailing capital expenditures associated with Eligible Facilities placed into service provided that such trailing capital expenditures are incurred by Transporter before such SIMM Filing is made. Any filings by Transporter pursuant to this Section 6.26 are referred to in this Tariff as a SIMM Filing.

6.26.2 SIMM Implementation.

- (a) Eligible Facilities have been defined in the Eligible Facilities Plan (EFP) as filed by Transporter with the FERC and also include the facilities added in accordance with Section 6.26.2(a)(1) and Section 6.26.2(a)(2) of this Tariff. Each Eligible Facilities investment will be allocated to the appropriate transmission (SIMM-T) or storage (SIMM-S) rates in accordance with Section 6.26.3 of this Tariff. Transporter's SIMM Filings will revise the SIMM Rate(s) to take into account both changes in the Revenue Requirements and over/under recovered Revenue Requirements from the preceding periods.
- (1) Transporter retains the discretion to recover capital expenditures associated with projects related to facilities not listed in the EFP through the SIMM Rate(s) set forth in any SIMM Filing provided that the expenditures are for one or more projects falling within one or both of the following categories: (1) projects to address issues that ANR believes could lead to imminent unsafe conditions; and (2) projects that ANR deems necessary to comply with new legislative and/or regulatory requirements provided such construction projects do not result in the cost limits set forth in Section 6.26.2(c) of this Tariff being exceeded.
- (2) Transporter shall be permitted to recover capital expenditures associated with facilities that are not listed in the EFP and that do not fall into one of the categories listed in Section 6.26.2(a)(1) provided that Transporter receives the consent of shippers constituting 75 percent of the billing determinants subject to the applicable SIMM Rate(s) or upon a determination by the Commission that the costs associated with the proposed Eligible Facilities are prudent modernizations costs. Such facilities will be deemed to be Eligible Facilities for purposes of this Tariff.
- (b) Shippers will retain the right to challenge the prudence of any such proposed costs at the time ANR files to recover the costs via the SIMM.
- (c) The total amount of prudent investment in Eligible Facilities incurred for which Revenue Requirements may be recovered through the SIMM will not exceed the program cap of \$900 million, plus a 15 percent tolerance. The initial date of such investment will be deemed to have begun on August 1, 2022. Any costs exceeding the cost limits shall be treated as GPMC under Section 6.26.3(d) of this Tariff.
- (d) Transporter will expend annual general plant maintenance capital (GPMC) costs of \$100 million per year for transmission and storage function projects (GPMC Projects) and such GPMC Projects will not be considered Eligible Facilities. If Transporter expends less than \$100 million in GPMC, the difference will be used to reduce the plant investment included in the SIMM and the total amount of Eligible Facilities for

which the Revenue Requirements would be recoverable through the SIMM will be adjusted downward by such difference.

6.26.3 SIMM Rate Calculation.

In each SIMM Filing, Transporter will calculate the SIMM Rate(s) and allocate to the Applicable Rate Schedules (as defined above) on an as-billed basis and in a manner consistent with Transporter's currently effective cost allocation and rate design, as set forth below:

(a) Transporter will first calculate the Revenue Requirements related to those Eligible Facilities, RCCs, and other applicable costs associated with alternatives to mitigate and/or avoid firm service outages directly related to construction of Eligible Facilities projects that were placed in and remained in service during the applicable SIMM Periods set forth in Section 6.26.1 of this Tariff and any applicable trailing capital expenditures associated with such Eligible Facilities placed into service during such applicable prior SIMM Period.

(1) The Transmission Revenue Requirements associated with Eligible Facilities will consist of (A) a total rate base multiplier of 17.39 percent, which is comprised of: (i) a pre-tax rate of return of 15.13 percent and (ii) a taxes other than income taxes (TOIT) rate of 2.26 percent multiplied by the "net rate base" (i.e., the gross plant minus accumulated depreciation and accumulated deferred income taxes plus other rate base items) associated with Eligible Facilities that have been functionalized as transmission by Transporter; and (B) Transporter's transmission depreciation rate of 2.59 percent and transmission negative salvage rate of 1.41 percent multiplied by the gross plant associated with Eligible Facilities that have been functionalized as transmission by Transporter.

(2) The Storage Revenue Requirements associated with Eligible Facilities will consist of (A) a total rate base multiplier of 17.39 percent, which is comprised of: (i) a pre-tax rate of return of 15.13 percent and (ii) a TOIT of 2.26 percent multiplied by the "net rate base" (i.e., the gross plant minus accumulated depreciation and accumulated deferred income taxes plus other rate base items) associated with Eligible Facilities that have been functionalized as storage by Transporter; and (B) Transporter's storage depreciation rate of 2.24 percent and storage negative salvage rate of 1.08 percent multiplied by the gross plant associated with Eligible Facilities that have been functionalized as storage by Transporter.

(b) Transporter will allocate the Revenue Requirements across each Applicable Rate Schedule to derive the SIMM-T and SIMM-S Rates on a per unit basis, utilizing the greater of:

(1) The projected reservation billing determinants, reflecting discount adjustments for both discounted and negotiated rate contracts, based on the most recently available twelve (12) month actual billing determinants, for all system customers, including billing determinants associated with non-incremental negotiated rate contracts and anticipated contract expirations, but exclusive of contracts for capacity on incrementally-priced projects, which are not subject to the SIMM as described in Section 6.26.3(c) of the Tariff; or

(2) Transmission billing determinant floors shown in table below reflecting a 25 percent adjustment of the applicable totals reflected in the J-1 Schedules filed in ANR's 2022 Section 4 rate case filing for each SIMM Filing.

<u>Zones</u>	<u>Southeast Area (SE)</u>	<u>SE – Southern Segment (ML-2)</u>	<u>SE – Central Segment (ML-3)</u>	<u>Southwest Area (SW)</u>	<u>SW – Southern Segment (ML-5)</u>	<u>SW – Central Segment (ML-6)</u>	<u>Northern Segment (ML-7)</u>
<u>Transmission Billing Determinant Floors (Dth)</u>	<u>11,935,357</u>	<u>11,881,966</u>	<u>17,225,683</u>	<u>1,378,411</u>	<u>1,786,665</u>	<u>1,243,599</u>	<u>19,375,811</u>

(3) A storage billing determinant floor MDWQ of 12,843,887 Dth and MSQ of 75,374,322 Dth for each SIMM Filing. This storage billing determinant floor reflects a 10 percent adjustment of the applicable totals reflected in the J-1 Schedules filed in ANR's 2022 Section 4 rate case filing.

(4) If the billing determinants are lower than the floors set forth herein, Transporter will impute billing determinants at the maximum applicable rate and the revenues that would be associated with such billing determinants to reflect the above stated billing determinant levels in the calculation of the SIMM Rate(s).

(c) Subject to Section 6.26.3, ANR shall be at risk for any under-recovery of the Revenue Requirement associated with the billing determinants of non-incremental negotiated rate service agreements that are by their terms exempt from paying the SIMM.

(d) Incrementally-priced expansion projects will not be charged the SIMM Rate(s) and the billing determinants for incrementally-priced expansion projects will not be included in the calculation of the SIMM Rate(s). In the event the FERC's policy with respect to the rate treatment of incrementally-priced expansion projects changes after the effectiveness of this provision of the Tariff, any future treatment of incrementally-priced expansion projects in the SIMM will conform to the revised FERC policy.

(e) Except to the extent such results from the imputation of billing determinants under the billing determinant floors or for non-incremental negotiated rate agreements that exclude the SIMM, any over/under recovery of the Revenue Requirements will be recovered in the next succeeding SIMM Filing. The over/under recovery will be calculated each year by comparing the actual Revenue Requirements, by function, to the revenues received during the recovery period, including any revenues required to be imputed by Transporter pursuant to Section 6.26.2 of this Tariff, above.

6.26.4 Term of SIMM.

The SIMM will reflect the Revenue Requirements for capital placed into service during the term commencing August 1, 2022 and ending on November 30, 2027. Upon termination of the SIMM, Shippers under the Applicable Rate Schedules will remain subject to any unrecovered SIMM costs and Transporter will be required to refund any over-recovered SIMM costs. Any positive or negative balances in Transporter's SIMM account as of the expiration of the SIMM will be charged or refunded to Shippers, as applicable, in the next monthly billing cycle that is at least fifteen (15) days after the termination of the SIMM.